

EDP Renováveis, S.A.

Balance Sheets
at 31 December 2012 and 2011

(Expressed in thousands of Euros)

| <u>Assets</u> | <u>Note</u> | <u>2012</u> | <u>2011</u> |
|---|-------------|-------------|-------------|
| Intangible assets | 5 | 2,374 | 2,555 |
| Property, plant and equipment | 6 | 1,628 | 1,942 |
| Non-current investments in Group companies and associates | | 8,367,504 | 8,490,224 |
| Equity instruments | 8 | 4,090,612 | 4,189,354 |
| Loans to Group companies | 10.a | 4,272,201 | 4,293,063 |
| Derivatives | 11 | 4,691 | 7,807 |
| Non-current investments | | 224 | 246 |
| Deferred tax assets | 18 | 17,248 | 2,109 |
| Total non-current assets | | 8,388,978 | 8,497,076 |
| Trade and other receivables | | 2,842 | 16,247 |
| Trade receivables from Group companies and associates – current | 9 | 2,784 | 16,143 |
| Other receivables | 9 | 55 | 91 |
| Personnel | 9 | 3 | 2 |
| Public entities, other | 18 | - | 11 |
| Current investments in Group companies and associates | 10.a | 807,291 | 652,082 |
| Debt securities | | 325,082 | 303,436 |
| Derivatives | 11 | 8,711 | 2,056 |
| Other investments | | 473,498 | 346,590 |
| Prepayments for current assets | | 138 | 100 |
| Cash and cash equivalents | 12 | 541 | 788 |
| Cash | | 541 | 788 |
| Total current assets | | 810,812 | 669,217 |
| Total assets | | 9,199,790 | 9,166,293 |

The accompanying notes form an integral part of the annual accounts for 2012.

EDP Renováveis, S.A.

Balance Sheets
at 31 December 2012 and 2011

(Expressed in thousands of Euros)

| <u>Equity and Liabilities</u> | <u>Note</u> | <u>2012</u> | <u>2011</u> |
|--|-------------|------------------|------------------|
| Capital and reserves | | | |
| Capital | 13.a | 4,361,541 | 4,361,541 |
| Share premium | | 1,228,451 | 1,228,451 |
| Reserves | | 211,389 | 152,371 |
| Profit for the year | | <u>50,838</u> | <u>59,018</u> |
| Total equity | | 5,852,219 | 5,801,381 |
| Non-current provisions | | <u>876</u> | <u>1,015</u> |
| Long-term employee benefits | 14 | <u>876</u> | <u>1,015</u> |
| Non-current payables | | <u>129,960</u> | <u>79,184</u> |
| Derivatives | 11 | <u>129,960</u> | <u>79,184</u> |
| Group companies and associates, non-current | 16.a | 2,843,115 | 2,986,433 |
| Deferred tax liabilities | 18 | <u>29,866</u> | <u>28,117</u> |
| Total non-current liabilities | | <u>3,003,817</u> | <u>3,094,749</u> |
| Current payables | 16.b | 939 | 451 |
| Group companies and associates, current | 16.a | 326,683 | 250,746 |
| Trade and other payables | | <u>16,132</u> | <u>18,966</u> |
| Current payables to suppliers | 16.d | <u>1,395</u> | <u>1,555</u> |
| Suppliers, Group companies and associates, current | 16.d | <u>12,622</u> | <u>13,106</u> |
| Personnel (salaries payable) | 16.d | <u>1,839</u> | <u>4,022</u> |
| Public entities, other | 18 | <u>276</u> | <u>283</u> |
| Total current liabilities | | <u>343,754</u> | <u>270,163</u> |
| Total equity and liabilities | | <u>9,199,790</u> | <u>9,166,293</u> |

The accompanying notes form an integral part of the annual accounts for 2012.

EDP Renováveis, S.A.

Income Statements
for the years ended
31 December 2012 and 2011

(Expressed in thousands of Euros)

| | Note | 2012 | 2011 |
|---|---------------|------------------|------------------|
| CONTINUING OPERATIONS | | | |
| Revenues | 9 and 21.a | <u>272,737</u> | <u>274,012</u> |
| Self-constructed assets | | <u>198</u> | <u>473</u> |
| Other operating income | | <u>32</u> | <u>7,977</u> |
| Non-trading and other operating income | 21.e | <u>32</u> | <u>7,977</u> |
| Personnel expenses | | <u>(8,445)</u> | <u>(11,170)</u> |
| Salaries and wages | | <u>(6,751)</u> | <u>(9,763)</u> |
| Employee benefits expense | 21.c | <u>(1,694)</u> | <u>(1,407)</u> |
| Other operating expenses | | <u>(19,855)</u> | <u>(18,289)</u> |
| External services | 21.d | <u>(17,116)</u> | <u>(15,515)</u> |
| Taxes | | <u>(2,733)</u> | <u>(2,025)</u> |
| Other expenses | | <u>(6)</u> | <u>(749)</u> |
| Amortisation and depreciation | 5 and 6 | <u>(1,118)</u> | <u>(769)</u> |
| Impairment and gains/(losses) on disposal of fixed assets | | <u>-</u> | <u>-</u> |
| Results from operating activities | | <u>243,549</u> | <u>252,234</u> |
| Finance income | 9 | <u>195</u> | <u>133</u> |
| Other investment income | | <u>195</u> | <u>133</u> |
| Other | | <u>195</u> | <u>133</u> |
| Finance costs | 15 | <u>(182,693)</u> | <u>(157,242)</u> |
| Group companies and associates | | <u>(181,384)</u> | <u>(156,606)</u> |
| Other | | <u>(1,309)</u> | <u>(636)</u> |
| Change in fair value of financial instruments | 9 and 15 | <u>(5,295)</u> | <u>8,981</u> |
| Exchange gains/losses | 10.d and 16.f | <u>16,920</u> | <u>(21,345)</u> |
| Net finance cost | | <u>(170,873)</u> | <u>(169,473)</u> |
| Profit before income tax | | <u>72,676</u> | <u>82,761</u> |
| Income tax expense | 18 | <u>(21,838)</u> | <u>(23,743)</u> |
| Profit from continuing operations | | <u>50,838</u> | <u>59,018</u> |
| DISCONTINUED OPERATIONS | | <u>-</u> | <u>-</u> |
| Profit for the year | | <u>50,838</u> | <u>59,018</u> |

The accompanying notes form an integral part of the annual accounts for 2012.

EDP Renováveis, S.A.

Statements of Changes in Equity for the years ended
31 December 2012 and 2011

A) Statements of Recognised Income and Expense
for the years ended
31 December 2012 and 2011

(Expressed in thousands of Euros)

| | <u>Note</u> | <u>2012</u> | <u>2011</u> |
|--|-------------|---------------|---------------|
| Profit for the year | | <u>50,838</u> | <u>59,018</u> |
| Total income and expense recognised directly in equity | | <u>-</u> | <u>-</u> |
| Total amounts transferred to the income statement | | <u>-</u> | <u>-</u> |
| Total non-financial assets and non-financial liabilities | | <u>-</u> | <u>-</u> |
| Total recognised income and expense | | <u>50,838</u> | <u>59,018</u> |

The accompanying notes form an integral part of the annual accounts for 2012.

EDP Renováveis, S.A.

Statements of Changes in Equity for the years ended
31 December 2012 and 2011

B) Statements of Total Changes in Equity for the years ended
31 December 2012 and 2011

(Expressed in thousands of Euros)

| Entity | Capital | Share premium | Reserves | Share capital increase costs | Profit for the year | Total |
|-------------------------------|------------------|------------------|----------------|------------------------------|---------------------|------------------|
| Balance at 31 December 2011 | 4,361,541 | 1,228,451 | 186,941 | (34,570) | 59,018 | 5,801,381 |
| Recognised income and expense | - | - | - | - | 50,838 | 50,838 |
| Distribution of profit | - | - | 59,018 | - | (59,018) | - |
| Balance at 31 December 2012 | <u>4,361,541</u> | <u>1,228,451</u> | <u>245,959</u> | <u>(34,570)</u> | <u>50,838</u> | <u>5,852,219</u> |

| Entity | Capital | Share premium | Reserves | Share capital increase costs | Profit for the year | Total |
|-------------------------------|------------------|------------------|----------------|------------------------------|---------------------|------------------|
| Balance at 31 December 2010 | 4,361,541 | 1,228,451 | 142,850 | (34,570) | 44,091 | 5,742,363 |
| Recognised income and expense | - | - | - | - | 59,018 | 59,018 |
| Distribution of profit | - | - | 44,091 | - | (44,091) | - |
| Balance at 31 December 2011 | <u>4,361,541</u> | <u>1,228,451</u> | <u>186,941</u> | <u>(34,570)</u> | <u>59,018</u> | <u>5,801,381</u> |

EDP Renováveis, S.A.

Statements of Cash Flows for the years ended
31 December 2012 and 2011

(Expressed in thousands of Euros)

| | Note | 2012 | 2011 |
|--|----------|-----------|-----------|
| Cash flows from operating activities | | | |
| Profit for the year before tax | | 72,676 | 82,761 |
| Adjustments for: | | (100,607) | (106,948) |
| Amortisation and depreciation (+) | 5 and 6 | 1,118 | 769 |
| Change in provisions (+/-) | 14 | 139 | (3,178) |
| Gains/losses on disposals of fixed assets (+/-) | | - | - |
| Finance income (-) | 9 | (272,932) | (274,145) |
| Finance costs (+) | 15 | 182,693 | 157,242 |
| | 10.d and | | |
| Exchange gains/losses (+/-) | 16.f | (16,920) | 21,345 |
| Change in fair value of financial instruments (+/-) | 15 | 5,295 | (8,981) |
| Changes in operating assets and liabilities | | 10,086 | (14,226) |
| Trade and other receivables (+/-) | | 12,328 | (3,481) |
| Other current assets | | (38) | (21) |
| Trade and other payables (+/-) | | (2,826) | (3,423) |
| Other current liabilities (+/-) | | 622 | (7,301) |
| Other cash flows from operating activities | | (56,945) | (220,779) |
| Interest paid (-) | | (197,525) | (119,585) |
| Interest received (+) | | 278,172 | 260,779 |
| Payments for (collections of) loans extended to subsidiaries (+/-) | | (119,437) | (339,202) |
| Income tax paid (received) (+/-) | 18 | (18,155) | (22,771) |
| Cash flows used in operating activities | | (74,790) | (259,192) |
| Cash flows from investing activities | | | |
| Payments for investments (-) | | (31,243) | (83,766) |
| Group companies and associates | | (30,220) | (80,260) |
| Intangible assets | | (1,019) | (3,492) |
| Property, plant and equipment | | (4) | (14) |
| Proceeds from sale of investments (+) | | 65,622 | 3,739 |
| Group companies and associates | | 64,545 | - |
| Property, plant and equipment | 6 | 1,077 | 3,739 |
| Cash flows from (used in) investing activities | | 34,379 | (80,027) |
| Cash flows from financing activities | | | |
| Proceeds from and payments for financial liability instruments | | 39,036 | 158,819 |
| Issue | | | |
| Group companies and associates (+) | | 39,036 | 158,819 |
| Cash flows from financing activities | | 39,036 | 158,819 |
| Effect of exchange rate fluctuations | | 1,128 | (1,579) |
| Net decrease in cash and cash equivalents | | (247) | (181,979) |
| Cash and cash equivalents at beginning of year | 12 | 788 | 182,767 |
| Cash and cash equivalents at year end | 12 | 541 | 788 |

The accompanying notes form an integral part of the annual accounts for 2012.

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

31 December 2012

(1) Nature and Activities of the Company

EDP Renováveis, S.A. (hereinafter, “the Company”) was incorporated by public deed under Spanish law on 4 December 2007 and commenced operations on the same date. Its registered offices are at Plaza de la Gesta, 2, Oviedo.

On 18 March 2008, the shareholders agreed to change the corporate status of the Company from EDP Renováveis, S.L. to EDP Renováveis, S.A.

According to the Company’s articles of association, the statutory activity of EDP Renováveis S.A. comprises activities related to the electrical sector, specifically the projection, construction, maintenance and management of electricity production facilities, in particular those eligible for the special arrangements for electricity generation. The Company promotes and develops projects relating to energy resources and electricity production activities as well as managing and administering other companies’ equity securities.

The Company can engage in its statutory activities directly or indirectly through ownership of shares or investments in companies or entities with identical or similar statutory activities.

On 28 January 2008, EDP Energías de Portugal, S.A. informed the market and the general public that its directors had decided to launch a public share offering in EDP Renováveis, S.L. The Company completed its initial flotation in June 2008, with 22.5% of shares in the Company quoted on the Lisbon stock exchange.

As explained in note 8 the Company holds investments in subsidiaries. Consequently, in accordance with prevailing legislation, the Company is the parent of a group of companies. In accordance with generally accepted accounting principles in Spain, consolidated annual accounts must be prepared to present fairly the financial position of the Group, the results of operations and changes in its equity and cash flows. Details of investments in Group companies are provided in Appendix I.

The operating activity of the group headed by the Company is carried out in Europe, the USA and Brazil through three subgroups headed by EDP Renewables Europe, S.L.U. (EDPR EU) in Europe, EDP Renewables North America, LLC (EDPR NA, formerly Horizon Wind Energy, LLC) in the USA and EDP Renováveis Brasil in Brazil. In 2010 the Group incorporated the subsidiary EDP Renewables Canada, Ltd. to provide a base for carrying out projects in Canada.

The Company belongs to the EDP Group, of which the parent is EDP Energías de Portugal, S.A., with registered offices at Praça Marquês de Pombal, 12 – 4, Lisbon.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

In 2012, China Three Gorges Corporation (CTG) acquired 780,633,782 ordinary shares in EDP from Parpública – Participações Públicas (S.G.P.S.), S.A., representing 21.35% of the share capital and voting rights of EDP Energias de Portugal S.A., a majority shareholder of the Company.

The terms of the agreements through which CTG became a shareholder of the EDP Group stipulate that CTG would make minority investments totalling Euros 2,000 million in the assets of the EDP Renováveis Group, representing 1.5 GW of installed capacity (900 MW in operation and 600 MW under construction).

On 26 February 2013 the directors authorised for issue the consolidated annual accounts of EDP Renováveis, S.A. and subsidiaries for 2012 under International Financial Reporting Standards (IFRS) (28 February 2012 for 2011), which show consolidated profit of Euros 136.050 thousand and consolidated equity of Euros 5,748,827 thousand (Euros 90,624 thousand and Euros 5,453,725 thousand in 2011). The consolidated annual accounts will be filed at the Asturias Mercantile Registry.

(2) Basis of Presentation(a) Fair presentation

The accompanying annual accounts have been prepared on the basis of the accounting records of EDP Renováveis, S.A. The annual accounts for 2012 have been prepared in accordance with prevailing legislation and the Spanish General Chart of Accounts to present fairly the equity and financial position at 31 December 2012 and results of operations, changes in equity, and cash flows for the year then ended.

The directors consider that the accompanying annual accounts for 2012, authorised for issue on 26 February 2013, will be approved with no changes by the shareholders at their annual general meeting.

(b) Comparative information

The balance sheet, income statement, statement of changes in equity, statement of cash flows and the notes thereto for 2012 include comparative figures for 2011, which formed part of the annual accounts approved by shareholders at the annual general meeting held on 12 April 2012.

(c) Functional and presentation currency

The figures disclosed in the annual accounts are expressed in thousands of Euros, the Company's functional and presentation currency.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(d) Critical issues regarding the valuation and estimation of relevant uncertainties and judgements used when applying accounting principles

Relevant accounting estimates and judgements and other estimates and assumptions have to be made when applying the Company's accounting principles to prepare the annual accounts. A summary of the items requiring a greater degree of judgement or which are more complex, or where the assumptions and estimates made are significant to the preparation of the annual accounts, is as follows:

- Relevant accounting estimates and assumptions

The Company tests investments in Group companies for impairment on an annual basis. An asset is impaired when its carrying amount exceeds its recoverable amount, the latter of which is understood as the higher of the asset's value in use and fair value less costs to sell. The Company generally uses cash flow discounting methods to calculate these values. Discounted cash flow calculations are based on projections in the budgets approved by management. The cash flows take into consideration past experience and represent management's best estimate of future market performance. The key assumptions employed to calculate the fair value less costs to sell and value in use include growth rates in accordance with best estimates of rises in electricity prices in each country, the weighted average cost of capital and tax rates. The estimates, including the methodology used, could have a significant impact on values and impairment.

The fair value of financial instruments is based on market quotations when available. Otherwise, fair value is based on prices applied in recent, similar transactions in market conditions or on evaluation methodologies using discounted future cash flow techniques, considering market conditions, time value, the profitability curve and volatility factors. These methods may require assumptions or judgements in estimating fair value.

- Changes in accounting estimates

Although estimates are calculated by the Company's directors based on the best information available at 31 December 2012, future events may require changes to these estimates in subsequent years. Any effect on the annual accounts of adjustments to be made in subsequent years would be recognised prospectively.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(3) Distribution of Profit

The proposed distribution of 2012 profit to be submitted to the shareholders for approval at their annual general meeting is as follows:

| | <u>Euros</u> |
|----------------------------|----------------------|
| <u>Basis of allocation</u> | |
| Profit for the year | 50,838,439.82 |
| <u>Distribution</u> | |
| Legal reserve | 5,083,843.98 |
| Dividends | 34,892,326.48 |
| Voluntary reserve | <u>10,862,269.36</u> |
| Total | <u>50,838,439.82</u> |

The distribution of profit and reserves of the Company for the year ended 31 December 2011, approved by the shareholders at their annual general meeting held on 12 April 2012, is as follows:

| | <u>Euros</u> |
|----------------------------|----------------------|
| <u>Basis of allocation</u> | |
| Profit for the year | 59,018,372.50 |
| <u>Distribution</u> | |
| Legal reserve | 5,901,837.25 |
| Voluntary reserve | <u>53,116,535.25</u> |
| Total | <u>59,018,372.50</u> |

At 31 December non-distributable reserves are as follows:

| | <u>Thousands of Euros</u> | |
|----------------------------|---------------------------|---------------|
| | <u>2012</u> | <u>2011</u> |
| Non-distributable reserves | | |
| Legal reserve | <u>24,592</u> | <u>18,689</u> |
| | <u>24,592</u> | <u>18,689</u> |

Profit recognised directly in equity cannot be distributed, either directly or indirectly.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(4) Significant Accounting Policies(a) Foreign currency transactions, balances and cash flows

Foreign currency transactions have been translated into Euros using the exchange rate prevailing at the transaction date.

Monetary assets and liabilities denominated in foreign currencies have been translated into Euros at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate prevailing at the transaction date.

Non-monetary assets measured at fair value have been translated into Euros at the exchange rate at the date that the fair value was determined.

In the statement of cash flows, foreign currency transaction cash flows have been translated into Euros at the exchange rates at the dates the cash flows occur.

The effect of exchange rate fluctuations on cash and cash equivalents denominated in foreign currencies is recognised separately in the statement of cash flows as effect of exchange rate fluctuations.

Exchange gains and losses arising on the settlement of foreign currency transactions and the translation into Euros of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(b) Intangible assets

Computer software is measured at cost of acquisition and carried at cost, less any accumulated amortisation and impairment. Computer software is amortised by allocating the depreciable amount on a systematic basis over its useful life, which has been estimated at five years from the asset entering normal use.

Capitalised personnel costs of employees who implement computer software are recognised as self-constructed assets in the income statement.

Computer software maintenance costs are charged as expenses when incurred.

(c) Property, plant and equipment

Property, plant and equipment are measured at cost of acquisition. Property, plant and equipment are carried at cost less any accumulated depreciation and impairment.

Property, plant and equipment are depreciated by allocating the depreciable amount of the asset on a systematic basis over its useful life. The depreciable amount is the cost of an asset, less its residual value. The Company determines the depreciation charge separately for each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and with a useful life that differs from the remainder of the asset.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Property, plant and equipment are depreciated using the following criteria:

| | Depreciation method | Estimated years of useful life |
|----------------------------------|------------------------|--------------------------------------|
| Other installations | Straight-line | 10 |
| Furniture | Straight-line | 10 |
| Information technology equipment | Straight-line | 4 |

(d) Financial instruments

(i) Classification and separation of financial instruments

Financial instruments are classified on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument.

The Company classifies financial instruments into different categories based on the nature of the instruments and management's intentions on initial recognition.

(ii) Offsetting principles

A financial asset and a financial liability are offset only when the Company currently has the legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Financial assets and financial liabilities at fair value through profit or loss

Upon initial recognition the Company designates financial assets and financial liabilities at fair value through profit or loss in the income statement only if:

- it eliminates or significantly reduces the measurement or recognition inconsistency between financial assets and financial liabilities or
- the performance of a group of financial assets, financial liabilities or both is managed and evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy. Information on these financial assets and financial liabilities provided internally to the Company's key management personnel is evaluated on that basis.

This category also includes the derivative financial instruments described in note 11.

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs directly attributable to the acquisition or issue are recognised as an expense when incurred.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

After initial recognition, they are recognised at fair value through profit or loss. Fair value is reduced by transaction costs incurred on sale or disposal. Accrual interest and dividends are recognised separately.

(iv) Loans and receivables

Loans and receivables comprise trade and non-trade receivables with fixed or determinable payments that are not quoted in an active market other than those classified in other financial asset categories. These assets are initially recognised at fair value, including transaction costs, and are subsequently measured at amortised cost using the effective interest method.

(v) Investments in Group companies

Investments in Group companies are initially recognised at cost, which is equivalent to the fair value of the consideration given, excluding transaction costs, and are subsequently measured at cost net of any accumulated impairment. The cost of investments in Group companies acquired prior to 1 January 2010 includes transaction costs.

(vi) Interest

Interest is recognised using the effective interest method.

Based on consultation number 2 with the Spanish Accounting and Auditing Institute, published in its Official Gazette number 78, for entities whose ordinary activity is the holding of shares in Group companies and the financing of investees, the dividends and other income – coupons, interest – earned on financing extended to investees, as well as profits obtained from the disposal of investments, except those deriving from the disposal of subsidiaries, jointly controlled entities and associates, constitute revenue in the income statement.

(vii) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(viii) Impairment of financial assets

- Impairment of financial assets carried at amortised cost

In the case of financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. For variable income financial assets, the effective interest rate corresponding to the measurement date under the contractual conditions is used.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

The impairment loss is recognised in profit and loss and may be reversed in subsequent periods if the decrease can be objectively related to an event occurring after the impairment has been recognised. The loss can only be reversed to the limit of the amortised cost of the assets had the impairment loss not been recognised.

▪ Investments in Group companies

An asset is impaired when its carrying amount exceeds its recoverable amount, the latter of which is understood as the higher of the asset's value in use and fair value less costs to sell.

Value in use is calculated based on the Company's share of the present value of future cash flows expected to be derived from ordinary activities and from the disposal of the asset.

The carrying amount of the investment includes any monetary receivables or payables of which settlement is neither expected nor probable, excluding items of a commercial nature.

In subsequent years, reversals of impairment losses in the form of increases in the recoverable amount are recognised, up to the limit of the carrying amount that would have been determined for the investment if no impairment loss had been recognised.

Impairment losses are recognised and reversed in the income statement.

Impairment of an investment is limited to the amount of the investment, except when contractual, legal or constructive obligations have been assumed by the Company or payments have been made on behalf of the companies.

(ix) Financial liabilities

Financial liabilities, including trade and other payables, that are not classified as held for trading or as financial liabilities at fair value through profit or loss are initially recognised at fair value less any transaction costs directly attributable to the issue of the financial liability. After initial recognition, liabilities classified under this category are measured at amortised cost using the effective interest method.

(x) Derecognition of financial liabilities

The Company derecognises all or part of a financial liability when it either discharges the liability by paying the creditor, or is legally released from primary responsibility for the liability either by process of law or by the creditor.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(xi) Fair value

The fair value is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If available, quoted prices in an active market are used to determine fair value. Otherwise, the Company calculates fair value using recent transaction prices or, if insufficient information is available, generally accepted valuation techniques such as discounting expected cash flows.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits in financial institutions. They also include other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a maturity of less than three months from the date of acquisition.

The Company recognises cash payments and receipts for financial assets and financial liabilities in which turnover is quick on a net basis in the statement of cash flows. Turnover is considered to be quick when the period between the date of acquisition and maturity does not exceed six months.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal, contractual, constructive or tacit) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account all risks and uncertainties surrounding the amount to be recognised as a provision and, where the time value of money is material, the financial effect of discounting provided that the expenditure to be made each period can be reliably estimated. The discount rate is a pre-tax rate that reflects the time value of money and the specific risks for which future cash flows associated with the provision have not been adjusted at each reporting date.

The financial effect of provisions is recognised as a finance cost in the income statement.

If it is not probable that an outflow of resources will be required to settle an obligation, the provision is reversed.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(g) Income taxes

The income tax expense or tax income for the year comprises current tax and deferred tax.

Current tax assets or liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Current and deferred tax are recognised as income or an expense and included in profit or loss for the year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity, or from a business combination.

The Company files consolidated tax returns as part of the 385/08 group headed by EDP Energias de Portugal, S.A. Sucursal en España.

In addition to the factors to be considered for individual taxation, set out previously, the following factors are taken into account when determining the accrued income tax expense for the companies forming the consolidated tax group:

- Temporary and permanent differences arising from the elimination of profits and losses on transactions between Group companies, derived from the process of determining consolidated taxable income.
- Deductions and credits corresponding to each company forming the consolidated tax group. For these purposes, deductions and credits are allocated to the company that carried out the activity or obtained the profit necessary to obtain the right to the deduction or tax credit.

Temporary differences arising from the elimination of profits and losses on transactions between tax group companies are recognised by the company that generates the profit or loss, using the applicable tax rate.

A reciprocal credit and debit arises between the companies that contribute tax losses to the consolidated Group and the rest of the companies that offset those losses. Where a tax loss cannot be offset by the other consolidated Group companies, these tax credits for loss carryforwards are recognised as deferred tax assets using the applicable recognition criteria, considering the tax group as a taxable entity.

The Parent of the Group records the total consolidated income tax payable (recoverable) with a debit (credit) to receivables (payables) from/to Group companies and associates.

The amount of the debt (credit) relating to the subsidiaries is recognised with a credit (debit) to payables (receivables) to/from Group companies and associates.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(i) Taxable temporary differences

Taxable temporary differences are recognised in all cases except where they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income.

(ii) Deductible temporary differences

Deductible temporary differences are recognised provided that it is probable that sufficient taxable income will be available against which the deductible temporary difference can be utilised, unless the differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income.

Tax planning opportunities are only considered when assessing the recoverability of deferred tax assets and if the Company intends to use these opportunities or it is probable that they will be utilised.

(iii) Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the years when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted. The tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets or liabilities are also reflected in the measurement of deferred tax assets and liabilities.

(iv) Offset and classification

Deferred tax assets and liabilities are recognised in the balance sheet under non-current assets or liabilities, irrespective of the expected date of recovery or settlement.

(h) Classification of assets and liabilities as current and non-current

The Company classifies assets and liabilities in the balance sheet as current and non-current. Current assets and liabilities are determined as follows:

- Assets are classified as current when they are expected to be realised or are intended for sale or consumption in the Company's normal operating cycle, they are held primarily for the purpose of trading, they are expected to be realised within twelve months after the reporting date or are cash or a cash equivalent, unless the assets may not be exchanged or used to settle a liability for at least twelve months after the reporting date.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

- Liabilities are classified as current when they are expected to be settled in the Company's normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within twelve months after the reporting date or the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting date, even if the original term was for a period longer than twelve months, and an agreement to refinance or to reschedule payments on a long-term basis is completed after the reporting date and before the annual accounts are authorised for issue.

(i) Environmental issues

- Environmental assets

Assets acquired by the Company to minimise the environmental impact of its activity and to protect and improve the environment, including the reduction and elimination of future pollution from the Company's activities, are capitalised as property, plant and equipment in the balance sheet at cost of purchase or production and depreciated over their estimated useful lives.

- Environmental expenses

Environmental expenses are the costs derived from managing the environmental effects of the Company's operations and existing environmental commitments. These include expenses relating to the prevention of pollution caused by ordinary activities, waste treatment and disposal, decontamination, restoration, environmental management or environmental audit.

Expenses derived from environmental activities are recognised as operating expenses in the period in which they are incurred.

- Environmental provisions

The Company makes an environmental provision when expenses are probable or certain to arise but the amount or timing is unknown. Where necessary, provision is also made for environmental work arising from any legal or contractual commitments and for those commitments acquired for the prevention and repair of environmental damage.

(j) Related party transactions

Transactions between Group companies are recognised at the fair value of the consideration given or received. The difference between this value and the amount agreed is recognised in line with the underlying economic substance of the transaction.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(k) Hedge accounting

Derivative financial instruments that qualify for hedge accounting are initially measured at fair value, plus any transaction costs that are directly attributable to the acquisition, or less any transaction costs directly attributable to the issue of the financial instruments.

The Company undertakes fair value hedges, cash flow hedges and hedges of net investments in foreign operations. The Company has also opted to record hedges of foreign currency risk of a firm commitment as a cash flow hedge.

At the inception of the hedge the Company formally designates and documents the hedging relationships and the objective and strategy for undertaking the hedges. Hedge accounting is only applicable when the hedge is expected to be highly effective at the inception of the hedge and in subsequent years in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, throughout the period for which the hedge was designated (prospective analysis) and the actual effectiveness, which can be reliably measured, is within a range of 80%-125% (retrospective analysis).

The Company hedges net investments in foreign operations in relation to its investment in the Group companies EDP Renewables North America, LLC and EDP Renováveis Brasil S.A.

Hedges of a net investment in a foreign operation

The Company hedges the risk of changes in foreign currency exchange rates derived from investments in Group companies denominated in foreign currency. The hedges are classified as fair value hedges. The portion of gains or losses on the hedging instrument or on the changes in the exchange of the monetary item used as the hedging instrument is recognised as exchange gains or losses. Gains or losses on investments related to the foreign currency amount of the underlying in the annual accounts are recognised as exchange gains or losses in profit and loss with a valuation adjustment for the effective part of the hedge.

(l) Long- and short-term employee benefits

The Company recognises the expected cost of profit-sharing and bonus plans when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(5) Intangible Assets

Details of intangible assets and movement are as follows:

| Thousands of Euros | | | | |
|--|--------------------------|-----------|-----------|--------------------------|
| | Balance at 31/12/2011 | Additions | Transfers | Balance at 31/12/2012 |
| Cost | | | | |
| Computer software | 2,708 | - | 1,178 | 3,886 |
| Computer software under development | 1,088 | 619 | (1,178) | 529 |
| | 3,796 | 619 | - | 4,415 |
| Amortisation | | | | |
| Computer software | (1,241) | (800) | - | (2,041) |
| | (1,241) | (800) | - | (2,041) |
| Carrying amount | 2,555 | (181) | - | 2,374 |

| Thousands of Euros | | | | |
|--|--------------------------|-----------|-----------|--------------------------|
| | Balance at 31/12/2010 | Additions | Disposals | Balance at 31/12/2011 |
| Cost | | | | |
| Computer software | 2,259 | 449 | - | 2,708 |
| Computer software under development | 7,443 | 2,449 | (8,804) | 1,088 |
| | 9,702 | 2,898 | (8,804) | 3,796 |
| Amortisation | | | | |
| Computer software | (677) | (564) | - | (1,241) |
| | (677) | (564) | - | (1,241) |
| Carrying amount | 9,025 | 2,334 | (8,804) | 2,555 |

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Additions to computer software in 2012 and 2011 mainly comprise wind farm management software acquired during those years.

Disposals in 2011 reflect various wind farm management applications invoiced to the Company's subsidiaries EDPR EU and EDPR NA.

At year end the Company has no fully amortised intangible assets.

At 31 December 2012 the Company has no commitments to purchase intangible assets (Euros 405 thousand in 2011).

(6) Property, Plant and Equipment

Details of property, plant and equipment and movement are as follows:

| | Thousands of Euros | | | Balance at 31/12/2012 |
|-------------------------------------|--------------------------|-----------|-----------|--------------------------|
| | Balance at 31/12/2011 | Additions | Transfers | |
| Cost | | | | |
| Other installations | 1,639 | - | - | 1,639 |
| Furniture | - | - | 49 | 49 |
| Information technology equipment | 162 | 4 | 430 | 596 |
| Under construction | 479 | - | (479) | - |
| | 2,280 | 4 | - | 2,284 |
| Depreciation | | | | |
| Other installations | (251) | (164) | - | (415) |
| Furniture | - | (5) | - | (5) |
| Information technology equipment | (87) | (149) | - | (236) |
| | (338) | (318) | - | (656) |
| Carrying amount | 1,942 | (314) | - | 1,628 |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

| | Thousands of Euros | | | Balance at 31/12/2011 |
|-------------------------------------|--------------------------|-----------|-----------|--------------------------|
| | Balance at 31/12/2010 | Additions | Disposals | |
| Cost | | | | |
| Other installations | 1,357 | 282 | - | 1,639 |
| Information technology equipment | 143 | 19 | - | 162 |
| Under construction | 466 | 13 | - | 479 |
| | 1,966 | 314 | - | 2,280 |
| Depreciation | | | | |
| Other installations | (87) | (164) | - | (251) |
| Information technology equipment | (46) | (41) | - | (87) |
| | (133) | (205) | - | (338) |
| Carrying amount | 1,833 | 109 | - | 1,942 |

The Company has taken out insurance policies to cover the risk of damage to its property, plant and equipment. The coverage of these policies is considered sufficient.

At year end the Company has no fully depreciated property, plant and equipment.

(7) Risk Management Policy

(a) Financial risk factors

The Company's activities are exposed to various financial risks: market risk (including currency risk and interest rate risk in fair value), credit risk, liquidity risk and interest rate risk in cash flows. The Company's global risk management programme focuses on uncertainty in the financial markets and aims to minimise potential adverse effects on the Company's profits. The Company uses derivatives to mitigate certain risks.

The directors of the Company are responsible for defining general risk management principles and establishing exposure limits. The Company's financial risk management is subcontracted to the Finance Department of EDP Energias de Portugal, S.A. in accordance with the policies approved by the board of directors. The subcontracted service includes the identification and evaluation of hedging instruments.

All operations involving derivative financial instruments are subject to prior approval from the board of directors, which sets the parameters of each operation and approves the formal documents describing the objectives of the operation.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(i) Currency risk

The Company operates internationally and is therefore exposed to currency risk when operating with foreign currencies, especially with regard to the US Dollar, the Brazilian Real and the Zloty. Currency risk is associated with recognised assets and liabilities, and net investments in foreign operations.

The Company holds investments in Group companies denominated in a foreign currency, which are exposed to currency risk. Currency risk affecting these investments in US Dollars is mitigated primarily through a derivative financial instrument and borrowings in the corresponding foreign currencies.

Details of the hedged financial assets and the derivative financial instruments obtained to hedge them are provided in notes 8 and 11.

Details of financial assets and liabilities in foreign currencies and transactions in foreign currencies are provided in notes 8, 10, 16 and 21.

At 31 December 2012 and 2011, had the Euro strengthened/weakened by 10% against the US Dollar, with the other variables remaining constant, the effect on pre-tax profit would have been as follows:

| | Thousands of Euros | |
|---|--------------------|----------|
| | 2012 | 2011 |
| EUR/USD exchange rate strengthened by 10% | 22,695 | 26,734 |
| EUR/USD exchange rate weakened by 10% | (27,738) | (32,675) |

This effect essentially derives from the translation of debt in foreign currencies.

(ii) Credit risk

The Company is not significantly exposed to credit risk as the majority of its balances and transactions are with Group companies. As the counterparties of derivative financial instruments are Group companies, and the counterparties of their derivative financial instruments are highly solvent banks, the Company is not subject to significant counterparty default risk. Guarantees or other derivatives are therefore not requested in this type of operation.

The Company has documented its financial operations in accordance with international standards. The majority of its operations with derivative financial instruments are therefore contracted under “ISDA Master Agreements”, which facilitate the transfer of instruments in the market.

Details of financial assets exposed to credit risk are provided in note 10.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(iii) Liquidity risk

Liquidity risk is the risk that the Company will be unable to comply with its financial commitments on maturity. The Company's approach in managing liquidity risk is to guarantee as far as possible that liquidity will always be available to pay its debts before they mature, in normal conditions and during financial difficulties, without incurring unacceptable losses or compromising the Company's reputation.

Compliance with the liquidity policy ensures that contracted commitments are paid, maintaining sufficient credit facilities. The EDP Renováveis Group manages liquidity risk by contracting and maintaining credit facilities with its majority shareholder, or directly with domestic and international entities in the market, under optimal conditions, to ensure access to the financing required to continue its activities.

Details of financial assets and financial liabilities by contractual maturity date are provided in notes 10 and 16.

(iv) Cash flow and fair value interest rate risks

Given the nature of its activity, the Company has a considerable amount of remunerated assets. Income and cash flows from operating activities are therefore significantly affected by fluctuations in market interest rates.

Interest rate risk arises from loans extended to Group companies and non-current borrowings from Group companies. The loans have fixed interest rates, exposing the Company to fair value risks.

Details of the hedged financial assets and the derivative financial instruments obtained to hedge them are provided in notes 8 and 11.

(8) Investments in Equity Instruments of Group Companies

Details of direct investments in equity instruments of Group companies are as follows:

| | Thousands of Euros | |
|-----------------------------------|--------------------|------------------|
| | 2012 | 2011 |
| EDP Renováveis Brasil S.A. | 43,972 | 14,143 |
| EDP Renewables Europe, S.L.U. | 884,352 | 884,352 |
| EDP Renewables North America, LLC | 3,160,098 | 3,288,669 |
| EDP Renewables Canada, Ltd. | 2,190 | 2,190 |
| | <u>4,090,612</u> | <u>4,189,354</u> |
| | (note 10a) | (note 10a) |

No impairment losses have been recognised as a result of the tests performed.

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Notes to the Annual Accounts

(a) Investments in Group companies

Details of direct and indirect investments in Group companies are provided in Appendix I.

In 2012 the Company subscribed three share capital increases carried out in its subsidiary EDP Renováveis Brasil, S.A. on 14 December, 26 June and 5 March totalling Euros 30,220 thousand (Brazilian Reais 80,404 thousand).

In 2011 and 2010 the Company subscribed several share capital increases by its subsidiary EDP Renováveis Brasil S.A. totalling Euros 4,760 thousand (Brazilian Reais 11,277 thousand).

In 2012 and 2011 the Company financed its subsidiary EDPR NA by subscribing successive net share capital reductions totalling Euros 64,545 thousand (US Dollars 86,100 thousand) in 2012 and net share capital increases of Euros 77,218 thousand (US Dollars 103,300 thousand) in 2011.

EDP Renewables Canada, Ltd., a solely-owned subsidiary of the Company, was incorporated in 2010 with share capital of Euros 3 thousand. In 2011 the Company subscribed successive share capital increases by its subsidiary EDP Renewables Canada totalling Euros 2,187 thousand (Canadian Dollars 2,995 thousand).

(i) Foreign currency

The functional currencies of foreign operations are the currencies of the countries in which they are domiciled. The net investment in these operations coincides with the carrying amount of the investment.

(ii) Hedged investments

Details of investments, the fair value of which is hedged against currency risk at 31 December 2012 and 2011, are as follows:

| | Thousands of Euros | |
|--|--------------------|------------------|
| | 2012 | 2011 |
| EDP Renováveis Brasil S.A. | 43,972 | - |
| EDP Renewables North America, LLC. (EDPR NA) | 3,160,098 | 3,288,669 |
| | <u>3,204,070</u> | <u>3,288,669</u> |

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In 2012 Company management arranged a hedging instrument to cover the currency risk associated with its Brazilian Reais-denominated investment in EDP Renováveis Brasil S.A. This hedging instrument comprises two swaps arranged for a notional amount of Brazilian Reais 118,000 thousand, equivalent to Euros 45,403 thousand applying the exchange rate at that date. In 2012 the change in fair value of the investment in EDP Renováveis Brasil S.A. totals Euros 1,809 thousand and the change in fair value of the hedging instrument amounts to Euros 1,300 thousand. These amounts have been recognised in exchange gains/losses in the accompanying income statement (see note 11).

To hedge the currency risk arising from the exposure of the investment in EDP Renewables North America, LLC, denominated in a foreign currency, in 2008 Company management contracted a hedging instrument comprising three swaps for a total notional amount of US Dollars 2,632,613 thousand, equivalent to Euros 1,826,175 thousand applying the exchange rate at that date. In 2012 the change in fair value of the investment in EDP Renewables North America, LLC totals Euros 39,323 thousand and the change in fair value of the hedging instrument amounts to Euros 39,323 thousand (Euros 64,410 thousand and Euros 64,410 thousand, respectively, in 2011). These amounts have been recognised in exchange gains/losses in the accompanying income statement (see note 11). The fair value of the hedging instrument at 31 December 2012 totals Euros 169,136 thousand (Euros 208,460 thousand at 31 December 2011), and this has been recognised in non-current payables under non-current liabilities and current payables to Group companies and associates under current liabilities in the accompanying balance sheet (see note 11). At 31 December 2012, the loss relating to the aforementioned net investment hedging operation totalled Euros 2,973 thousand (gain of Euros 14,693 thousand at 31 December 2011). These amounts are pending settlement at 31 December 2012 and are included in the current account with Group companies presented in note 10.

The remaining amount of this investment that is not hedged by the aforementioned operation is covered by hedging operations securing loans of the same currency (see note 16), resulting in exchange gains of Euros 24,702 thousand in 2012 and Euros 39,387 thousand in 2011.

(Continued)

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Notes to the Annual Accounts

(9) Financial Assets by Category

The classification of financial assets by category and class, as well as a comparison of the fair value and the carrying amount, is as follows:

| | 2012 | | | | | | | |
|----------------------------------|---------------------------|------------|---------------|-----------|---------------------------|------------|---------------|---------|
| | Thousands of Euros | | | | | | | |
| | Non-current | | | | Current | | | |
| | At amortised cost or cost | | At fair value | Total | At amortised cost or cost | | At fair value | Total |
| | Carrying amount | Fair value | | | Carrying amount | Fair value | | |
| Assets held for trading | | | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - | 8,711 | 8,711 |
| Total | - | - | - | - | - | - | 8,711 | 8,711 |
| Loans and receivables | | | | | | | | |
| Loans, fixed rate | 4,272,201 | 4,095,370 | - | 4,272,201 | 325,082 | 325,082 | - | 325,082 |
| Deposits and guarantees | 16 | 16 | - | 16 | - | - | - | - |
| Other financial assets | 208 | 208 | - | 208 | 473,498 | 473,498 | - | 473,498 |
| Trade receivables | - | - | - | - | 2,842 | 2,842 | - | 2,842 |
| Total | 4,272,425 | 4,095,594 | - | 4,272,425 | 801,422 | 801,422 | - | 801,422 |
| Hedging derivatives | | | | | | | | |
| Traded on OTC markets | - | - | 4,691 | 4,691 | - | - | - | - |
| Total | - | - | 4,691 | 4,691 | - | - | - | - |
| Total financial assets | 4,272,425 | 4,095,594 | 4,691 | 4,277,116 | 801,422 | 801,422 | 8,711 | 810,133 |

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Notes to the Annual Accounts

| | 2011 | | | | | | | |
|----------------------------------|---------------------------|------------|---------------|-----------|---------------------------|------------|---------------|---------|
| | Thousands of Euros | | | | | | | |
| | Non-current | | | | Current | | | |
| | At amortised cost or cost | | At fair value | Total | At amortised cost or cost | | At fair value | Total |
| | Carrying amount | Fair value | | | Carrying amount | Fair value | | |
| Assets held for trading | | | | | | | | |
| Derivative financial instruments | - | - | 7,807 | 7,807 | - | - | 2,056 | 2,056 |
| Total | - | - | 7,807 | 7,807 | - | - | 2,056 | 2,056 |
| Loans and receivables | | | | | | | | |
| Loans, fixed rate | 4,293,063 | 4,184,707 | - | 4,293,063 | 303,436 | 303,436 | - | 303,436 |
| Deposits and guarantees | 10 | 10 | - | 10 | - | - | - | - |
| Other financial assets | 236 | 236 | - | 236 | 346,590 | 346,590 | - | 346,590 |
| Trade receivables | - | - | - | - | 16,236 | 16,236 | - | 16,236 |
| Total | 4,293,309 | 4,184,953 | - | 4,293,309 | 666,262 | 666,262 | - | 666,262 |
| Total financial assets | 4,293,309 | 4,184,953 | 7,807 | 4,301,116 | 666,262 | 666,262 | 2,056 | 668,318 |

Net losses and gains by category of financial asset are as follows:

| | 2012 | | | |
|----------------------------------|--|--------------------------------------|-------------------------|---------|
| | Thousands of Euros | | | |
| | Loans and receivables, Group companies | Loans and receivables, third parties | Assets held for trading | Total |
| Finance income at amortised cost | 272,737 | 195 | - | 272,932 |
| Change in fair value | - | - | 1,039 | 1,039 |
| Net gains in profit and loss | 272,737 | 195 | 1,039 | 273,971 |

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| | 2011 | | | |
|----------------------------------|--|--------------------------------------|-------------------------|---------|
| | Thousands of Euros | | | |
| | Loans and receivables, Group companies | Loans and receivables, third parties | Assets held for trading | Total |
| Finance income at amortised cost | 274,012 | 133 | - | 274,145 |
| Change in fair value | - | - | 8,981 | 8,981 |
| Net gains in profit and loss | 274,012 | 133 | 8,981 | 283,126 |

(10) Investments and Trade Receivables(a) Investments in Group companies

Details of investments in Group companies are as follows:

| | Thousands of Euros | | | |
|--|--------------------|---------|-------------|---------|
| | 2012 | | 2011 | |
| | Non-current | Current | Non-current | Current |
| Group | | | | |
| Equity instruments (note 8) | 4,090,612 | - | 4,189,354 | - |
| Loans | 4,272,201 | 283,369 | 4,293,063 | 274,902 |
| Interest | - | 41,713 | - | 28,534 |
| Derivative financial instruments (note 11) | 4,691 | 8,711 | 7,807 | 2,056 |
| Other financial assets | - | 473,498 | - | 346,590 |
| | 8,367,504 | 807,291 | 8,490,224 | 652,082 |

Other financial assets comprise current accounts with the Group, which earn daily interest that is settled on a monthly basis. The rate applicable to interest receivable ranges between one-month Euribor plus 1% and one-year Euribor plus 1% whilst the rate applicable to interest payable ranges between one-month Euribor and one-year Euribor.

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Notes to the Annual Accounts

(b) Main characteristics of loans

Details of the main characteristics of loans are as follows.

| Type | Currency | Effective rate | Nominal rate | Maturity | 2012 | | |
|-------|----------|-------------------|-----------------|----------|--------------------|-----------------|-----------------|
| | | | | | Thousands of Euros | | |
| | | | | | Nominal amount | Carrying amount | |
| | | | | | | Current | Non- current |
| Group | EUR | 6.29% | 6.29% | 2020 | 50,159 | - | 50,159 |
| Group | EUR | 5.11% | 5.11% | 2018 | 886,691 | - | 886,691 |
| Group | EUR | 5.00% | 5.00% | 2022 | 189,898 | 19,989 | 169,909 |
| Group | EUR | 4.81% | 4.81% | 2022 | 147,593 | 15,536 | 132,057 |
| Group | EUR | 5.14% | 5.14% | 2023 | 422,796 | 40,266 | 382,530 |
| Group | EUR | 5.56% | 5.56% | 2023 | 251,742 | 23,975 | 227,767 |
| Group | EUR | 4.80% | 4.80% | 2016 | 16,530 | 4,133 | 12,397 |
| Group | EUR | 6.98% | 6.98% | 2019 | 69,178 | - | 69,178 |
| Group | EUR | 6.93% | 6.93% | 2019 | 297,663 | - | 297,663 |
| Group | EUR | 6.80% | 6.80% | 2019 | 184,332 | - | 184,332 |
| Group | EUR | 5.04% | 5.04% | 2020 | 136,093 | - | 136,093 |
| Group | EUR | 4.63% | 4.63% | 2020 | 158,481 | - | 158,481 |
| Group | EUR | 5.56% | 5.56% | 2020 | 76,771 | - | 76,771 |
| Group | EUR | 6.33% | 6.33% | 2023 | 204,253 | 18,569 | 185,684 |
| Group | EUR | 5.78% | 5.78% | 2023 | 121,400 | - | 121,400 |
| Group | EUR | 4.78% | 4.78% | 2021 | 303,032 | 33,670 | 269,362 |
| Group | EUR | 5.67% | 5.67% | 2023 | 37,620 | 3,420 | 34,200 |
| Group | EUR | 5.45% | 5.45% | 2027 | 320,063 | 21,338 | 298,725 |
| Group | EUR | 6.54% | 6.54% | 2016 | 241,000 | - | 241,000 |
| Group | EUR | 7.27% | 7.27% | 2016 | 68,205 | - | 68,205 |
| Group | EUR | 3.67% | 3.67% | 2013 | 56,147 | 56,147 | - |
| Group | EUR | 4.08% | 4.08% | 2012 | 26,000 | 26,000 | - |
| Group | EUR | 5.64% | 5.64% | 2014 | 570 | - | 570 |
| Group | EUR | 6.72% | 6.72% | 2014 | 408 | - | 408 |
| Group | EUR | 5.30% | 5.30% | 2014 | 107 | - | 107 |
| Group | EUR | 7.26% | 7.26% | 2013 | 10,354 | 10,354 | - |
| Group | EUR | 7.26% | 7.26% | 2013 | 4,377 | 4,377 | - |
| Group | EUR | 5.65% | 5.65% | 2013 | 5,595 | 5,595 | - |
| Group | EUR | 7.08% | 7.08% | 2016 | 21,032 | - | 21,032 |
| Group | EUR | 8.39% | 8.39% | 2027 | 45,000 | - | 45,000 |
| Group | EUR | 6.37% | 6.37% | 2017 | 14,400 | - | 14,400 |
| Group | EUR | 6.37% | 6.37% | 2017 | 43,200 | - | 43,200 |
| Group | PLN | 5.74% | 5.74% | 2024 | 26,385 | - | 26,385 |
| Group | PLN | 6.91% | 6.91% | 2015 | 17,012 | - | 17,012 |
| Group | PLN | 8.41% | 8.41% | 2014 | 75 | - | 75 |
| Group | PLN | 8.44% | 8.44% | 2014 | 26,216 | - | 26,216 |
| Group | PLN | 7.21% | 7.21% | 2014 | 281 | - | 281 |
| Group | PLN | 8.79% | 8.79% | 2014 | 3,442 | - | 3,442 |
| Group | PLN | 10.09% | 9.76% | 2014 | 3,719 | - | 3,719 |
| Group | PLN | 9.93% | 9.93% | 2014 | 1,154 | - | 1,154 |
| Group | PLN | 10.23% | 10.23% | 2014 | 466 | - | 466 |
| Group | PLN | 10.26% | 10.26% | 2014 | 1,325 | - | 1,325 |
| Group | PLN | 10.58% | 10.58% | 2014 | 220 | - | 220 |
| Group | PLN | 10.65% | 10.65% | 2014 | 11,888 | - | 11,888 |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

| | | | | | 2012 | | |
|-------------|----------|----------------|--------------|----------|--------------------|---------|-------------|
| | | | | | Thousands of Euros | | |
| | | | | | Carrying amount | | |
| Type | Currency | Effective rate | Nominal rate | Maturity | Nominal amount | Current | Non-current |
| Group | PLN | 9.47% | 9.47% | 2014 | 13,588 | - | 13,588 |
| Group | PLN | 10.09% | 10.09% | 2014 | 28,364 | - | 28,364 |
| Group | PLN | 10.37% | 10.37% | 2021 | 10,599 | - | 10,599 |
| Group | PLN | 10.72% | 10.72% | 2021 | 146 | - | 146 |
| Total Group | | | | | 4,555,570 | 283,369 | 4,272,201 |
| Total | | | | | 4,555,570 | 283,369 | 4,272,201 |

All these loans have been extended to EDP Renewables Europe, S.L.U. and its subsidiaries at fixed interest rates.

| | | | | | 2011 | | |
|-------|----------|----------------|--------------|----------|--------------------|---------|-------------|
| | | | | | Thousands of Euros | | |
| | | | | | Carrying amount | | |
| Type | Currency | Effective rate | Nominal rate | Maturity | Nominal amount | Current | Non-current |
| Group | EUR | 6.29% | 6.29% | 2020 | 50,159 | - | 50,159 |
| Group | EUR | 5.11% | 5.11% | 2018 | 886,691 | - | 886,691 |
| Group | EUR | 5.00% | 5.00% | 2022 | 209,887 | 19,989 | 189,898 |
| Group | EUR | 4.81% | 4.81% | 2022 | 163,129 | 15,536 | 147,593 |
| Group | EUR | 5.14% | 5.14% | 2023 | 463,062 | 40,266 | 422,796 |
| Group | EUR | 5.56% | 5.56% | 2023 | 275,717 | 23,975 | 251,742 |
| Group | EUR | 4.80% | 4.80% | 2016 | 20,663 | 4,133 | 16,530 |
| Group | EUR | 6.98% | 6.98% | 2019 | 69,178 | - | 69,178 |
| Group | EUR | 6.93% | 6.93% | 2019 | 297,663 | - | 297,663 |
| Group | EUR | 6.80% | 6.80% | 2019 | 184,332 | - | 184,332 |
| Group | EUR | 5.04% | 5.04% | 2020 | 136,093 | - | 136,093 |
| Group | EUR | 4.63% | 4.63% | 2020 | 158,481 | - | 158,481 |
| Group | EUR | 5.56% | 5.56% | 2020 | 76,771 | - | 76,771 |
| Group | EUR | 6.33% | 6.33% | 2023 | 222,822 | 18,569 | 204,253 |
| Group | EUR | 5.78% | 5.78% | 2023 | 121,400 | - | 121,400 |
| Group | EUR | 4.78% | 4.78% | 2021 | 336,702 | 33,670 | 303,032 |
| Group | EUR | 5.67% | 5.67% | 2023 | 41,040 | 3,420 | 37,620 |
| Group | EUR | 5.45% | 5.45% | 2027 | 341,401 | 21,338 | 320,063 |
| Group | EUR | 6.54% | 6.54% | 2016 | 241,000 | - | 241,000 |
| Group | EUR | 7.27% | 7.27% | 2016 | 58,554 | - | 58,554 |
| Group | EUR | 5.67% | 5.67% | 2012 | 54,307 | 54,307 | - |
| Group | EUR | 5.64% | 5.64% | 2014 | 570 | - | 570 |
| Group | EUR | 5.62% | 5.62% | 2012 | 39,699 | 39,699 | - |
| Group | EUR | 6.72% | 6.72% | 2014 | 408 | - | 408 |
| Group | EUR | 5.30% | 5.30% | 2014 | 107 | - | 107 |
| Group | PLN | 5.74% | 5.74% | 2024 | 22,757 | - | 22,757 |
| Group | PLN | 6.91% | 6.91% | 2015 | 15,547 | - | 15,547 |
| Group | PLN | 8.41% | 8.41% | 2014 | 69 | - | 69 |
| Group | PLN | 8.44% | 8.44% | 2014 | 20,618 | - | 20,618 |
| Group | PLN | 7.21% | 7.21% | 2014 | 248 | - | 248 |
| Group | PLN | 8.79% | 8.79% | 2014 | 2,890 | - | 2,890 |
| Group | PLN | 9.76% | 9.76% | 2014 | 3,398 | - | 3,398 |
| Group | PLN | 9.93% | 9.93% | 2014 | 1,054 | - | 1,054 |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

| Type | Currency | Effective rate | Nominal rate | Maturity | 2011 | | |
|-------------|----------|----------------|--------------|----------|--------------------|-----------------|-------------|
| | | | | | Thousands of Euros | | |
| | | | | | Nominal amount | Carrying amount | |
| | | | | | | Current | Non-current |
| Group | PLN | 10.23% | 10.23% | 2014 | 426 | - | 426 |
| Group | PLN | 10.26% | 10.26% | 2014 | 1,178 | - | 1,178 |
| Group | PLN | 10.58% | 10.58% | 2014 | 201 | - | 201 |
| Group | PLN | 10.65% | 10.65% | 2014 | 9,778 | - | 9,778 |
| Group | PLN | 9.47% | 9.47% | 2014 | 11,294 | - | 11,294 |
| Group | PLN | 10.09% | 10.09% | 2014 | 23,442 | - | 23,442 |
| Group | PLN | 10.37% | 10.37% | 2021 | 5,096 | - | 5,096 |
| Group | PLN | 10.72% | 10.72% | 2021 | 133 | - | 133 |
| Total Group | | | | | 4,567,965 | 274,902 | 4,293,063 |
| Total | | | | | 4,567,965 | 274,902 | 4,293,063 |

All these loans have been extended to EDP Renewables Europe, S.L.U. and its subsidiaries at fixed interest rates.

(c) Classification by maturity

The classification of financial assets by maturity is as follows:

| | 2012 | | | | | | | |
|---|--------------------|---------|---------|---------|---------|------------------|----------------------|-------------------|
| | Thousands of Euros | | | | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 | Subsequent years | Less current portion | Total non-current |
| Loans and receivables Loans, fixed rate | 325,082 | 272,719 | 197,908 | 511,131 | 176,763 | 3,113,680 | (325,082) | 4,272,201 |
| Deposits and guarantees | - | - | - | - | - | 16 | - | 16 |
| Other financial assets | 473,498 | - | - | - | - | 208 | (473,498) | 208 |
| Derivative financial instruments | 8,711 | - | 4,691 | - | - | - | (8,711) | 4,691 |
| Trade receivables from Group companies and associates | 2,784 | - | - | - | - | - | (2,784) | - |
| Other receivables | 58 | - | - | - | - | - | (58) | - |
| Total | 810,133 | 272,719 | 202,599 | 511,131 | 176,763 | 3,113,904 | (810,133) | 4,277,116 |

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

| | 2011 | | | | | | | |
|---|--------------------|----------------|----------------|----------------|----------------|------------------|----------------------|-------------------|
| | Thousands of Euros | | | | | | | |
| | 2012 | 2013 | 2014 | 2015 | 2016 | Subsequent years | Less current portion | Total non-current |
| Loans and receivables Loans, fixed rate | 303,436 | 180,896 | 256,577 | 196,443 | 480,450 | 3,178,697 | (303,436) | 4,293,063 |
| Deposits and guarantees | - | - | - | - | - | 10 | - | 10 |
| Other financial assets | 346,590 | - | - | - | - | 236 | (346,590) | 236 |
| Derivative financial instruments | 2,056 | - | - | 7,807 | - | - | (2,056) | 7,807 |
| Trade receivables from Group companies and associates | 16,143 | - | - | - | - | - | (16,143) | - |
| Other receivables | 91 | - | - | - | - | - | (91) | - |
| Total | <u>668,316</u> | <u>180,896</u> | <u>256,577</u> | <u>204,250</u> | <u>480,450</u> | <u>3,178,943</u> | <u>(668,316)</u> | <u>4,301,116</u> |

(d) Exchange differences recognised in profit or loss in relation to financial assets

Details of exchange differences recognised in profit or loss in relation to financial instruments, distinguishing between settled and outstanding transactions, are as follows:

| | Thousands of Euros | | | |
|---|--------------------|-----------------|----------------|-----------------|
| | 2012 | | 2011 | |
| | Settled | Outstanding | Settled | Outstanding |
| Non-current investments in Group companies and associates | 1,461 | (54,380) | (1,227) | (74,278) |
| Hedged investments in Group companies | 1,419 | (65,835) | - | - |
| Loans to companies | 42 | 11,455 | (1,227) | (9,868) |
| Hedges of net investments in foreign operations | - | - | - | (64,410) |
| Trade and other receivables | - | (86) | - | - |
| Cash and cash equivalents | - | (1,128) | (1,579) | 3,596 |
| Total financial assets | <u>1,461</u> | <u>(55,595)</u> | <u>(2,806)</u> | <u>(70,682)</u> |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(11) Derivative financial instruments

Details of derivative financial instruments are as follows:

| | 2012 | | | |
|--|---------------------|---------------------|----------------------|---------------------|
| | Thousands of Euros | | | |
| | Assets | | Liabilities | |
| | Non-current | Current | Non-current | Current |
| Hedging derivatives | | | | |
| a) Fair value hedges | | | | |
| Net investment hedging swaps (note 8) | 1,507 | - | 128,915 | 41,381 |
| Total | 1,507 | - | 128,915 | 41,381 |
| Derivatives held for trading and at fair value through profit or loss | | | | |
| b) Foreign currency derivatives | | | | |
| Forward exchange contracts | 3,184 | 8,711 | 1,045 | 12,956 |
| Total | 3,184 | 8,711 | 1,045 | 12,956 |
| Total hedging derivatives | 4,691 (note 10a) | 8,711 (note 10a) | 129,960 (note 15) | 54,337 (note 15) |

| | 2011 | | | |
|--|---------------------|---------------------|---------------------|----------------------|
| | Thousands of Euros | | | |
| | Assets | | Liabilities | |
| | Non-current | Current | Non-current | Current |
| Hedging derivatives | | | | |
| a) Fair value hedges | | | | |
| Net investment hedging swaps (note 8) | - | - | 79,184 | 129,276 |
| Total | - | - | 79,184 | 129,276 |
| Derivatives held for trading and at fair value through profit or loss | | | | |
| b) Foreign currency derivatives | | | | |
| Forward exchange contracts | 7,807 | 2,056 | - | 2,056 |
| Total | 7,807 | 2,056 | - | 2,056 |
| Total hedging derivatives | 7,807 (note 10a) | 2,056 (note 10a) | 79,184 (note 15) | 131,332 (note 15) |

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(a) Fair value hedges

The total amount of gains and losses on hedging instruments and on items hedged under fair value hedges of net investments in Group companies is as follows:

| | Thousands of Euros | |
|---|--------------------|----------|
| | Gains/(losses) | |
| | 2012 | 2011 |
| Forward exchange contracts | | |
| Net investment hedging swaps (note 8) | 40,623 | (64,410) |
| Investments in Group companies (note 8) | (41,132) | 64,410 |
| | <u>(509)</u> | <u>-</u> |

(b) Forward exchange contracts and swaps

To eliminate the currency risk of a Group subsidiary, in 2012 and 2011 the Company contracted a cross deal whereby it forward sells Polish Zloty to Neo Polska at a fixed price in Euros and simultaneously forward purchases Polish Zloty from EDP-Energías de Portugal, S.A. The nominal amount of these forward contracts is Euros 122 million (Euros 39 million in 2011). The Company contracted this cross deal to hedge the risk of exchange rate fluctuations on purchases of wind turbines payable in Polish Zloty by its subsidiary Neolica Polska SP Z.O.O. The fair value of these instruments, which amounts to Euros 5,883 thousand (Euros 2,056 thousand in 2011), is recognised as an asset under current investments in Group companies and associates and as a liability under current payables to Group companies and associates, as presented in notes 10.a and 16.a, respectively.

In 2012, the Company contracted two cross interest rate swaps for a total notional amount of Polish Zloty 544,376 thousand (Polish Zloty 309,307 thousand in 2011), equivalent to Euros 134,008 thousand (Euros 77,008 thousand in 2011). The fair value of these instruments is recognised as an asset under non-current investments in Group companies and associates for an amount of Euros 3,183 thousand (Euros 7,807 thousand in 2011), and as a liability under non-current payables for an amount of Euros 1,045 thousand, as presented in notes 10.a and 16.a.

In 2012 the Company arranged a futures contract on the US Dollar exchange rate for a notional amount of US Dollars 329,000 thousand, equivalent to Euros 253,272 thousand. The fair value of this instrument, which amounts to Euros 3,897 thousand, is recognised under current payables to Group companies and associates, as presented in note 16.a.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

To eliminate the currency risk of a Group subsidiary, in 2012 the Company contracted a cross deal whereby it forward sells Romanian Leu to EDPR Romania S.R.L. at a fixed price in Euros and simultaneously forward purchases Romanian Leu from EDP-Energias de Portugal, S.A. The nominal amount of these forward contracts is Euros 44 million. The fair value of these instruments, which amounts to Euros 2,828 thousand, is recognised as an asset under current investments in Group companies and associates and as a liability under current payables to Group companies and associates, as presented in notes 10.a and 16.a, respectively.

Moreover, the Company has arranged a futures contract on the Romanian Leu exchange rate for a notional amount of Euros 18,300 thousand. The fair value of this instrument, which amounts to Euros 348 thousand, is recognised under current payables to Group companies and associates, as presented in note 16.a.

(12) Cash and Cash Equivalents

Details of cash and cash equivalents are as follows:

| | Thousands of Euros | |
|---------------------------|--------------------|------------|
| | 2012 | 2011 |
| Cash in hand and at banks | 541 | 788 |
| Current bank deposits | - | - |
| | <u>541</u> | <u>788</u> |

(13) Equity

Details of equity and movement during 2012 and 2011 are shown in the statement of changes in equity.

(a) Subscribed capital

At 31 December 2012 and 2011, the share capital of the Company is represented by 872,308,162 ordinary bearer shares of Euros 5 par value each, all fully paid. These shares have the same voting and profit-sharing rights and are freely transferable.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Companies that hold a direct or indirect interest of at least 10% in the share capital of the Company at 31 December 2012 and 2011 are as follows:

| Company | 2012 and 2011 | |
|---|--------------------|----------------------|
| | Number of shares | Percentage ownership |
| EDP - Energías de Portugal, S.A. Sucursal en España | 541,027,156 | 62.02% |
| Hidroeléctrica del Cantábrico, S.A. | 135,256,700 | 15.51% |
| Other (*) | 196,024,306 | 22.47% |
| | <u>872,308,162</u> | <u>100.00%</u> |

(*) Shares quoted on the Lisbon stock exchange

In 2007 and 2008 the Company carried out several share capital increases that were subscribed through non-monetary contributions comprising 100% of the shares in EDPR NA and EDP Renewables Europe, S.L.U.

These contributions availed of the special tax treatment for mergers, spin-offs, transfers of assets and conversion of securities foreseen in Section VII, Chapter VIII of Royal Decree-Law 4/2004 of 5 March 2004 which approved the revised Spanish Income Tax Law. The disclosures required by prevailing legislation were included in the annual accounts for 2007 and 2008.

(b) Share premium

This reserve is freely distributable.

(c) Reserves

Details of reserves and movement during the year reflect the proposed distribution of profit approved by the shareholders (see note 3).

(i) Legal reserve

Pursuant to the revised Spanish Companies Act, in force since 1 September 2010, companies are required transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to 20% of share capital. Although the legal reserve can be used to increase share capital, until it reaches an amount equal to 20% of share capital it can only be used to offset losses if no other reserves are available and cannot be used for any other purpose. At 31 December 2012 and 2011, the Company has not appropriated to this reserve the minimum amount required by law.

(ii) Voluntary reserve

These reserves are freely distributable.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(iii) *Negative reserve for costs of the public share offering*

As a result of the public share offering, the Company has incurred a number of expenses associated with the share capital increase, which have been recognised in this caption net of the tax effect.

(14) Provisions

Movement in provisions in 2012 and 2011 is as follows:

| | | Thousands of Euros | | | |
|-----------------------------|--|--------------------------|---------|--------------|--------------------------|
| | | Balance at 31/12/2011 | Charges | Applications | Reversals |
| | | | | | Balance at 31/12/2012 |
| Non-current provisions | | | | | |
| Long-term employee benefits | | 1,015 | 456 | - | (595) |
| | | | | | 876 |
| | | | | | |
| | | Thousands of Euros | | | |
| | | Balance at 31/12/2010 | Charges | Applications | Reversals |
| | | | | | Balance at 31/12/2011 |
| Non-current provisions | | | | | |
| Long-term employee benefits | | - | 1,015 | - | - |
| | | | | | 1,015 |
| Current provisions | | | | | |
| Provisions | | 13,766 | - | (9,573) | (4,193) |
| | | | | | - |

In 2012 and 2011, provisions were recognised with a charge to personnel expenses. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

In 2011, the Company settled its obligations of Euros 9,573 thousand relating to the provision recorded in 2010. An amount of Euros 4,193 thousand was recognised under other operating income reflecting the surplus provision made in 2010, which was reversed in 2011 following settlement of the obligations.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(15) Financial Liabilities by Category

The classification of financial liabilities by category and class and a comparison of the fair value with the carrying amount are as follows:

| | 2012 | | | | | | | |
|----------------------------------|---------------------------|------------------|----------------|------------------|---------------------------|----------------|---------------|----------------|
| | Thousands of Euros | | | | | | | |
| | Non-current | | | | Current | | | |
| | At amortised cost or cost | | | | At amortised cost or cost | | | |
| | Carrying amount | Fair value | At fair value | Total | Carrying amount | Fair value | At fair value | Total |
| Liabilities held for trading | | | | | | | | |
| Derivative financial instruments | - | - | 1,045 | 1,045 | - | - | 12,956 | 12,956 |
| Total | - | - | 1,045 | 1,045 | - | - | 12,956 | 12,956 |
| Debts and payables | | | | | | | | |
| Group companies | | | | | | | | |
| Fixed rate | 2,843,115 | 2,654,426 | - | 2,843,115 | 120,051 | 120,051 | - | 120,051 |
| Variable rate | - | - | - | - | 152,295 | 152,295 | - | 152,295 |
| Trade and other payables | - | - | - | - | 15,856 | 15,856 | - | 15,856 |
| Total | 2,843,115 | 2,654,426 | - | 2,843,115 | 288,202 | 288,202 | - | 288,202 |
| Hedging derivatives | | | | | | | | |
| Traded on OTC markets | - | - | 128,915 | 128,915 | - | - | 41,381 | 41,381 |
| Total | - | - | 128,915 | 128,915 | - | - | 41,381 | 41,381 |
| Total financial liabilities | <u>2,843,115</u> | <u>2,654,426</u> | <u>129,960</u> | <u>2,973,075</u> | <u>288,202</u> | <u>288,202</u> | <u>54,337</u> | <u>342,539</u> |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

| | | 2011 | | | | | | | |
|----------------------------------|--|---------------------------|------------|---------------|-----------|---------------------------|------------|---------------|---------|
| | | Thousands of Euros | | | | | | | |
| | | Non-current | | | | Current | | | |
| | | At amortised cost or cost | | | | At amortised cost or cost | | | |
| | | Carrying amount | Fair value | At fair value | Total | Carrying amount | Fair value | At fair value | Total |
| Liabilities held for trading | | | | | | | | | |
| Derivative financial instruments | | - | - | - | - | - | - | 2,056 | 2,056 |
| Total | | - | - | - | - | - | - | 2,056 | 2,056 |
| Debts and payables | | | | | | | | | |
| Group companies | | | | | | | | | |
| Fixed rate | | 2,986,433 | 2,558,364 | - | 2,986,433 | 2,432 | 2,432 | - | 2,432 |
| Variable rate | | - | - | - | - | 117,433 | 117,433 | - | 117,433 |
| Trade and other payables | | - | - | - | - | 18,683 | 18,683 | - | 18,683 |
| Total | | 2,986,433 | 2,558,364 | - | 2,986,433 | 138,548 | 138,548 | - | 138,548 |
| Hedging derivatives | | | | | | | | | |
| Traded on OTC markets | | - | - | 79,184 | 79,184 | - | - | 129,276 | 129,276 |
| Total | | | | 79,184 | 79,184 | | | 129,276 | 129,276 |
| Total financial liabilities | | 2,986,433 | 2,558,364 | 79,184 | 3,065,617 | 138,548 | 138,548 | 131,332 | 269,880 |

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Net losses and gains by financial liability category are as follows:

| | 2012 | | | |
|---------------------------------|-------------------------------------|-----------------------------------|------------------------------|----------------|
| | Thousands of Euros | | | |
| | Debts and payables, Group companies | Debts and payables, third parties | Liabilities held for trading | Total |
| Finance costs at amortised cost | 181,384 | 1,309 | - | 182,693 |
| Change in fair value | - | - | 6,334 | 6,334 |
| Total | <u>181,384</u> | <u>1,309</u> | <u>6,334</u> | <u>189,027</u> |

| | 2011 | | | |
|---------------------------------|-------------------------------------|-----------------------------------|------------------------------|----------------|
| | Thousands of Euros | | | |
| | Debts and payables, Group companies | Debts and payables, third parties | Liabilities held for trading | Total |
| Finance costs at amortised cost | 156,606 | 636 | - | 157,242 |
| Total | <u>156,606</u> | <u>636</u> | <u>-</u> | <u>157,242</u> |

(16) Payables and Trade Payables(a) Group companies

Details of payables to Group companies are as follows:

| | Thousands of Euros | | | |
|--|--------------------|----------------|------------------|----------------|
| | 2012 | | 2011 | |
| | Non-current | Current | Non-current | Current |
| Group | | | | |
| Group companies | 2,843,115 | 119,607 | 2,986,433 | - |
| Interest | - | 444 | - | 2,432 |
| Suppliers of fixed assets, Group companies | - | 40 | - | 43 |
| Derivative financial instruments (note 11) | 129,960 | 54,337 | 79,184 | 131,332 |
| Current account with Group companies | | 152,255 | - | 116,939 |
| Total | <u>2,973,075</u> | <u>326,683</u> | <u>3,065,617</u> | <u>250,746</u> |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

The current account with Group companies accrues daily interest, which is settled or collected on a monthly basis. The rate applicable to interest receivable ranges between one-month Euribor plus 1% and one-year Euribor plus 1% whilst the rate applicable to interest payable ranges between the one-month Euribor and one-year Euribor.

At 31 December 2012 and 2011, Group companies reflect ten fixed-interest loans obtained from EDP Finance BV.

(b) Payables

Details of payables are as follows:

| | Thousands of Euros | | | |
|---------------------------|--------------------|---------|-------------|---------|
| | 2012 | | 2011 | |
| | Non-current | Current | Non-current | Current |
| Unrelated parties | | | | |
| Suppliers of fixed assets | - | - | - | 390 |
| Interest | - | 11 | - | 39 |
| Other | - | 928 | - | 22 |
| Total | - | 939 | - | 451 |

At 31 December 2011, payables to suppliers of fixed assets reflected invoices payable to suppliers of computer software.

(c) Main characteristics of payables

The terms and conditions of loans and payables are as follows:

| Type | Currency | Effective rate | Nominal rate | Maturity | 2012 | | |
|-------|----------|----------------|--------------|----------|--------------------|-----------------|-------------|
| | | | | | Thousands of Euros | | |
| | | | | | Nominal amount | Carrying amount | |
| | | | | | | Current | Non-current |
| Group | EUR | 4.66% | 4.66% | 2018 | 890,275 | - | 890,275 |
| | EUR | 6.93% | 6.93% | 2019 | 186,644 | - | 186,644 |
| | EUR | 5.04% | 5.04% | 2020 | 133,124 | - | 133,124 |
| | EUR | 6.54% | 6.54% | 2016 | 241,000 | - | 241,000 |
| | USD | 4.57% | 4.57% | 2018 | 1,116,252 | - | 1,116,252 |
| | USD | 7.86% | 7.86% | 2019 | 172,923 | - | 172,923 |
| | USD | 7.30% | 7.30% | 2019 | 102,897 | - | 102,897 |
| | USD | 7.40% | 7.40% | 2013 | 38,002 | 38,002 | - |
| | USD | 8.35% | 8.35% | 2013 | 36,215 | 36,215 | - |
| | USD | 7.50% | 7.50% | 2013 | 39,427 | 39,427 | - |
| Total | | | | | 2,956,759 | 113,644 | 2,843,115 |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

On 26 December 2012 an agreement was reached with EDP Finance BV for the early repayment of three US Dollar loans. The costs incurred as a result of early repayment total Euros 5,963 thousand. These have been recognised as finance costs on payables to Group companies in the income statement and presented as an increase in the balance payable to EDP Finance BV under current payables to Group companies and associates.

| Type | Currency | Effective rate | Nominal rate | Maturity | 2011 | | |
|-------|----------|----------------|--------------|----------|--------------------|-----------------|------------------|
| | | | | | Thousands of Euros | | |
| | | | | | Nominal amount | Carrying amount | |
| | | | | | | Current | Non-current |
| Group | EUR | 4.66% | 4.66% | 2018 | 890,275 | - | 890,275 |
| | EUR | 6.93% | 6.93% | 2019 | 186,644 | - | 186,644 |
| | EUR | 5.04% | 5.04% | 2020 | 133,124 | - | 133,124 |
| | EUR | 6.54% | 6.54% | 2016 | 241,000 | - | 241,000 |
| | USD | 4.57% | 4.57% | 2018 | 1,138,251 | - | 1,138,251 |
| | USD | 7.86% | 7.86% | 2019 | 176,331 | - | 176,331 |
| | USD | 7.30% | 7.30% | 2019 | 104,925 | - | 104,925 |
| | USD | 7.40% | 7.40% | 2020 | 38,751 | - | 38,751 |
| | USD | 8.35% | 8.35% | 2019 | 36,929 | - | 36,929 |
| | USD | 7.50% | 7.50% | 2021 | 40,203 | - | 40,203 |
| Total | | | | | <u>2,986,433</u> | <u></u> | <u>2,986,433</u> |

(d) Trade and other payables

Details of trade and other payables are as follows:

| | Thousands of Euros | | | |
|----------------------------------|--------------------|---------------|-------------|---------------|
| | 2012 | | 2011 | |
| | Non-current | Current | Non-current | Current |
| Group | | | | |
| Suppliers | - | 12,622 | - | 13,106 |
| | | | - | 13,106 |
| Unrelated parties | | | | |
| Trade payables | - | 1,395 | - | 1,555 |
| Salaries payable | - | 1,839 | - | 4,022 |
| Public entities, other (note 18) | - | 276 | - | 283 |
| | - | 3,510 | - | 5,860 |
| Total | <u>-</u> | <u>16,132</u> | <u>-</u> | <u>18,966</u> |

Payables to Group companies and associates mainly comprise expenses invoiced by EDP Energías de Portugal, S.A. and EDP Energías de Portugal, S.A. (Sucursal en España), primarily for management and IT services and use of the trademark.

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(e) Classification by maturity

The classification of financial liabilities by maturity is as follows:

| | 2012 | | | | | | | |
|----------------------------------|--------------------|----------|----------|----------------|----------------|------------------|----------------------|-------------------|
| | Thousands of Euros | | | | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 | Subsequent years | Less current portion | Total non-current |
| Derivative financial instruments | 54,337 | - | - | - | 129,960 | - | (54,337) | 129,960 |
| Group companies and associates | 272,346 | - | - | 241,000 | - | 2,602,115 | (272,346) | 2,843,115 |
| Trade and other payables | 15,856 | - | - | - | - | - | (15,856) | - |
| Total financial liabilities | <u>342,539</u> | <u>-</u> | <u>-</u> | <u>241,000</u> | <u>129,960</u> | <u>2,602,115</u> | <u>(342,539)</u> | <u>2,973,075</u> |

| | 2011 | | | | | | | |
|----------------------------------|--------------------|----------|----------|----------|----------|------------------|----------------------|-------------------|
| | Thousands of Euros | | | | | | | |
| | 2012 | 2013 | 2014 | 2015 | 2016 | Subsequent years | Less current portion | Total non-current |
| Derivative financial instruments | 131,332 | - | - | - | - | 79,184 | (131,332) | 79,184 |
| Group companies and associates | 119,414 | - | - | - | - | 2,986,433 | (119,414) | 2,986,433 |
| Current payables | 451 | - | - | - | - | - | (451) | - |
| Trade and other payables | 18,683 | - | - | - | - | - | (18,683) | - |
| Total financial liabilities | <u>269,880</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,065,617</u> | <u>(269,880)</u> | <u>3,065,617</u> |

(f) Exchange differences recognised in profit or loss in relation to financial liabilities

Details of exchange differences recognised in profit or loss in relation to financial instruments, distinguishing between settled and outstanding transactions, are as follows:

| | Thousands of Euros | | | |
|---|--------------------|---------------|------------|-----------------|
| | 2012 | | 2011 | |
| | Settled | Outstanding | Settled | Outstanding |
| Group companies and associates, non-current | 9 | 30,357 | - | (51,545) |
| Hedges of net investments in foreign operations | - | 40,623 | - | - |
| Trade and other payables | (35) | 100 | (9) | (100) |
| Total financial liabilities | <u>(26)</u> | <u>71,080</u> | <u>(9)</u> | <u>(51,645)</u> |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(17) Late Payments to Suppliers. "Reporting Requirement", Third Additional Provision of Law 15/2010 of 5 July 2010

Pursuant to the third additional provision of Law 15/2010 of 5 July 2010, which amends Law 3/2004 and contains measures to combat late payments in commercial transactions, companies are required to expressly disclose information on payment periods with suppliers in the notes to the annual accounts. Details of payments to suppliers in 2012 and 2011 (highlighting the amounts that exceeded the maximum legal payment period), the weighted average period by which payments are past-due and the outstanding amount payable that exceeds the legal payment period at year end are as follows:

| | Payments made and outstanding at the balance sheet date | | | |
|---|---|------|--------|------|
| | 2012 | | 2011 | |
| | Amount | % | Amount | % |
| Within maximum legal period | 5,765 | 39% | 7,672 | 65% |
| Other | 9,040 | 61% | 4,180 | 35% |
| Total payments for the period | 14,805 | 100% | 11,852 | 100% |
| Weighted average late payment days | 129 | - | 48 | - |
| Late payments for which the maximum legal payment term has been exceeded at the reporting date | 3,999 | - | 5,274 | - |

Euros 3,924 thousand of the past-due suppliers balance at the 2012 year end is payable to Group companies (Euros 5,194 thousand in 2011).

This law stipulates a maximum legal payment period of 75 days in 2012 and 85 days in 2011. The Company has applied this criterion when preparing the information required by the Spanish Accounting and Auditing Institute (ICAC) resolution of 29 December 2010 on disclosures in notes to financial statements of late payments to suppliers in commercial transactions, and as such the information for 2012 and 2011 is not directly comparable.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(18) Taxation

Details of balances with public entities are as follows:

| | Thousands of Euros | | | |
|-----------------------------------|--------------------|------------|---------------|------------|
| | 2012 | | 2011 | |
| | Non-current | Current | Non-current | Current |
| Assets | | | | |
| Deferred tax assets | 17,248 | - | 2,109 | - |
| Current tax assets | - | - | - | 11 |
| | <u>17,248</u> | <u>-</u> | <u>2,109</u> | <u>11</u> |
| Liabilities | | | | |
| Deferred tax liabilities | 29,866 | - | 28,117 | - |
| Value added tax and similar taxes | - | 276 | - | 283 |
| | <u>29,866</u> | <u>276</u> | <u>28,117</u> | <u>283</u> |

The Company files consolidated income tax and value added tax returns. The parent of this consolidated tax group is EDP-Energías de Portugal, S.A. Sucursal en España. At 31 December 2012 the Company has recognised income tax payable of Euros 35,220 thousand (Euros 18,148 thousand in 2011) and VAT payable of Euros 797 thousand (Euros 1,490 thousand in 2011). These balances are recognised in the current account with the Parent (see note 20.a).

The Company has the following main applicable taxes open to inspection by the Spanish taxation authorities:

| Tax | Years open to inspection |
|-------------------------|--------------------------|
| Income tax | 2009 to 2011 |
| Value added tax | 2009 to 2012 |
| Personal income tax | 2009 to 2012 |
| Capital gains tax | 2009 to 2012 |
| Business activities tax | 2009 to 2012 |
| Social Security | 2009 to 2012 |
| Non-residents | 2009 to 2012 |

The Company's income tax and value added tax for 2007 and 2008 were subject to an inspection in 2010, which was concluded in 2011.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Due to the treatment permitted by fiscal legislation of certain transactions, additional tax liabilities could arise in the event of inspection. In any case, the Parent Company directors do not consider that any such liabilities that could arise would have a significant effect on the annual accounts.

(a) Income taxes

The Company files consolidated tax returns as part of the tax group headed by EDP Energías de Portugal, S.A. Sucursal en España, which includes Hidroeléctrica del Cantábrico, S.A., Hidrocantábrico Distribución Eléctrica, S.A., Hidrocantábrico Energía, S.A., Hidrocantábrico Soluciones Comerciales, S.A., Hidrocantábrico Servicios, S.A., EDP Servicios Financieros España, S.A., Hidrocantábrico Cogeneración, S.L., Energía e Industria de Toledo, S.A., Cerámica Técnica de Illescas Cogeneración, S.A., Tratamientos Ambientales Sierra de la Tercia, S.A., Sinova Medioambiental, S.A., Iniciativas Tecnológicas de Valoración Energética de Residuos, S.A., HC Energia Gas, S.L., EDP Renewables Europe, S.L.U., EDP Renovables España S.L., EDPR Servicios Financieros S.L., NEO Energía Aragón, S.L., P.E. Plana de Artajona, S.L., P.E. Montes de Castejón, S.L., P.E. Los Cantales, S.L., Iberia Aprovechamientos Eólicos, S.A., Corporación Empresarial de Renovables Alternativas, S.L.U., Compañía Eléctrica de Energías Renovables Alternativas, S.A.U., Acampo Arias, S.L., Bont Vent de Corbera, S.L., Bont Vent de Vilalba, S.L., Desarrollos Eólicos de Galicia, S.A., Desarrollos Eólico de Tarifa, SAU, Desarrollos Eólicos de Corme, S.A., Desarrollos Eólicos Buenavista, SAU, Desarrollos Eólicos de Lugo, SAU, Desarrollos Eólicos Rabosera, S.A., Desarrollos Eólicos Almarchal, SAU, Desarrollos Eólicos Dumbría, SAU, Eólica Muxia S.L., Eólica La Janda, S.L., Eólica Guadalteba S.L., Eólica Fontesilva S.L., EDP Renovaveis Cantabria S.L., Eneroliva, S.A., Eólica Curiscao Pumar, S.A., Parques Eólicos del Cantábrico, S.A., Energías Eolicas de la Manchuela, S.A., Parque Eólico Belchite, S.L., Siesa Renovables Canarias, S.L., Eólica Don Quijote S.L., Eólica Dulcinea S.L., Eólica Sierra de Avila S.L., Eólica de Radona, S.L., Eólica La Navica, S.L., Eólica Garcimuñoz, S.L., Parc Eólic Serra Voltorera, S.L., Parc Eólic Coll de la Garganta, S.L., Bont Vent de L'Ébre, S.L., and Iberenergia, S.A.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

A reconciliation of net income and expenses for the year with the taxable income is as follows:

| | 2012 | | |
|-----------------------------|--------------------|-----------|----------|
| | Thousands of Euros | | |
| | Income statement | | |
| | Increases | Decreases | Net |
| Profit for the year | | | 50,838 |
| Income tax | 21,838 | - | 21,838 |
| Profit before income tax | | | 72,676 |
| Permanent differences | 104 | - | 104 |
| Temporary differences: | 58,024 | (13,393) | 44,631 |
| originating in current year | 58,024 | - | 58,024 |
| originating in prior years | - | (13,393) | (13,393) |
| Taxable income | | | 117,411 |

| | 2011 | | |
|-----------------------------|--------------------|-----------|----------|
| | Thousands of Euros | | |
| | Income statement | | |
| | Increases | Decreases | Net |
| Profit for the year | | | 59,018 |
| Income tax | | | 23,743 |
| Profit before income tax | | | 82,761 |
| Permanent differences | - | (3,612) | (3,612) |
| Temporary differences: | 6,455 | (20,521) | (14,066) |
| originating in current year | 6,455 | - | 6,455 |
| originating in prior years | - | (20,521) | (20,521) |
| Taxable income | | | 65,083 |

Decreases due to permanent differences in 2011 reflect costs relating to the recognition of the provision mentioned in note 14, which is considered to be a non-deductible expense.

Increases due to temporary differences totalling Euros 54,101 thousand in 2012 essentially reflect the limited deductibility of net finance costs under Royal Decree 12/2012. The remaining increases due to temporary differences reflect salaries payable and other non-deductible items, as well as costs relating to the recognition of the provision mentioned in note 14, considered non-deductible expenses. In 2011 these increases related to expenses for the rendering of services considered to be non-deductible.

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Notes to the Annual Accounts

Decreases due to temporary differences in 2012 reflect the tax amortisation of the financial goodwill of EDPR NA, salaries payable and other non-deductible items in 2011. In 2011 these decreases reflected the tax amortisation of the financial goodwill of EDPR NA, salaries payable and other non-deductible items in 2010.

The relationship between the tax expense and accounting profit for the year is as follows:

| | 2012 | | |
|---|--------------------|----------|---------------|
| | Thousands of Euros | | |
| | Profit or loss | Equity | Total |
| Profit for the year | 72,676 | - | 72,676 |
| Tax at 30% | 21,803 | - | 21,803 |
| Non-deductible expenses | | | |
| Provisions | 31 | - | 31 |
| Prior years' adjustments | 4 | - | 4 |
| Deductions and credits for the current year | - | - | - |
| Income tax expense | <u>21,838</u> | <u>-</u> | <u>21,838</u> |

| | 2011 | | |
|---|--------------------|----------|---------------|
| | Thousands of Euros | | |
| | Profit or loss | Equity | Total |
| Profit for the year | 82,761 | - | 82,761 |
| Tax at 30% | 24,828 | - | 24,828 |
| Non-deductible expenses | | | |
| Provisions | (1,083) | - | (1,083) |
| Prior years' adjustments | (2) | - | (2) |
| Deductions and credits for the current year | - | - | - |
| Income tax expense | <u>23,743</u> | <u>-</u> | <u>23,743</u> |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Details of the income tax expense are as follows:

| | Thousands of Euros | |
|---|--------------------|---------------|
| | 2012 | 2011 |
| Current tax | | |
| Present year | 35,223 | 19,525 |
| Other | 4 | (2) |
| | <u>35,227</u> | <u>19,523</u> |
| Deferred tax | | |
| Source and reversal of temporary differences | | |
| Provisions | 2,268 | 2,832 |
| Tax amortisation of EDPR NA goodwill | 1,750 | 1,750 |
| Limited deductibility of finance costs under RD 12/2012 | (16,230) | - |
| Salaries payable and other items | <u>(1,177)</u> | <u>(362)</u> |
| | <u>(13,389)</u> | <u>4,220</u> |
| | <u>21,838</u> | <u>23,743</u> |

Details of deferred tax assets and liabilities by type of asset and liability are as follows:

| | Thousands of Euros | | | | | |
|---|--------------------|--------------|-----------------|-----------------|-----------------|-----------------|
| | Assets | | Liabilities | | Net | |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Tax amortisation of EDPR NA goodwill | - | - | (29,866) | (28,117) | (29,866) | (28,117) |
| Salaries payable and other items | 1,018 | 2,109 | - | - | 1,018 | 2,109 |
| Limited deductibility of finance costs under RD 12/2012 | 16,230 | - | - | - | 16,230 | - |
| Total assets/liabilities | <u>17,248</u> | <u>2,109</u> | <u>(29,866)</u> | <u>(28,117)</u> | <u>(12,618)</u> | <u>(26,008)</u> |

As a result of the additional taxes raised in the tax inspection of 2007 and 2008, in 2011 the Company reduced deferred tax liabilities by Euros 4,254 thousand, reflecting the amount paid to the taxation authorities in respect of the tax amortisation of EDPR NA goodwill for 2007.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Details of deferred tax assets and liabilities that are expected to be realised or reversed in periods exceeding 12 months are as follows:

| | Thousands of Euros | |
|---|--------------------|----------|
| | 2012 | 2011 |
| Tax amortisation of EDPR NA goodwill | (29,866) | (28,117) |
| Limited deductibility of finance costs under RD 12/2012 | 16,230 | - |
| Net | (13,636) | (28,117) |

(19) Environmental Information

Given that the business nature of the Corporation does not include directly, but indirectly through the companies integrating the Group, the development, construction and operation of electricity generation facilities, it is not considered necessary to make investments through the Corporation to prevent or correct environmental impacts, or make any environmental provisions.

However, on behalf of the Group companies in the development of new facilities, a number of environmental studies, in compliance with the prevailing legislation, and consequent preventive, corrective and compensatory measures, have been carried out. These investments have been recognised as an increase in property, plant and equipment under construction.

These annual accounts do not detail any other environmental costs.

The directors consider that no significant environmental contingencies exist.

(20) Related Party Balances and Transactions(a) Related party balances

Balances receivable from and payable to Group companies and related parties, including key management personnel and directors, and the main details of these balances, are disclosed in notes 10 and 16.

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

Details of balances by category are as follows:

| | 2012 | | | |
|--|--------------------|-----------------|-----------|-----------|
| | Thousands of Euros | | | |
| | Parent | Group companies | Directors | Total |
| Non-current investments in Group companies | - | 4,090,612 | - | 4,090,612 |
| Non-current investments | - | 4,272,201 | - | 4,272,201 |
| Total non-current assets | - | 8,362,813 | - | 8,362,813 |
| Trade and other receivables | - | 2,784 | - | 2,784 |
| Current investments | 154,691 | 643,889 | - | 798,580 |
| Cash and cash equivalents | - | - | - | - |
| Total current assets | 154,691 | 646,673 | - | 801,364 |
| Total assets | 154,691 | 9,009,486 | - | 9,164,177 |
| Payables to Group companies, non-current | - | 2,843,115 | - | 2,843,115 |
| Total non-current liabilities | - | 2,843,115 | - | 2,843,115 |
| Current accounts with Group companies | - | 152,295 | - | 152,295 |
| Current payables | - | 120,051 | - | 120,051 |
| Trade and other payables | 7,801 | 4,821 | - | 12,622 |
| Total current liabilities | 7,801 | 277,167 | - | 284,968 |
| Total liabilities | 7,801 | 3,120,282 | - | 3,128,083 |

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Notes to the Annual Accounts

| | 2011 | | | |
|--|--------------------|-----------------|-----------|-----------|
| | Thousands of Euros | | | |
| | Parent | Group companies | Directors | Total |
| Non-current investments in Group companies | - | 4,189,354 | - | 4,189,354 |
| Non-current investments | - | 4,293,063 | - | 4,293,063 |
| Total non-current assets | - | 8,482,417 | - | 8,482,417 |
| Trade and other receivables | - | 16,143 | - | 16,143 |
| Current investments | 179,074 | 480,815 | - | 659,889 |
| Cash and cash equivalents | - | - | - | - |
| Total current assets | 179,074 | 496,958 | - | 676,032 |
| Total assets | 179,074 | 8,979,375 | - | 9,158,449 |
| Payables to Group companies, non-current | - | 2,986,433 | - | 2,986,433 |
| Total non-current liabilities | - | 2,986,433 | - | 2,986,433 |
| Current accounts with Group companies | - | 116,939 | - | 116,939 |
| Current payables | - | 4,531 | - | 4,531 |
| Trade and other payables | 6,996 | 6,110 | - | 13,106 |
| Total current liabilities | 6,996 | 127,580 | - | 134,576 |
| Total liabilities | 6,996 | 3,114,013 | - | 3,121,009 |

At 31 December 2012 and 2011 all derivative financial instruments held by the Company have been arranged with Group companies.

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(b) Related party transactions

The Company's transactions with related parties are as follows:

| | 2012 | | |
|--|--------------------|-----------|-----------|
| | Thousands of Euros | | |
| | Group companies | Directors | Total |
| Income | | | |
| Other services rendered | 32 | - | 32 |
| Finance income (notes 9 and 21.a) | 272,737 | - | 272,737 |
| | 272,769 | - | 272,769 |
| Expenses | | | |
| Operating lease expenses and royalties | (2,232) | - | (2,232) |
| Other services received | (7,560) | - | (7,560) |
| Personnel expenses | | | |
| Salaries | - | (1,851) | (1,851) |
| Finance costs (note 15) | (181,384) | - | (181,384) |
| | (191,176) | (1,851) | (193,027) |
| | 81,593 | (1,851) | 79,742 |
| | | | |
| | 2011 | | |
| | Thousands of Euros | | |
| | Group companies | Directors | Total |
| Income | | | |
| Other services rendered | 695 | - | 695 |
| Finance income (notes 9 and 21.a) | 274,012 | - | 274,012 |
| | 274,707 | - | 274,707 |
| Expenses | | | |
| Operating lease expenses and royalties | (2,169) | - | (2,169) |
| Other services received | (7,479) | - | (7,479) |
| Personnel expenses | | | |
| Salaries | - | (2,454) | (2,454) |
| Finance costs (note 15) | (156,606) | - | (156,606) |
| | (166,254) | (2,454) | (168,708) |
| | 108,453 | (2,454) | 105,999 |

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Other services rendered mainly reflect management support services and various costs passed on to subsidiaries.

Operating lease expenses and royalties essentially reflect the lease payments for the Company's offices and royalties for using the EDP Group's trademarks.

Other services received comprise various management services, specifically for loan of personnel and other items.

Furthermore, in 2011 the Company sold various wind farm management applications to the Group subsidiaries EDPR EU and EDPR NA (see note 5).

(c) Information on the Company's directors and key management personnel

In 2012 the directors of the Company have accrued remuneration of Euros 963 thousand (Euros 1,063 thousand in 2011) in respect of their position as directors. Mrs. Ana Maria Fernandes resigned as Chief Executive Officer of EDPR on February 28th, 2012. The remuneration mentioned above refers only to the months when she was still on duty paid in 2012 and adjustments paid on February 2013.

On 4 November 2008, EDP Energias de Portugal, S.A. and the Company entered into a contract whereby the former renders executive management services to the latter, including matters relating to its day-to-day administration. By virtue of this contract, EDP Energias de Portugal, S.A. appointed four members of the Company's executive committee, for which the Company pays an amount determined by the board of directors.

This contract expired on 18 March 2011 and was replaced by a new executive management services contract signed on 4 May 2011 between EDP Energias de Portugal, S.A. and the Company, effective from 18 March 2011. This contract stipulates the conditions under which EDP Energias de Portugal, S.A. renders executive management services to the Company, including matters relating to its day-to-day administration. By virtue of this contract, EDP Energias de Portugal, S.A. appoints three members of the Company's executive committee, for which the Company pays an amount determined by the remuneration committee.

Pursuant to this contract, the Company has recognised payments for management services provided totalling Euros 1,295 thousand in 2012 (variable and fixed remuneration) and Euros 380 thousand in 2011 (fixed remuneration) as other services, under external services in the income statement.

The Company's key management personnel, who have also acted as directors since their appointment in 2011, have earned monetary remuneration of Euros 906 thousand in 2012 (Euros 1,391 thousand in 2011) in connection with the executive duties carried out at the Company. Key management personnel received no significant non-monetary remuneration in 2012.

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The directors and key management personnel have not received any loans or advances and the Company has not extended any guarantees on their behalf. The Company has no pension or life insurance obligations with its former or current directors in 2012 or 2011.

- (d) Transactions other than ordinary business or under terms differing from market conditions carried out by the directors of the Company

In 2012 and 2011 the directors have not carried out any transactions other than ordinary business with the Company or applying terms that differ from market conditions.

- (e) Investments and positions held by directors

Details of investments held by the directors and their related parties in companies with identical, similar or complementary statutory activities to that of the Company, as well as positions held and functions and activities performed in these companies, are shown in Appendix II, which forms an integral part of this note to the annual accounts.

(21) Income and Expenses

- (a) Revenues

Details of revenues by category of activity and geographical market are as follows:

| | Thousands of Euros | | | | | |
|----------------|--------------------|---------|----------------|--------|---------|---------|
| | Domestic | | Rest of Europe | | Total | |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Finance income | 258,457 | 261,353 | 14,280 | 12,659 | 272,737 | 274,012 |

- (b) Foreign currency transactions

Details of income and expenses denominated in foreign currencies are as follows:

| | Thousands of Euros | |
|-----------------------|--------------------|----------|
| | 2012 | 2011 |
| Income | | |
| Financial instruments | 12,495 | 7,660 |
| Finance income | 12,495 | 7,660 |
| Expenses | | |
| Financial instruments | (84,049) | (77,981) |
| Finance costs | (84,049) | (77,981) |
| Net | (71,554) | (70,321) |

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EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

The Company's main foreign currency transactions are carried out in US Dollars and Polish Zlotys.

(c) Employee benefits expense

Details of employee benefits expense are as follows:

| | Thousands of Euros | |
|--|--------------------|--------------|
| | 2012 | 2011 |
| Employee benefits expense | | |
| Social Security payable by the Company | 1,116 | 870 |
| Other employee benefits expenses | 578 | 537 |
| | <u>1,694</u> | <u>1,407</u> |

(d) External services

Details of external services are as follows:

| | Thousands of Euros | |
|-----------------------------------|--------------------|---------------|
| | 2012 | 2011 |
| Leases | 918 | 835 |
| Royalties | 1,501 | 1,500 |
| Independent professional services | 2,275 | 1,932 |
| Advertising and publicity | 726 | 727 |
| Other services | 11,696 | 10,521 |
| | <u>17,116</u> | <u>15,515</u> |

Leases mainly include the rental of the Company's offices. There are no non-cancellable payments at 31 December 2012 and 2011.

Other services primarily include management support, communications and maintenance expenses, as well as travel costs.

At 31 December 2012 the Company has commitments to purchase external services amounting to Euros 1,784 thousand within one year, Euros 24 thousand within two years and Euros 6 thousand within three years (in 2011 Euros 1,119 thousand within one year).

(e) Other operating income

Other operating income in 2011 basically reflects the reversal of the surplus provision cancelled during that year (see note 14).

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(22) Employee Information

The average headcount of the Company in 2012 and 2011, distributed by category, is as follows:

| | Number | |
|----------------------|-----------|-----------|
| | 2012 | 2011 |
| Management | 18 | 19 |
| Senior technicians | 70 | 73 |
| Technicians | 4 | 2 |
| Administrative staff | 4 | 5 |
| | <u>96</u> | <u>99</u> |

At year end the distribution by gender of Company personnel and the members of the board of directors is as follows:

| | Number | | Number | |
|----------------------|-----------|-----------|-----------|-----------|
| | 2012 | | 2011 | |
| | Male | Female | Male | Female |
| Management | 13 | 4 | 18 | 2 |
| Senior technicians | 52 | 25 | 66 | 30 |
| Technicians | 4 | 1 | 4 | 3 |
| Administrative staff | 3 | 1 | 2 | 2 |
| | <u>72</u> | <u>31</u> | <u>90</u> | <u>37</u> |

In 2012, the fourteen members of the board of directors are male (one of the seventeen members in 2011 was female).

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(23) Audit Fees

KPMG Auditores, S.L., the auditors of the individual and consolidated annual accounts of the Company, and other individuals and companies related to the auditors as defined by Audit Law 19/1988 of 12 July 1988, have invoiced the Company the following net fees for professional services during the years ended 31 December 2012 and 2011:

| | Thousands of Euros | |
|---|--------------------|------------|
| | 2012 | 2011 |
| Audit services, individual and consolidated annual accounts | 130 | 130 |
| Assurance services | 5 | 3 |
| Review services for internal control over financial reporting | 180 | - |
| | <u>315</u> | <u>133</u> |

Audit services detailed in the above table include the total fees for services rendered in 2012 and 2011.

Other companies related to KPMG International have invoiced the Company as follows:

| | Thousands of Euros | |
|--|--------------------|------------|
| | 2012 | 2011 |
| Audit-related services | - | 219 |
| Audit services, consolidated annual accounts | 96 | 96 |
| Other services | 33 | - |
| | <u>129</u> | <u>315</u> |

(24) Commitments

At 31 December 2012 the Company has extended guarantees to suppliers of wind turbines on behalf of Group companies amounting to Euros 268 million (0 in 2011), including guarantees of US Dollars 353 million. The Company has deposited guarantees with financial institutions on behalf of Group companies amounting to Euros 536 million (Euros 483 million in 2011), including guarantees of US Dollars 226 million (US Dollars 395 million in 2011).

The Company's directors do not expect any significant liabilities to arise from these guarantees.

(Continued)

EDP RENOVÁVEIS, S.A.

Notes to the Annual Accounts

(25) Events After the Reporting Date

In early January 2013 the EDP Renováveis Group carried out a number of operations aimed at reorganising the Group's finances in order to maximise the efficiency of financing between Group companies.

EDP R Servicios Financieros España, S.L. was incorporated in 2012. Once the above operations have been completed, this company will become the financial entity of the EDP Renováveis Group.

As part of this restructuring, in January 2013 EDP Renewables Europe, S.L.U., a subsidiary of EDP Renováveis, S.A., subscribed a share capital increase at EDP R Servicios Financieros España, S.L. through the non-monetary contribution of loans extended to its subsidiaries and other loans obtained from EDP Renováveis, S.A.

EDP Renováveis, S.A. has also subscribed a share capital increase at EDP R Servicios Financieros España, S.L. through the non-monetary contribution of the loans extended to its subsidiaries and loans received from EDP Finance, B.V. The EDP Renováveis Group has also transferred the majority of its finance department to the new financial entity as part of this restructuring.

EDP Renováveis, S.A. has subscribed a further share capital increase at EDP R Servicios Financieros España, S.L. for an amount of Euros 580 million, and an additional share capital increase at EDP Renewables Europe, S.L.U. for an amount of Euros 2,195 million.

As a result of the above operations, EDP Renováveis, S.A. holds a 70% interest in the financial entity, whilst the remaining 30% is held by EDP Renewables Europe, S.L.U.

(Continued)

EDP RENOVAVEIS, S.A.

Appendix I
Page 1 of 23

Information on Investments in Group Companies

31 December 2012

| | | | | | | Thousands of Euros | | | | | |
|---------------------------------------|--------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|----------|--------------------------|--------------------------|---------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| EDP RENEWABLES EUROPE, S.L. | Oviedo, Spain | 100% | - | KPMG | Holding company | 30,000 | 93,240 | - | 95,602 | 95,602 | 218,842 |
| Edpr Ro Pv.SRL | Romania | 0.1% | 99.9% | Unaudited | Holding company | 2 | 1,951 | - | 84 | 84 | 2,037 |
| | | | | | Wind farm installation | | | | | | |
| Edpr España, SL. | Spain | - | 100% | KPMG | and assembly | 8,061 | 469,314 | - | 47,535 | 47,535 | 524,910 |
| Edpr Polska, Sp.z.o.o. | Poland | - | 100% | KPMG | Wind energy production | 121,228 | 2,355 | 10 | 5,799 | 5,799 | 129,392 |
| | | | | | Other economic | | | | | | |
| Tarcan, B.V | Netherlands | - | 100% | KPMG | activities | 20 | 8,904 | - | 3,075 | 3,075 | 11,999 |
| Greenwind, S.A. | Belgium | - | 70% | KPMG | Wind energy production | 24,924 | 3,747 | (489) | 3,172 | 3,172 | 31,354 |
| | | | | | Other economic | | | | | | |
| Edpr Serv Finan ,S.L | Spain | - | 100% | Unaudited | activities | 3 | - | - | (1) | (1) | 2 |
| Neo Energía Aragón, S.L. | Spain | - | 100% | Unaudited | Wind energy production | 10 | (2) | - | (1) | (1) | 7 |
| Mfv Neptun SP,ZO.O | Poland | - | 100% | Unaudited | Wind energy production | 1 | (1) | - | (13) | (13) | (13) |
| Mfv Gryf SP,ZO.O | Poland | - | 100% | Unaudited | Wind energy production | 1 | (1) | - | (13) | (13) | (13) |
| EDP Renovaveis Portugal, S.A. | Portugal | - | 100% | KPMG | Wind energy production | 7,500 | 28,177 | 8,212 | 45,560 | 45,560 | 89,449 |
| Mfv Pomorze SP,ZO.O | Poland | - | 100% | Unaudited | Wind energy production | 1 | (1) | - | (13) | (13) | (13) |
| EDP Renewables France, S.A.S. | France | - | 100% | KPMG | Holding company | 48,527 | (15,529) | - | (9,303) | (9,303) | 23,695 |
| EDP Renewables Romania, S.R.L. | Romania | - | 85% | KPMG | Wind energy production | - | 5,443 | - | (1,585) | (1,585) | 3,858 |
| Cernavoda Power, S.R.L. | Romania | - | 85% | KPMG | Wind energy production | 10,023 | (11,250) | (6,933) | 1,214 | 1,214 | (6,946) |
| EDP Renewables Italia, S.R.L. | Italy | - | 93.52% | KPMG | Wind energy production | 21,335 | 6,743 | - | (1,712) | (1,712) | 26,366 |
| EDPR Uk Ltd | United Kingdom | - | 100% | KPMG | Wind energy production | 113 | (2,091) | - | (3,202) | (3,202) | (5,180) |
| Desarrollos Eólicos de Galicia, S.A. | Coruña, Spain | - | 100% | KPMG | Wind energy production | 6,130 | 3,777 | 597 | 1,126 | 1,126 | 11,630 |
| Desarrollos Eólicos de Tarifa, S.A.U | Sevilla, Spain | - | 100% | KPMG | Wind energy production | 5,800 | 2,524 | - | 1,651 | 1,651 | 9,975 |
| Desarrollos Eólicos de Corme, S.A. | Sevilla, Spain | - | 100% | KPMG | Wind energy production | 3,666 | 3,784 | - | 1,011 | 1,011 | 8,461 |
| Desarrollos Eólicos Buenavista, S.A.U | Sevilla, Spain | - | 100% | KPMG | Wind energy production | 1,712 | 1,527 | 602 | 1,271 | 1,271 | 5,112 |
| Desarrollos Eólicos de Lugo, S.A.U. | Coruña, Spain | - | 100% | KPMG | Wind energy production | 7,761 | 7,775 | (982) | 7,763 | 7,763 | 22,317 |
| Desarrollos Eólicos de Rabosera, S.A. | Zaragoza, Spain | - | 95% | KPMG | Wind energy production | 7,561 | 2,587 | (297) | 3,600 | 3,600 | 13,451 |
| Desarrollos Eólicos Almarchal S.A.U. | Sevilla, Spain | - | 100% | KPMG | Wind energy production | 2,061 | 2,485 | (580) | 615 | 615 | 4,581 |
| Desarrollos Eólicos Dumbría S.A.U. | Coruña, Spain | - | 100% | KPMG | Wind energy production | 61 | 13,131 | - | 4,284 | 4,284 | 17,476 |
| Parque Eólico Santa Quiteria, S.L. | Zaragoza, Spain | - | 58.33% | KPMG | Wind energy production | 63 | 13,709 | (129) | 3,187 | 3,187 | 16,830 |
| Eólica La Janda, SL | Madrid, Spain | - | 100% | KPMG | Wind energy production | 4,525 | 10,129 | - | 91 | 91 | 14,745 |
| Eólica Guadalteba. S.L. | Sevilla, Spain | - | 100% | KPMG | Wind energy production | 1,460 | 5,952 | - | 615 | 615 | 8,027 |
| Eólica Muxia, S.L.U. | Sevilla, Spain | - | 100% | Unaudited | Wind energy production | 23,480 | (85) | - | 66 | 66 | 23,461 |
| Eólica Fontesilva, S.L.U. | Sevilla, Spain | - | 100% | KPMG | Wind energy production | 6,860 | 3,583 | - | 349 | 349 | 10,792 |
| Eneroliva, S.A.U | Sevilla, Spain | - | 100% | Unaudited | Wind energy production | 308 | 179 | - | (137) | (137) | 350 |
| Eólica Curiscao Pumar, S.A.U. | Madrid, Spain | - | 100% | KPMG | Wind energy production | 60 | 13 | - | 1,518 | 1,518 | 1,591 |
| Parque Eólico Altos del Voltoya S.A. | Madrid, Spain | - | 61% | KPMG | Wind energy production | 7,813 | 10,113 | (105) | 3,954 | 3,954 | 21,775 |
| Sierra de la Peña, S.A. | Madrid, Spain | - | 84.9% | KPMG | Wind energy production | 3,294 | 6,834 | (636) | 3,570 | 3,570 | 13,062 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2012

| | | | | | | Thousands of Euros | | | | | |
|---|--------------------|-------------------------|---------------------------|-----------|---|--------------------|----------|--------------------------|--------------------------|---------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Eólica Arlanzón S.A. | Madrid, Spain | - | 77.5% | KPMG | Wind energy production | 4,509 | 3,197 | (168) | 2,623 | 2,623 | 10,161 |
| Eolica Campollano S.A. | Madrid, Spain | - | 75% | KPMG | Wind energy production | 6,560 | 15,115 | - | 8,409 | 8,409 | 30,084 |
| Parque Eólico Belchite S.L.U. | Zaragoza, Spain | - | 100% | KPMG | Wind energy production | 3,600 | 3,220 | - | 3,206 | 3,206 | 10,026 |
| Parque Eólico La Sotonera S.L. | Zaragoza, Spain | - | 64.84% | KPMG | Wind energy production | 2,000 | 2,764 | (399) | 2,045 | 2,045 | 6,410 |
| J&Z Wind Farms SP.ZO.O | Poland | - | 60% | Unaudited | Wind energy production | 4,047 | 3,724 | - | 120 | 120 | 7,891 |
| Eólica Don Quijote, S.L. | Madrid, Spain | - | 100% | KPMG | Wind energy production | 3 | 1 | - | 2,985 | 2,985 | 2,989 |
| Eólica Dulcinea, S.L. | Madrid, Spain | - | 100% | KPMG | Wind energy production | 10 | 171 | - | 1,692 | 1,692 | 1,873 |
| Eólica Sierra de Avila, S.L. | Madrid, Spain | - | 100% | KPMG | Wind energy production | 12,978 | 21,683 | - | (1,300) | (1,300) | 33,361 |
| Eólica de Radona, S.L.U. | Madrid, Spain | - | 100% | KPMG | Wind energy production | 22,088 | (2,643) | - | 686 | 686 | 20,131 |
| Eolica Alfoz, S.L. | Madrid, Spain | - | 83.73% | KPMG | Wind energy production | 8,480 | 1,286 | - | 3,987 | 3,987 | 13,753 |
| Eólica La Navica, SL | Madrid, Spain | - | 100% | KPMG | Wind energy production | 10 | 1,311 | - | 1,755 | 1,755 | 3,076 |
| Investigación y desarrollo de Energías Renovables (Ider). S.L. | León, Spain | - | 59.59% | KPMG | Wind energy production Cogeneration: Electricity | 29,451 | (9,519) | - | 1,784 | 1,784 | 21,716 |
| Rasacal Cogeneración, S.A. | Madrid, Spain | - | 60% | Unaudited | production | 60 | (476) | - | - | - | (416) |
| Korsze Wind Farm SP.ZO.O | Poland | - | 100% | Unaudited | Wind energy production | 1 | - | - | (1) | (1) | - |
| Monts de la Madeleine Energie,SAS | France | - | 100% | KPMG | Wind energy production | 37 | - | - | - | - | 37 |
| Monts du Forez Energie.SAS | France | - | 100% | KPMG | Wind energy production | 37 | - | - | - | - | 37 |
| Laterza Wind, SRL | Italy | - | 93.52% | Unaudited | Wind energy production | 10 | - | - | (3) | (3) | 7 |
| Parques Eólicos del Cantábrico, S.A. | Oviedo, Spain | - | 100% | KPMG | Wind energy production | 9,080 | 19,371 | (257) | 3,316 | 3,316 | 31,510 |
| Industrias Medioambientales Río Carrión, S.A. | Madrid, Spain | - | 90% | Unaudited | Waste: Livestock waste treatment | 60 | (610) | - | - | - | (550) |
| Tratamientos Mediambientales del Norte, S.A. | Madrid, Spain | - | 80% | Unaudited | Waste: Livestock waste treatment | 60 | (44) | - | (6) | (6) | 10 |
| Sotromal, S.A. | Soria, Spain | - | 90% | Unaudited | Waste treatment and recycling | 451 | (289) | - | 8 | 8 | 170 |
| Renovables Castilla La Mancha, S.A. | Madrid, Spain | - | 90% | KPMG | Wind energy production | 60 | 889 | - | 1,501 | 1,501 | 2,450 |
| Eólica La Manchuela, S.A. | Albacete, Spain | - | 100% | KPMG | Wind energy production | 1,142 | 1,161 | - | 1,505 | 1,505 | 3,808 |
| Casellaneta Wind,SRL | Italy | - | 93.52% | Unaudited | Wind energy production | 10 | - | - | (3) | (3) | 7 |
| Pietragalla Eolica.S.R.L | Italy | - | 100% | Unaudited | Wind energy production Mini-hydroelectric | 15 | 177 | - | (120) | (120) | 72 |
| Ceprastur, A.I.E. | Oviedo, Spain | - | 56.76% | Unaudited | energy prod, | 361 | 48 | - | (4) | (4) | 405 |
| Acampo Arias, SL | Spain | - | 98.19% | KPMG | Wind energy production | 3,314 | (340) | - | 581 | 581 | 3,555 |
| SOCPE Sauvageons, SARL | France | - | 49% | KPMG | Wind energy production | 1 | (106) | - | 152 | 152 | 47 |
| SOCPE Le Mee, SARL | France | - | 49% | KPMG | Wind energy production | 1 | (76) | - | 393 | 393 | 318 |
| SOCPE Petite Piece, SARL | France | - | 49% | KPMG | Wind energy production | 1 | (63) | - | 125 | 125 | 63 |
| Plouvien, S.A.S | France | - | 100% | KPMG | Wind energy production | 40 | (1,930) | - | (90) | (90) | (1,980) |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2012

| | | | | | | Thousands of Euros | | | | | |
|---------------------------------------|--------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|----------|--------------------------|--------------------------|-------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| CE Patay, SAS | France | - | 100% | KPMG | Wind energy production | 1,640 | 2,895 | (675) | 1,378 | 1,378 | 5,238 |
| Relax Wind Park III, Sp.z.o.o. | Poland | - | 100% | KPMG | Wind energy production | 16,616 | (2,270) | - | (724) | (724) | 13,622 |
| Relax Wind Park I, Sp.z.o.o. | Poland | - | 96.4% | KPMG | Wind energy production | 597 | 7,338 | (3,409) | (561) | (562) | 3,964 |
| Relax Wind Park IV, Sp.z.o.o. | Poland | - | 100% | Unaudited | Wind energy production | 109 | (259) | - | (585) | (585) | (735) |
| Relax Wind Park II, Sp.z.o.o. | Poland | - | 100% | Unaudited | Wind energy production | 123 | (104) | - | (22) | (22) | (3) |
| Edp Renewables Belgium,S.A | Belgium | - | 100% | Unaudited | Holding company | 62 | - | - | (12) | (12) | 50 |
| Sibioara Wind Farm,S.R.L | Romania | - | 85% | Unaudited | Wind energy production | - | (188) | - | 255 | 255 | 67 |
| Eolica.Garcimuñoz SL | Spain | - | 100% | Unaudited | Wind energy production | 4,060 | 12,146 | - | 3 | 3 | 16,209 |
| Compañía Eólica Campo de Borja, SA | Spain | - | 75.83% | KPMG | Wind energy production | 858 | 725 | - | 262 | 262 | 1,845 |
| Desarrollos Catalanes del Viento, SL | Spain | - | 60% | KPMG | Wind energy production | 5,993 | 16,338 | - | 267 | 267 | 22,598 |
| Iberia Aprovechamientos Eólicos, SAU | Spain | - | 100% | KPMG | Wind energy production | 1,919 | 221 | - | 883 | 883 | 3,023 |
| Molino de Caragüelles, S.L. | Spain | - | 80% | KPMG | Wind energy production | 180 | 247 | - | 84 | 84 | 511 |
| Edp Renewables SGPS,SA | Portugal | - | 100% | KPMG | Holding company | 50 | (69) | - | - | - | (19) |
| Parque Eólico Los Cantales, SLU | Spain | - | 100% | KPMG | Wind energy production | 1,963 | 1,130 | - | 2,475 | 2,475 | 5,568 |
| | | | | | Wind power: Project | | | | | | |
| Edpr Pt-Promocao e Operacao,S.A | Portugal | - | 100% | KPMG | development | 50 | - | - | (609) | (609) | (559) |
| Parques de Generación Eólica, SL | Spain | - | 60% | KPMG | Wind energy production | 1,924 | 3,589 | (2,712) | 1,055 | 1,055 | 3,856 |
| CE Saint Bernabé, SAS | France | - | 100% | KPMG | Wind energy production | 1,600 | 1,464 | (766) | 735 | 735 | 3,033 |
| CE Segur, SAS | France | - | 100% | KPMG | Wind energy production | 1,615 | 2,076 | (776) | 784 | 784 | 3,699 |
| Eolienne D'Etalondes, SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (34) | - | (4) | (4) | (37) |
| Eolienne de Saugueuse, SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (35) | - | 146 | 146 | 112 |
| Parc Eolien D'Ardennes | France | - | 100% | Unaudited | Wind energy production | 1 | (158) | - | - | - | (157) |
| Eolienne des Bocages, SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (28) | - | (9) | (9) | (36) |
| Parc Eolien des Longs Champs, SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (76) | - | (10) | (10) | (85) |
| Parc Eolien de Mancheville, SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (44) | - | (3) | (3) | (46) |
| Parc Eolien de Roman, SARL | France | - | 100% | Unaudited | Wind energy production | 1 | 686 | - | 670 | 670 | 1,357 |
| Parc Eolien des Vatines, SAS | France | - | 100% | KPMG | Wind energy production | 37 | (905) | (957) | 163 | 163 | (1,662) |
| Parc Eolien de La Hetroye, SAS | France | - | 100% | KPMG | Wind energy production | 37 | (36) | - | (4) | (4) | (3) |
| Eolienne de Callengeville, SAS | France | - | 100% | KPMG | Wind energy production | 37 | (29) | - | (5) | (5) | 3 |
| Parc Eolien de Varimpre, SAS | France | - | 100% | KPMG | Wind energy production | 37 | (378) | (1,080) | 466 | 466 | (955) |
| Parc Eolien du Clos Bataille, SAS | France | - | 100% | KPMG | Wind energy production | 37 | (604) | (839) | 172 | 172 | (1,234) |
| Eólica de Serra das Alturas,S.A | Portugal | - | 50.1% | KPMG | Wind energy production | 50 | 3,140 | - | 936 | 936 | 4,126 |
| Malhadizes- Energia Eólica, SA | Portugal | - | 100% | KPMG | Wind energy production | 50 | 100 | - | 906 | 906 | 1,056 |
| Eólica de Montenegro, LDA | Portugal | - | 50.1% | KPMG | Wind energy production | 50 | 5,045 | - | 1,933 | 1,933 | 7,028 |
| Eólica da Alagoa, S.A. | Portugal | - | 60% | KPMG | Wind energy production | 50 | 1,729 | 949 | 1,529 | 1,529 | 4,257 |
| Aplica.Indust de Energias limpias S.L | Spain | - | 61.5% | Unaudited | Wind energy production | 131 | 694 | - | 558 | 558 | 1,383 |
| Aprofitament D'Energies Renovables | Spain | - | 48.7% | Unaudited | Infrastructure | 1,994 | (799) | - | 100 | 100 | 1,295 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2012

| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|-------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| de la Tierra Alta S.A | | | | | Management | | | | | | |
| Bon Vent de L'Ebre S.L.U | Spain | - | 100% | KPMG | Wind energy production | 12,600 | 1,167 | - | 5,292 | 5,292 | 19,059 |
| Parc Eólic Coll de la Garganta S.L | Spain | - | 100% | KPMG | Wind energy production | 1,693 | (704) | - | (772) | (772) | 217 |
| Parc Eólic Serra Voltorera S.l | Spain | - | 100% | KPMG | Wind energy production | 3,458 | 5,581 | - | 218 | 218 | 9,257 |
| Elektrownia Wiatrowa Kresy I sp zoo | Poland | - | 100% | Unaudited | Wind energy production | 20 | (293) | - | (247) | (247) | (520) |
| Moray Offshore renewables limited | United Kingdom | - | 66.64% | KPMG | Wind energy production | 9,931 | 1,068 | 1,129 | (157) | (157) | 11,971 |
| Centrale Eolienne Canet –Pont de Salaras S.A.S | France | - | 100% | KPMG | Wind energy production | 125 | 456 | (906) | 477 | 477 | 152 |
| Centrale Eolienne de Gueltras Noyal – Pontiv y S.A.S | France | - | 100% | KPMG | Wind energy production | 2,261 | 2,332 | - | 637 | 637 | 5,230 |
| Centrale Eolienne Neo Truc de L'Homme .S.A.S | France | - | 100% | KPMG | Wind energy production | 38 | (12) | - | (10) | (10) | 16 |
| Vallee de Moulin SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (428) | - | 258 | 258 | (169) |
| Mardelle SARL | France | - | 100% | Unaudited | Wind energy production | 1 | (295) | - | 134 | 134 | (160) |
| Quinze Mines SARL | France | - | 49% | Unaudited | Wind energy production | 1 | (641) | - | 721 | 721 | 81 |
| Desarrollos Eólicos de Teruel SL | Spain | - | 51% | Unaudited | Wind energy production | 60 | - | - | - | - | 60 |
| Par Eólic de Coll de Moro S.L. | Spain | - | 60% | KPMG | Wind energy production | 4,173 | 5 | (3,646) | 96 | 96 | 628 |
| Par Eólic de Torre Madrina S.L. | Spain | - | 60% | KPMG | Wind energy production | 4,173 | (666) | (3,285) | 2,666 | 2,666 | 2,888 |
| Parc Eolic de Vilalba dels Arcs S.L. | Spain | - | 60% | KPMG | Wind energy production | 1,432 | 1,020 | (1,498) | 1,274 | 1,274 | 2,228 |
| Parc Eolic Molinars S.L. | Spain | - | 54% | Unaudited | Wind energy production | 3 | - | - | - | - | 3 |
| Bon Vent de Vilalba, SL | Spain | - | 100% | KPMG | Wind energy production | 3,600 | (1,066) | - | 1,515 | 1,515 | 4,049 |
| Bon Vent de Corbera, SL | Spain | - | 100% | KPMG | Wind energy production | 7,255 | 8,677 | - | 912 | 912 | 16,844 |
| Masovia Wind Farm I s.p. zo.o. | Poland | - | 100% | KPMG | Energy production | 351 | 4,877 | - | (69) | (69) | 5,159 |
| Farma wiatrowa Starozbery Sp.z.o.o | Poland | - | 100% | Unaudited | Energy production | 130 | (71) | - | (27) | (27) | 32 |
| Rowy-Karpacka mala Energetyka.sp.z.o.o | Poland | - | 85% | Unaudited | Energy production | 14 | (42) | - | (35) | (35) | (63) |
| Repano wind S.R.L | Italy | - | 93.52% | Unaudited | Energy production | 11 | 124 | - | (7) | (7) | 128 |
| Re plus – Societa ́a Responsabilita ́a limitada | Italy | - | 74.82% | Unaudited | Energy production | 100 | 411 | - | (120) | (120) | 391 |
| Telfford Offshore Windfarm limited | United Kingdom | - | 66.64% | Unaudited | Energy production | - | - | - | - | - | - |
| Maccoll offshore windfarm limited | United Kingdom | - | 66.64% | Unaudited | Energy production | - | - | - | - | - | - |
| Stevenson offshore windfarma limited | United Kingdom | - | 66.64% | Unaudited | Energy production | - | - | - | - | - | - |
| Parc Eolien des Bocages Sarl | France | - | 100% | Unaudited | Energy production | 1 | (163) | - | 2 | 2 | (160) |
| Studina Solar,SRL | Romania | - | 100% | Unaudited | Energy production | 4 | 1 | - | 100 | 100 | 105 |
| Cujmir Solar,SRL | Romania | - | 100% | Unaudited | Energy production | 3 | 1 | - | 117 | 117 | 121 |
| Potelu Solar,SRL | Romania | - | 100% | Unaudited | Energy production | - | 1 | - | 51 | 51 | 52 |
| Vanju Mare Solar,SRL | Romania | - | 100% | Unaudited | Energy production | 3 | 1 | - | 88 | 88 | 92 |
| Foton Delta,SRL | Romania | - | 100% | Unaudited | Energy production | - | - | - | - | - | - |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|-------------------------------|--------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|----------|--------------------------|--------------------------|-------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Foton Epsilon,SRL | Romania | - | 100% | Unaudited | Energy production | - | - | - | - | - | - |
| EDPR Renovaveis Cantabria, SL | Madrid | - | 100% | Unaudited | Wind energy production | 300 | (15) | - | (15) | (15) | 270 |
| Villa Castelli Wind srl | Verbania | - | 93.52% | Unaudited | Wind energy production | 100 | 6,597 | - | (141) | (141) | 6,556 |
| Pestera Wind Farm, S.A. | Bucharest | - | 85% | KPMG | Wind energy production | 7,149 | (16,998) | (4,629) | 330 | 330 | (14,148) |
| Pochidia Wind Farm S.A. | Bucharest | - | 85% | KPMG | Wind energy production | 26 | (5) | - | (11) | (11) | 10 |
| S. C. Ialomita Power SRL | Bucharest | - | 85% | Unaudited | Wind energy production | - | (4) | - | (90) | (90) | (94) |

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|-----------|--------------------|-----------------------|----------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| EDP Renewables North America, LLC | Texas | 100.00% | - | KPMG | Holding company | 3,147,380 | (170,316) | 278 | (62,007) | (62,007) | 2,915,336 |
| Wind Turbine Prometheus, LP | California | - | 100.00% | Unaudited | Wind energy production | 5 | (5) | - | - | - | - |
| Lost Lakes Wind Farm LLC | Minnesota | - | 100.00% | KPMG | Wind energy production | 150,130 | (13,687) | - | (158) | (158) | 136,285 |
| Quilt Block Wind Farm, LLC | Minnesota | - | 100.00% | Unaudited | Wind energy production | 4,115 | (15) | - | - | - | 4,100 |
| Cloud County Wind Farm. LLC | Kansas | - | 100.00% | KPMG | Wind energy production | 221,693 | 2,128 | - | 1,835 | 1,835 | 225,657 |
| Whitestone Wind Purchasing, LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 1,641 | (841) | - | (7) | (7) | 793 |
| Blue Canyon Windpower II LLC | Oklahoma | - | 100.00% | KPMG | Wind energy production | 110,777 | 12,172 | - | 1,776 | 1,776 | 124,726 |
| Blue Canyon Windpower V. LLC | Oklahoma | - | 100.00% | KPMG | Wind energy production | 113,438 | 11,189 | - | 7,776 | 7,776 | 132,403 |
| Pioneer Prairie Wind Farm I. LLC | Iowa | - | 100.00% | KPMG | Wind energy production | 401,492 | (14,252) | 7,737 | 11,798 | 11,798 | 406,775 |
| Sagebrush Power Partners. LLC | Washington | - | 100.00% | KPMG | Wind energy production | 153,513 | (8,538) | - | (15,789) | (15,789) | 129,186 |
| Telocaset Wind Power Partners. LLC | Oregon | - | 51.00% | KPMG | Wind energy production | 85,542 | 18,684 | 317 | 5,303 | 5,303 | 109,847 |
| High Trail Wind Farm. LLC | Illionois | - | 100.00% | KPMG | Wind energy production | 256,692 | 7,625 | - | 6,044 | 6,044 | 270,360 |
| Marble River. LLC | New York | - | 100.00% | Unaudited | Wind energy production | 227,970 | (156) | (2,099) | 913 | 913 | 226,628 |
| Rail Splitter | Illionois | - | 100.00% | KPMG | Wind energy production | 174,869 | (12,703) | - | (5,144) | (5,144) | 157,022 |
| Blackstone Wind Farm. LLC | Illionois | - | 100.00% | Unaudited | Wind energy production | 110,561 | (6,477) | - | (977) | (977) | 103,107 |
| Aroostook Wind Energy LLC | Maine | - | 100.00% | Unaudited | Wind energy production | 9,944 | (90) | - | (1) | (1) | 9,853 |
| Jericho Rise Wind Farm LLC | New York | - | 100.00% | Unaudited | Wind energy production | 4,211 | (34) | - | - | - | 4,176 |
| Madison Windpower LLC | New York | - | 100.00% | KPMG | Wind energy production | 9,447 | (3,186) | - | (1,031) | (1,031) | 5,230 |
| Mesquite Wind. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 170,378 | 21,603 | - | 3,507 | 3,507 | 195,489 |
| Martinsdale Wind Farm LLC | Colorado | - | 100.00% | Unaudited | Wind energy production | 2,742 | (17) | - | (7) | (7) | 2,719 |
| Post Oak Wind. LLC | Texas | - | 51.00% | KPMG | Wind energy production | 197,189 | 31,085 | - | 4,710 | 4,710 | 232,983 |
| BC2 Maple Ridge Wind LLC | Texas | - | 100.00% | KPMG | Wind energy production | 258,905 | 2,791 | 133 | 2,114 | 2,114 | 263,942 |
| High Prairie Wind Farm II. LLC | Minnesota | - | 51.00% | KPMG | Wind energy production | 102,814 | (906) | 426 | 1,424 | 1,424 | 103,759 |
| Arlington Wind Power Project LLC | Oregon | - | 100.00% | KPMG | Wind energy production | 117,584 | 3,926 | - | 1,591 | 1,591 | 123,101 |
| Signal Hill Wind Power Project LLC | Colorado | - | 100.00% | Unaudited | Wind energy production | 3 | (3) | - | - | - | - |
| Tumbleweed Wind Power Project LLC | Colorado | - | 100.00% | Unaudited | Wind energy production | 3 | (3) | - | - | - | - |
| Old Trail Wind Farm. LLC | Illionois | - | 51.00% | KPMG | Wind energy production | 275,452 | (5,611) | 2,499 | 6,345 | 6,345 | 278,685 |
| Stinson Mills Wind Farm. LLC | Colorado | - | 100.00% | Unaudited | Wind energy production | 2,595 | (74) | - | - | - | 2,522 |
| OPQ Property LLC | Illionois | - | 100.00% | Unaudited | Wind energy production | - | 111 | - | - | - | 111 |
| Meadow Lake Wind Farm. LLC | Indiana | - | 100.00% | Unaudited | Wind energy production | 211,816 | (7,666) | - | (3,822) | (3,822) | 200,328 |
| Wheatfield Wind Power Project. LLC | Oregon | - | 100.00% | Unaudited | Wind energy production | 60,335 | 12,877 | - | 4,491 | 4,491 | 77,702 |
| 2007 Vento I. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 757,769 | 3,736 | - | 1,363 | 1,363 | 762,868 |
| 2007 Vento II. LLC | Texas | - | 51.00% | KPMG | Wind energy production | 670,403 | (2,646) | - | (318) | (318) | 667,439 |
| 2008 Vento III. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 748,470 | (1,940) | - | (617) | (617) | 745,912 |
| Horizon Wind Ventures I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 635,351 | 241,473 | - | 21,325 | 21,325 | 898,149 |
| Horizon Wind Ventures II. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 107,307 | 2,021 | - | 1,069 | 1,069 | 110,397 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|---------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Horizon Wind Ventures III. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 47,252 | 810 | - | 2,575 | 2,575 | 50,637 |
| Clinton County Wind Farm. LLC | New York | - | 100.00% | Unaudited | Wind energy production | 227,976 | (6) | - | - | - | 227,970 |
| BC2 Maple Ridge Holdings LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Cloud West Wind Project. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Five-Spot. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Chocolate Bayou I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Alabama Ledge Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Antelope Ridge Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 11,124 | (11) | - | (116) | (116) | 10,997 |
| Arkwright Summit Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Ashford Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Athena-Weston Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Black Prairie Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 4,811 | (1) | - | (1) | (1) | 4,809 |
| Blackstone Wind Farm II LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 231,440 | (6,425) | - | (4,867) | (4,867) | 220,148 |
| Blackstone Wind Farm III LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 4,524 | (10) | - | (1) | (1) | 4,513 |
| Blackstone Wind Farm IV LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Blackstone Wind Farm V LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Blue Canyon Windpower III LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Blue Canyon Windpower IV LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Blue Canyon Windpower VI LLC | Texas | - | 100.00% | KPMG | Wind energy production | 116,748 | 11 | - | 1,707 | 1,707 | 118,466 |
| Broadlands Wind Farm II LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Broadlands Wind Farm III LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Broadlands Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Chateaugay River Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Cropsey Ridge Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Crossing Trails Wind. Power Project LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Dairy Hills Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Diamond Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Ford Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Gulf Coast Windpower Management Company. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Rising Tree Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest VII LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest X LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest XI LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Panhandle I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest II LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|---------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Horizon Wind Energy Southwest III LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest IV LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Valley I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind MREC Iowa Partners LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind. Freeport Windpower I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Juniper Wind Power Partners. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Lexington Chenoa Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 8,604 | (9) | - | - | - | 8,595 |
| Machias Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Meadow Lake Wind Farm II LLC | Texas | - | 100.00% | KPMG | Wind energy production | 144,891 | (1,860) | - | (2,162) | (2,162) | 140,870 |
| New Trail Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| North Slope Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Number Nine Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Pacific Southwest Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Pioneer Prairie Wind Farm II LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Buffalo Bluff Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Saddleback Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 1,776 | (4) | - | (295) | (295) | 1,477 |
| Sardinia Windpower LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Turtle Creek Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Western Trail Wind Project I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Whistling Wind WI Energy Center. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Coos Curry Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Midwest IX LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest I LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Peterson Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Pioneer Prairie Interconnection LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| The Nook Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Tug Hill Windpower LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Whiskey Ridge Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Wilson Creek Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| WTP Management Company LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Meadow Lake Wind Farm IV LLC | Indiana | - | 100.00% | Unaudited | Wind energy production | 92,432 | 123 | - | (707) | (707) | 91,847 |
| Meadow Lake Windfarm III LLC | Indiana | - | 100.00% | Unaudited | Wind energy production | 110,053 | (1,148) | - | (1,323) | (1,323) | 107,581 |
| 2009 Vento IV. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 175,205 | (234) | - | (102) | (102) | 174,869 |
| 2009 Vento V. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 113,770 | (230) | - | (102) | (102) | 113,438 |
| 2009 Vento VI. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 150,377 | (156) | - | (90) | (90) | 150,130 |

This appendix forms an integral part of note 8.

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|--------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Horizon Wind Ventures VI. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 85,447 | (1,713) | - | 363 | 363 | 84,097 |
| Lexington Chenoa Wind Farm II LLC | Illinois | - | 100.00% | Unaudited | Wind energy production | 454 | (2) | - | (456) | (456) | (3) |
| Lexington Chenoa Wind Farm III LLC | Illinois | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| East Klickitat Wind Power Project LLC | Washington | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest IV LLC | Oregon | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Blue Canyon Wind Power VII LLC | Oklahoma | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Horizon Wyoming Transmission LLC | Wyoming | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| AZ Solar LLC | Arizona | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Black Prairie Wind Farm II LLC | Illinois | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Black Prairie Wind Farm III LLC | Illinois | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Paulding Wind Farm LLC | Ohio | - | 100.00% | Unaudited | Wind energy production | 4,369 | (1) | - | (2) | (2) | 4,365 |
| Paulding Wind Farm II LLC | Ohio | - | 100.00% | KPMG | Wind energy production | 144,299 | 2,213 | - | 4,437 | 4,437 | 150,949 |
| Paulding Wind Farm III LLC | Ohio | - | 100.00% | Unaudited | Wind energy production | 3,265 | (29) | - | (57) | (57) | 3,179 |
| Simpson Ridge Wind Farm II LLC | Wyoming | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm III LLC | Wyoming | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm IV LLC | Wyoming | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm V LLC | Wyoming | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Athena-Weston Wind Power Project II. LLC | Oregon | - | 100.00% | KPMG | Wind energy production | - | - | - | - | - | - |
| Meadow Lake Wind Farm V. LLC | Indiana | - | 100.00% | Unaudited | Wind energy production | 2,401 | (5) | - | (3) | (3) | 2,393 |
| Horizon Wind Ventures IB. LLC | Texas | - | 51.00% | Unaudited | Wind energy production | 227,989 | 52,629 | - | 18,938 | 18,938 | 299,556 |
| Horizon Wind Ventures IC. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 6,023 | 13,190 | - | 8,190 | 8,190 | 27,404 |
| Headwaters Wind Farm LLC | Indiana | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| 17th Star Wind Farm LLC | Ohio | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Rio Blanco Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Hidalgo Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Stone Wind Power LLC | New York | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Franklin Wind Farm LLC | New York | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Waverly Wind Farm LLC | Kansas | - | 100.00% | Unaudited | Wind energy production | 2,615 | - | - | (5) | (5) | 2,610 |
| 2010 Vento VII. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 145,078 | (97) | - | (90) | (90) | 144,891 |
| 2010 Vento VIII. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 153,684 | (81) | - | (128) | (128) | 153,474 |
| Horizon Wind Ventures VII. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 83,046 | (34) | - | 687 | 687 | 83,699 |
| Horizon Wind Ventures VIII. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 82,907 | (478) | - | 167 | 167 | 82,596 |
| Horizon Wind Ventures IX. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | 57,377 | (2,684) | - | (853) | (853) | 53,839 |
| 2011 Vento IX. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 144,422 | (34) | - | (89) | (89) | 144,299 |
| 2011 Vento X. LLC | Texas | - | 100.00% | KPMG | Wind energy production | 116,838 | (19) | - | (72) | (72) | 116,748 |
| EDPR Wind Ventures X | Texas | - | 100.00% | Unaudited | Wind energy production | 45,493 | (43) | - | 3,045 | 3,045 | 48,496 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|---------|--------------|
| | | | | | | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Paulding Wind Farm IV. LLC | Ohio | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Rush County Wind Farm. LLC | Kansas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Eastern Nebraska Wind Farm. LLC | Nebraska | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Verde Wind Power LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| 2012 Vento XI. LLC | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| EDPR Wind Ventures XI | Texas | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| EDP RENEWABLES CANADA. LTD | Canada | 100.00% | - | Unaudited | Holding company | 2,284 | - | (1,127) | (1,345) | (1,345) | (189) |
| EDP Renewables Canada LP Ltd. | Canada | - | 100.00% | Unaudited | Wind energy production | 3,370 | - | - | - | - | 3,370 |
| EDP Renewables Canada GP Ltd. | Canada | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Eolia Renewable Energy Canada Ltd. | Canada | - | 100.00% | Unaudited | Wind energy production | 3 | - | - | - | - | 3 |
| 0867242 BC Ltd. | Canada | - | 100.00% | Unaudited | Wind energy production | 3 | - | - | - | - | 3 |
| South Branch Wind Farm Inc | Canada | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| SBWFI GP Inc | Canada | - | 100.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| South Dundas Wind Farm LP | Canada | - | 100.00% | Unaudited | Wind energy production | - | - | - | (4) | (4) | (4) |
| EDP RENOVÁVEIS BRASIL. S.A. | Sao Paulo | 55.00% | - | KPMG | Wind energy production | 80,388 | - | (4,706) | (2,382) | (2,382) | 73,299 |
| Central Nacional de Energia Eólica. S.A. (Cenaeel) | Sao Paulo | - | 55.00% | KPMG | Wind energy production | 4,585 | 868 | (900) | 900 | 900 | 5,453 |
| Elebrás Projectos. Ltda | Sao Paulo | - | 55.00% | KPMG | Wind energy production | 38,386 | 7,176 | (4,721) | 4,721 | 4,721 | 45,561 |
| Central Eólica Feijao I. S.A. | Sao Paulo | - | 55.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Central Eólica Feijao II. S.A. | Sao Paulo | - | 55.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Central Eólica Feijao III. S.A. | Sao Paulo | - | 55.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Central Eólica Feijao IV. S.A. | Sao Paulo | - | 55.00% | Unaudited | Wind energy production | - | - | - | - | - | - |
| Central Eólica Aventura. S. A. | Sao Paulo | - | 55.00% | Unaudited | Wind energy production | - | - | - | - | - | - |

Information on Investments in Group Companies

31 December 2012

| Associates | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Thousands of Euros | | | | | |
|--|-----------------------------|-------------------------|---------------------------|---------------|---------------------------------|--------------------|----------|--------------------------|--------------------------|---------|-----------------|
| | | | | | | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Aprofitament D'Energies Renovables de l'Ebre S.l | Spain | - | 18.97 | Unaudited | Infrastructure Management | 3,870 | (721) | - | (102) | (102) | 3,047 |
| Biomassas del Pirineo, S.A. | Huesca. Spain | - | 30 | Unaudited | Biomass: Electricity production | 455 | (217) | - | - | - | 238 |
| Cultivos Energéticos de Castilla, S.A. | Burgos. Spain | - | 30 | Unaudited | Biomass: Electricity production | 300 | (48) | - | - | - | 252 |
| Parque Eólico Sierra del Madero, S.A. | Burgos. Spain | - | 30 | Ernst & Young | Wind energy production | 300 | (48) | - | - | - | 252 |
| Parque Eólico Sierra del Madero, S.A. | Soria. Spain | - | 42 | Young | Wind energy production | 7,194 | 4,806 | 809 | 4,770 | 4,770 | 17,579 |
| Desarrollos Eólicos de Canarias, S.A. | Las Palmas de Gran Canaria. | - | 44.75 | KPMG | Wind power: Project development | 4,291 | 1,306 | 30 | 2,123 | 2,123 | 7,750 |
| Solar Siglo XXI, S.A. | Spain | - | 25 | Unaudited | Solar energy | 80 | (18) | - | - | - | 62 |
| Eólicas de Portugal, SA | Ciudad Real. Spain | - | 35.96 | Mazars | Wind energy production | 25,248 | 30,781 | (39,861) | 11,385 | 11,385 | 27,553 |
| Parque Eólico Belmonte, S.A. | Portugal | - | 29.9 | KPMG | Wind energy production | 120 | 2,793 | - | 1,040 | 1,040 | 3,953 |
| Inch Cape Offshore Limited | Madrid. Spain | - | 49 | Deloitte | Wind energy production | 1,826 | (1,041) | - | (1,128) | (1,128) | (343) |
| | Edimburg | - | | | | | | | | | |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2012

| Jointly controlled entities | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|---------|--------------|
| | | | | | | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| | Tébar/Cuenca. | | | | | | | | | | |
| Tebar Eolica, S.A. | Spain | - | 50% | Unaudited | Wind energy production | 4,720 | 4,890 | (278) | 1,832 | 1,832 | 11,164 |
| Evolución 2000, S.L. | Madrid, Spain | - | 49.15% | KPMG | Wind energy production | 118 | 10,019 | (1,786) | 4,065 | 4,065 | 12,434 |
| | | | | | Wind power: Project | | | | | | |
| Desarrollos Energéticos Canarias, S.A. | Las Palmas, Spain | - | 49.9% | Unaudited | development | 67 | (28) | - | - | - | 39 |
| Compañía Eólica Aragonesa S.A. | Spain | - | 50% | Deloitte | Wind energy production | 6,701 | 48,830 | (355) | 15,752 | 15,752 | 70,928 |
| Flat Rock Windpower LLC | Nueva York | - | 50.00% | E&Y | Wind energy production | 198,128 | - | (46,545) | (2,816) | (2,816) | 148,767 |
| Flat Rock Windpower II LLC | Nueva York | - | 50.00% | E&Y | Wind energy production | 78,614 | - | (16,726) | (2,510) | (2,510) | 59,378 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2011

| | | | | | | Thousands of Euros | | | | | |
|---|--------------------|-------------------|---------------------|-----------|--|--------------------|----------|--------------------|-----------------------|----------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| EDP RENEWABLES EUROPE, S.L. | Oviedo, Spain | 100.00% | - | KPMG | Holding company Wind power: Project development | 30,000 | 123,863 | - | (30,623) | (30,623) | 123,240 |
| Generaciones Especiales I, S.L. | Spain | - | 100.00% | KPMG | Wind Energy production | 28,562 | 169,264 | - | 90,664 | 90,664 | 288,490 |
| Edpr Polska, Sp.z.o.o. | Poland | - | 100.00% | KPMG | Other economic activities | 121,228 | (412) | 2,537 | (1,453) | (1,453) | 121,900 |
| Tarcan, B.V | Holanda | - | 100.00% | KPMG | Wind Energy production | 20 | 6,638 | - | 2,266 | 2,266 | 8,924 |
| Greenwind, S.A. | Belgium | - | 70.00% | KPMG | Wind Energy production | 24,924 | 1,866 | - | 3,381 | 3,381 | 30,171 |
| Neo Energía Aragón, S.L. | Spain | - | 100.00% | Unaudited | Wind Energy production | 10 | (2) | - | - | - | 8 |
| Neo Energías de Occidente Catalunya, S.L. | Spain | - | 100.00% | Unaudited | Wind Energy production | 10 | (1,315) | - | (254) | (254) | (1,559) |
| Agrupación Eólica, S.L.U | Spain | - | 100.00% | KPMG | Other economic activities | 650 | 33,978 | - | 5,877 | 5,877 | 40,505 |
| EDP Renovaveis Portugal, S.A. | Spain | - | 100.00% | KPMG | Wind Energy production | 7,500 | 23,040 | 8,935 | 36,405 | 36,405 | 75,880 |
| Ceasa Promociones Eólicos | Spain | - | 100.00% | KPMG | Wind Energy production | 1,205 | 4,677 | - | 1,192 | 1,192 | 7,074 |
| EDP Renewables France, S.A.S. | France | - | 100.00% | KPMG | Holding company | 48,527 | (10,569) | - | (4,960) | (4,960) | 32,998 |
| EDP Renewables Romania, S.R.L. | Romania | - | 85.00% | KPMG | Wind Energy production | 7,123 | (2,111) | (165) | (9,418) | (9,418) | (4,571) |
| Cernavoda Power, S.R.L. | Romania | - | 85.00% | KPMG | Wind Energy production | 10,023 | (3,170) | (3,054) | (8,484) | (8,484) | (4,685) |
| EDP Renewables Italia, S.R.L. | Italy | - | 93.52% | Unaudited | Wind Energy production | 21,335 | 9,165 | - | (2,422) | (2,422) | 28,078 |
| EDPR Uk Ltd | United Kingdom | - | 100.00% | Unaudited | Wind Energy production | 113 | (720) | (441) | 410 | 410 | (638) |
| Desarrollos Eólicos de Galicia, S.A. | Coruña, Spain | - | 100.00% | KPMG | Wind Energy production | 6,130 | 3,712 | 651 | 645 | 645 | 11,138 |
| Desarrollos Eólicos de Tarifa, S.A.U | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 5,800 | 2,396 | - | 2,642 | 2,642 | 10,838 |
| Desarrollos Eólicos de Corme, S.A. | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 3,666 | 3,784 | - | 495 | 495 | 7,945 |
| Desarrollos Eólicos Buenavista, S.A.U | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 1,712 | 1,527 | 646 | 1,256 | 1,256 | 5,141 |
| Desarrollos Eólicos de Lugo, S.A.U. | Coruña, Spain | - | 100.00% | KPMG | Wind Energy production | 7,761 | 5,856 | (1,094) | 5,919 | 5,919 | 18,442 |
| Desarrollos Eólicos de Rabosera, S.A. | Zaragoza, Spain | - | 95.00% | KPMG | Wind Energy production | 7,561 | 2,289 | (441) | 2,973 | 2,973 | 12,382 |
| Desarrollos Eólicos Almarchal S.A.U. | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 2,061 | 2,353 | (511) | 1,324 | 1,324 | 5,227 |
| Desarrollos Eólicos Dumbria S.A.U. | Coruña, Spain | - | 100.00% | KPMG | Wind Energy production | 61 | 13,131 | - | 4,609 | 4,609 | 17,801 |
| Parque Eólico Santa Quiteria, S.L. | Zaragoza, Spain | - | 83.96% | KPMG | Wind Energy production | 63 | 12,290 | (211) | 2,720 | 2,720 | 14,862 |
| Eólica La Janda, SL | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 2,050 | 2,549 | - | 2,378 | 2,378 | 6,977 |
| Eólica Guadalteba, S.L. | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 1,460 | 5,952 | - | 4,868 | 4,868 | 12,280 |
| Eólica Muxia, S.L.U. | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 23,480 | (3) | - | (82) | (82) | 23,395 |
| Eólica Fontesilva, S.L.U. | Sevilla, Spain | - | 100.00% | KPMG | Wind Energy production | 4,610 | (1,644) | - | (1,522) | (1,522) | 1,444 |
| Eneroliva, S.A.U | Sevilla, Spain | - | 100.00% | Unaudited | Wind Energy production | 301 | (7) | - | - | - | 294 |
| Eólica Curiscao Pumar, S.A.U. | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 60 | 13 | - | 863 | 863 | 936 |
| Parque Eólico Altos del Voltoya S.A. | Madrid, Spain | - | 61.00% | KPMG | Wind Energy production | 7,813 | 6,666 | (230) | 4,030 | 4,030 | 18,279 |
| Sierra de la Peña, S.A. | Madrid, Spain | - | 84.90% | KPMG | Wind Energy production | 3,294 | 4,754 | (996) | 2,080 | 2,080 | 9,132 |
| Eólica Arlanzón S.A. | Madrid, Spain | - | 77.50% | KPMG | Wind Energy production | 4,509 | 3,197 | (289) | 2,094 | 2,094 | 9,511 |
| Eolica Campollano S.A. | Madrid, Spain | - | 75.00% | KPMG | Wind Energy production | 6,560 | 15,115 | (50) | 5,514 | 5,514 | 27,139 |
| Parque Eólico Belchite S.L.U. | Zaragoza, Spain | - | 100.00% | KPMG | Wind Energy production | 3,600 | 3,220 | - | 2,356 | 2,356 | 9,176 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|---|--------------------|-------------------------|---------------------------|-----------|---|--------------------|----------|--------------------------|--------------------------|---------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Parque Eólico La Sotonera S.L. | Zaragoza, Spain | - | 64.85% | KPMG | Wind Energy production | 2,000 | 2,130 | (373) | 1,834 | 1,834 | 5,591 |
| Siesa Renovables Canarias S.L. | Las Palmas, Spain | - | 100.00% | Unaudited | Wind Energy production | 3 | (3) | - | - | - | - |
| Eólica Don Quijote, S.L. | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 3 | 1 | - | 2,888 | 2,888 | 2,892 |
| Eólica Dulcinea, S.L. | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 10 | 171 | - | 995 | 995 | 1,176 |
| Eólica Sierra de Avila, S.L. | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 4,628 | (1,656) | - | (1,711) | (1,711) | 1,261 |
| Eólica de Radona, S.L.U. | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 6,888 | (1,218) | - | (1,424) | (1,424) | 4,246 |
| Eolica Alfoz, S.L. | Madrid, Spain | - | 83.73% | KPMG | Wind Energy production | 8,480 | (1,185) | - | 2,471 | 2,471 | 9,766 |
| Eólica La Navica, SL | Madrid, Spain | - | 100.00% | KPMG | Wind Energy production | 10 | 1,311 | - | 1,181 | 1,181 | 2,502 |
| Investigación y desarrollo de Energías Renovables (Ider), S.L. | León, Spain | - | 59.59% | KPMG | Wind Energy production | 29,451 | (7,413) | - | (2,106) | (2,106) | 19,932 |
| Rasacal Cogeneración, S.A. | Madrid, Spain | - | 60.00% | Unaudited | Cogeneration: Electricity production | 60 | (476) | - | - | - | (416) |
| Hidroeléctrica Fuentehermosa, S.L. | Oviedo, Spain | - | 100.00% | Unaudited | Mini-hydroelectric energy prod. | 77 | 185 | 1 | 18 | 18 | 281 |
| Hidroeléctrica Gormaz, S.A. | Salamanca, Spain | - | 75.00% | Unaudited | Mini-hydroelectric energy prod. | 61 | (147) | - | (19) | (19) | (105) |
| Hidroeléctrica del Rumblar, S.L. | Madrid, Spain | - | 80.00% | Unaudited | Mini-hydroelectric energy prod. | 277 | (32) | - | (185) | (185) | 60 |
| SINAE Inversiones Eólicas, S.A. | Madrid, Spain | - | 100.00% | KPMG | Wind power: Project development | 6,010 | 7,670 | - | 13,721 | 13,721 | 27,401 |
| Parques Eólicos del Cantábrico, S.A. | Oviedo, Spain | - | 100.00% | KPMG | Wind Energy production | 9,080 | 17,088 | (390) | 2,283 | 2,283 | 28,061 |
| Industrias Medioambientales Río Carrión, S.A. | Madrid, Spain | - | 90.00% | Unaudited | Waste: Livestock waste treatment | 60 | (610) | - | - | - | (550) |
| Tratamientos Mediambientales del Norte, S.A. | Madrid, Spain | - | 80.00% | Unaudited | Waste: Livestock waste treatment | 60 | 13 | - | 863 | 863 | 936 |
| Sotromal, S.A. | Soria, Spain | - | 90.00% | Unaudited | Waste treatment and recycling | 451 | (289) | - | - | - | 162 |
| Renovables Castilla La Mancha, S.A. | Madrid, Spain | - | 90.00% | KPMG | Wind Energy production | 60 | 889 | - | 1,326 | 1,326 | 2,275 |
| Eólica La Manchuela, S.A. | Albacete, Spain | - | 100.00% | KPMG | Wind Energy production | 1,142 | 1,161 | - | 1,032 | 1,032 | 3,335 |
| Desarrollos Eólicos, S.A. | Sevilla, Spain | - | 100.00% | KPMG | Wind power: Project development | 1,056 | 15,917 | - | (621) | (621) | 16,352 |
| Desarrollos Eólicos Promoción, S.A. | Sevilla, Spain | - | 100.00% | KPMG | Wind power: Project development | 8,061 | 1,612 | - | 23,723 | 23,723 | 33,396 |
| Ceprastur, A.I.E. | Oviedo, Spain | - | 56.76% | Unaudited | Mini-hydroelectric energy prod. | 360 | 51 | - | (3) | (3) | 408 |
| Acampo Arias, SL | Spain | - | 98.19% | KPMG | Wind Energy production | 3,314 | (595) | - | 255 | 255 | 2,974 |
| SOCPE Sauvageons, SARL | France | - | 49.00% | KPMG | Wind Energy production | 1 | (41) | - | (65) | (65) | (105) |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|-------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| SOCPE Le Mee, SARL | France | - | 49.00% | KPMG | Wind Energy production | 1 | (20) | - | (56) | (56) | (75) |
| SOCPE Petite Piece, SARL | France | - | 49.00% | KPMG | Wind Energy production | 1 | (109) | - | 46 | 46 | (62) |
| | | | | Jean-Yves | | | | | | | |
| Plouvien,,S.A.S | France | - | 100.00% | Morisset | Wind Energy production | 40 | (1,801) | - | (130) | (130) | (1,891) |
| CE Patay, SAS | France | - | 100.00% | KPMG | Wind Energy production | 1,640 | 2,180 | (575) | 714 | 714 | 3,959 |
| Relax Wind Park III, Sp.z.o.o. | Poland | - | 100.00% | Unaudited | Wind Energy production | 117 | (159) | 17 | (123) | (123) | (148) |
| Relax Wind Park I, Sp.z.o.o. | Poland | - | 96.40% | KPMG | Wind Energy production | 597 | 4,581 | 1,467 | 2,346 | 2,346 | 8,991 |
| Relax Wind Park IV, Sp.z.o.o. | Poland | - | 100.00% | Unaudited | Wind Energy production | 109 | (127) | 12 | (117) | (117) | (123) |
| Relax Wind Park II, Sp.z.o.o. | Poland | - | 100.00% | Unaudited | Wind Energy production | 123 | (63) | (9) | (32) | (32) | 19 |
| C.E.Renovables alternativa slu | Spain | - | 100.00% | Unaudited | Wind Energy production | 86 | (2) | - | - | - | 84 |
| CIA.E d enrgias renov alternativas sau.2 | Spain | - | 100.00% | Unaudited | Wind Energy production | 69 | (14) | - | - | - | 55 |
| Eolica.Garcimuñoz SL | Spain | - | 100.00% | Unaudited | Wind Energy production | 10 | - | - | (3) | (3) | 7 |
| Compañía Eólica Campo de Borja, SA | Spain | - | 75.83% | KPMG | Wind Energy production | 858 | 704 | - | 220 | 220 | 1,782 |
| Desarrollos Catalanes del Viento, SL | Spain | - | 60.00% | KPMG | Wind Energy production | 5,993 | 15,773 | - | 565 | 565 | 22,331 |
| Iberia Aprovechamientos Eólicos, SAU | Spain | - | 100.00% | KPMG | Wind Energy production | 1,919 | 175 | - | 426 | 426 | 2,520 |
| Molino de Caragüelles, S.L. | Spain | - | 80.00% | KPMG | Wind Energy production | 180 | 208 | - | 73 | 73 | 461 |
| Parque Eólico Plana de Artajona, SLU | Spain | - | 100.00% | KPMG | Wind Energy production | 12 | (3) | - | (1) | (1) | 8 |
| Parque Eólico Los Cantales, SLU | Spain | - | 100.00% | KPMG | Wind Energy production | 1,963 | 1,130 | - | 1,906 | 1,906 | 4,999 |
| Parque Eólico Montes de Castejón,S.L. | Spain | - | 100.00% | KPMG | Wind Energy production | 12 | (3) | - | - | - | 9 |
| Parques de Generación Eólica, SL | Spain | - | 60.00% | KPMG | Wind Energy production | 1,924 | 3,369 | (1,741) | 512 | 512 | 4,064 |
| CE Saint Bernabé, SAS | France | - | 100.00% | KPMG | Wind Energy production | 1,600 | 1,095 | (650) | 369 | 369 | 2,414 |
| CE Secur, SAS | France | - | 100.00% | KPMG | Wind Energy production | 1,615 | 1,290 | (659) | 786 | 786 | 3,032 |
| Eolienne D'Etalondes, SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (32) | - | (2) | (2) | (33) |
| Eolienne de Saugueuse, SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (34) | - | (1) | (1) | (34) |
| Parc Eolien D'Ardenne | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (142) | - | (16) | (16) | (157) |
| Eolienne des Bocages, SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (28) | - | - | - | (27) |
| Parc Eolien des Longs Champs, SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (71) | - | (5) | (5) | (75) |
| Parc Eolien de Mancheville, SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (42) | - | (2) | (2) | (43) |
| Parc Eolien de Roman, SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (115) | - | 801 | 801 | 687 |
| Parc Eolien des Vaines, SAS | France | - | 100.00% | Unaudited | Wind Energy production | 37 | (1,217) | (798) | 312 | 312 | (1,666) |
| Parc Eolien de La Hetroye, SAS | France | - | 100.00% | Unaudited | Wind Energy production | 37 | (32) | - | (4) | (4) | 1 |
| Eolienne de Callengeville, SAS | France | - | 100.00% | Unaudited | Wind Energy production | 37 | (25) | - | (4) | (4) | 8 |
| Parc Eolien de Varimpre, SAS | France | - | 100.00% | Unaudited | Wind Energy production | 37 | (938) | (901) | 560 | 560 | (1,242) |
| Parc Eolien du Clos Bataille, SAS | France | - | 100.00% | Unaudited | Wind Energy production | 37 | (796) | (700) | 192 | 192 | (1,267) |
| Eólica de Serra das Alturas,S.A | Portugal | - | 50.10% | KPMG | Wind Energy production | 50 | 2,508 | - | 632 | 632 | 3,190 |
| Malhadizes- Energia Eólica, SA | Portugal | - | 100.00% | KPMG | Wind Energy production | 50 | 100 | - | 396 | 396 | 546 |
| Eólica de Montenegro, LDA | Portugal | - | 50.10% | KPMG | Wind Energy production | 50 | 5,045 | - | 1,435 | 1,435 | 6,530 |

This appendix forms an integral part of note 8.

EDP RENOVAVEIS, S.A.

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Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|---------------------------|--------------------|----------|--------------------|-----------------------|-------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Eólica da Alagoa, S.A. | Portugal | - | 60.00% | KPMG | Wind Energy production | 50 | 1,729 | 1,014 | 1,240 | 1,240 | 4,033 |
| Aplica.Indust de Energias limpias S.L | Spain | - | 61.50% | Unaudited | Wind Energy production | 131 | 594 | - | 661 | 661 | 1,386 |
| Aprofitament D'Energies Renovables de la Tierra Alta S.A | Spain | - | 48.70% | Unaudited | Infrastructure Management | 1,994 | (778) | - | (21) | (21) | 1,195 |
| Bon Vent de L'Ebre S.L.U | Spain | - | 100.00% | Unaudited | Wind Energy production | 90 | (35) | - | 1,202 | 1,202 | 1,257 |
| Parc Eólic Coll de la Garganta S.L | Spain | - | 100.00% | Unaudited | Wind Energy production | 1,693 | - | - | (704) | (704) | 989 |
| Parc Eólic Serra Voltorera S.l | Spain | - | 100.00% | Unaudited | Wind Energy production | 1,283 | (534) | - | (410) | (410) | 339 |
| Elektrownia Wiatrowa Kresy I sp zoo | Poland | - | 100.00% | Unaudited | Wind Energy production | 20 | (71) | 27 | (219) | (219) | (243) |
| Moray Offshore renewables limited | United Kingdom | - | 66.64% | Unaudited | Wind Energy production | 9,931 | 153 | 1,267 | 22 | 22 | 11,373 |
| Centrale Eolienne Canet –Pont de Salaras S.A.S | France | - | 100.00% | KPMG | Wind Energy production | 125 | 153 | (705) | 303 | 303 | (124) |
| Centrale Eolienne de Gueltas Noyal – Pontiv y S.A.S | France | - | 100.00% | KPMG | Wind Energy production | 2,261 | 1,847 | 3 | 485 | 485 | 4,596 |
| Centrale Eolienne Neo Truc de L'Homme ,S.A.S | France | - | 100.00% | Unaudited | Wind Energy production | 38 | (10) | - | (1) | (1) | 27 |
| Vallee de Moulin SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (285) | - | (143) | (143) | (427) |
| Mardelle SARL | France | - | 100.00% | Unaudited | Wind Energy production | 1 | (204) | - | (91) | (91) | (294) |
| Quinze Mines SARL | France | - | 49.00% | Unaudited | Wind Energy production | 1 | (348) | - | (293) | (293) | (640) |
| Desarrollos Eólicos de Teruel SL | Spain | - | 51.00% | Unaudited | Wind Energy production | 60 | - | - | - | - | 60 |
| Par Eólic de Coll de Moro S.L. | Spain | - | 60.00% | Unaudited | Wind Energy production | 3 | 5 | - | - | - | 8 |
| Par Eólic de Torre Madrina S.L. | Spain | - | 60.00% | Unaudited | Wind Energy production | 3 | 4 | - | (671) | (671) | (664) |
| Parc Eolic de Vilalba dels Arcs S.L. | Spain | - | 60.00% | Unaudited | Wind Energy production | 3 | 682 | - | 338 | 338 | 1,023 |
| Parc Eolic Molinars S.L. | Spain | - | 54.00% | Unaudited | Wind Energy production | 3 | - | - | - | - | 3 |
| Bon Vent de Vilalba, SL | Spain | - | 100.00% | Unaudited | Wind Energy production | 3,600 | (943) | - | (122) | (122) | 2,535 |
| Bon Vent de Corbera, SL | Spain | - | 100.00% | Unaudited | Wind Energy production | 3,330 | (2,620) | - | (478) | (478) | 232 |
| Masovia Wind Farm I s.p. zo.o. | Poland | - | 100.00% | Unaudited | Energy production | 350 | 5,025 | (32) | (119) | (119) | 5,224 |
| Farma wiatrowa Starozbery Sp.z.o.o | Poland | - | 100.00% | Unaudited | Energy production | 130 | (22) | (18) | (35) | (35) | 55 |
| Rowy-Karpacka mala Energetyka,sp,z.o.o | Poland | - | 85.00% | Unaudited | Energy production | 14 | (17) | 2 | (24) | (24) | (25) |
| Repano wind S.R.L | Italy | - | 93.52% | Unaudited | Energy production | 11 | 133 | - | (10) | (10) | 134 |
| Re plus – Societa ́a Responsabilita ́a limitada | Italy | - | 93.52% | Unaudited | Energy production | 100 | 1,013 | - | (603) | (603) | 510 |
| Telfford Offshore Windfarm limited | United Kingdom | - | 66.64% | Unaudited | Energy production | - | - | - | - | - | - |
| Maccoll offshore windfarm limited | United Kingdom | - | 66.64% | Unaudited | Energy production | - | - | - | - | - | - |
| Stevenson offshore windfarma limited | United Kingdom | - | 66.64% | Unaudited | Energy production | - | - | - | - | - | - |
| Parc Eolien des Bocages Sarl | France | - | 100.00% | Unaudited | Energy production | 1 | (28) | - | - | - | (27) |
| Santa quiteria Energia S.L.U | Spain | - | 100.00% | Unaudited | Energy production | 3 | 467 | - | 299 | 299 | 769 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|-----------|--------------------------|--------------------------|----------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| EDPR Renovaveis Cantabria, SL | Madrid | - | 100.00% | Unaudited | Wind Energy production | 300 | - | - | (15) | (15) | 285 |
| Villa Castelli Wind srl | Verbania | - | 93.52% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Pestera Wind Farm, S.A. | Bucharest | - | 85.00% | Unaudited | Wind Energy production | 26 | (2,115) | 154 | (439) | (439) | (2,374) |
| Pochidia Wind Farm S.A. | Bucharest | - | 85.00% | Unaudited | Wind Energy production | 26 | - | (2) | (2) | (2) | 22 |
| S. C. Ialomita Power SRL | Bucharest | - | 85.00% | Unaudited | Wind Energy production | - | - | - | (4) | (4) | (4) |
| EDP Renewables North America, LLC | Texas | 100.00% | - | KPMG | Holding company | 3,275,952 | (126,896) | - | (47,410) | (47,410) | 3,101,646 |
| Wind Turbine Prometheus, LP | California | - | 100.00% | KPMG | Wind Energy production | 5 | (5) | - | - | - | - |
| Lost Lakes Wind Farm LLC | Minnesota | - | 100.00% | KPMG | Wind Energy production | 155,865 | (6,948) | 399 | (7,009) | (7,009) | 142,307 |
| Quilt Block Wind Farm, LLC | Minnesota | - | 100.00% | KPMG | Wind Energy production | 4,042 | (14) | - | (1) | (1) | 4,027 |
| Cloud County Wind Farm, LLC | Kansas | - | 100.00% | KPMG | Wind Energy production | 237,645 | 920 | - | 1,250 | 1,250 | 239,815 |
| Whitestone Wind Purchasing, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 3,406 | (843) | - | (14) | (14) | 2,549 |
| Blue Canyon Windpower II LLC | Oklahoma | - | 100.00% | KPMG | Wind Energy production | 120,974 | 8,919 | - | 3,493 | 3,493 | 133,386 |
| Blue Canyon Windpower V, LLC | Oklahoma | - | 100.00% | KPMG | Wind Energy production | 128,450 | 4,360 | - | 7,050 | 7,050 | 139,860 |
| Horizon Wind Energy International | Texas | - | 100.00% | KPMG | Wind Energy production | 19 | 202 | - | 1 | 1 | 222 |
| Pioneer Prairie Wind Farm I, LLC | Iowa | - | 100.00% | KPMG | Wind Energy production | 439,448 | (16,988) | 8,267 | 2,455 | 2,455 | 433,182 |
| Sagebrush Power Partners, LLC | Washington | - | 100.00% | KPMG | Wind Energy production | 156,956 | (833) | 397 | (7,873) | (7,873) | 148,647 |
| Telocaset Wind Power Partners, LLC | Oregon | - | 100.00% | KPMG | Wind Energy production | 95,878 | 13,913 | 4,945 | 5,139 | 5,139 | 119,875 |
| High Trail Wind Farm, LLC | Illionois | - | 100.00% | KPMG | Wind Energy production | 282,683 | 3,646 | - | 4,129 | 4,129 | 290,458 |
| Marble River, LLC | New York | - | 100.00% | KPMG | Wind Energy production | 193,972 | (138) | - | (21) | (21) | 193,813 |
| Rail Splitter | Illionois | - | 100.00% | KPMG | Wind Energy production | 180,653 | (7,891) | 423 | (5,062) | (5,062) | 168,123 |
| Blackstone Wind Farm, LLC | Illionois | - | 100.00% | KPMG | Wind Energy production | 119,595 | (4,205) | 38,376 | (2,399) | (2,399) | 151,367 |
| Aroostook Wind Energy LLC | Maine | - | 100.00% | KPMG | Wind Energy production | 10,103 | (85) | - | (7) | (7) | 10,011 |
| Jericho Rise Wind Farm LLC | New York | - | 100.00% | KPMG | Wind Energy production | 4,330 | (35) | - | - | - | 4,295 |
| Madison Windpower LLC | New York | - | 100.00% | KPMG | Wind Energy production | 8,937 | (2,319) | - | (929) | (929) | 5,689 |
| Mesquite Wind, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 187,518 | 17,770 | - | 4,259 | 4,259 | 209,547 |
| Martinsdale Wind Farm LLC | Colorado | - | 100.00% | KPMG | Wind Energy production | 2,949 | (7) | - | (11) | (11) | 2,931 |
| Post Oak Wind, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 213,141 | 28,368 | - | 3,329 | 3,329 | 244,838 |
| BC2 Maple Ridge Wind LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 284,390 | 2,710 | 5,001 | 136 | 136 | 292,237 |
| High Prairie Wind Farm II, LLC | Minnesota | - | 100.00% | KPMG | Wind Energy production | 112,365 | (1,276) | 464 | 352 | 352 | 111,905 |
| Arlington Wind Power Project LLC | Oregon | - | 100.00% | KPMG | Wind Energy production | 130,432 | 2,288 | 1,887 | 1,716 | 1,716 | 136,323 |
| Signal Hill Wind Power Project LLC | Colorado | - | 100.00% | KPMG | Wind Energy production | 3 | (2) | - | (2) | (2) | (1) |
| Tumbleweed Wind Power Project LLC | Colorado | - | 100.00% | KPMG | Wind Energy production | 3 | (3) | - | - | - | - |
| Old Trail Wind Farm, LLC | Illionois | - | 100.00% | KPMG | Wind Energy production | 300,743 | (9,214) | 2,676 | 3,492 | 3,492 | 297,697 |
| Stinson Mills Wind Farm, LLC | Colorado | - | 100.00% | KPMG | Wind Energy production | 2,411 | (78) | - | 2 | 2 | 2,335 |
| OPQ Property LLC | Illionois | - | 100.00% | KPMG | Wind Energy production | - | 107 | - | 6 | 6 | 113 |
| Meadow Lake Wind Farm, LLC | Indiana | - | 100.00% | KPMG | Wind Energy production | 221,428 | (5,731) | 78,689 | (2,086) | (2,086) | 292,300 |
| Wheatfield Wind Power Project, LLC | Oregon | - | 100.00% | KPMG | Wind Energy production | 69,700 | 7,641 | 32,852 | 5,489 | 5,489 | 115,682 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| Thousands of Euros | | | | | | | | | | | |
|---|--------------------|-------------------------|---------------------------|-----------|------------------------|---------|----------|--------------------------|--------------------------|---------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | |
| | | | | | | | | | Continuing operations | Total | Total equity |
| 2007 Vento I, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 828,073 | 2,795 | - | 1,014 | 1,014 | 831,882 |
| 2007 Vento II, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 732,464 | (2,348) | - | (350) | (350) | 729,766 |
| 2008 Vento III, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 815,835 | (1,280) | - | (698) | (698) | 813,857 |
| Horizon Wind Ventures I LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 977,686 | 46,902 | - | 22,716 | 22,716 | 1,047,304 |
| Horizon Wind Ventures II, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 109,602 | 909 | - | 1,151 | 1,151 | 111,662 |
| Horizon Wind Ventures III, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 53,199 | (585) | - | 1,411 | 1,411 | 54,025 |
| Clinton County Wind Farm, LLC | New York | - | 100.00% | KPMG | Wind Energy production | 193,978 | (6) | - | - | - | 193,972 |
| BC2 Maple Ridge Holdings LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Cloud West Wind Project, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Five-Spot, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Chocolate Bayou I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Alabama Ledge Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Antelope Ridge Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 10,806 | (1) | - | (10) | (10) | 10,795 |
| Arkwright Summit Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Ashford Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Athena-Weston Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Black Prairie Wind Farm LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 4,080 | (1) | - | (1) | (1) | 4,078 |
| Blackstone Wind Farm II LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 232,481 | (271) | 84,866 | (6,281) | (6,281) | 310,795 |
| Blackstone Wind Farm III LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 4,155 | (8) | - | (2) | (2) | 4,145 |
| Blackstone Wind Farm IV LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Blackstone Wind Farm V LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Blue Canyon Windpower III LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Blue Canyon Windpower IV LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Blue Canyon Windpower VI LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 40,153 | - | - | 12 | 12 | 40,165 |
| Broadlands Wind Farm II LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Broadlands Wind Farm III LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Broadlands Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Chateaugay River Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Cropsey Ridge Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Crossing Trails Wind, Power Project LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Dairy Hills Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Diamond Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Ford Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Gulf Coast Windpower Management Company, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Rising Tree Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest VII LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|----------|--------------------------|--------------------------|-------|-----------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Horizon Wind Energy Northwest X LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest XI LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Panhandle I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest II LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest III LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Southwest IV LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Valley I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind MREC Iowa Partners LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind, Freeport Windpower I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Juniper Wind Power Partners, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Lexington Chenoa Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 7,660 | - | - | (9) | (9) | 7,651 |
| Machias Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Meadow Lake Wind Farm II LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 151,344 | (1,296) | 405 | (600) | (600) | 149,853 |
| New Trail Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| North Slope Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Number Nine Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Pacific Southwest Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Pioneer Prairie Wind Farm II LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Buffalo Bluff Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Saddleback Wind Power Project LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 1,082 | (4) | - | - | - | 1,078 |
| Sardinia Windpower LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Turtle Creek Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Western Trail Wind Project I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Whistling Wind WI Energy Center, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Coos Curry Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Midwest IX LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest I LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Peterson Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Pioneer Prairie Interconnection LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| The Nook Wind Power Project LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Tug Hill Windpower LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Whiskey Ridge Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Wilson Creek Power Partners LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| WTP Management Company LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |

This appendix forms an integral part of note 8.

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| | | | | | | Thousands of Euros | | | | | |
|--|--------------------|-------------------|---------------------|-----------|------------------------|--------------------|----------|--------------------|-----------------------|---------|--------------|
| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Meadow Lake Wind Farm IV LLC | Indiana | - | 100.00% | KPMG | Wind Energy production | 96,379 | 80 | 35,788 | 45 | 45 | 132,292 |
| Meadow Lake Windfarm III LLC | Indiana | - | 100.00% | KPMG | Wind Energy production | 112,749 | (41) | 43,202 | (1,130) | (1,130) | 154,780 |
| 2009 Vento IV, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 180,897 | (160) | - | (79) | (79) | 180,658 |
| 2009 Vento V, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 128,617 | (122) | - | (112) | (112) | 128,383 |
| 2009 Vento VI, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 156,031 | (235) | - | 76 | 76 | 155,872 |
| Horizon Wind Ventures VI, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 87,637 | (1,774) | - | 27 | 27 | 85,890 |
| Lexington Chenoa Wind Farm II LLC | Illinois | - | 100.00% | KPMG | Wind Energy production | 427 | - | - | (2) | (2) | 425 |
| Lexington Chenoa Wind Farm III LLC | Illinois | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| East Klickitat Wind Power Project LLC | Washington | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Horizon Wind Energy Northwest IV LLC | Oregon | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Blue Canyon Wind Power VII LLC | Oklahoma | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Horizon Wyoming Transmission LLC | Wyoming | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| AZ Solar LLC | Arizona | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Black Prairie Wind Farm II LLC | Illinois | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Black Prairie Wind Farm III LLC | Illinois | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Paulding Wind Farm LLC | Ohio | - | 100.00% | KPMG | Wind Energy production | 4,408 | - | - | (1) | (1) | 4,407 |
| Paulding Wind Farm II LLC | Ohio | - | 100.00% | KPMG | Wind Energy production | 78,525 | (5) | 425 | 2,262 | 2,262 | 81,207 |
| Paulding Wind Farm III LLC | Ohio | - | 100.00% | KPMG | Wind Energy production | 3,190 | - | - | (30) | (30) | 3,160 |
| Simpson Ridge Wind Farm II LLC | Wyoming | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm III LLC | Wyoming | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm IV LLC | Wyoming | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Simpson Ridge Wind Farm V LLC | Wyoming | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Athena-Weston Wind Power Project II, LLC | Oregon | - | 100.00% | KPMG | Wind Energy production | - | - | - | - | - | - |
| Meadow Lake Wind Farm V, LLC | Indiana | - | 100.00% | KPMG | Wind Energy production | 1,589 | - | - | (5) | (5) | 1,584 |
| Horizon Wind Ventures IB, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 10,988 | 36,712 | - | 19,119 | 19,119 | 66,819 |
| Horizon Wind Ventures IC, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 5,990 | 6,124 | - | 7,327 | 7,327 | 19,441 |
| Headwaters Wind Farm LLC | Indiana | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| 17th Star Wind Farm LLC | Ohio | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Rio Blanco Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Hidalgo Wind Farm LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Stone Wind Power LLC | New York | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Franklin Wind Farm LLC | New York | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Waverly Wind Farm LLC | Kansas | - | 100.00% | Unaudited | Wind Energy production | 2,367 | - | - | (1) | (1) | 2,366 |
| 2010 Vento VII, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 151,444 | (161) | - | 62 | 62 | 151,345 |
| 2010 Vento VIII, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 157,039 | (12) | - | (71) | (71) | 156,956 |
| 2010 Vento IX, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2011

| Group companies | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Thousands of Euros | | | | | |
|---|--------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|----------|--------------------------|--------------------------|---------|-----------------|
| | | | | | | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Horizon Wind Ventures VII, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 87,262 | (579) | - | 544 | 544 | 87,227 |
| Horizon Wind Ventures VIII, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 81,048 | (385) | - | (102) | (102) | 80,561 |
| Horizon Wind Ventures IX, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | (2,737) | (2,737) | (2,737) |
| 2011 Vento IX, LLC | Texas | - | 100.00% | Unaudited | Wind Energy production | 78,559 | - | - | (35) | (35) | 78,524 |
| 2011 Vento X, LLC | Texas | - | 100.00% | KPMG | Wind Energy production | 40,153 | - | - | (19) | (19) | 40,134 |
| EDPR Wind Ventures X | Texas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | (44) | (44) | (44) |
| Paulding Wind Farm IV, LLC | Ohio | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Rush County Wind Farm, LLC | Kansas | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| Eastern Nebraska Wind Farm, LLC | Nebraska | - | 100.00% | Unaudited | Wind Energy production | - | - | - | - | - | - |
| EDP RENOVÁVEIS BRASIL, S.A. | Sao Paulo | 55.00% | - | KPMG | Wind Energy production | 28,948 | (2,064) | - | (3,203) | (3,203) | 23,681 |
| Central Nacional de Energia Eólica, S.A. (Cenaeel) | Sao Paulo | - | 55.00% | KPMG | Wind Energy production | 5,809 | (28) | - | 803 | 803 | 6,584 |
| Elebrás Proyectos, Ltda | Sao Paulo | - | 55.00% | Unaudited | Wind Energy production | 32,122 | (764) | - | 3,511 | 3,511 | 34,869 |
| EDP RENEWABLES CANADA, LTD | Canada | 100.00% | - | Unaudited | Wind Energy production | 2,270 | (102) | - | (1,019) | (1,019) | 1,149 |

EDP RENOVAVEIS, S.A.

Appendix I
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Information on Investments in Group Companies

31 December 2011

| Associates | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Thousands of Euros | | | | | |
|--|-----------------------------------|-------------------------|---------------------------|---------------|---------------------------------|--------------------|----------|--------------------------|--------------------------|-------|-----------------|
| | | | | | | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| Aprofitament D'Energies Renovables de l'Ebre S.l | Spain | - | 18.97% | Unaudited | Infrastructure Management | 3,870 | - | (551) | (168) | (168) | 3,151 |
| Hidroastur, S.A. | Oviedo, Spain | - | 25.00% | Centium | Mini-hydroelectric energy prod. | 4,808 | 3,952 | 132 | 797 | 797 | 9,689 |
| Biomassas del Pirineo, S.A. | Huesca, Spain | - | 30.00% | Unaudited | Biomass: Electricity production | 455 | (217) | - | - | - | 238 |
| Culitvos Energéticos de Castilla, S.A. | Burgos, Spain | - | 30.00% | Unaudited | Biomass: Electricity production | 300 | (48) | - | - | - | 252 |
| Parque Eólico Sierra del Madero, S.A. | Soria, Spain | - | 42.00% | Ernst & Young | Wind Energy production | 7,194 | 1,559 | 886 | 3,247 | 3,247 | 12,886 |
| Desarrollos Energéticos Canarios, S.A. | Las Palmas de Gran Canaria, Spain | - | 49.90% | Unaudited | Wind power: Project development | 15 | (25) | - | - | - | (10) |
| Solar Siglo XXI, S.A. | Ciudad Real, Spain | - | 25.00% | Unaudited | Solar Energy | 80 | (18) | - | - | - | 62 |
| Natureneo Energía, S.L. | Spain | - | 49.00% | Unaudited | Holding company | 3 | (2) | - | (1) | (1) | - |
| Eólicas de Portugal,SA | Portugal | - | 35.96% | Unaudited | Wind Energy production | 42,312 | 7,689 | (26,285) | 6,027 | 6,027 | 29,743 |
| Parque Eólico Belmonte, S.A. | Madrid, Spain | - | 29.90% | KPMG | Wind Energy production | 120 | 2,793 | - | 258 | 258 | 3,171 |
| Inch Cape Offshore Limited | Edimburg | - | 49.00% | Deloitte | Wind Energy production | 1,621 | (32) | - | (12) | (12) | 1,577 |

This appendix forms an integral part of note 8.

Information on Investments in Group Companies

31 December 2011

| Jointly controlled entities | Registered offices | % direct interest | % indirect interest | Auditor | Activity | Thousands of Euros | | | | | |
|--|------------------------|-------------------------|---------------------------|-----------|------------------------|--------------------|----------|--------------------------|--------------------------|---------|-----------------|
| | | | | | | Capital | Reserves | Other equity items | Net profit | | Total equity |
| | | | | | | | | | Continuing operations | Total | |
| | Tébar/Cuenca, Spain | - | 50.00% | Unaudited | Wind Energy production | 4,720 | 3,386 | 1,066 | 1,666 | 1,666 | 10,838 |
| Tebar Eolica, S.A. | | | | | | | | | | | |
| Evolución 2000, S.L. | Madrid, Spain | - | 49.15% | KPMG | Wind Energy production | 118 | 8,397 | 3,048 | 3,412 | 3,412 | 14,975 |
| | | | | | Wind power: Project | | | | | | |
| Desarrollos Energéticos Canarias, S.A. | Las Palmas, Spain | - | 49.90% | Unaudited | development | 60 | - | (24) | - | - | 72 |
| Compañía Eólica Aragonesa S.A. | Spain | - | 50.00% | Deloitte | Wind Energy production | 6,701 | 39,800 | (719) | 15,543 | 15,543 | 61,325 |
| Flat Rock Windpower LLC | Nueva York | - | 50.00% | E&Y | Wind Energy production | 202,032 | (38,838) | - | (2,420) | (2,420) | 160,774 |
| Flat Rock Windpower II LLC | Nueva York | - | 50.00% | E&Y | Wind Energy production | 80,164 | (14,187) | - | (2,011) | (2,011) | 63,966 |

This appendix forms an integral part of note 8.

| Name or registered name of board member | Registered name of entity | Position |
|---|---|--|
| Antonio Luís Guerra Nunes Mexía | EDP Energias de Portugal, S.A. | Chairperson of the Executive of the Board of Directors |
| | Energias do Brasil, S.A. | Chairperson of the Board of Directors |
| | EDP Energias de Portugal, S.A., Sucursal en España | Permanent Representative |
| | EDP Finance BV | Representative |
| Rui Manuel Rodrigues Lopes Teixeira | EDP Renewables Europe, S.L. | Member of the Board |
| | EDP Renováveis Portugal, S.A. | Member of the Board |
| | Malhadizes – Energia Eólica, S.A. | Member of the Board |
| | EDP Renewables Canada, Ltd. | Director |
| | Relax Wind Park III SP. Z O.O. | Member of the Supervisory Board |
| | Relax Wind Park I SP. Z O.O. | Member of the Supervisory Board |
| | EDP Renewables Polska SP. Z O.O. | Member of the Board |
| | Elektrownia Wiatrowa Kresy I SP. Z O.O. | Member of the Board |
| | Masovia Wind Farm I SP. Z O.O. | Member of the Board |
| | Farma Wiatrowa Starozreby SP. Z O.O. | Member of the Board |
| | Karpacka Mala Energetyka SP. Z O.O. | Member of the Board |
| | Relax Wind Park IV SP. Z O.O. | Member of the Board |
| | Relax Wind Park II SP. Z O.O. | Member of the Board |
| | EDP Renováveis Brasil, S.A. | Member of the Board |
| | EDP Renewables SGPS S.A. | Member of the Board |
| | EDPR PT - Promoção e Operação S.A. | Member of the Board |
| | EDP Renewables Canada LP, Ltd. | Member of the Board |
| | EDP Renewables Canada GP, Ltd. | Member of the Board |
| | SBWF GB Inc. | Director |
| | South Branch Wind Farm Inc. | Director |
| | Eolia Renewable Energy Canada Inc. | Director |
| | 0867242 B.C. | Director |
| | EDPR UK, Ltd. | Member of the Board |
| | Moray Offshore Renewables, Ltd. | Member of the Board |
| | Maccoll Offshore Windfarm, Ltd. | Member of the Board |
| | Stevenson Offshore Windfarm, Ltd. | Member of the Board |
| | Telford Offshore Windfarm, Ltd. | Member of the Board |
| | EDP Renováveis Servicios Financieros S.L.U. | Member of the Board |
| Nuno Maria Pestana de Almeida Alves | EDP – Energias de Portugal, S.A. | Board member and Chief Financial Officer |
| | EDP Energias do Brasil, S.A. | Board member |
| | Hidroeléctrica del Cantábrico, S.A. | Board member |
| | EDP- Estudos e Consultoria S.A. | Chairman & Chief Executive Officer |
| | EDP-Inmobiliaria e Participações S.A. | Chairman & Chief Executive Officer |
| | Savida - Medicina Apoiada S.A. | Chairman & Chief Executive Officer |
| | SCS - Serviços complementares de Saude S.A. | Chairman & Chief Executive Officer |
| | Energia RE S.A. | Chairman & Chief Executive Officer |
| | Balwerk - Consultadoria Economica e Participações, sociedade unipessoal, LDA. | Manager |
| | EDP Energias de Portugal Sociedade Anónima | |
| | Sucursal en España | Permanet representative |
| | EDP Finance BV | Representative |
| João Paulo Nogueira de Sousa Costeira | EDP Renewables Europa, S.L.U. | Member of the Board |
| | EDP Renováveis Portugal, S.A. | Chairperson of the Board of Directors |
| | Malhadizes – Energia Eólica, S.A. | Chairperson of the Board of Directors |
| | Eólica da Serra das Alturas, S.A. | Member of the Board |
| | Eólica de Montenegro, S.A. | Member of the Board |
| | ENEOP 2 – Exploração de Parques Eolicos, S.A. | Chairperson of the Board of Directors |
| | EDP Renewables France, S.A. | Chairperson of the Board of Directors |

| Name or registered name of board member | Registered name of entity | Position |
|---|---|--|
| | Centrale Eolienne Neo Truc de l'Homme, SAS | Chairperson of the Board of Directors |
| | Eolienne de Callengeville, SAS | Chairperson of the Board of Directors |
| | Parc Eolien de la Hetroye, SAS | Chairperson of the Board of Directors |
| | Eolienne de Saugueuse, SARL | Joint Director |
| | Parc Eolien des Bocages | Joint Director |
| | Eolienne d'Etalondes, SARL | Joint Director |
| | Parc Eolien d'Ardennes, SARL | Joint Director |
| | Parc Eolien de Mancheville, SARL | Joint Director |
| | Parc Eolien de Roman, SARL | Joint Director |
| | Relax Wind Park III SP. Z O.O. | Member of the Supervisory Board |
| | Relax Wind Park I SP. Z O.O. | Member of the Supervisory Board |
| | EDP Renewables Polska SP. Z O.O. | Member of the Board |
| | Elektrownia Wiatrowa Kresy I SP. Z O.O. | Member of the Board |
| | Masovia Wind Farm I SP. Z O.O. | Member of the Board |
| | Farma Wiatrowa Starozreby SP. Z O.O. | Member of the Board |
| | Karpacka Mala Energetyka SP. Z O.O. | Member of the Board |
| | EDPR UK, Ltd | Member of the Board |
| | Moray Offshore Renewables, Ltd | Member of the Board |
| | Maccoll Offshore Windfarm, Ltd | Member of the Board |
| | Stevenson Offshore Windfarm, Ltd | Member of the Board |
| | Telford Offshore Windfarm, Ltd | Member of the Board |
| | EDP Renewables Italia, Srl | Chairperson of the Board of Directors |
| | Operação e Manutenção Industrial, S.A. | Member of the Board |
| | EDP Renováveis Servicios Financieros S.L.U. | Member of the Board |
| | EDP Renewables SGPS S.A. | Chairperson of the Board of Directors |
| | EDPR PT - Promoção e Operação S.A. | Chairperson of the Board of Directors |
| | Parc Eolien des Vatines | Chairperson of the Board of Directors |
| | Parc Eolien du Clos Bataille | Chairperson of the Board of Directors |
| | Parc Eolien de Varinpre | Chairperson of the Board of Directors |
| | Parc Eolien Longs Champs | Joint Director |
| | Socpe de la Mardelle | Joint Director |
| | Socpe de la Vallée du Moulin | Joint Director |
| | Socpe de Sauvageons | Joint Director |
| | Socpe des Quinze Mines | Joint Director |
| | Socpe Le Mée | Joint Director |
| | Socpe Petite Pièce | Joint Director |
| | CE Canet Pont de Salars SAS | Chairperson of the Board of Directors |
| | CE Gueltas Noyal Pontivy | Chairperson of the Board of Directors |
| | CE Patay SAS | Chairperson of the Board of Directors |
| | CE Saint Barnabé SAS | Chairperson of the Board of Directors |
| | CE Segur SAS | Chairperson of the Board of Directors |
| | Monts de la Madeleine Energie SAS | Chairperson of the Board of Directors |
| | Monts du Forez Energie SAS | Chairperson of the Board of Directors |
| | Eolienne des Bocages, SARL | Joint Director |
| | EDP Renváveis Brasil | Member of the Board |
| | EDP Renewables Romania, S.R.L. | Member of the Board |
| | Cernavoda Power S.A. | Member of the Board |
| | Greenwind S.A. | Member of the Board |
| | Neo Plouvien SAS | Chairperson of the Board of Directors |
| João Manuel Manso Neto | | Member of the Executive Board of Directors |
| | EDP Energías de Portugal, S.A. | |
| | EDP Energías de Portugal S.A Sucursal en España | Permanent Representative |
| | EDP Energía Iberica, S.A. | Member of the Board |
| | EDP Gás.Com Comércio de Gás Natural, S.A. | Chairperson of the Board of Directors |
| | Hidroeléctrica del Cantábrico, S.A. | Vice-president of the Board of Directors |

| Name or registered name of board member | Registered name of entity | Position |
|---|---|--|
| | Naturgás Energía Grupo, S.A. | Vice-president of the Board of Directors |
| | HidroCantábrico Energía, S.A.U. | Chairperson of the Board of Directors |
| | Eléctrica de la Ribera del Ebro, S.A. | Chairperson of the Board of Directors |
| | EDP Finance BV | Representative |
| | EDP Renewables Europa S.L. | Chairperson of the Board of Directors |
| | EDP Renovaveis Brasil, S.A. | Chairperson of the Board of Directors |
| | ENEOP – Eólicas de Portugal S.A. | Chairperson of the Board of Directors |
| Manuel Menéndez Menéndez | Naturgas Energía Grupo, S.A. | Chairperson of the Board of Directors |
| | EDP Renewables Europe, S.L. | Member of the Board |
| | Hidroeléctrica del Cantábrico, S.A. | Chairperson of the Board of Directors |
| Gabriel Alonso Imaz | EDP Renewables Canada, Ltd. | Chief Executive Officer |
| | EDP Renewables North America, LLC y sociedades dependientes (véase detalle de sociedades incluido en Anexo I) | Chief Executive Officer |
| | American Wind Energy Association | Chair-Elect and Executive Board Member |
| Joao Manuel Verissimo Marques da Cruz | EDP Energías de Portugal, S.A. | Member of the Executive Board of Directors |
| | Companhia de Electricidade de Macau - CEM, S.A. | Chairperson of the Board of Directors |
| | EDP Ásia - Investimentos e Consultoria Lda. | Chairperson of the Board of Directors |
| | EDP Ásia Soluções Energéticas Lda. | Chairperson of the Board of Directors |
| | EDP Finance BV | Representative |
| | EDP Renováveis, S.A. | Member of the Board |
| | EDP Valor - Gestao Integrada de Serviços, S.A. | Chairperson of the Board of Directors |

| Name or registered name of director or board member | Registered name of entity | Number of shares |
|--|---|------------------|
| Antonio Luís Guerra Nunes Mexía | EDP Energías de Portugal, S.A. | 41,000 |
| | EDP Energías do Brasil, S.A. | 1 |
| | EDP Renováveis, S.A. | 4,200 |
| João Manuel Manso Neto | EDP Energías de Portugal, S.A. | 1,268 |
| Nuno Maria Pestana de Almeida Alves | EDP Energías de Portugal, S.A. | 125,000 |
| | EDP Energías do Brasil, S.A. | 1 |
| | EDP Renováveis, S.A. | 5,000 |
| Jorge Manuel Azevedo Henriques dos Santos | EDP Energías de Portugal, S.A. | 2,379 |
| | EDP Renováveis, S.A. | 200 |
| João Manuel de Mello Franco | EDP Energías de Portugal, S.A. | 4,550 |
| | REN - Redes Energéticas Nacionais, SGPS, S.A. | 980 |
| | EDP Renováveis, S.A. | 380 |
| Gabriel Alonso Imaz | Iberdrola, S.A. | 27 |
| | Gamesa Corp. Tec., SA | 7,880 |
| | EDP Renováveis, S.A. | 26,503 |
| Related person of Gabriel Alonso Imaz - Teresa Sancho | Iberdrola, S.A. | 26 |
| | Gamesa Corp. Tec., SA | 7,881 |
| Joao Manuel Verissimo Marques da Cruz | EDP Energías de Portugal, S.A. | 3,878 |
| | EDP Renováveis, S.A. | 1,200 |
| João Pedro Nogueira de Sousa Costeira | EDP Renováveis, S.A. | 3,000 |
| Rui Manuel Rodrigues Lopes Teixeira | EDP Renováveis, S.A. | 12,370 |
| José Fernando Maia de Araújo e Silva | EDP Renováveis, S.A. | 80 |
| João José Belard da Fonseca Lopes Raimundo | EDP Renováveis, S.A. | 840 |



KPMG Auditores S.L.
Ventura Rodríguez, 2
33004 Oviedo

Report on the Annual Accounts

To the Shareholders of
EDP Renováveis, S.A.

We have audited the annual accounts of EDP Renováveis, S.A. (the "Company") which comprise the balance sheet at 31 December 2012, the income statement, the statement of changes in equity, the statement of cash flows for the year then ended and the notes thereto. In accordance with legislation governing financial information applicable to the entity specified in note 2 to the accompanying annual accounts and, in particular, with the accounting principles and criteria set forth therein, preparation of the annual accounts is the responsibility of the Company's directors. Our responsibility is to express an opinion on the annual accounts taken as a whole, based on our audit, which was conducted in accordance with prevailing legislation regulating the audit of accounts in Spain, which requires examining, on a test basis, evidence supporting the amounts and disclosures in the annual accounts and evaluating whether their overall presentation, the accounting principles and criteria used and the accounting estimates made comply with the applicable legislation governing financial information.

In our opinion, the accompanying annual accounts for 2012 present fairly, in all material respects, the equity and financial position of the Company at 31 December 2012, and the results of its operations and its cash flows for the year then ended, in accordance with applicable legislation governing financial information and, in particular, with the accounting principles and criteria set forth therein.

The accompanying directors' report for 2012 contains such explanations as the directors the Company consider relevant to the situation of the Company, the evolution of its business and other matters, but is not an integral part of the annual accounts. We have verified that the accounting information contained therein is consistent with that disclosed in the annual accounts for 2012. Our work as auditors is limited to the verification of the directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of the Company.

KPMG Auditores, S.L.

Ana Fernández Poderós

27 February 2013



KPMG Auditores S.L.
Ventura Rodríguez, 2
33004 Oviedo

Audit report on the system of internal control over financial reporting

To the Board of Directors
EDP Renováveis, S.A.

Further to your request and to our engagement letter dated 4 June 2012, we have audited the system of internal control over financial reporting of EDP Renováveis, S.A. (the Company) and subsidiaries (the Group) at 31 December 2012, based on the criteria established in the Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in relation with global business and control procedures, and with the COBIT Framework for IT Governance and Control. The Board of Directors of the Company and senior Group management are responsible for adopting the measures required to reasonably guarantee the implementation, maintenance and supervision of an adequate system of internal control over financial reporting, assess its efficiency and make improvements to the system, as set forth in the report drawn up by Group management on the internal control over financial reporting system enclosed. Our responsibility is to express an opinion on the effectiveness of the Group's internal control over financial reporting system based on our audit.

An organisation's system of internal control over financial reporting is designed to provide reasonable assurance that its annual financial reporting complies with the applicable financial reporting framework. It includes policies and procedures that are aimed at: (i) verifying the existence and maintenance of records that present fairly and in reasonable detail the Group's transactions and assets; (ii) providing reasonable assurance that transactions are adequately recorded so as to allow the Group to draw up consolidated annual accounts in accordance with the applicable financial reporting framework; and (iii) providing reasonable assurance regarding the timely prevention or detection of asset additions or disposals or unauthorised use of Group assets that might have a material effect on the consolidated annual accounts. Due to the limitations inherent in any form of internal control system, irrespective of the quality of the design and operation of the internal control system adopted for annual financial reporting, this system can only provide reasonable but not absolute assurance as to the objectives sought.

We have performed our audit in accordance with ISAE 3000 (International Standard on Assurance Engagements 3000). This standard requires that we plan and perform our audit to obtain reasonable assurance about whether the Group system of internal control over financial reporting is effective in all material aspects. Our audit included our gaining an understanding of the Group's internal control over the financial reporting system, verifying and evaluating, on a selective test basis, the design and operating efficiency of the system, and performing other procedures that we considered necessary under the circumstances. We believe that our audit provides a reasonable basis for our opinion.


Due to the limitations inherent in any form of internal control system, there is always the possibility that internal control over financial reporting may not prevent or detect the errors or irregularities that might arise, whether due to errors in judgement, human error, fraud or malpractice. Extrapolating the effectiveness assessment to future years entails a risk that controls may cease to be adequate due to changing conditions or erosion in the levels of compliance with policies and procedures.

In our opinion, the Group's system of internal control for financial reporting at 31 December 2012 is effective in all material aspects, according to the criteria established in the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in relation with global business and control procedures and the COBIT Framework for IT Governance and Control.

On 27 February 2013, in accordance with prevailing accounting legislation in Spain, we issued our audit report on the consolidated annual accounts of the Group for 2012, expressing an unqualified opinion thereon.

This report has been issued in accordance with your request. We accept no liability to any third parties other than the intended recipients of this report.

KPMG Auditores, S.L.



Ana Fernández Poderós

27 February 2013

Report from Management concerning responsibility for
the System of Internal Control over Financial Reporting

The board of directors and management are responsible for establishing and maintaining an adequate System of Internal Control over Financial Reporting (SCIRF).

The SCIRF of EDP Renováveis Group is a set of processes designed to provide reasonable assurance as to the reliability of the financial information and the preparation of the consolidated annual accounts for external purposes, in accordance with the applicable financial information reporting framework.

Due to the limitations inherent to all internal control systems, it is possible that the system of internal control over financial reporting does not prevent or detect all errors that could occur and may only provide reasonable assurance with respect to the presentation and preparation of the consolidated annual accounts. Furthermore, extrapolating the effectiveness assessment to future years entails a risk that controls may cease to be adequate due to changing conditions or erosion in the level of compliance with policies and procedures.

Management has assessed the effectiveness of the SCIRF at 31 December 2012 based on the criteria established in the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

As a result of this assessment, and based on the aforementioned criteria, management concludes that at 31 December 2012 EDP Renováveis Group had an effective system of internal control over financial reporting.

The SCIRF of EDP Renováveis Group at 31 December 2012 has been audited by the independent auditors KPMG Auditores, S.L., as indicated in their report included in the Annual Corporate Governance Report.


Chief Executive Officer
Chief Financial Officer

27 February 2013

Members of the Board of Directors of the Company EDP Renováveis, S.A.

DECLARE

To the extent of our knowledge, the information referred to in sub-paragraph a) of paragraph 1 of Article 245 of Decree-Law no. 357-A/2007 of October 31 and other documents relating to the submission of accounts required by current regulations have been prepared in accordance with applicable accounting standards, reflecting a true and fair view of the assets, liabilities, financial position and results of EDP Renováveis, S.A. and the companies included in its scope of consolidation and the management report fairly presents the evolution of business performance and position of EDP Renováveis, S.A. and the companies included in its scope of consolidation, containing a description of the principal risks and uncertainties that they face.

Lisbon, February 26, 2013.

António Luís Guerra Nunes Mexia

João Manuel Manso Neto

Nuno Maria Pestana de Almeida Alves

João Manuel Veríssimo Marques da Cruz

Rui Manuel Rodrigues Lopes Teixeira

João Paulo Nogueira da Sousa Costeira

Gabriel Alonso Imaz

Manuel Menéndez Menéndez

José Fernando Maia de Araújo e Silva

João Manuel de Mello Franco

João José Belard da Fonseca Lopes Raimundo

Jorge Manuel Azevedo Henriques dos Santos

Rafael Caldeira de Castel-Branco Valverde

Gilles August