

Results Presentation 1Q 2012

May 9th, 2012

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Highlights of the period

In the 1Q12 EDPR delivered...



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...quality growth through selective investments...

Volumes

- +18% YoY of electricity output growth (load factor of 34%)

Prices

- +4% YoY on the average selling price

Opex

- Opex per average MW in operation decreased by 1% YoY

...based on a controlled risk business model...

MW Exposure

- 90% of the portfolio with long-term visibility

Debt by type

- 89% of EDPR's financial debt at a fixed rate

Cost of capital

- Stability at the cost of debt (5.3% at Mar-12, -10bps YoY)

...resulting in solid financials and Cash-Flow generation

EBITDA

- +20% YoY to €263m with an EBITDA margin of 76%

Net Profit

- +26% YoY to €62m (+23% on a like-for-like basis)

Operating Cash-Flow

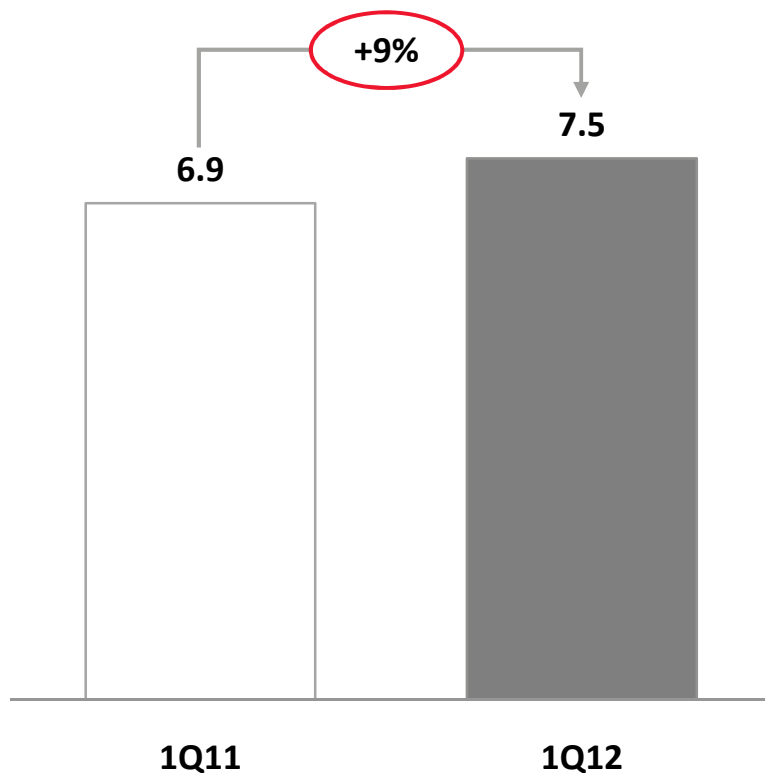
- +17% YoY to €202m, more than covering Capex of €55m



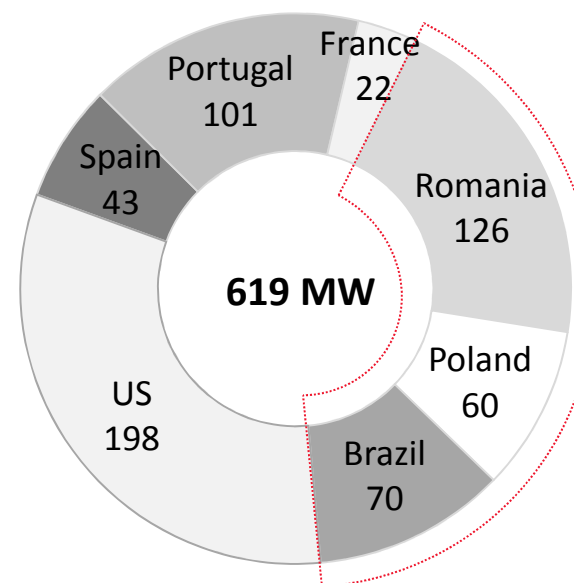
1Q12 Operating and Financial Performance

Installed capacity increased 9% YoY to 7.5 GW through selective investments in quality projects

YoY Capacity Increase
(EBITDA GW + Eólicas PT ⁽¹⁾)



Additions by market in the last 12 months
(EBITDA MW + Eólicas PT ⁽¹⁾)



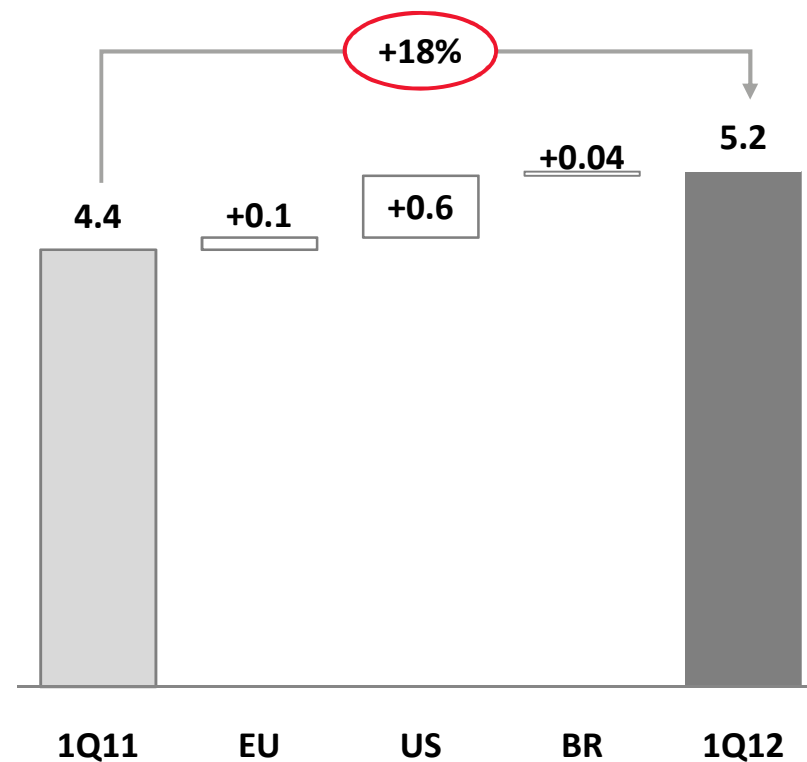
- Asset base increased by 619 MW installed in the last 12 months (+9% YoY)
- Strong focus on new markets: Brazil, Poland and Romania represented c40% of new installations YoY
- Capacity added in the last months with metrics above portfolio average in terms of load factors and selling prices

Top-class assets and portfolio diversification enabled a premium load factor of 34% in the 1Q12

Load Factor and Technical Availability
(%)

	1Q11	1Q12
EU	29%	27%
US	35%	41%
BR	19%	26%
EDPR	33%	34%
EDPR Technical Availability	97.5%	98.1%

YoY Electricity Output
(TWh)



- EDPR's load factor achieved 34% in the 1Q12 (+1pp YoY), supported by the impressive YoY evolution in the US
- Technical availability managed by EDPR reached a record high of 98.1%
- Higher capacity, stronger wind resource and operations led to a 18% output growth

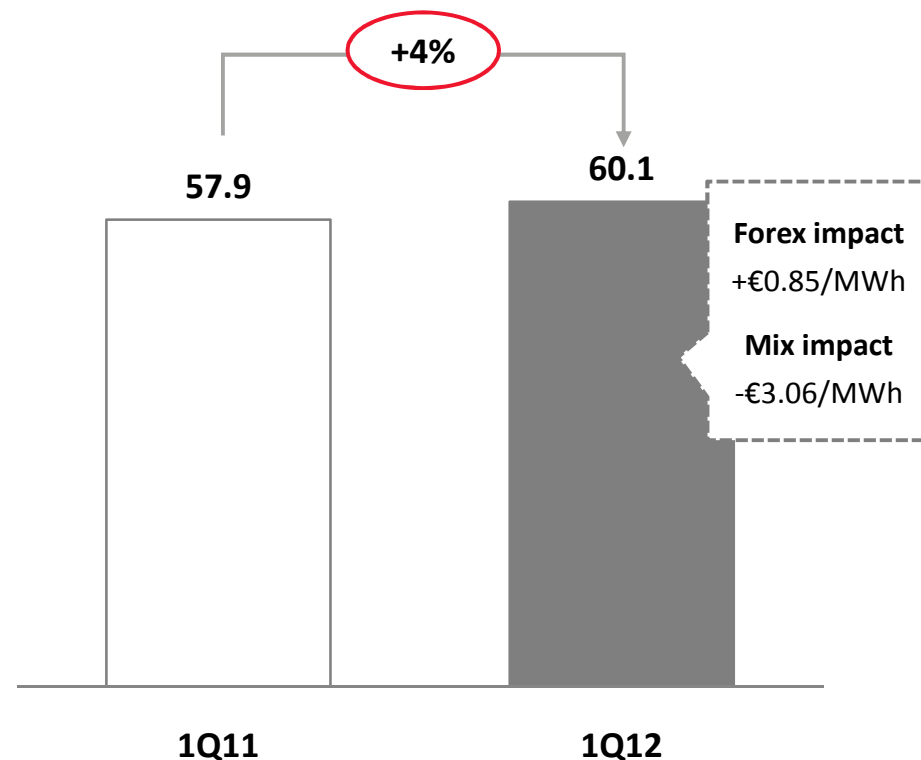
Stronger prices in Europe and Brazil, and flattish average price in the US



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Region		Price Evolution	Output Mix (GWh)	
			1Q11	1Q12
EU (EUR)		+9%	45%	41%
US (USD)	PPA	+2%	38%	44%
	Spot	-21%	17%	15%
BR (BRL)		+5%	0%	1%

EDPR Price Evolution
(€/MWh)



- Europe: Stronger prices in the Rest of Europe (+15%), higher prices in Spain (+9%) and CPI update in Portugal (+4%)
- US: Recovery of PPA prices as a result of the price escalators; spot prices reflect very low gas prices in the 1Q12
- Brazil: Inflation update drives average price increase

Revenues increased 22% YoY to €346m...



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Main drivers for Revenues performance

Higher installed capacity:

+619 MW YoY (40% from CEE and Brazil)

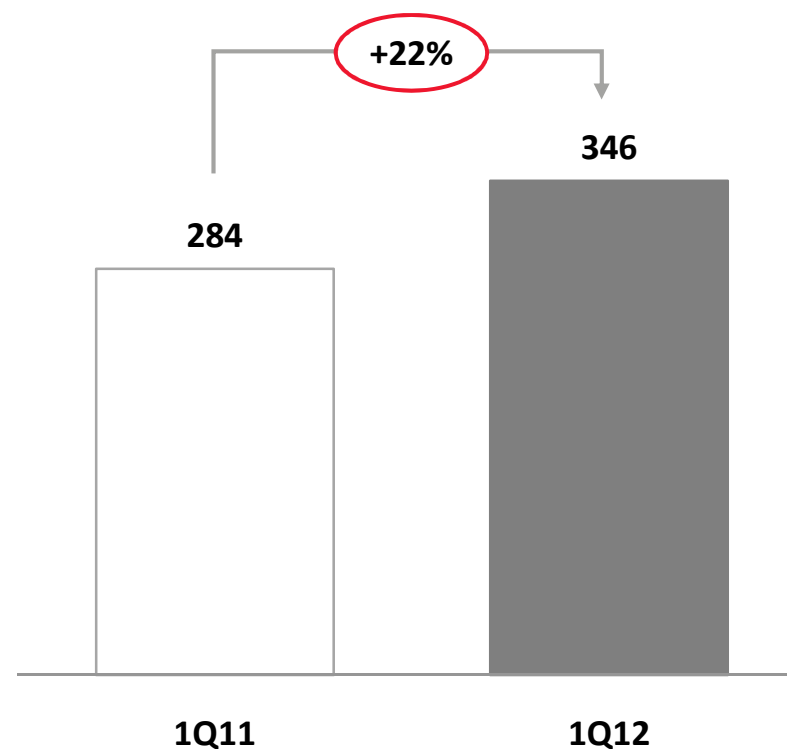
Quality assets:

Top-notch load factor (34%) and record availability (98%)

Stronger selling prices:

EU +9%; BR +5%; US flattish

Revenues (€ million)



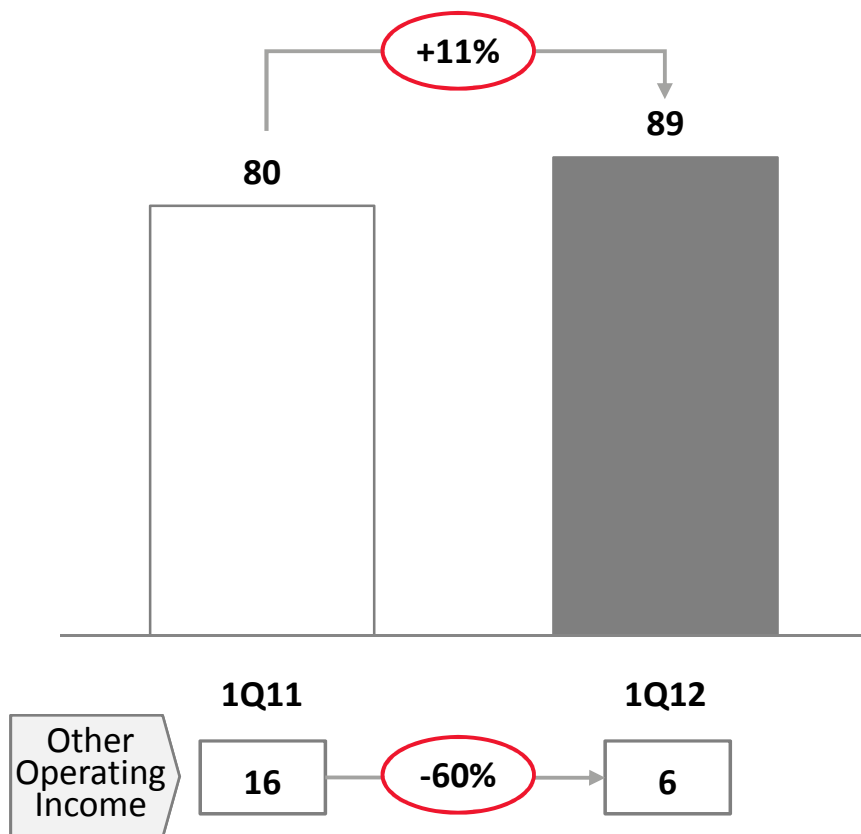
...reflecting a solid improvement of the operating metrics in the period

Maintenance of high efficiency levels



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Opex (excluding Other Operating Income)
(€ million)



Opex/Average MW in operation
(thousand)

	1Q11	1Q12	Δ %
EU (EUR)	11.8	12.8	+8%
US (USD)	15.9	14.4	-9%
EDPR (EUR)	12.8	12.6	-1%

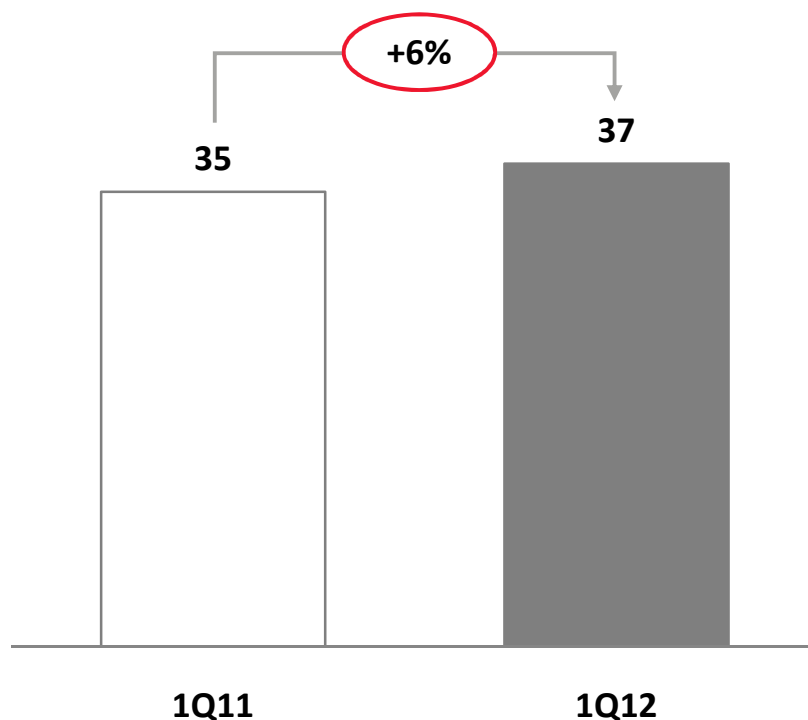
- Europe: O&M costs under control (flat supplies and services per MW), but opex influenced by other op. expenses
- US: Ongoing efficiency improvements (Opex per MW decreased 9% in US Dollars)
- EDPR: Maintenance of efficiency levels (Revenues +22% vs. Opex +11%)

Quality operations reflected in a stronger EBITDA per MW resulted in a 20% EBITDA growth



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EBITDA/average MW in operation
(€ thousand)



EBITDA and EBIT
(€ million)

	1Q11	1Q12	Δ %
Europe	141	159	+13%
US	80	107	+34%
Brazil	(0.4)	3	-
Other	(0.1)	(5)	-
EBITDA	220	263	+20%
<i>EBITDA mg.</i>	77%	76%	-1pp
D&A	(124)	(118)	-4%
EBIT	101	149	+47%

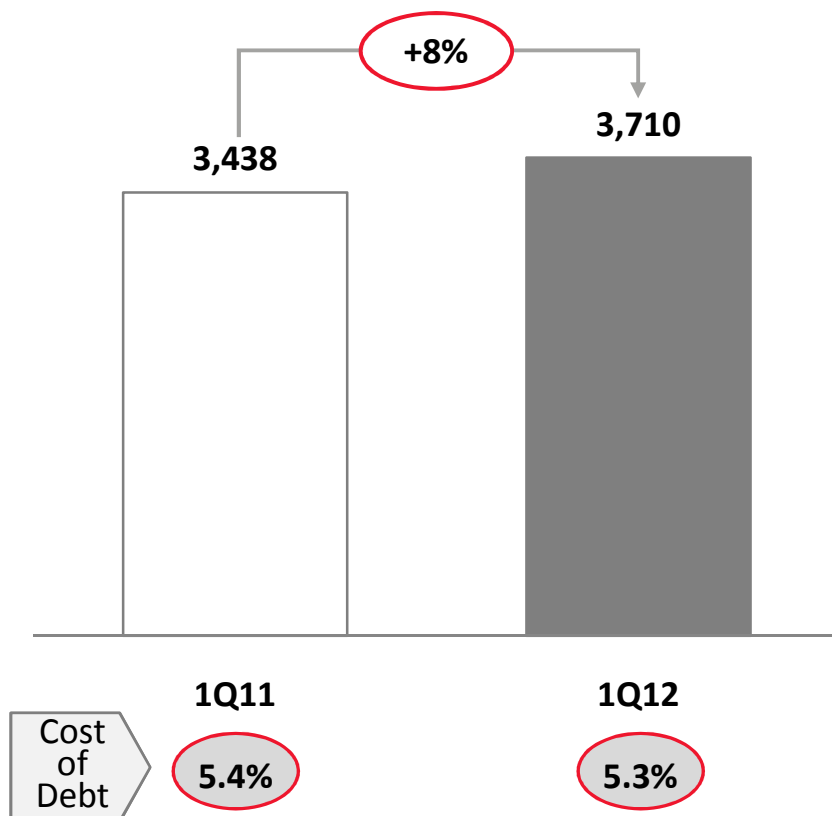
- Clear improvement of the company's portfolio metrics: higher load factor, stronger prices and controlled costs
- EBITDA growth outpacing electricity production growth in every region
- Excluding the extension of EDPR assets life to 25 years EBIT would have increased in line with EBITDA

Cost of debt reduced by 10bps to 5.3%

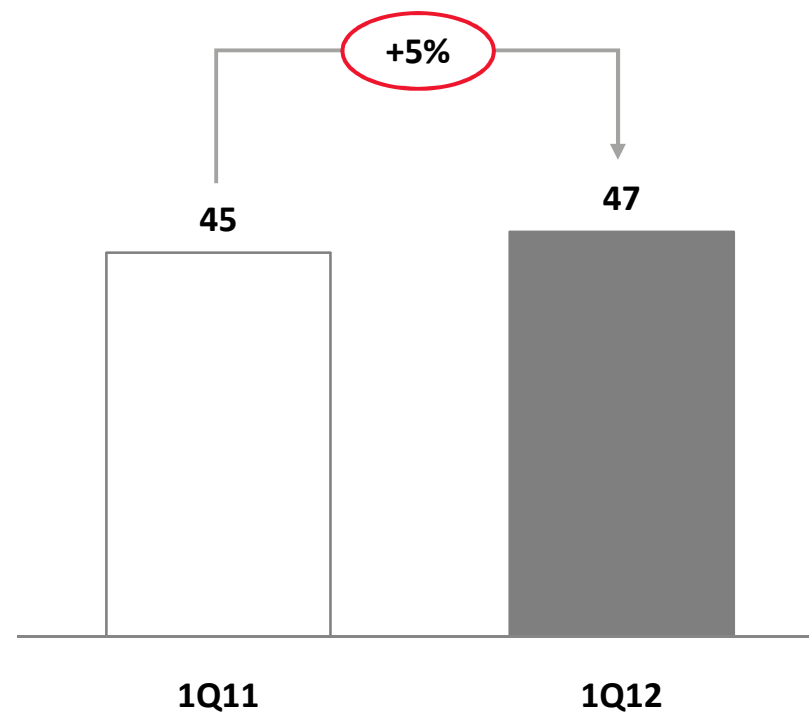


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Average Financial Debt
(€ million)



Net Interest Costs
(€ million)



- Nominal Cost of Debt at 5.3% (-10bps YoY), reflecting the long-term debt profile at fixed rates (89% fixed)
- Net interest costs increasing below the average financial debt evolution
- Net financial expenses (+51%) mostly impacted by lower interests capitalised (given lower investments)

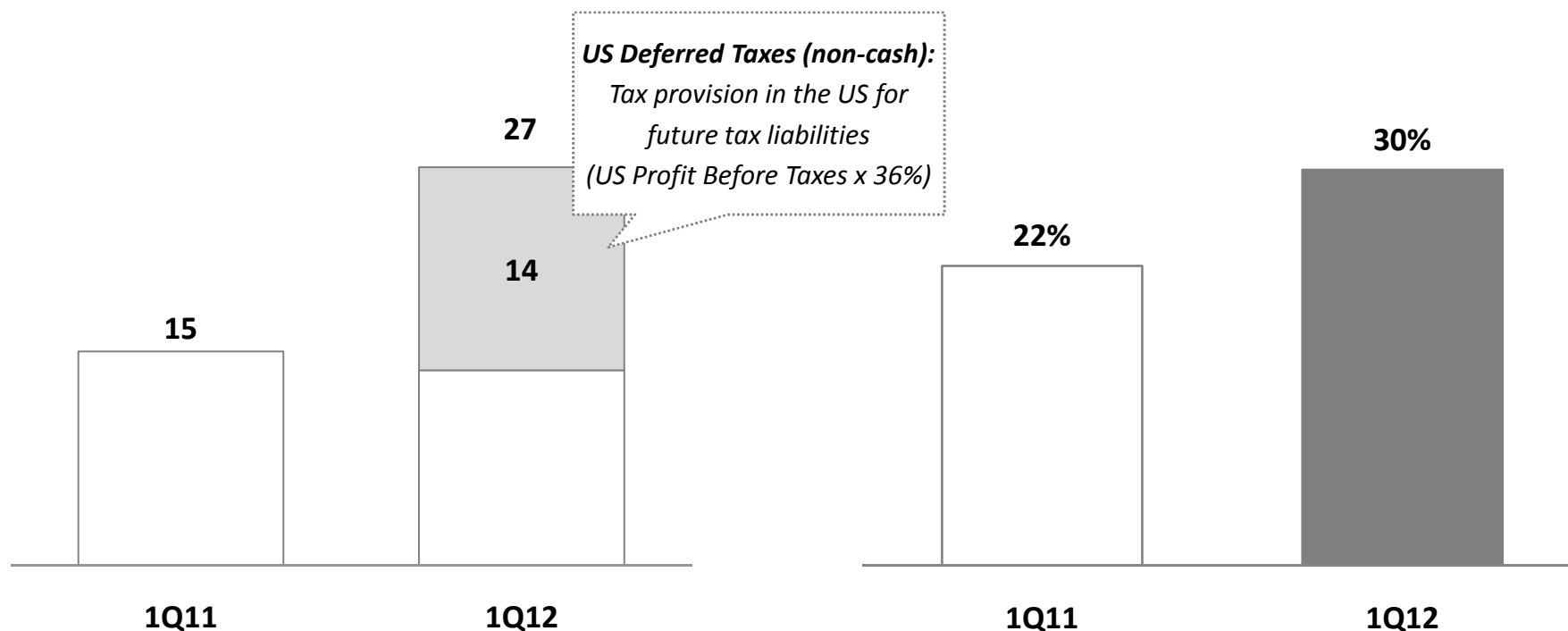
Income Taxes increased to €27m given the €14m non-cash impact from US deferred taxes



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Income Taxes
(€ million)

Effective Tax Rate
(%)



- In the 4Q11, EDPR started to recognise deferred tax liabilities against profits before taxes although EDPR is not currently a tax cash payer, nor it's expected to become in the short-term
- Effective tax rate increased to 30% in the 1Q12, expected to remain at this level in the long-term

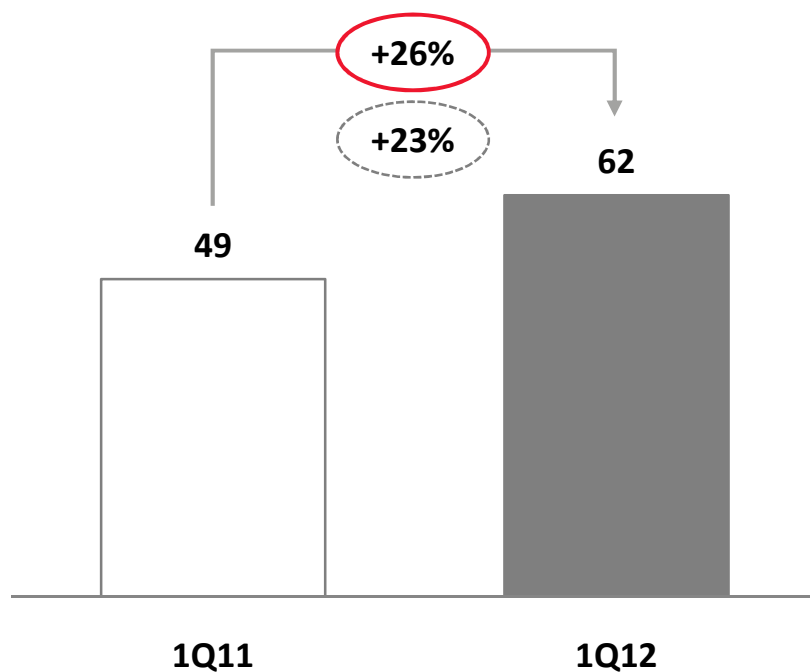
Net Profit increased 26% YoY to €62m



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Net Profit (€ million)

○ Like-for-like evolution⁽¹⁾



Main Drivers for Net Profit Performance

Top-Line performance:

Capacity growth, higher load factor, stronger prices

Operating efficiency and higher profitability:

Opex per MW declined 1%; EBITDA per MW up 6%

Cost of Debt under control:

5.3% of average cost of debt (-10bps YoY)

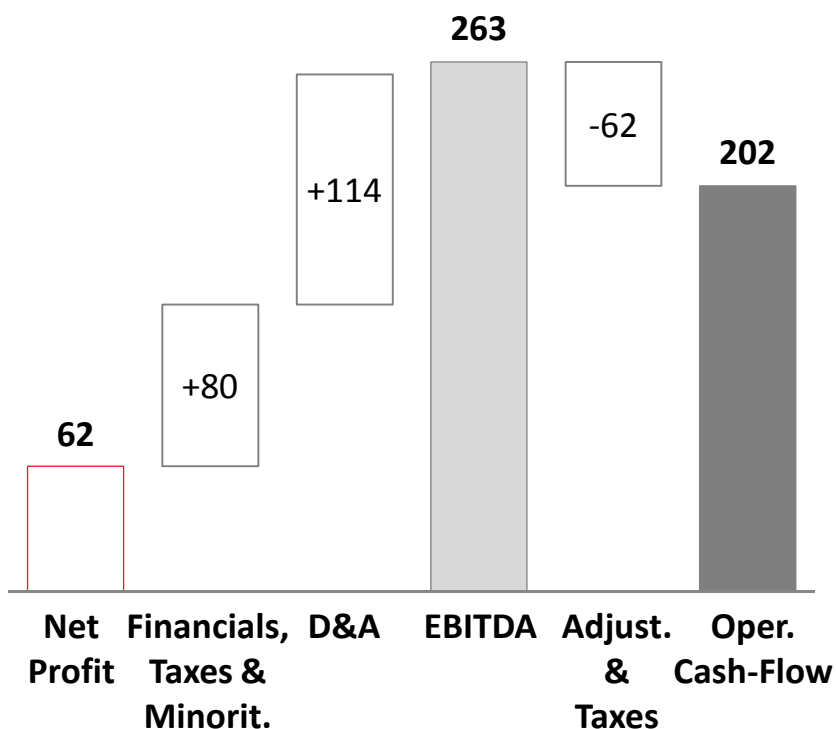
Strong Net Profit growth in the 1Q12 reflects a clear improvement of all key value drivers of the business

Operating Cash-Flow increased 17% to €202m...

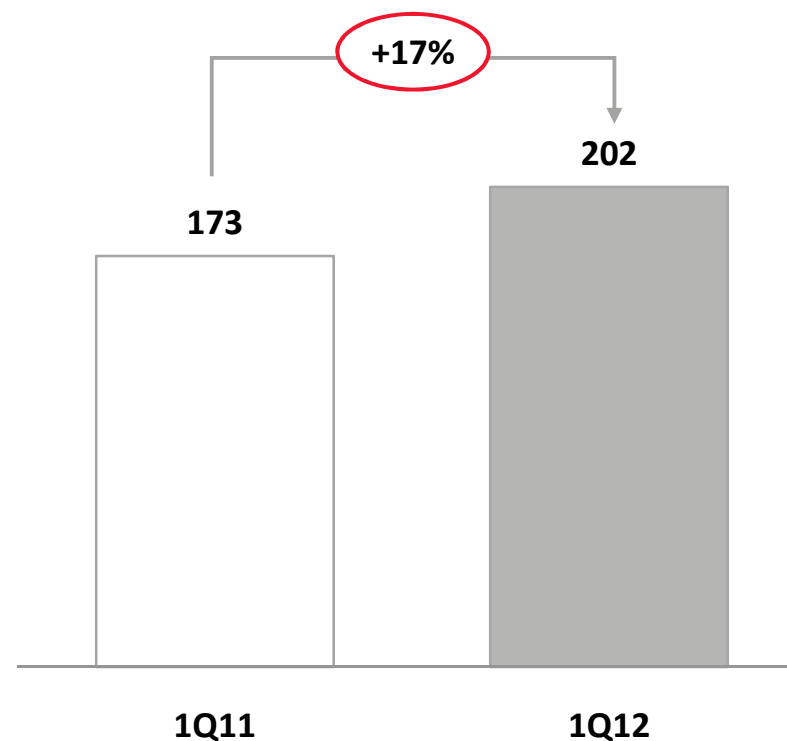


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Net Profit to Cash-Flow (€ million)



Operating Cash-Flow Evolution (€ million)



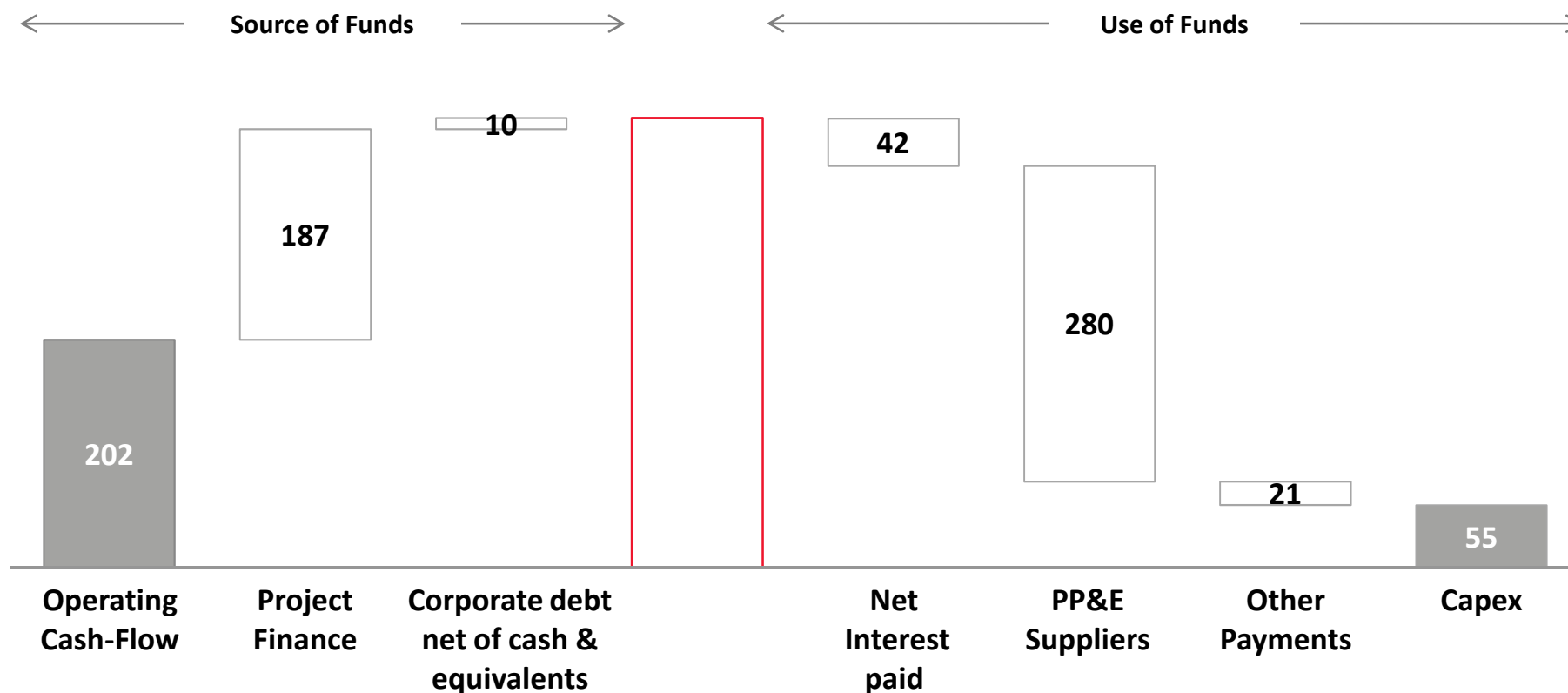
...representing 77% of 1Q12 EBITDA, proving EDPR's capability to convert financial results into cash generation

Operating Cash-Flow covered 4x the 1Q12 Capex



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1Q12: Source and Use of Funds ⁽¹⁾ (€ million)



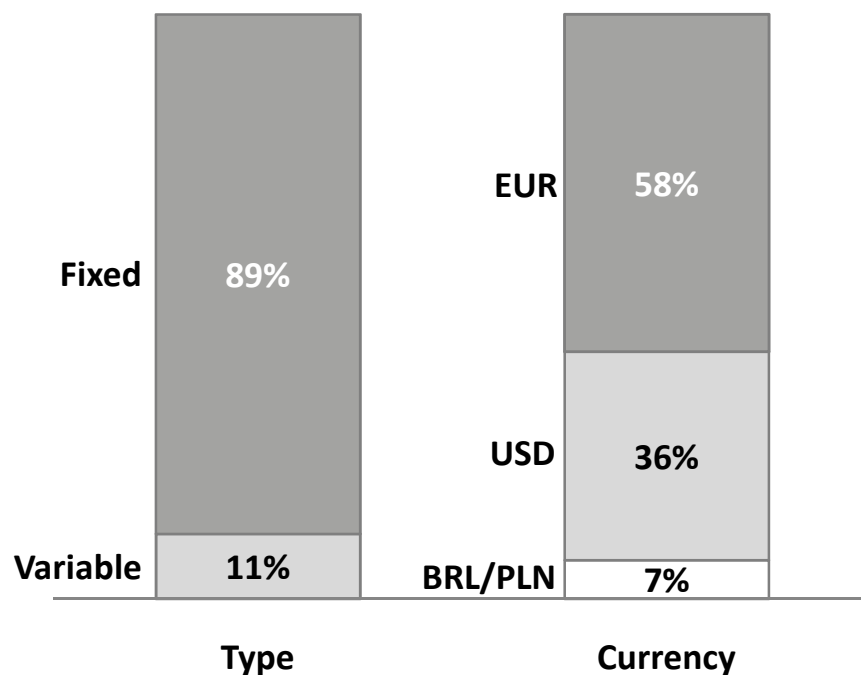
EDPR successfully closed a €0.2bn Project Finance in a difficult market context

Right funding strategy to support growth in a capital intensive industry

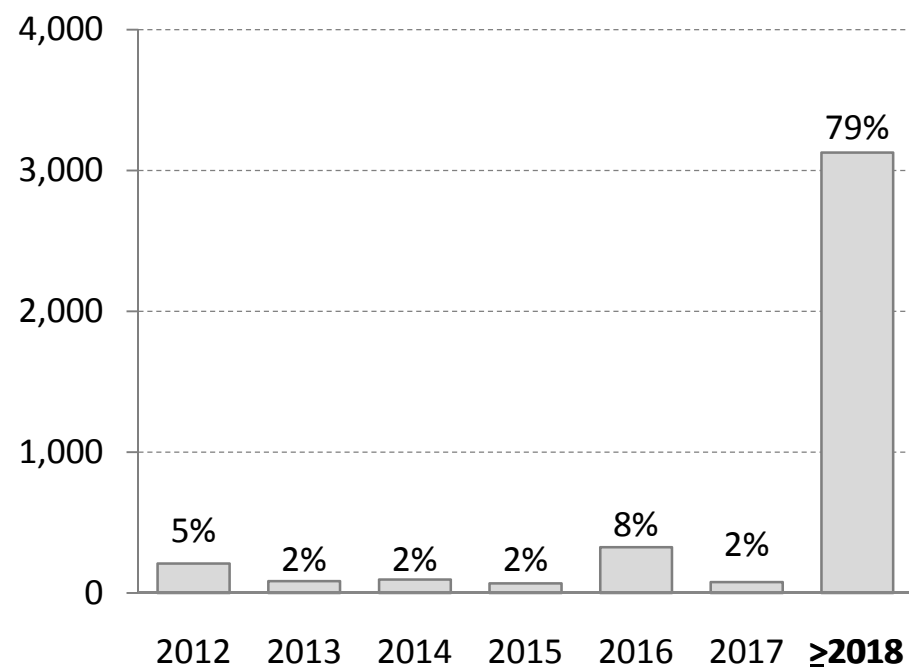


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1Q12: Debt Profile (%)



Debt Maturity @ Mar-12 (€ million)



Long term fixed rate debt structure designed to match Cash-Flow profile with business model



Outlook and Conclusions

2012 Execution: On-track

2012 Execution

- 8 GW of installed capacity (+500 MW)
- Single digit output growth
- Sustainable improvement in the average selling price

- EBITDA clearly above capex levels
- Cash-Flow as the main source of funding
- Net Debt slightly above Dec-11 levels

- >90% of debt at fixed rates
- c80% of Financial Debt with maturity post-2018
- Competitive cost of funding

1Q12 Status

- 500 MW currently under construction
- 18% of output growth; single digit target maintained
- 4% increase in the average selling price

- EBITDA of €263m vs. Capex of €55m
- Operating Cash-Flow covering 56% of funding needs
- Net Debt of €3.5bn (+€157m vs. Dec-11)

- c90% of debt at fixed rates
- c80% of Financial Debt with maturity post-2018
- Average rate cost of debt at 5.3% as of Mar-12

Execution of the 2012 investment plan

- Install 500 MW in 2012 of high quality projects with above-average selling prices and premium load factors
- New capacity to have a back-end loaded profile in 2012

Execution of first minority sales to CTG

- CTG to invest €2bn in 1.5 GW (net) of EDPR's assets up to 2015
- Company is already focused and working to execute the first transactions to secure €800m within 12 months (post closing)

Execution of selective and profitable growth options

- EDPR to reinforce its presence in current growth platforms: Central/Eastern Europe and Brazil
- Ongoing work to capture and execute new growth options



Quality asset base progressively showing a sustained improvement
of the business key value metrics



Management focus on efficient operations through high technical availability
and low operating & maintenance costs



EDPR to continue to invest in quality projects to 2015:
new business plan to be presented on May 22nd



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Next Events

22-23 May: Investor Day

28 May-01 Jun: Roadshow Europe

04-06 Jun: Roadshow US

20 Jun: BoAML Utility & Renewables London



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