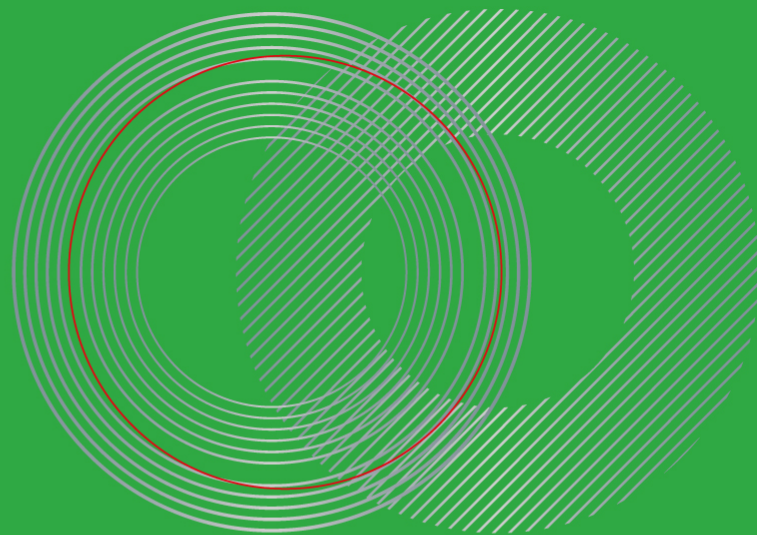


INVESTOR DAY 2014

João Manso Neto

EDP Renováveis



NEVERENDING
ENERGY

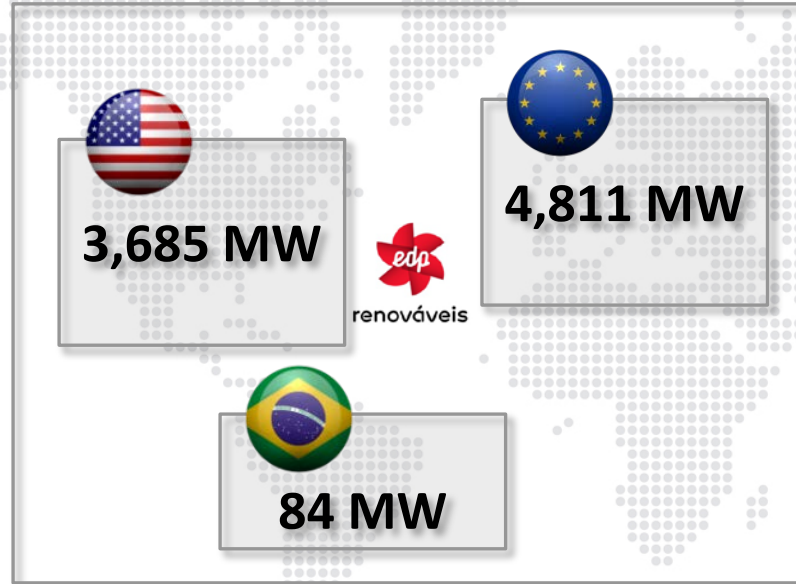


EDPR is a market leader with 8.6 GW of installed capacity worldwide...



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#4 worldwide wind player



EDP Group company focused
on wind and solar investments

77.5%
EDP SHAREHOLDING

Leader in the most competitive
renewable technology

WIND
ONSHORE

Diversified operating portfolio

10
COUNTRIES

Young assets with
long residual life

5 YEARS
AVERAGE LIFE

Solid generation of
Operating Cash-Flow

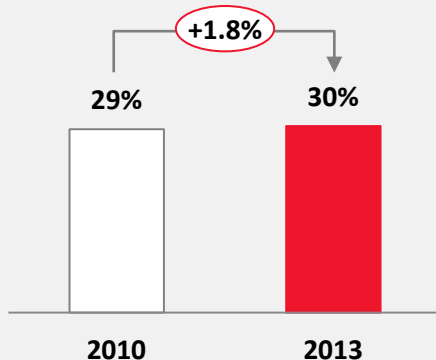
700
MILLION €

... developed from key core competencies, managed and operated on standards of excellence...

EDPR has a structural competitive advantage...

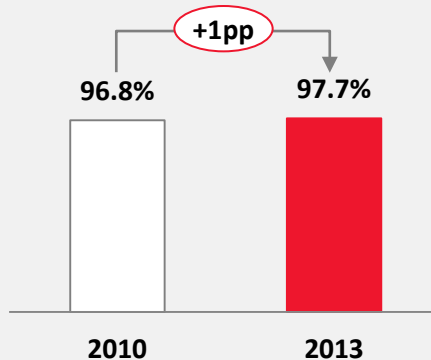
... and is continuously improving key operating metrics

Load Factor
(%)



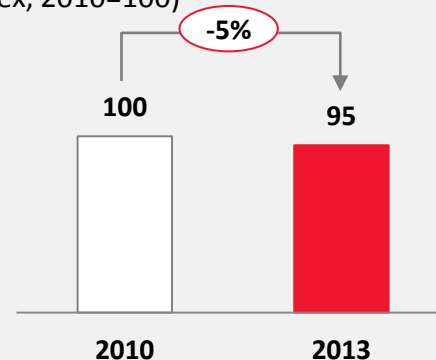
Distinctive know-how and selective approach

Availability
(%)



Introduced boost programs to maximize production

OPEX/MW¹
(index, 2010=100)



Strong focus on efficiency and cost control

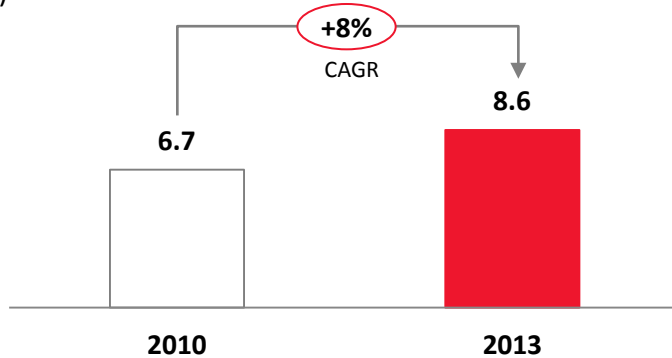
... flawlessly executing a selective growth profile...



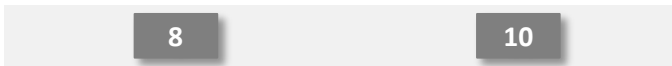
renováveis

EDPR achieved strong growth levels...

Installed capacity
(GW)

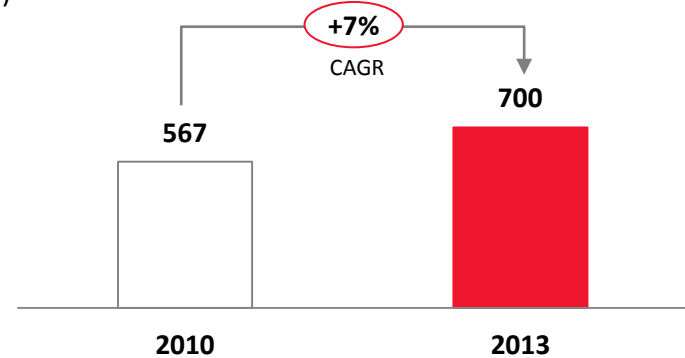


Countries #



... resulting in a robust cash generation capacity

Operating Cash-Flow
(€m)



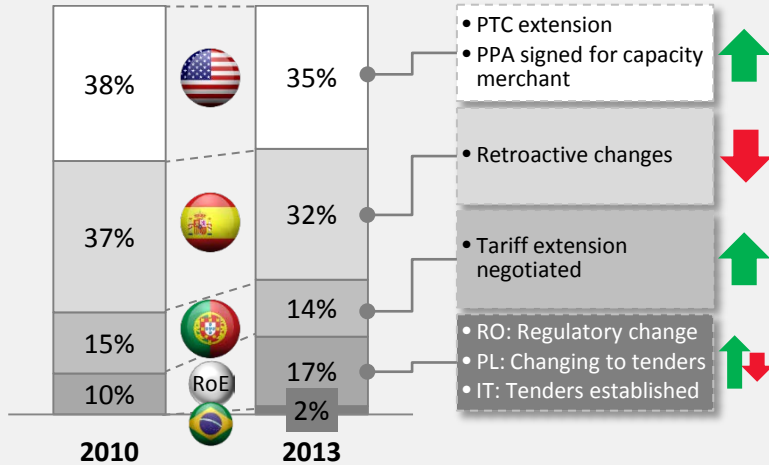
OCF/Capex (%)



...and presenting a diversified low risk portfolio based on a solid balance sheet

Well diversified portfolio
exposed to different markets...

EBITDA
(%, €m)



... with the right funding
for a capital intensive industry

Debt Metrics Overview

1Q14 Net Debt

€3.2bn

-5% YoY

Net Debt / EBITDA

3.5x

2013YE

Cost of Debt

5.2%

stable YoY

LT Fixed Debt

86% fixed

83% ≥2018 maturity

Wind onshore is a competitive technology...



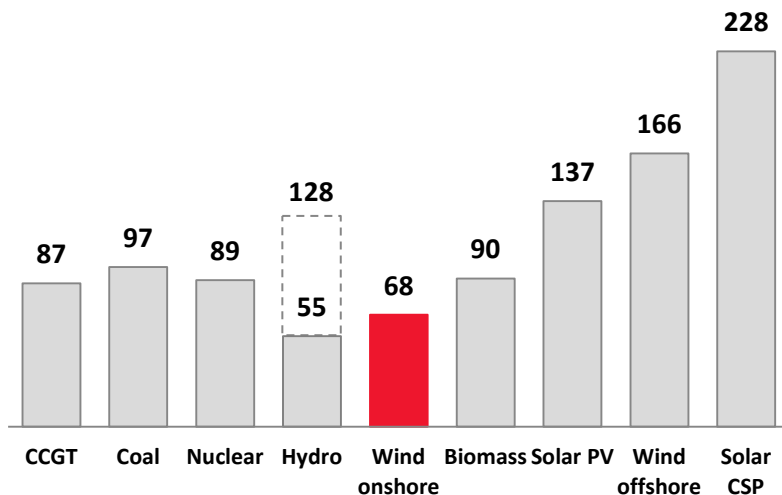
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Wind competes with all technologies...

... requiring predictable revenue streams originated through ex-ante competition (e.g. auctions)

Levelised Cost of Energy (LCoE)

(€/MWh, 2012)



Zero marginal technology
(price taker in marginal markets)

Capital intensive
industry with
long return period

Lowest LCoE is
awarded a LT PPA

Auction designed
to account for
balancing costs

Demand driven by:

- Regulators defining capacity for auctions
- Private entities aiming to fulfil consumption needs

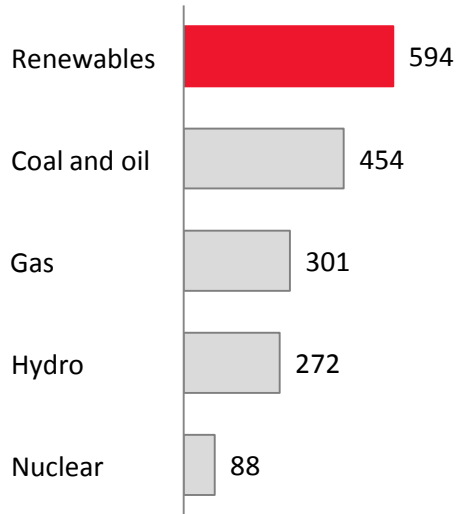
Lower
risk premium
for predictable
cash-flow streams

... and perceived by the market as the largest growth driver in renewables...

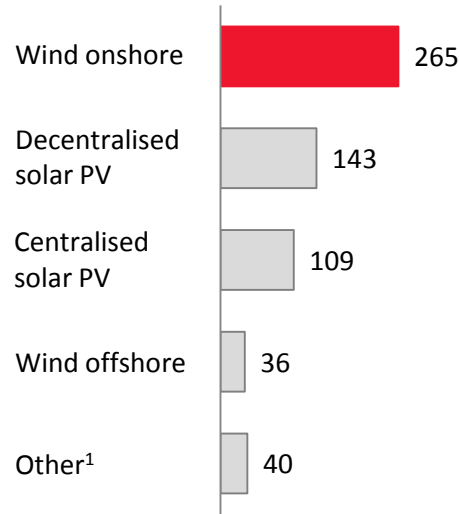


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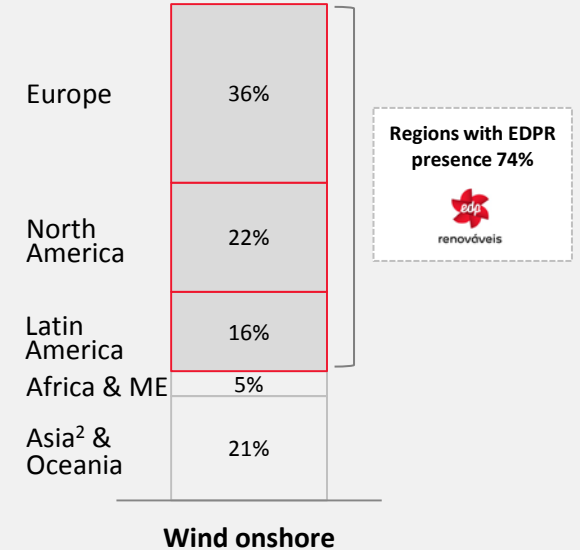
2014-2020 Worldwide Additions (GW)



2014-2020 Renewables Additions (GW)



2014-2020 Wind Onshore Additions (GW, ex-China)



c.3/4 of the growth is expected to come from regions where EDP is already present

... supporting EDPR's medium-term view about sector fundamentals

Medium-term positive prospects in Europe despite short-term challenges

EUROPE

Short-term pressure

Excess installed capacity

Renewables perceived as expensive

Depressed wholesale prices

Medium-term trends

Consensus over decarbonisation

Wind is cost competitive

Market re-design (LT contracts)

Ongoing demand for wind outside Europe due to its competitiveness

US

Coal retirement planned through 2020
42 GW

Existing Wind Demand through 2020

PTC qualification demand ¹ **+19 GW**
(existing PTC)

RPS demand **+22 GW**
(West + Northeast)

Non-RPS demand **+7 GW**
(wind competitive with gas)

PTC extension **+14 GW**
(to further increase wind competitiveness)

OTHER MARKETS

Strong electricity demand ²



+ 3.7 %
CAGR 2020



+ 3.5 %
CAGR 2020

Good natural resource
(load factor)



> 40 %



> 40 %

Long-term contracts awarded based on competitive systems (PPA/Auctions)

EDPR's strategic plan through 2017 to distinctively create value supported by 3 pillars

1. Selective growth

2014-2017

Investing in quality projects

**>500
MW/year**

Growing through projects
with LT contracts already
awarded

**85%
signed**

Developing offshore
1 GW awarded in France and
projects in the UK

**post-2017
growth**

2. Operational excellence

2014-2017

Maintaining high
availability levels

>97.5%

Leveraging quality growth on
distinctive wind assessment

**31.5%
Load Factor**

Increasing efficiency,
reducing OPEX/MW

**-2%
CAGR**

3. Self-funded business

2014-2017

Strong Operating
Cash-Flow generation

€3.5bn

Asset Rotation to enhance
value growth

**€0.7bn
(ex-CTG)**

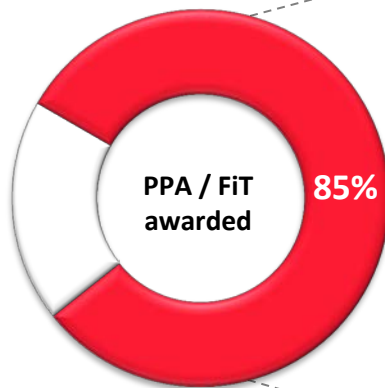
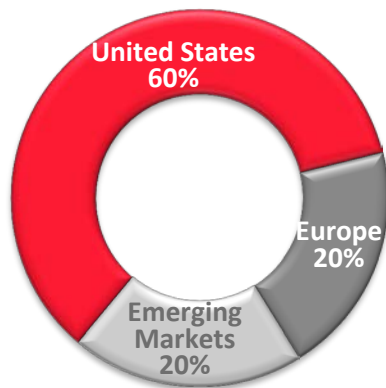
Net Investment supported by
Asset Rotation Program
(Capex + Investments - AR)

€1.8bn

A visible growth plan based on contracts already signed with low exposure to wholesale prices and regulatory schemes...

United States represents 60% of EDPR growth plan...

...with 85% of the new capacity already awarded through competitive auctions (PPA and FiT)



	+1,130 MW
	+180 MW
	+236 MW
	+79 MW
	+30 MW

EDPR high quality pipeline successfully bided and awarded with long term contracts enables a low risk growth strategy

Investments in the US are at the core of EDPR growth strategy with 1,130 MW of new additions already secured

EDPR: #1 in new wind PPA in the US market

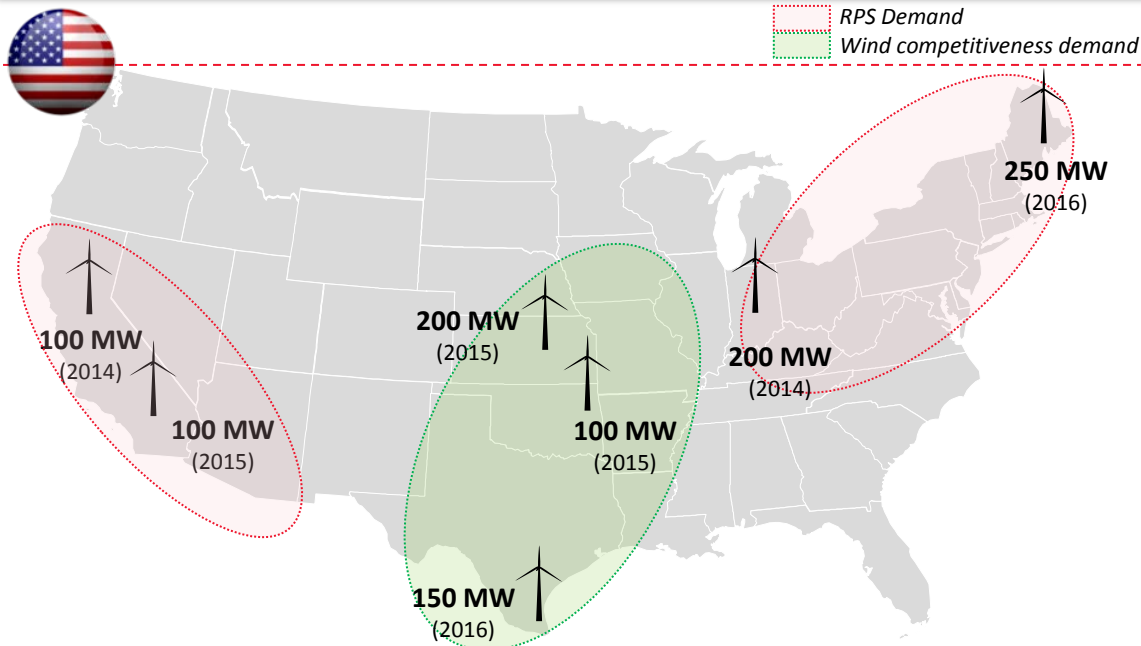
**Economics of PPA
already secured (1.1 GW)**

Average metrics

Load Factor 43%

**Price \$48/MWh
(PPA first year)**

Projects' IRR > 10%



Exploring further growth options in RfP in Massachusetts and New York if PTC are extended

European Markets to deliver 0.4 GW of low-risk profitable growth opportunities...



PORTUGAL

Conclusion of ENEOP project

Project awarded in 2006
(EDPR with a 40% stake)

Asset splitting expected for 2015 with
EDPR fully consolidating 534 MW equivalent



ITALY

Execution of projects with PPA

30 MW awarded in 2013 to be installed in 2014

Participating in new energy auctions
for 2015-17 additions



FRANCE

Ongoing growth in a low risk market

60-70 MW through pipeline development

Low risk system based on Feed-in Tariffs



POLAND

Growth is subject to new energy law

System to be based in energy auctions

EDPR has competitive projects in pipeline

...and selected emerging wind energy markets through 416 MW of high quality projects with long-term PPA secured



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BRAZIL

Execution of projects with PPA

236 MW awarded in 2011 and 2013 to be installed in the 2015-17 period

Current market conditions call for further auctions of wind energy



MEXICO

Execution of projects with PPA

180 MW with 25 year PPA to be installed in 2016

Platform for future growth in a promising market

NEW MARKETS

Prospecting markets with strong fundamentals

Strong electricity demand growth

Robust renewable resources

Long-term contracts awarded based on competitive systems (PPA/Auctions)

EDPR/GDF Suez awarded with 1,000 MW offshore wind project in France and developing UK projects with Repsol...

Offshore wind development

EDPR's Partnership Strategy critical for de-risking and complementary skills

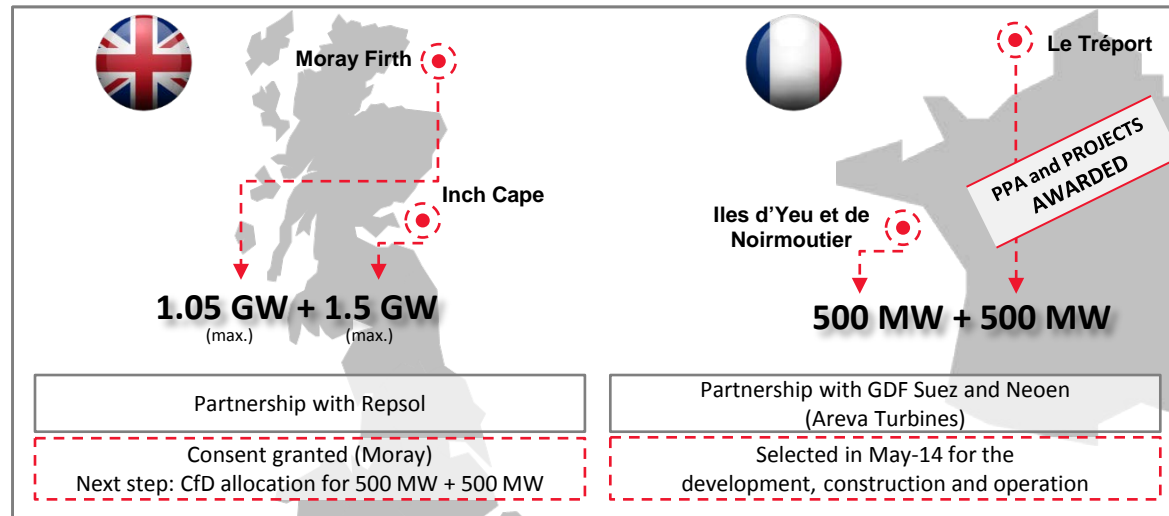
Onshore Restrictions

Scarce opportunities in some onshore markets due to population density (UK, France, Netherlands...)

Solar inefficiency in Northern Europe

Industrial development

Opportunities for countries to capture a new wave of industry development and R&D leadership

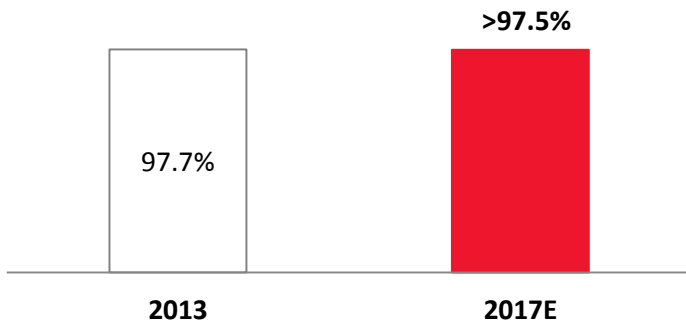


... support growth alternatives post-2017

Quality growth supported by distinctive competences and unique wind assessment know-how...

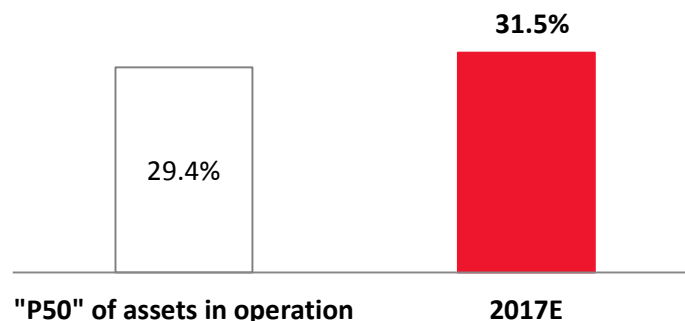
Keep maximizing productivity levels...

Availability
(%)



... and reach second-to-none load factor metrics

Load Factor
(%)



Predictive maintenance tools and 24h Control and Dispatch centre optimize wind farm fleet, reduce damage and improve planning

New spare parts warehousing strategy key in reducing downtime

Power-enhancing retrofits boost production and ensure that older models keep up-to-date with new technological improvements

Expertise in wind farm layout and turbine generator choice critical to achieve optimal investment yields

... keeping efficiency metrics on highest levels of excellence



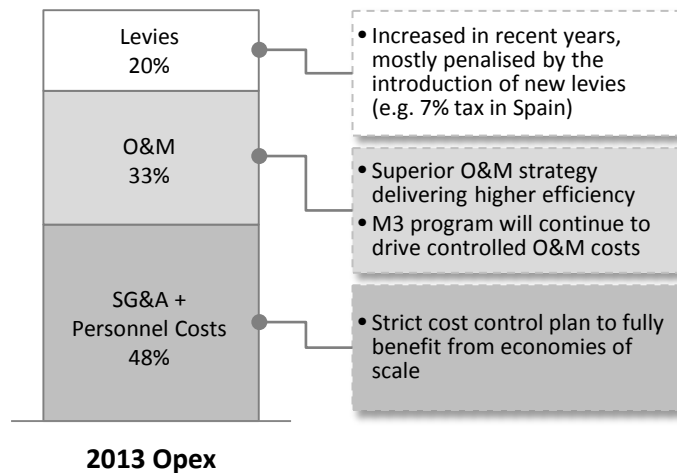
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Strong focus on cost control...

... leading to improvements in efficiency ratios

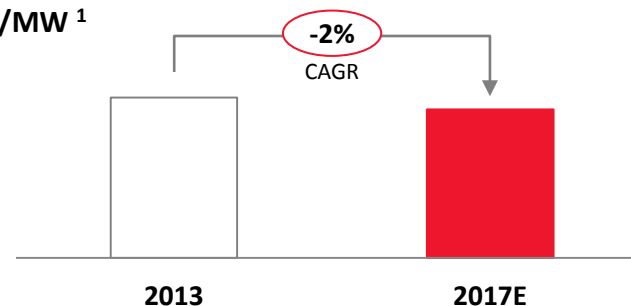
Operating costs breakdown ¹

(€m, %)



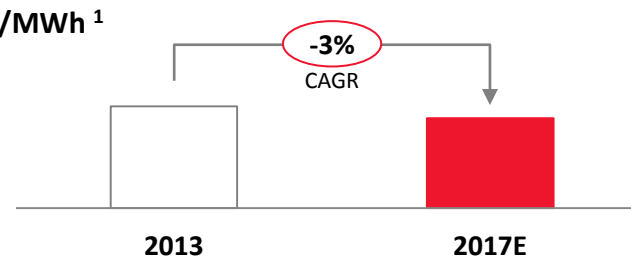
Opex/MW ¹

(€k)



Opex/MWh ¹

(€k)

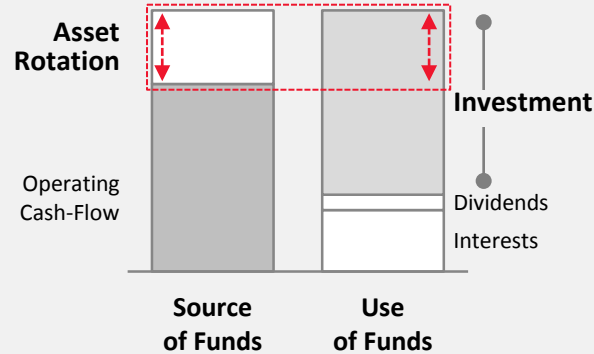


Growth enhanced by EDPR's asset rotation strategy designed to accelerate value creation...

Asset Rotation Strategy

1

Self-funding Strategy¹



2

Accelerate value growth

Crystallise projects' NPV, capturing value created

&

Allowing the execution of additional market opportunities with superior returns

IRR double-digit **>** IRR single-digit
Re-investing **Selling**

... and to maintain a self-funding strategy

A rigorous expansion plan of €1.8bn in the 2014-17 period

2014-2017: EDPR Investment Plan

+ Capex

€2.4bn

+ Financial Investments

€0.1bn

= Total Investment

€2.5bn

- Asset Rotation (ex-CTG)

€0.7bn

= Net Investment

€1.8bn

Strong visibility from PPAs already signed

Mostly on offshore projects with COD post 2017

+500 MW/year + Future options

Quality projects attractive to institutional investors

Solid investment plan

EDPR value proposition supported by three strategic pillars

By delivering on its strategy...

Selective and
profitable growth

Quality assets delivering
increased profitability

Self-funding
business model

... EDPR expects to achieve solid growth targets...

Electricity Output

CAGR 13-17

+9%

EBITDA

CAGR 13-17

+9%

Net Profit

CAGR 13-17

+11%

... maintain its dividend policy...

Dividend payout ratio

25-35%

... and lead in a green and competitive sector with increased worldwide relevance

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