MOODY'S RATINGS

CREDIT OPINION
23 April 2025

Update

Send Your Feedback

RATINGS

EDP, S.A.

Domicile	Lisbon, Portugal
Long Term Rating	Baa2
Type	LT Issuer Rating
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Benjamin Leyre +33.1.5330.3373
VP-Sr Credit Officer
benjamin.leyre@moodys.com

Yanis Sallami
Sr Ratings Associate
yanis.sallami@moodys.com

Andrew Blease +33.1.5330.3372
Associate Managing Director
andrew.blease@moodys.com

EDP, S.A.

Update to credit analysis

Summary

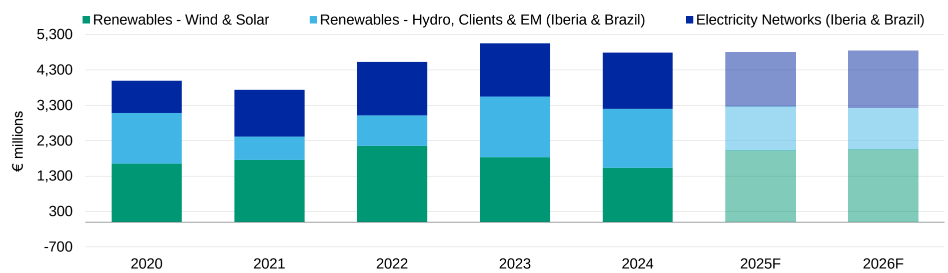
EDP, S.A.'s (EDP) credit quality is supported by its commitment to maintain robust financial metrics; its diversified business and geographical mix, which helps moderate earnings volatility; stable earnings from its contracted generation and regulated networks, which account for about 60% of group EBITDA; and the low carbon intensity of its power generation fleet and its strategy to exit coal-fired power generation by 2025, which positions it well in the context of energy transition.

These positives help offset certain potential risks, including the earnings volatility stemming from variations in hydro output in Iberia and, to a lesser extent, wind resources globally; the residual exposure of EDP's merchant generation to volatile wholesale power prices; the execution risks associated with the group's significant capital spending over 2025-26, with on average €4.4 billion of gross investments planned over the period; the exposure to political and regulatory risks in Portugal (A3 stable), Spain (Baa1 positive) and Brazil (Ba1 positive); and the minority holdings in the group, which add to complexity.

Exhibit 1

Renewables will increasingly drive EDP's credit profile as the company executes its strategy

EBITDA by segment



The forecasts are our opinion and do not represent the views of the issuer.

Source: Company filings and Moody's Ratings forecasts

Credit strengths

» Commitment to maintain robust financial metrics

» Diversified business and geographical mix, which helps moderate earnings volatility

» Regulated and contracted activities accounting for about 60% of EBITDA

» Low carbon intensity of power generation fleet and strategy to exit coal-fired power generation by 2025

Credit challenges

» Earnings volatility stemming from variations in hydro output and wind resources

» Exposure of the group's merchant generation activities to volatile wholesale prices

» Exposure to execution risks, such as potential delays or cost overruns, associated with its large capital spending programme

» Political and regulatory risks in Portugal, Spain and Brazil

Rating outlook

The stable rating outlook reflects our expectation that, in the context of its capital investment plan and dividend policy, EDP will maintain financial metrics consistent with the guidance for a Baa2 rating, including funds from operations (FFO)/net debt at least in the upper teens and retained cash flow (RCF)/net debt at least in the low teens, both in percentage terms.

Factors that could lead to upgrade

The ratings could be upgraded if the company makes progress on its strategy and investments while reducing leverage. A sustainable and solid financial profile, including FFO/net debt above 22% and RCF/net debt at least in the midteen percentages, would support an upgrade to Baa1.

Factors that could lead to downgrade

The rating could be downgraded if EDP's financial profile were to weaken because of a downturn in the company's operating/regulatory environment and performance or because cash flow generation was not to keep pace with debt-funded investment, such that FFO/net debt and RCF/net debt appeared likely to fall and remain below the guidance for the current rating. The rating could also be downgraded if credit-negative changes occur in EDP's corporate structure, such as a significant increase in minority shareholdings, which could prompt a tightening of the guidance, or if subordination were to increase and weaken the position of parent company senior unsecured creditors.

Key indicators

Exhibit 2

EDP, S.A.

	2020	2021	2022	2023	2024	2025F	2026F
(CFO Pre-W/C) / Net Debt	16.8%	16.8%	18.0%	17.7%	19.0%	17%-20%	17%-20%
FFO / Net Debt	16.8%	16.8%	17.9%	17.5%	18.0%	17%-20%	17%-20%
RCF / Net Debt	11.1%	10.0%	11.5%	11.8%	12.4%	12%-15%	12%-15%
(CFO Pre-WC + Interest Expense) / Interest Expense	5.3x	4.9x	4.3x	3.9x	4.3x	3.5x-4.5x	3.5x-4.5x

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
The forecasts are our opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

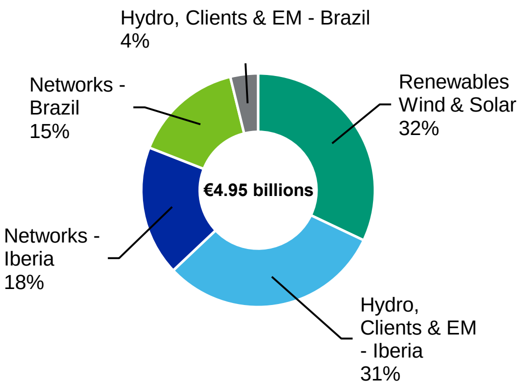
EDP is a vertically integrated utility company, with consolidated revenue of €14.9 billion and EBITDA of €4.9 billion in 2024. It is the largest electric utility in Portugal and also has a small share of Portugal's gas supply market. Through its operations in Spain, EDP is among the four largest electricity generation companies in the Iberian peninsula.[1]

EDP's 71%-owned subsidiary EDP Renovaveis SA (EDPR) holds its wind and solar renewables activities worldwide. EDPR is one of the largest onshore wind power operators globally, with a particular focus on the US (Aaa negative) and Iberia. EDP is also present in Brazil via its fully owned subsidiary EDP - Energias do Brasil S.A. (EDP Brasil).

Exhibit 3

Business mix is focused on renewables and regulated activities

EBITDA breakdown by business (2024)

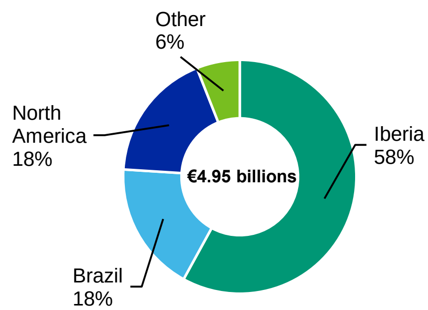


Source: Company filings

Exhibit 4

Iberia accounts for around half of EDP's EBITDA

EBITDA breakdown by geography (2024)



Source: Company filings

EDP is listed on the Lisbon stock exchange, with a market capitalisation of around €13 billion. As of December 2024, its largest shareholder was China Three Gorges Corporation (CTG, A1 negative), with a 21.4% share. Other shareholders include BlackRock, Inc. (Aa3 negative, 6.85%), investment holding company Oppidum Capital (6.82%), Norges Banks (5.63%) ,Canada Pension Plan Investment Board (Aaa stable, 5.44%).

Detailed credit considerations

Diversified business mix moderates earnings volatility

EDP's credit profile benefits from its scale (total assets as of December 2024: €56 billion) and leading position in Portugal, and its diversification by geography, asset type and fuel mix, which helps moderate aggregate earnings volatility.

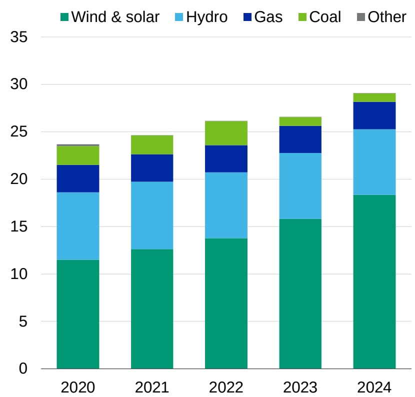
However, EDP's geographical diversification exposes it to exchange-rate risk, notably with respect to the US dollar and the Brazilian real against the euro. This risk is mitigated by the group's policy of hedging its foreign-currency exposure with local-currency debt and through derivatives. As of December 2024, 17% of EDP's debt was denominated in US dollars and 13% was in Brazilian real.

Renewables benefit from long-term contracts but are exposed to volume volatility, whereas merchant generation in Iberia is exposed to volatile power prices

The group's wind and solar power generation portfolio, held by EDPR, which had a total capacity of 19.3 gigawatts (GW) as of December 2024 and accounted for 32% of group reported EBITDA in 2024, benefits largely from the protection provided by feed-in tariffs, prices with caps and floors or long-term power purchase agreements (PPAs).[2] The output of the group's onshore wind farms is highly variable, and is dependent on wind conditions and asset availability. This volatility is, however, mitigated by the geographical diversification of EDP's wind portfolio.

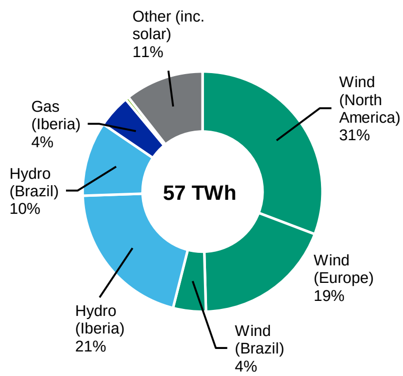
In Brazil, EDP's hydro and thermal generation assets, which accounted for less than 4% of group EBITDA in 2024, also operate under inflation-linked PPAs, with reduced hydro risk exposure since 2016, when the Generation Scaling Factor insurance agreement was put in place to transfer part of the hydrological risk.

Exhibit 5
Wind and solar capacity has been growing
Split of installed capacity (GW)



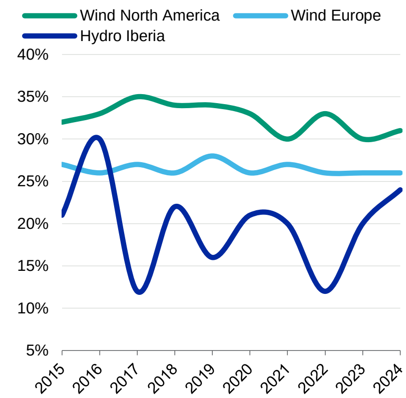
Source: Company filings

Exhibit 6
Around 96% of EDP's output is renewables
Output split by fuel and geography (2024)



Percentages may be rounded.
Source: Company filings

Exhibit 7
Renewables are exposed to resource volatility
Load factors



Source: Company filings

In Iberia, EDP's hydro, nuclear, gas- and coal-fired generation, and energy management businesses are exposed to volume risk and market prices.

The group mitigates its commodity price exposure through its strong position in supply and forward sales. As of December 2024, EDP's market shares in Portugal were approximately 61.6% in customer numbers and 34.1% in volume. In its full-year 2024 results, the company announced that it had hedged around 7.5 TWh of expected baseload production for 2025 at €70/MWh and 3.5 TWh for 2026 at €63/MWh. This compares against 8 TWh per year of baseload production in Iberia for a normal hydro year.

Nonetheless, EDP remains highly exposed to variations in hydro output, as illustrated by 2024 hydro volumes, which were 20% above the historical average. EDP expects to reduce its exposure to Brazilian hydropower generation by 2026.

Regulated networks in Iberia provide cash flow stability and predictability

Earnings volatility is mitigated by the contribution from electricity distribution and transmission networks, whose tariffs are regulated in their concession areas in Portugal, Spain and Brazil. These networks accounted for 33% of group EBITDA in 2024 and had a combined regulated asset base (RAB) of about €7.2 billion as of December 2024.

Exhibit 8
Regulated electricity distribution networks provide cash flow stability

	Portugal - high/medium voltage	Portugal - low voltage	Spain	Brazil - Espirito Santo	Brazil - Sao Paulo	Brazil - Transmission
EBITDA (2024)	€511 million		€349 million	€204 million	€250 million	€244 million
Regulator	ERSE	ERSE	CNMC	ANEEL	ANEEL	ANEEL
Distributed electricity (2024)	24.1 TWh	22.4 TWh	13.3 TWh	29.8 TWh		n/a
Concessions maturity	2044	2021-26*	Perpetuity	2055	2028	2051
RAB (2024)	€1.7 billion	€1.3 billion	€1.9 billion	BRL3.8 billion	BRL4.2 billion	BRL5.5 billion**

*Most concessions expired in 2021-22 and a few concessions end in 2026. **Corresponds to financial assets, not RAB.
Source: Company filings

The regulatory framework for electricity distribution networks in Portugal is relatively established and stable; there has been a reasonable degree of continuity of principles over the past few regulatory periods, which is credit supportive. Revenue is regulated by Entidade Reguladora dos Servicos Energeticos (ERSE). For the current four-year regulatory period, which started in January 2022, the allowed return is indexed on the evolution of the 10-year sovereign bond yield, with a floor of 4% (lowered by 75 basis points [bps] compared with the previous period) and a cap of 7.3%. For 2024, the allowed return was initially set at 5.57%, and eventually reached 5.53% because the sovereign bond yield decreased during the year. For 2025, the allowed return was initially set at 5.53% and will also be adjusted to the 10-year sovereign bond yield during the year. In addition, the RAB and the total expenditure will be adjusted for inflation after applying an efficiency factor of 0.75%. A new regulatory period for electricity distribution networks will start in January 2026. We expect ERSE to publish its final determination by the end of 2025, following the release of its draft determination in October 2025.

No decision has been made yet on the renewal of EDP's low-voltage concessions, 92% of which expired in 2021-22. Nonetheless, Portuguese law establishes that in return for the assets returned to the granters of the concessions, compensation corresponding to the assets' book value, net of amortisations, financial contributions and nonrefundable subsidies, will be paid.

In December 2024, ERSE announced that low-voltage end users' regulated electricity tariffs for 2025 would increase by 2.1% compared with 2024 to reflect the increase in grid access tariffs. The increase in access tariff will continue to help reduce the Portuguese electricity system tariff deficit, which is likely to reach €1.6 billion in 2025, compared with €2 billion in 2024.

In Spain, the current six-year regulatory period for electricity networks started in January 2020. The allowed return was set at 5.58% (pretax, nominal) by the National Commission of Markets and Competition (CNMC, the regulator), which represents a decrease of more than 90 bps from 6.5% for the previous period. The regulator is likely to release a consultation document for the upcoming electricity distribution regulatory period commencing in 2026 by Q2 2025. The industry is projecting a significant increase in weighted average cost of capital (WACC) and the removal of the investment cap, given the need to stimulate grid investment to meet national decarbonisation goals.

EDP Brasil's electricity distribution activities provide lower earnings predictability because of the exposure to economic and political risks in Brazil. Nonetheless, we expect tariff adjustments and regulatory support to help maintain stability. The Espírito Santo distribution concession, which was set to expire in 2025, has been extended for an additional 30 years. Similarly, we expect the EDP São Paulo concession, which is due to expire in 2028, to be renewed with only minor adjustments, such as updates to quality-of-service requirements.

Exposure to macroeconomic, political and regulatory risks in Portugal and Spain

EDP generated 58% of its EBITDA in Iberia in 2024, and expects this share to decrease in the coming years. The company is therefore exposed to macroeconomic conditions and related financial, regulatory or political strain in Portugal and Spain.

In a context of high electricity and gas prices in 2022-23, several governmental interventions in these two countries have trimmed the profitability of EDP's operations in Iberia. Such interventions are examples of social risks related to affordability issues that are common to all utilities. In particular, the Spanish government implemented a tax to limit the impact of rising wholesale gas prices on consumers' electricity and gas tariffs (see New tax on Spanish nuclear and hydro is credit negative, 16 September 2021) from September 2021 until year-end 2023. Also, Spanish and Portuguese governments implemented a production cost adjustment arrangement to reduce the price of electricity on the wholesale market, from June 2022 until December 2023.

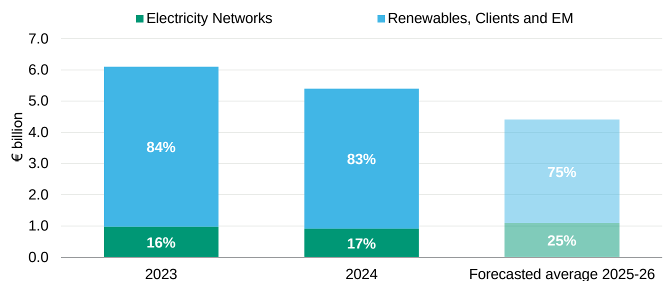
The continuous normalisation of power prices across Europe since then has reduced political intervention risks. However, the need to generate revenue to support public finances led the Spanish government to renew or increase taxes on both electricity producers, as well as final customers. This was illustrated by the renewal of the Electricity Generation Tax from July 2024 onwards, after being suspended since mid-2021.

Strategic focus on renewables and networks is positive for business mix, but execution risks remain

In March 2023, EDP announced its 2023-26 strategic plan, which provided for a capex programme of €25 billion for the four years, equivalent to €6.2 billion per year (which implied a 30% increase from €4.8 billion per year under the previous plan); a renewable asset rotation programme of €1.7 billion per year on average; and 18 GW of additional renewable capacity. The investment plan focused on growing a set of diversified renewables technologies, including wind onshore (40%), solar PV utility scale (40%), solar distributed generation (12%), wind offshore (5%), and storage and hydrogen (3%).

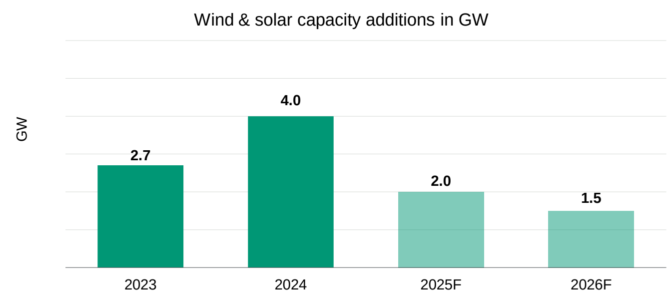
Since that announcement, the company has revised its investment plan twice in response to evolving market conditions and to maintain a strong balance sheet. In May 2024, EDP reduced its average capex for 2024-26 from €6.2 billion to €5.7 billion per year. Then, in March 2025, the company announced further capex cuts for 2025-26, down to €4.4 billion per year, with a focus on a more selective investment strategy particularly in renewables, while slightly increasing the share of investment in electricity networks in 2025 and 2026 from 20% to 25% on average. As a result, annual capacity installation in wind and solar is likely to decrease to 2 GW in 2025 and 1.5 GW in 2026, compared with 4 GW in 2024.

Exhibit 9
Investment is focused on renewables
Capital spending by business (2023-26)



Source: Company filings

Exhibit 10
Wind and solar capacity additions



Source: Company filings

Although the company has reduced its capex program, the strategy carries some risks due to the scale of investment, which can lead to operational difficulties as illustrated by the two impairments recorded in 2024: a €420 million impairment related to the decision to exit Colombia and a €105 million impairment at Ocean Winds on the US offshore business, both in response to a changing operating and regulatory environment. These two impacts are at net income level.

Execution risks are somewhat moderated by:

» the limited technological risks associated with the targeted development of renewables, which is focused mostly on wind and solar, which represent 30% and 50%, respectively, of capacity under construction in December 2024,[3] while the geographical focus will remain on North America and Europe, which would both represent 80% in 2025 and 90% in 2026 of capacity addition in renewables;

» the limited complexity associated with network investments;

» the track record demonstrated by EDP in rotating renewable assets, with €1.6 billion of asset rotation proceeds in 2024.

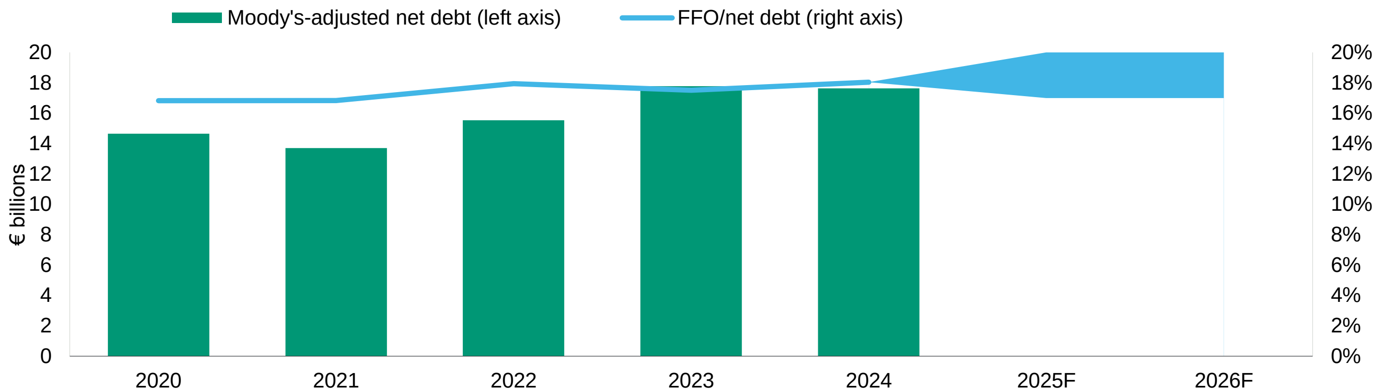
Financial profile will remain solid despite rising debt

In 2024, EDP's performance was good. Excluding the one-off impact related to the Ocean Wind impairment, EBITDA decreased marginally to €4.9 billion in 2024 from €5.0 billion in 2023. The renewables, clients and energy management segment was affected by lower asset rotation and lower average selling prices, as well as coal deconsolidation in 2024. However, this was partly offset by strong hydro volume and lower sourcing costs. In addition, the performance of networks in Brazil was robust, benefiting from asset rotation gains and additional commissioning.

Although EDP's operating performance remained stable, the company's adjusted FFO/net debt increased to 18% in 2024 from 17.5% in 2023, benefiting from lower interest expenses and the hybrid bond issuance during the year.

We expect EDP's credit metrics to remain solid in the short to medium term, despite recent declines in power prices and lower expected asset rotation gains, as the company implements the reduction in its gross investments.

Exhibit 11
We expect FFO/net debt to remain in the upper-teen percentages, despite rising debt



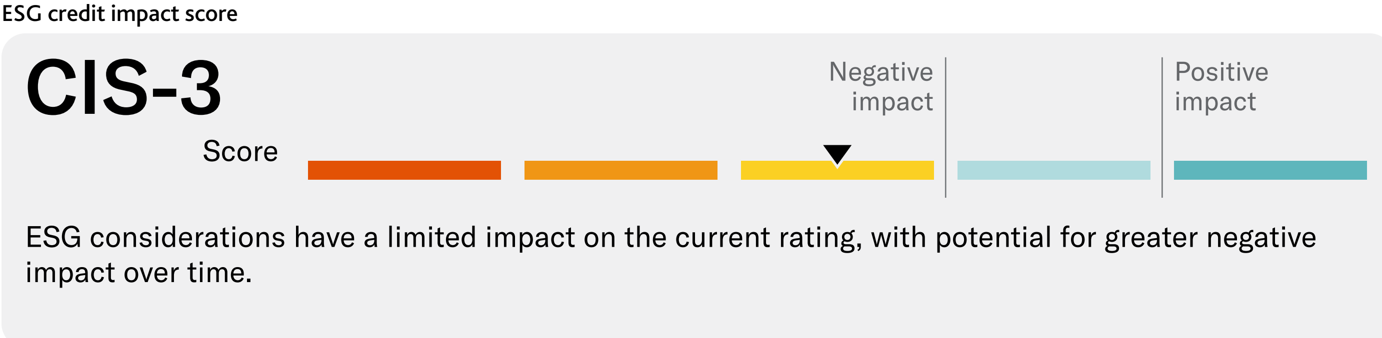
All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
The forecasts are our opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

EDP has moderate exposure to higher interest rates. This is because 22% of the group's gross debt was on floating rates as of December 2024, with the remaining 78% on fixed rates.

ESG considerations

EDP, S.A.'s ESG credit impact score is CIS-3

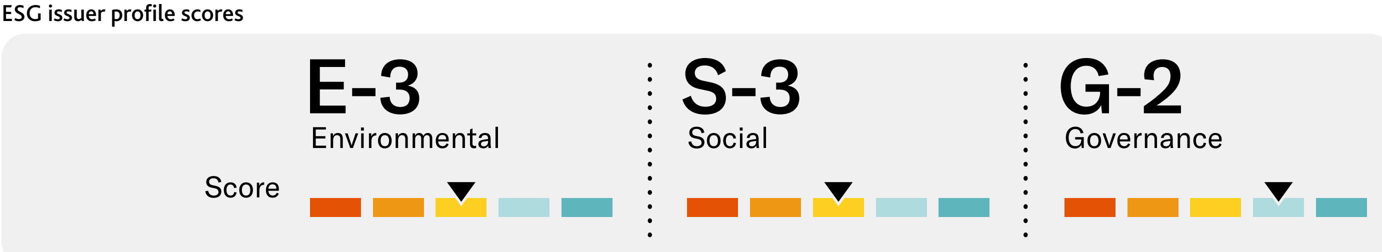
Exhibit 12
ESG credit impact score



Source: Moody's Ratings

EDP's **CIS-3** indicates that ESG considerations have a limited impact on the current rating with potential for greater negative impact over time. The score reflects moderate environmental, and social risks, as well as low governance risks.

Exhibit 13
ESG issuer profile scores



Source: Moody's Ratings

Environmental

EDP's **E-3** score reflects the company's exposure to physical climate risks, including the exposure of hydro power generation to resource volatility. These risks are balanced by EDP's neutral to low exposure to carbon transition risk, given its relatively low carbon intensity, with scope 1 and 2 emissions of 29 gCO2/KWh in 2024. We expect carbon intensity to decrease further as the company shuts down coal-fired plants in Iberia and continues its build-out of renewables. EDP targets to exit coal-fired generation by 2025 and have 100% renewable generation by 2030.

Social

EDP's **S-3** reflects the risk, common to all utilities, that public concern over environmental, social or affordability issues could lead to adverse regulatory or political intervention. These risks are balanced by neutral to low risks to health and safety, human capital, customer relationships and responsible production.

Governance

EDP's **G-2** reflects the fact that, although ownership concentration can be a credit risk, CTG's track record of support for EDP mitigates this risk. CTG has been a major shareholder with representation on the company's General and Supervisory Board since May 2012 when it acquired its initial stake and stabilised EDP during the euro area crisis. At the same time, EDP faces moderate risks relative to the existence of significant minority shareholders in large subsidiaries of the group, as well as the potential risks that could arise from the ongoing investigation regarding the early termination of certain power purchase agreements and certain payments in relation to the extension of hydro power concessions.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

EDP has excellent liquidity. As of December 2024, it had cash and cash equivalents of €3.6 billion; a total of €7.5 billion in undrawn revolving credit facilities (RCFs), including notably a €4.3 billion undrawn RCF maturing in August 2029 and a €3 billion undrawn RCF maturing in July 2029; and short-term credit facilities of €255 million. Together with operating cash flow, we expect these sources to cover the expected average annual gross investments of around €4.4 billion, debt maturities and annual dividend payments, including payments to minorities.

Exhibit 14

EDP's liquidity sources will comfortably cover debt maturities in the medium term

Source: Company filings

In addition, EDP has demonstrated a good track record of accessing the debt capital markets, as illustrated by the issuance of a €750 million green bond in January 2025 and the secution of two green loan agreements totalling €500 million, secured from the European Investment Bank (Aaa stable) in March 2025.

Structural considerations

EDP Finance B.V. (Baa2 stable) is the group's main issuer under the €16 billion euro medium-term note programme, which benefits from a keepwell agreement with EDP. EDP Servicios Financieros Espana, S.A.U. (Baa2 stable) is also an issuer under the same euro medium-term note programme and also benefits from a keepwell agreement with EDP. EDP is the issuer of the group's €5.4 billion hybrid securities (as of December 2024) and of a few senior bonds.

As of December 2024, 16% of the group's gross debt, down from 17% as of December 2023, was raised at the subsidiary level and mainly at the level of EDP Brasil. Debt at the level of EDP Brasil is ring-fenced. In March 2023, the company performed a €1 billion capital increase at the level of EDPR, which reduced EDP's ownership in EDPR to 71.3% from 74.98%, reflecting the presence of some minorities at the EDPR level, which is balanced by EDPR being internally funded. In August 2023, as part of its strategic plan, EDP completed the delisting of EDP Brasil. This transaction reduced cash flow leakage to minorities.

Exhibit 15
EDP's debt structure as of December 2024

(in € millions)	Gross debt	Gross debt in %	Cash	Net debt	Net debt in %
EDP SA and EDP Finance BV	17,973	84%	1,779	16,194	91%
EDPR	1,355	6%	1,196	159	1%
EDP Brasil	2,014	9%	656	1,358	8%
Total	**21,342**	**100%**	**3,631**	**17,711**	**100%**

Source: Company filings

Methodology and scorecard

EDP is rated in accordance with our rating methodology for Unregulated Utilities and Unregulated Power Companies. EDP's Baa2 rating is in line with the scorecard-indicated outcome of Baa2.

Exhibit 16
Rating factors
EDP, S.A.

Unregulated Utilities and Unregulated Power Companies Industry	Current FY Dec-24		Moody's 12-18 month forward view	
Factor 1 : Scale (10%)	**Measure**	**Score**	**Measure**	**Score**
a) Scale ($ billions)	Aa	Aa	Aa	Aa
Factor 2 : Business Profile (40%)				
a) Market Diversification	A	A	A	A
b) Hedging and Integration Impact on Cash Flow Predictability	A	A	A	A
c) Market Framework & Positioning	Baa	Baa	Baa	Baa
d) Capital Requirements and Operational Performance	B	B	B	B
e) Business Mix Impact on Cash Flow Predictability	Aa	Aa	Aa	Aa
Factor 3 : Financial Policy (10%)				
a) Financial Policy	Baa	Baa	Baa	Baa
Factor 4 : Leverage and Coverage (40%)				
a) (CFO Pre-W/C + Interest) / Interest (3 Year Avg)	4.1x	Ba	3.5x-4.5x	Ba
b) (CFO Pre-W/C) / Net Debt (3 Year Avg)	18.2%	Ba	17%-20%	Ba
c) RCF / Net Debt (3 Year Avg)	11.9%	Ba	12%-15%	Ba
Rating:				
a) Scorecard-Indicated Outcome		Baa2		Baa2
b) Actual Rating Assigned				Baa2

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
The forecasts are our opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 17

Peer comparison

EDP, S.A.

	EDP - Energias de Portugal, S.A. Baa2 Stable			Iberdrola S.A. Baa1 Stable			Endesa S.A. Baa1 Stable			Naturgy Energy Group SA Baa2 Stable		
(in € millions)	FY Dec-22	FY Dec-23	FY Dec-24	FY Dec-22	FY Dec-23	FY Dec-24	FY Dec-22	FY Dec-23	FY Dec-24	FY Dec-22	FY Dec-23	FY Dec-24
Revenue	20,651	16,202	14,966	53,949	49,335	44,739	32,545	25,070	20,935	33,965	22,617	19,267
EBITDA	4,297	4,551	4,367	12,770	14,146	15,074	5,432	3,775	5,342	4,657	5,475	5,454
Total Assets	58,816	56,559	56,240	149,925	149,652	157,911	52,361	42,913	38,426	41,260	38,514	41,343
Total Debt	20,494	21,212	21,300	53,759	55,703	62,404	21,603	16,125	12,396	18,024	17,574	19,225
Net Debt	15,542	17,771	17,628	49,151	52,684	58,322	20,740	14,024	11,561	14,039	13,888	13,599
FFO / Net Debt	17.9%	17.5%	18.0%	21.3%	20.6%	19.6%	23.9%	31.7%	39.1%	31.4%	25.3%	26.9%
RCF / Net Debt	11.5%	11.8%	12.4%	14.9%	11.7%	13.2%	16.5%	19.5%	29.8%	20.9%	13.8%	15.4%
(CFO pre-W/C + Interest Expense) / Interest Expense	4.3x	3.9x	4.3x	5.5x	4.6x	4.8x	15.2x	8.2x	9.0x	8.2x	5.5x	5.4x
Debt / Book Capitalization	55.6%	52.8%	52.4%	46.9%	46.9%	49.6%	75.0%	65.5%	55.1%	61.3%	56.9%	59.3%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Exhibit 18

Moody's-adjusted net debt reconciliation

EDP, S.A.

(in € millions)	2020	2021	2022	2023	2024
As reported debt	**17,342.4**	**17,867.4**	**21,410.3**	**21,945.4**	**22,973.0**
Pensions	629.6	486.9	346.2	261.2	83.0
Hybrid Securities	(869.0)	(1,858.5)	(1,858.7)	(2,021.6)	(2,723.1)
Non-Standard Adjustments	492.4	481.1	595.8	1,026.7	967.2
Moody's-adjusted debt	**17,595.5**	**16,976.8**	**20,493.6**	**21,211.6**	**21,300.0**
Cash & Cash Equivalents	(2,952.1)	(3,272.2)	(4,951.7)	(3,440.2)	(3,672.3)
Moody's-adjusted net debt	**14,643.4**	**13,704.7**	**15,541.9**	**17,771.4**	**17,627.7**

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Exhibit 19

Moody's-adjusted EBITDA reconciliation

EDP, S.A.

(in € millions)	2020	2021	2022	2023	2024
As reported EBITDA	**3,774.1**	**3,758.8**	**4,581.6**	**5,036.8**	**4,762.0**
Pensions	36.8	6.8	2.2	0.6	15.8
Interest Expense - Discounting	(155.8)	(136.5)	(155.9)	(158.2)	(159.1)
Unusual Items	(625.0)	(325.0)	(131.3)	(614.8)	(804.5)
Non-Standard Adjustments	-	-	-	-	-
Moody's-adjusted EBITDA	**3,030.2**	**3,304.1**	**4,296.5**	**4,551.4**	**4,367.2**

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Exhibit 20

Overview on select historical Moody's-adjusted financial data

EDP, S.A.

(in € millions)	2019	2020	2021	2022	2023	2024
INCOME STATEMENT						
Revenue	14,333	12,448	14,983	20,651	16,202	14,966
EBITDA	3,202	3,030	3,304	4,297	4,551	4,367
EBIT	1,767	1,611	1,804	2,643	2,804	2,563
Interest Expense	737	572	589	859	1,091	1,018
Net income	630	472	550	859	926	989
BALANCE SHEET						
Net Property Plant and Equipment	20,457	21,350	22,015	25,537	27,167	29,048
Total Assets	42,179	43,201	50,903	58,816	56,559	56,240
Total Debt	17,399	17,595	16,977	20,494	21,212	21,300
Cash & Cash Equivalents	1,543	2,952	3,272	4,952	3,440	3,672
Net Debt	15,856	14,643	13,705	15,542	17,771	17,628
Total Liabilities	33,096	33,296	40,273	48,670	44,120	43,087
CASH FLOW						
Funds from Operations (FFO)	2,339	2,463	2,307	2,788	3,112	3,180
Cash Flow From Operations (CFO)	1,888	1,737	1,375	3,016	1,217	3,173
Dividends	868	832	931	1,000	1,010	995
Retained Cash Flow (RCF)	1,471	1,632	1,376	1,788	2,102	2,184
Capital Expenditures	(2,338)	(2,380)	(3,320)	(3,588)	(5,362)	(5,396)
Free Cash Flow (FCF)	(1,318)	(1,475)	(2,876)	(1,571)	(5,156)	(3,218)
INTEREST COVERAGE						
(CFO pre-W/C + Interest Expense) / Interest Expense	4.2x	5.3x	4.9x	4.3x	3.9x	4.3x
LEVERAGE						
FFO / Net Debt	14.7%	16.8%	16.8%	17.9%	17.5%	18.0%
CFO pre-W/C / Net Debt	14.7%	16.8%	16.8%	18.0%	17.7%	19.0%
RCF / Net Debt	9.3%	11.1%	10.0%	11.5%	11.8%	12.4%
Debt / EBITDA	5.4x	5.8x	5.1x	4.8x	4.7x	4.9x
Net Debt / EBITDA	5.0x	4.8x	4.1x	3.6x	3.9x	4.0x

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Ratings

Exhibit 21

Category	Moody's Rating
EDP, S.A.	
Outlook	Stable
Issuer Rating	Baa2
Senior Unsecured -Dom Curr	Baa2
Subordinate -Dom Curr	Baa3
Commercial Paper -Dom Curr	P-2
EDP SERVICIOS FINANCIEROS ESPANA, S.A.U.	
Outlook	Stable
Bkd Senior Unsecured -Dom Curr	Baa2
EDP FINANCE B.V.	
Outlook	Stable
Bkd Senior Unsecured	Baa2
Bkd Commercial Paper -Dom Curr	P-2

Source: Moody's Ratings

Moody's related publications

Industry outlook

» Unregulated Electric & Gas Utilities – Europe: 2025 Outlook - Stable as energy transition challenges offset power price benefits, 19 November 2024

Sector research

» Unregulated Utilities and Power Companies – Europe: Lower power prices may require tough choices, if sustained, 10 April 2024

» Electricity Markets – Europe: Supply-demand imbalance to ease, but prices to remain above historical levels, 5 December 2023

» EU electricity market reform proposal credit positive for European unregulated utilities, 16 March 2023

» Europe's electricity markets – Tight supply will keep power prices high and prompt further government intervention, 16 November 2022

» Cross-Sector – Europe – Liquidity challenges in Europe's energy markets prompt further government intervention, 12 September 2022

» European utilities have limited operations in Russia and Ukraine but are exposed to higher energy prices, 23 February 2022

» Europe's electricity markets: In Iberia, higher energy prices raise political risk, but economics continue to support decarbonisation, 30 November 2021

» New tax on Spanish nuclear and hydro is credit negative, 16 September 2021

Endnotes

1 Together with Iberdrola S.A. (Baa1 stable), Endesa S.A. (Baa1 stable) and Naturgy Energy Group SA (Baa2 stable).

2 For example, as of December 2024, 93% of the group's renewables capacity in North America benefited from long-term PPAs or hedges, with the remaining 7% only exposed to merchant price risk.

3 Offshore wind is developed by Ocean Winds, the dedicated joint venture between EDPR and ENGIE SA (Baa1 stable).

REPORT NUMBER 1443287