

Results Presentation 9M 2012

November 6th, 2012

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I

Highlights

II

9M12 Operational and Financial Performance

III

2012 Execution and Strategic Agenda



Highlights

Key message of the period:

On the right track

Delivering Solid Results

Quality performance in all regions

Electricity Output growth +11% YoY and selling prices up 11% YoY

Superior profitability

Higher EBITDA/Avg. MW in operation +14% YoY

Strong financial growth

EBITDA +23% YoY and Adjusted Net Profit +31% YoY

Executing the Strategic Agenda

Existing portfolio

Low risk asset base; core markets with further clarity for the long-term

Quality growth

c.70% under construction outside core markets, including first Solar PV projects

Asset rotation

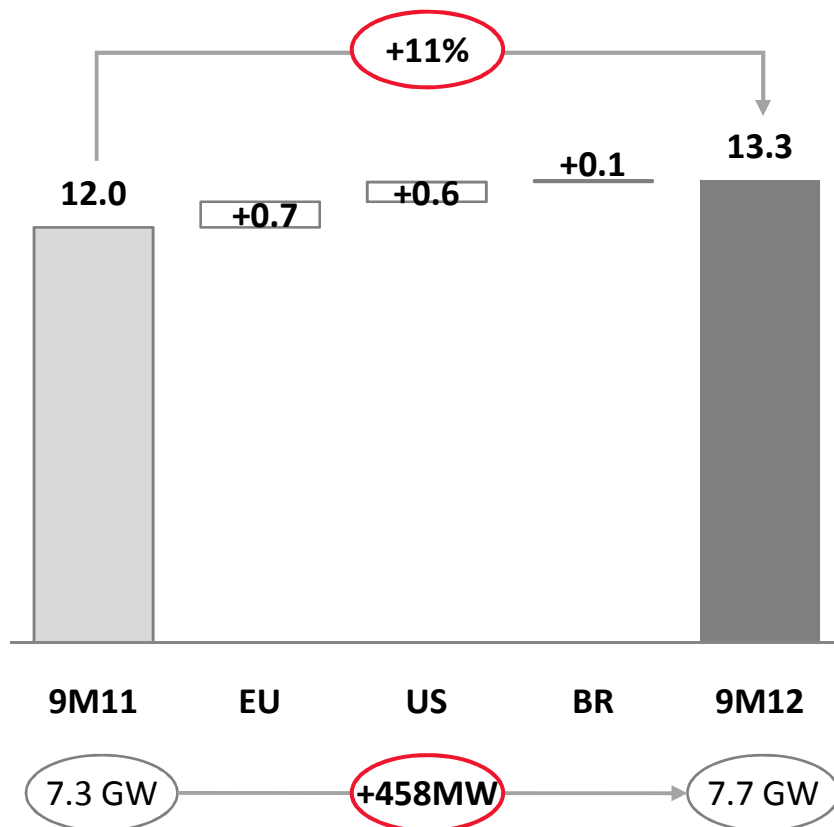
First transaction successfully executed to fund quality growth



9M12 Performance

Electricity output of 13.3 TWh reflects capacity additions and assets' recurrent leading performance

YoY Electricity Output and Installed Capacity ⁽¹⁾
(TWh, GW)



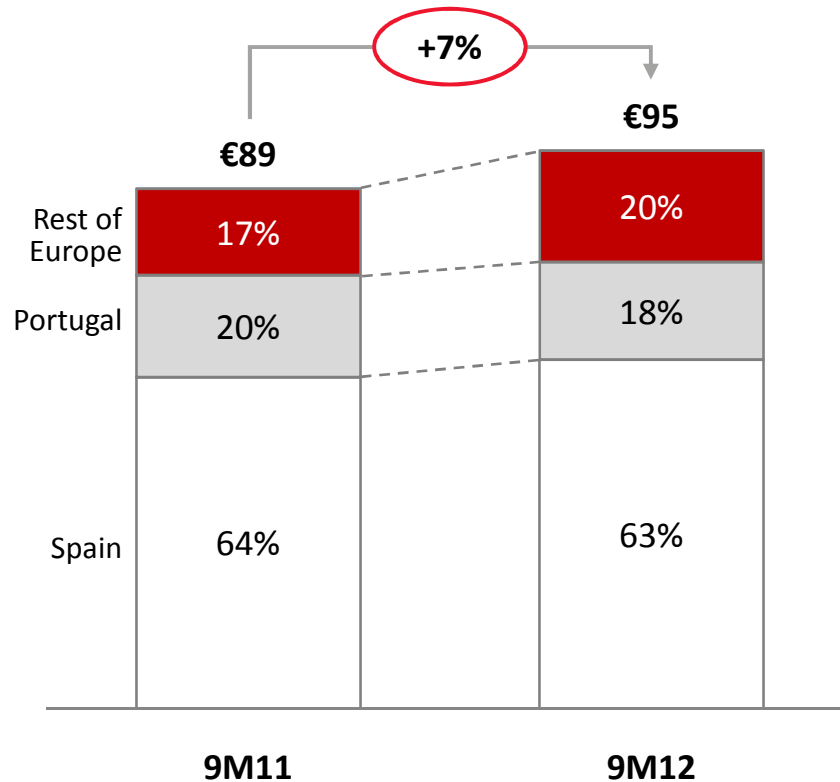
Load Factor and Technical Availability
(%)

	9M11	9M12
EU	25%	26%
US	31%	32%
BR	34%	30%
EDPR	28%	29%
EDPR Technical Availability	97.2%	97.3%

Higher capacity, balanced portfolio and premium load factors supported an 11% YoY output growth

EU: Stronger selling prices driven by higher output from CEE and positive performance in every region

EU Price and Production breakdown evolution
(€/MWh, % reflects relative weight of production)



Price Evolution by Market

	9M12	Δ% YoY	
Rest of Europe	€107	+12%	<ul style="list-style-type: none"> 2GC in Romania Higher output YoY of Poland/Romania
Portugal	€107	+4%	<ul style="list-style-type: none"> CPI indexation update Working hours adjustment to occur in the 4Q
Spain	€88	+7%	<ul style="list-style-type: none"> Higher hedging prices YoY (€52/MWh vs. €44/MWh) Fixed Tariff strategic option

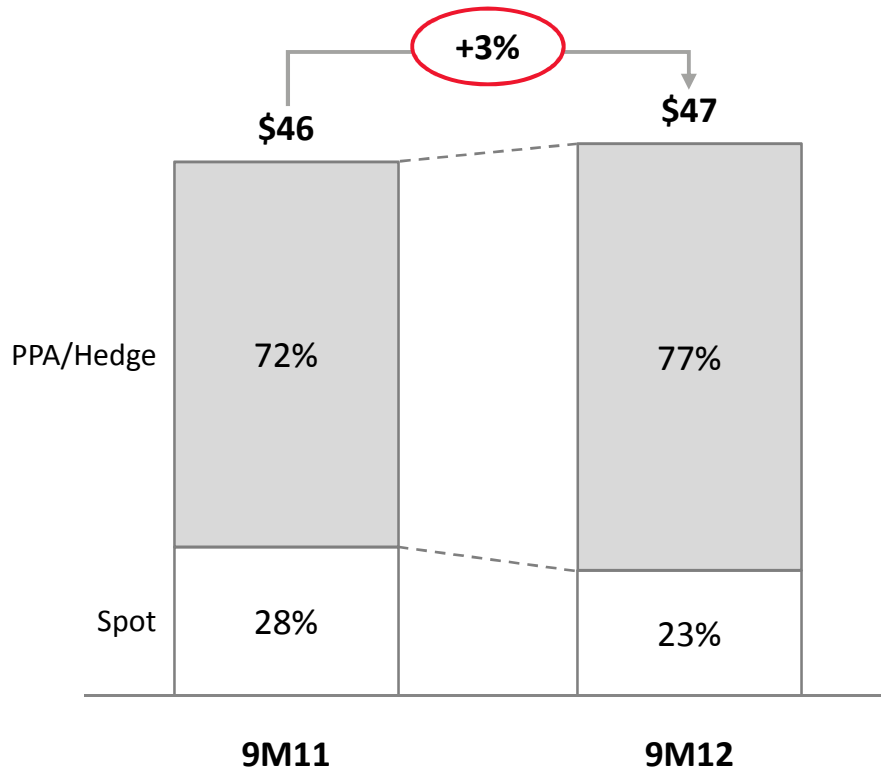
Solid price evolution on the back of regulatory improvement, CPI indexation, and hedging strategy

US: Positive average price evolution driven by better PPA prices and higher contracted output



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US Price and Production breakdown evolution
(\$/MWh, % reflects relative weight of production)



Price Evolution by Type

	9M12	Δ% YoY	
PPA / Hedges	\$52	+3%	<ul style="list-style-type: none">• Updated according to fixed escalators• Output under PPA/Hedges increased 16% YoY
Spot	\$27	-10%	<ul style="list-style-type: none">• Output with spot exposure decreased 11% YoY• Very low spot prices: gas prices fell 16% YoY

Ongoing shift towards higher volumes under PPAs and LT Hedges to keep driving the positive pricing trend

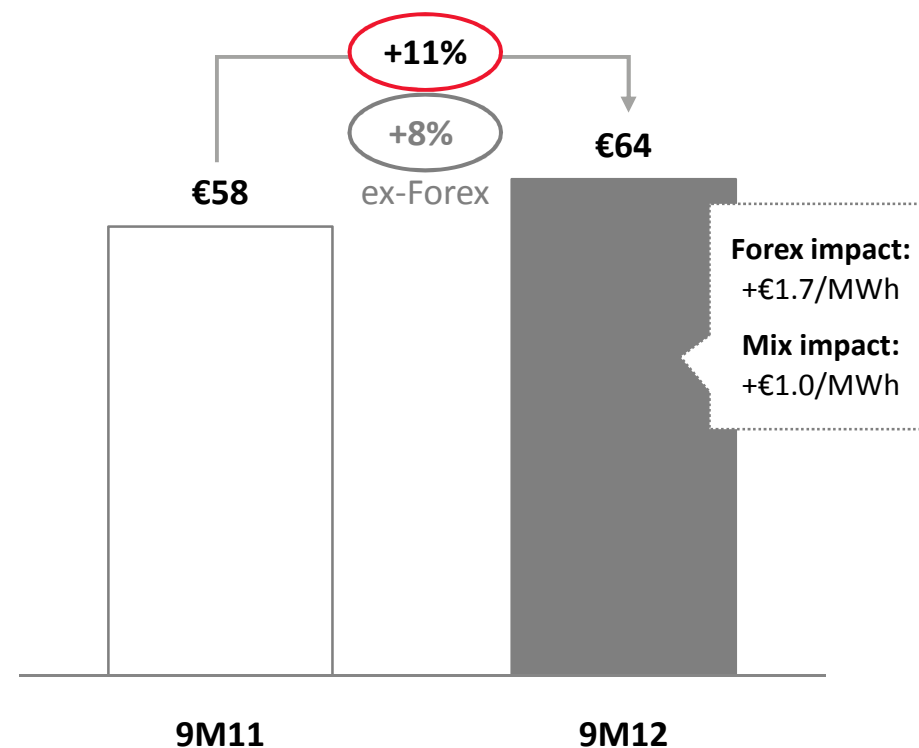
EDPR: Average selling price increased 11% YoY with stronger prices in all regions



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Region	Price Evolution		Output Mix (GWh)	
	9M12	Δ% YoY	9M11	9M12
EU	€95	+7%	44%	45%
US	\$47	+3%	55%	54%
BR	R\$285	+3%	1%	1%

EDPR Price Evolution
(€/MWh)



Selective investment criteria is being reflected in better metrics

Revenues increased 22% YoY to €936m...



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Main drivers for Revenues performance

Quality assets: +458 MW YoY

Top-notch load factor (29%) and
high availability (97%)

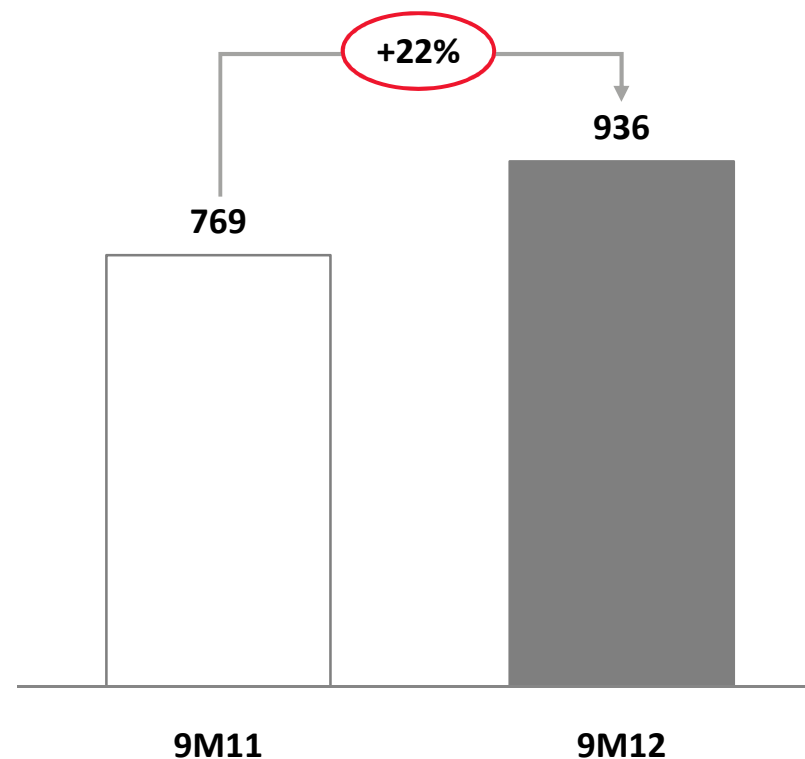
Solid electricity output: +11% YoY

EU +14%; US +9%; BR +59%

Stronger selling prices: +11% YoY

EU +7%; US +3%; BR +3%

Revenues (€ million)



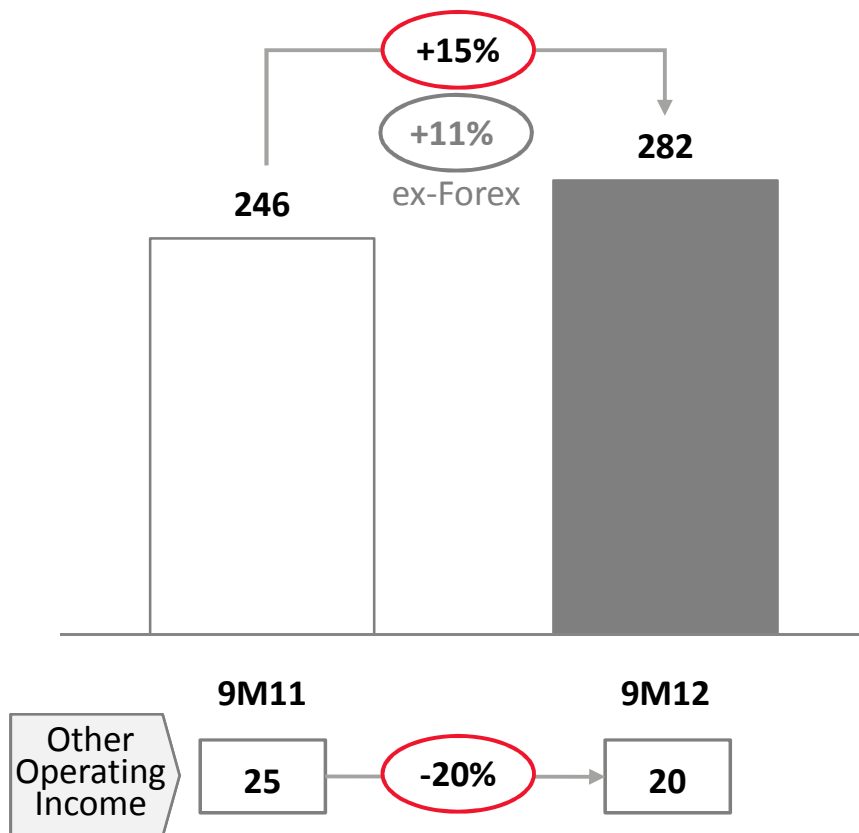
...reflecting a continuous improvement in the portfolio's metrics

Increasing efficiency remains at the core of EDPR

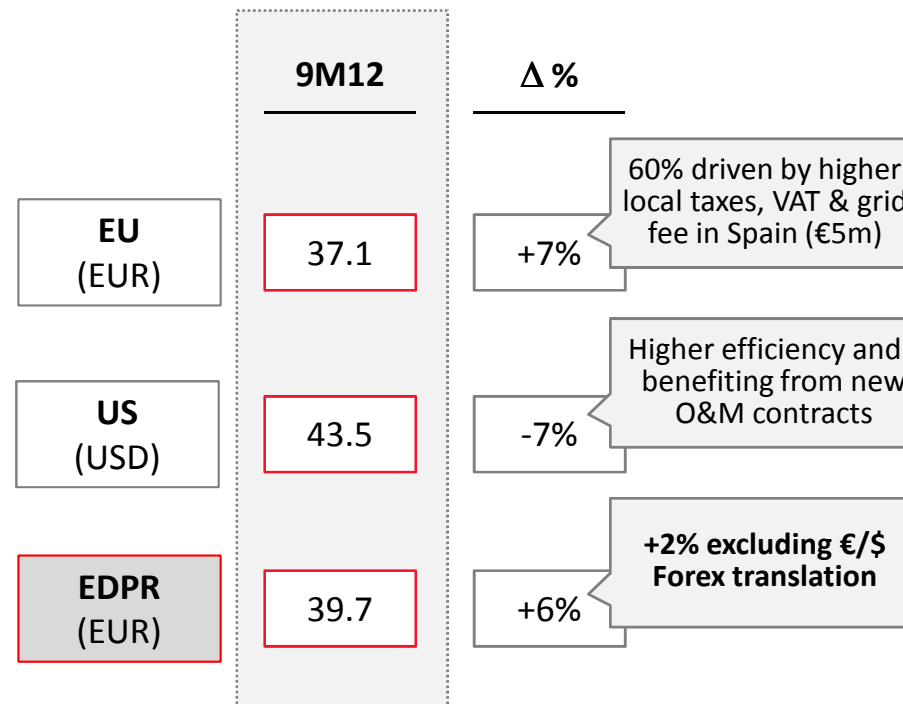


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Opex (excluding Other Operating Income) (€ million)



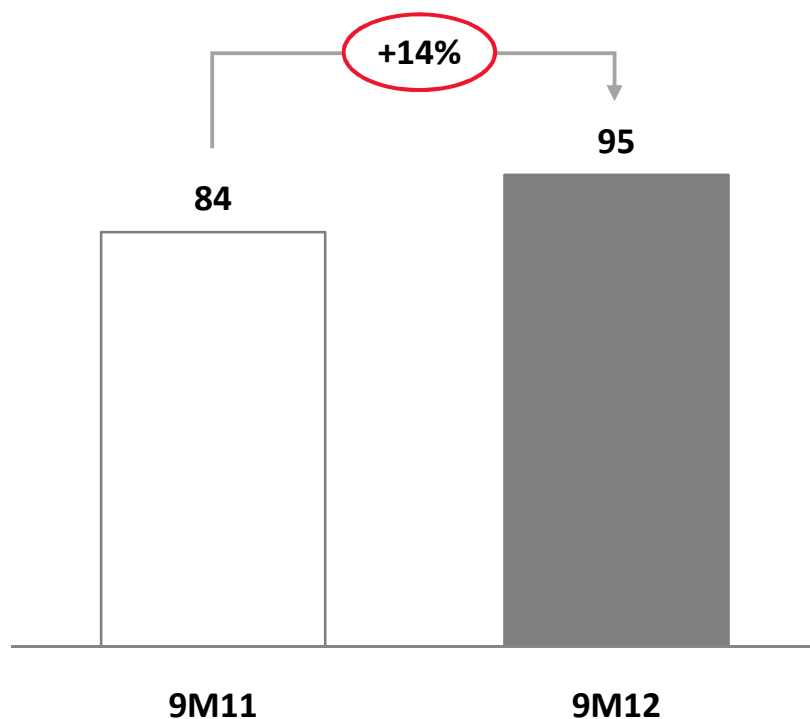
Opex/Average MW in operation (thousand)



Revenues +22% YoY vs. Opex +15% YoY
Strong focus on efficiency and control over Opex

EDPR delivering higher profitability leading to solid EBITDA and EBIT growth

EBITDA/average MW in operation
(€ thousand)



EBITDA and EBIT
(€ million)

	9M11	9M12	Δ %
Europe	358	439	+23%
US	197	245	+24%
Brazil	8	12	+51%
Other	(14)	(21)	+45%
EBITDA	548	675	+23%
<i>EBITDA mg.</i>	71%	72%	+1pp
D&A	(309)	(331)	+7%
EBIT	239	344	+44%

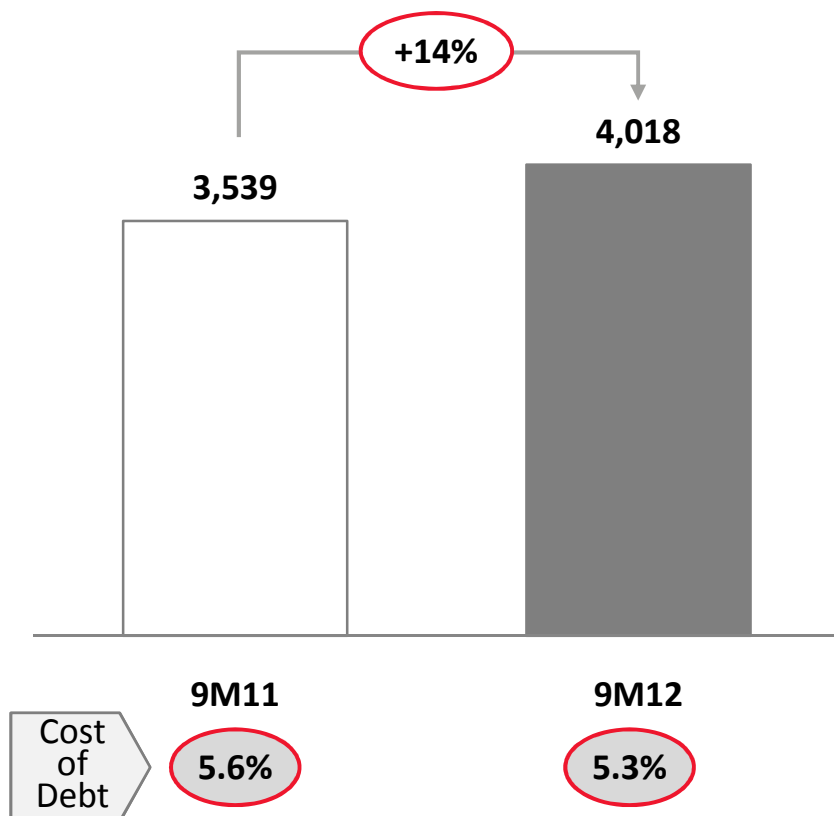
- Ongoing profitability improvement: quality load factors, stronger prices and controlled costs
- EBITDA growth outpacing electricity production growth in every region
- Excluding impact of the extension of assets' useful life to 25 years, EBIT still increased above EBITDA (+34% YoY)

Cost of debt reduced by 30bps YoY to 5.3%

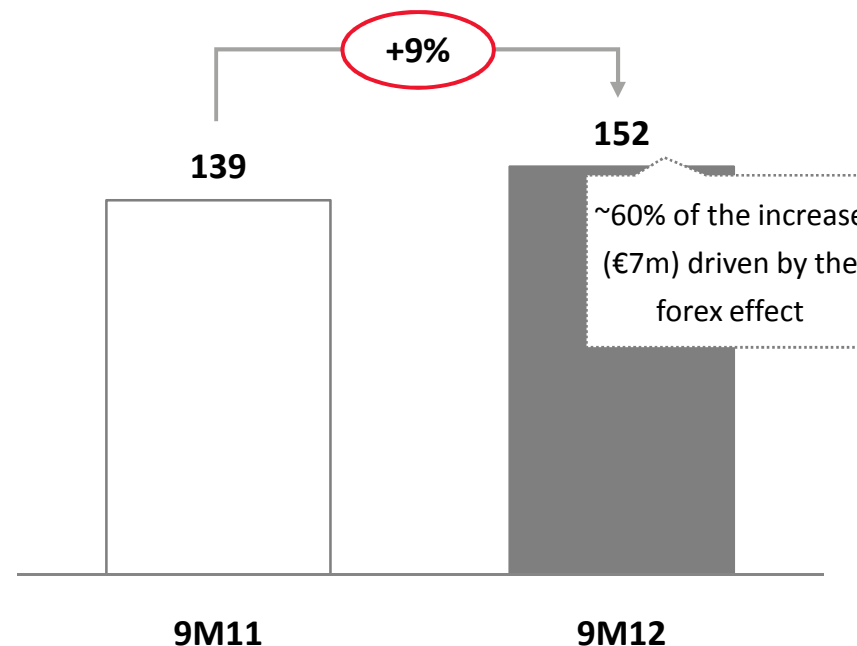


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Average Financial Debt
(€ million)



Net Interest Costs
(€ million)



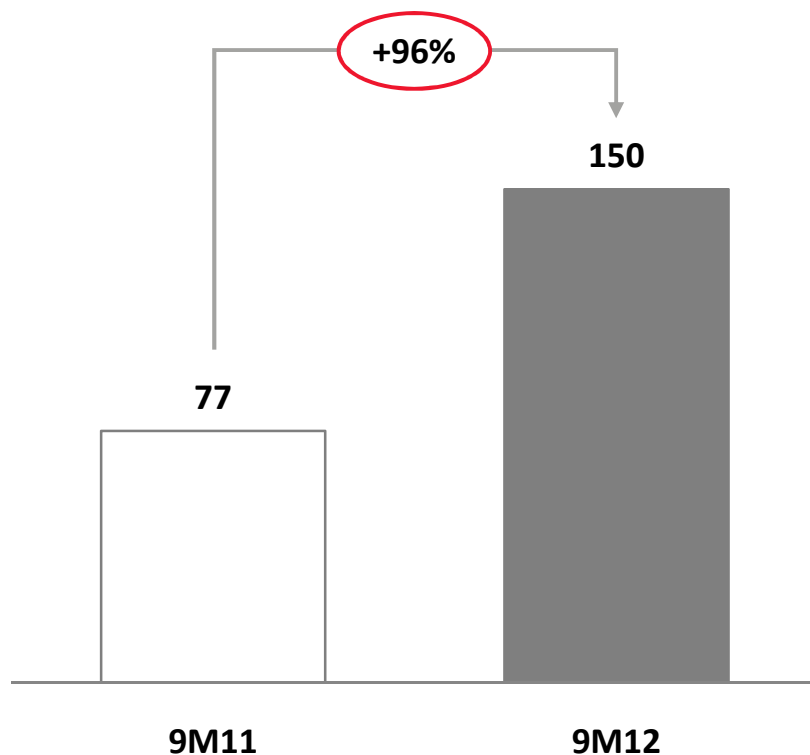
- Nominal Cost of Debt at 5.3% (-30bps YoY, stable QoQ), reflecting the LT debt profile at fixed rates (92% fixed)
- Net interest costs increased below the average financial debt evolution (9% vs. 14%)
- Net financial expenses (+14% YoY) mostly impacted by lower interests capitalised

Pre-Tax profit almost doubled in the 9M12; Income taxes enlarged by US deferred taxes

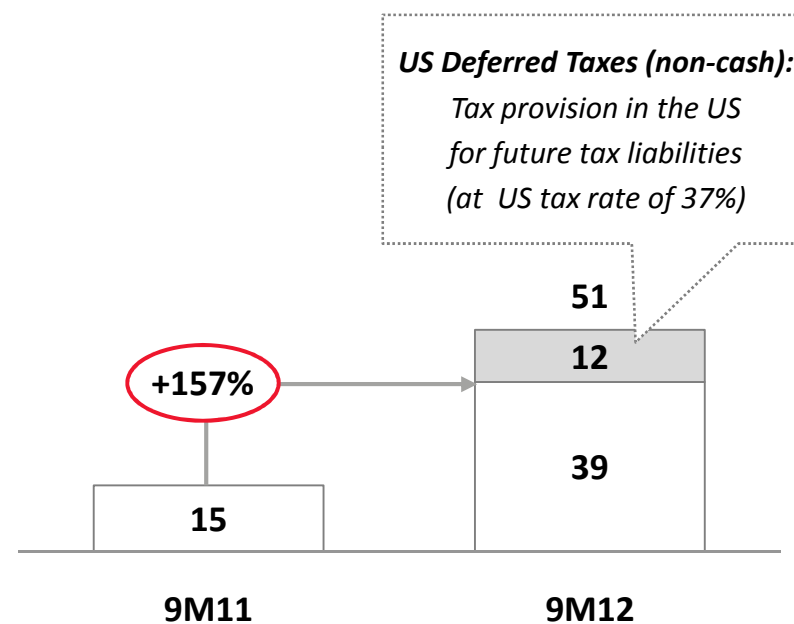


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Pre-Tax Profit
(€ million)



Income Taxes
(€ million)



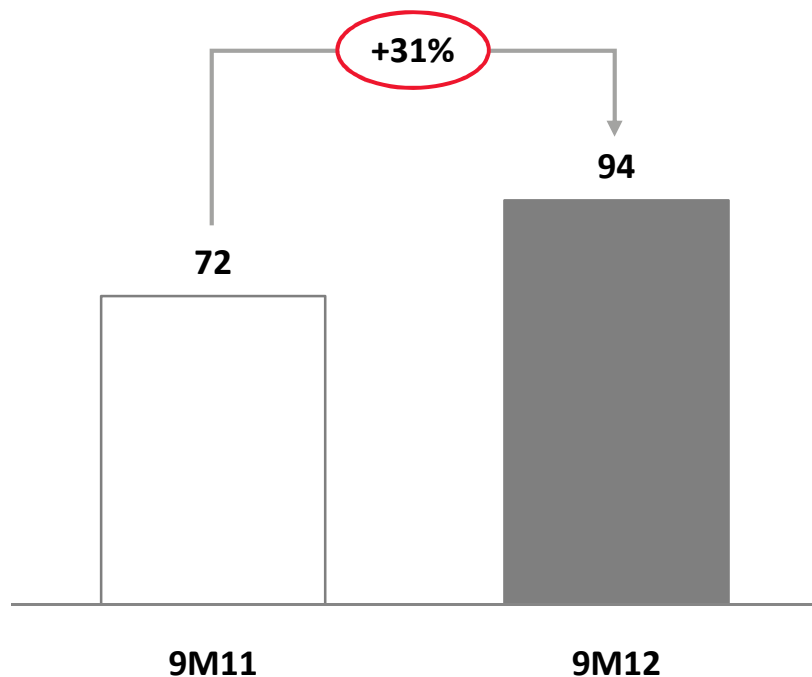
- In the 4Q11, EDPR started to recognise deferred tax liabilities against profits before taxes in the US
- Effective tax rate increased to 34% in the 9M12

Adjusted Net Profit increased 31% YoY to €94m



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Adjusted Net Profit (€ million)



(€ million)	9M11	9M12	
Reported Net Profit	62.6	92.6	+48%
Change in the assets' useful life	+17.0	-	
Deferred tax in the US	(1.4)	-	
Capital gains	(7.0)	(2.0)	
Forex differences & Forex derivatives	(8.2)	(3.8)	
Provisions adjustments, write-offs/impairments	(7.6)	+7.2	
Adjusted Net Profit	71.8	94.0	+31%

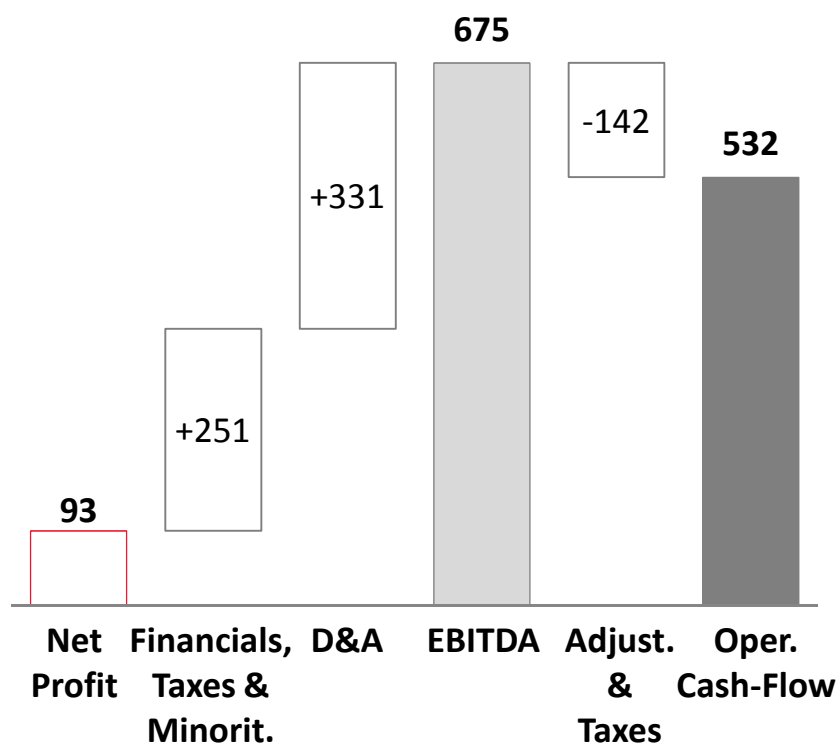
Solid bottom-line reflecting higher profitability and controlled cost of debt

Operating Cash-Flow of €532m

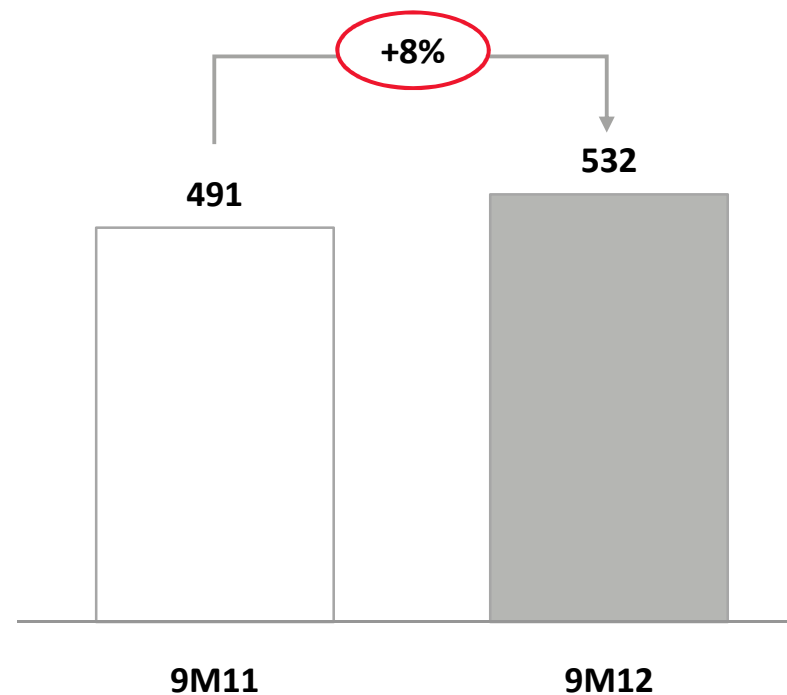


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9M12 Net Profit to Cash-Flow (€ million)



Operating Cash-Flow Evolution (€ million)



Changes in working capital penalises Operating Cash-Flow YoY comparison given non-recurrent receivables in the 9M11

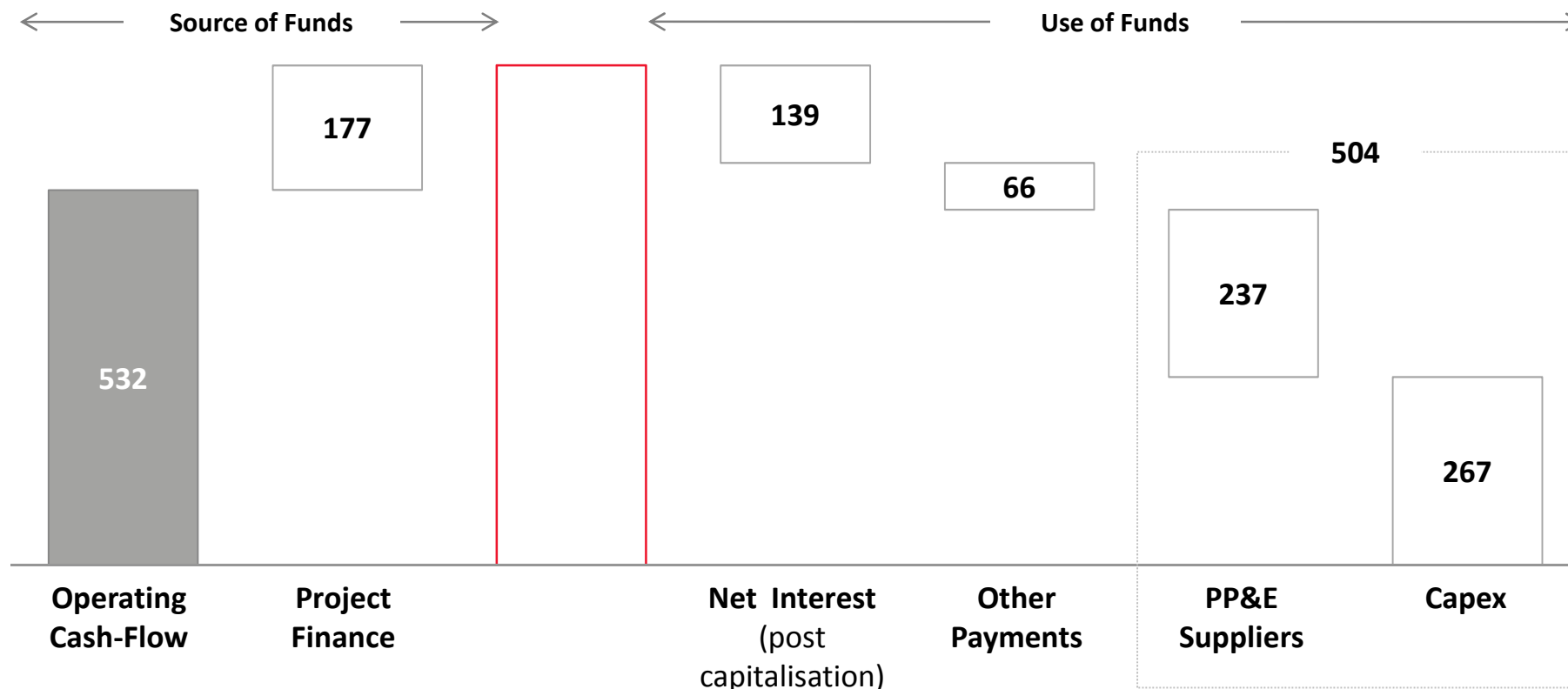
Operating Cash-Flow exceeded the investment activities (capex + PP&E suppliers)



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9M12: Source and Use of Funds

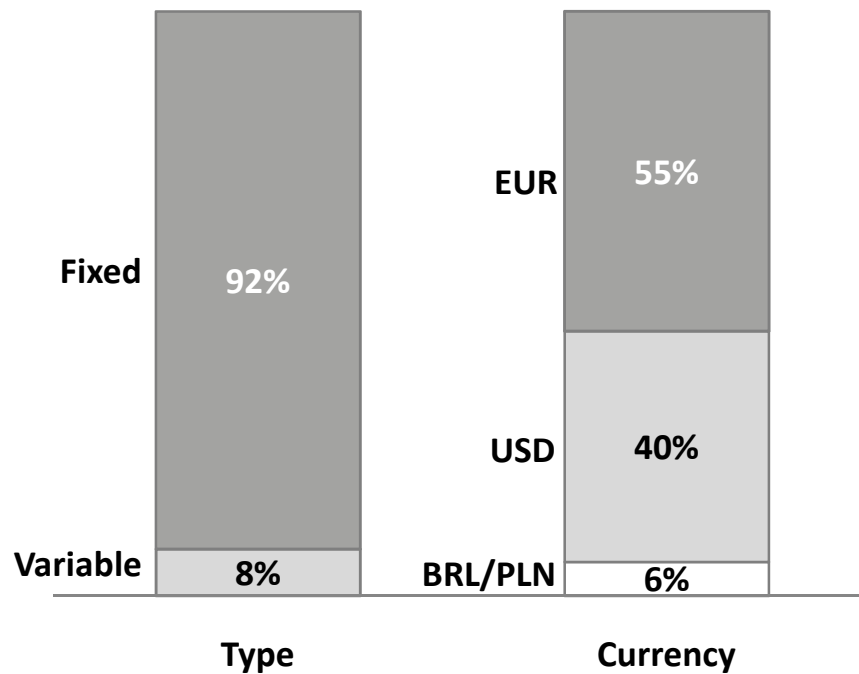
(€ million)



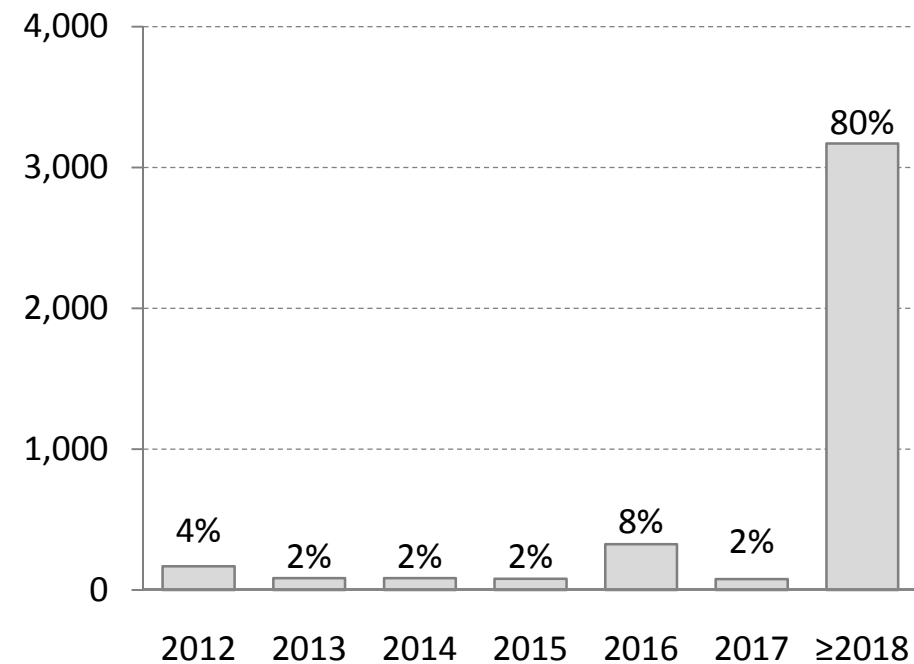
Operating Cash-Flow as the main funding source with the remaining being sourced through successfully closed project finance in Spain despite the difficult market context

Right funding strategy adjusted to the investment profile of a capital intensive industry

9M12: Debt Profile
(%)



Debt Maturity @ Sep-12
(€ million)



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



2012 Execution and Strategic Agenda

2012 execution: “transition year” in line with EDPR’s best expectations

	2012 Guidance	9M12 status
Installed Capacity	8 GW of installed capacity +500 MW in 2012	255 MW installed 395 MW under construction ✓
Load Factor	Keep delivering a top-sector load factor	29% load factor Wind index 102% ✓✓
Electricity Output	Single digit output growth	+11% YoY in the 9M12 Expecting better than guidance for FY12 ✓✓
Selling Prices	Sustainable improvement of the average selling price	+11% YoY in the 9M12 Indicating a solid improvement for FY12 ✓

Ongoing improvement of the portfolio’s metrics:
EBITDA/MW +14% YoY in the 9M12

1

Existing Portfolio

- Young asset base with above average operating metrics
- Low risk profile with stable & recurrent Cash-Flow streams

2

Quality Growth

- Selective investment criteria: quality metrics & stronger profitability
- Shifting growth towards new attractive markets
- Exploring opportunistic investments in the Solar PV market

3

Asset Rotation

- First asset rotation transaction executed
- CTG transaction for the Portuguese assets expected before YE2012
- Engaged for other asset rotation deals

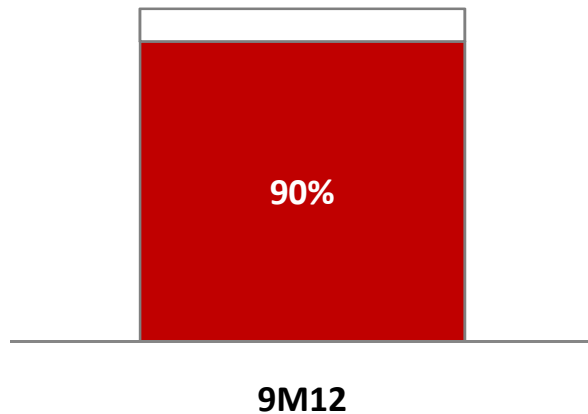
1 Stable & recurrent Cash-Flow streams: improved visibility in core markets



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Low Risk Portfolio

Regulated & LT Contracted
(MW, %)



Controlled risk strategy
yielding a predictable Cash-Flow stream

Portugal (old regime, 8% of EDPR MW)

Remuneration Framework extended

- +7 years
- Floor €74/MWh | Cap €98MWh ⁽¹⁾
- Capex €3.6m/year (2013-2020)

Spain (29% of EDPR MW)

Draft Bill announced

- 6% tax on electricity revenues
- Max -€25m annual impact expected
- No change in regulatory provisions

US (PPA/LT hedges, 36% of EDPR MW)

LT Contracted Production increased

- +>500 MW of PPAs kicked-in
- Output under PPA/LT hedges to increase even further

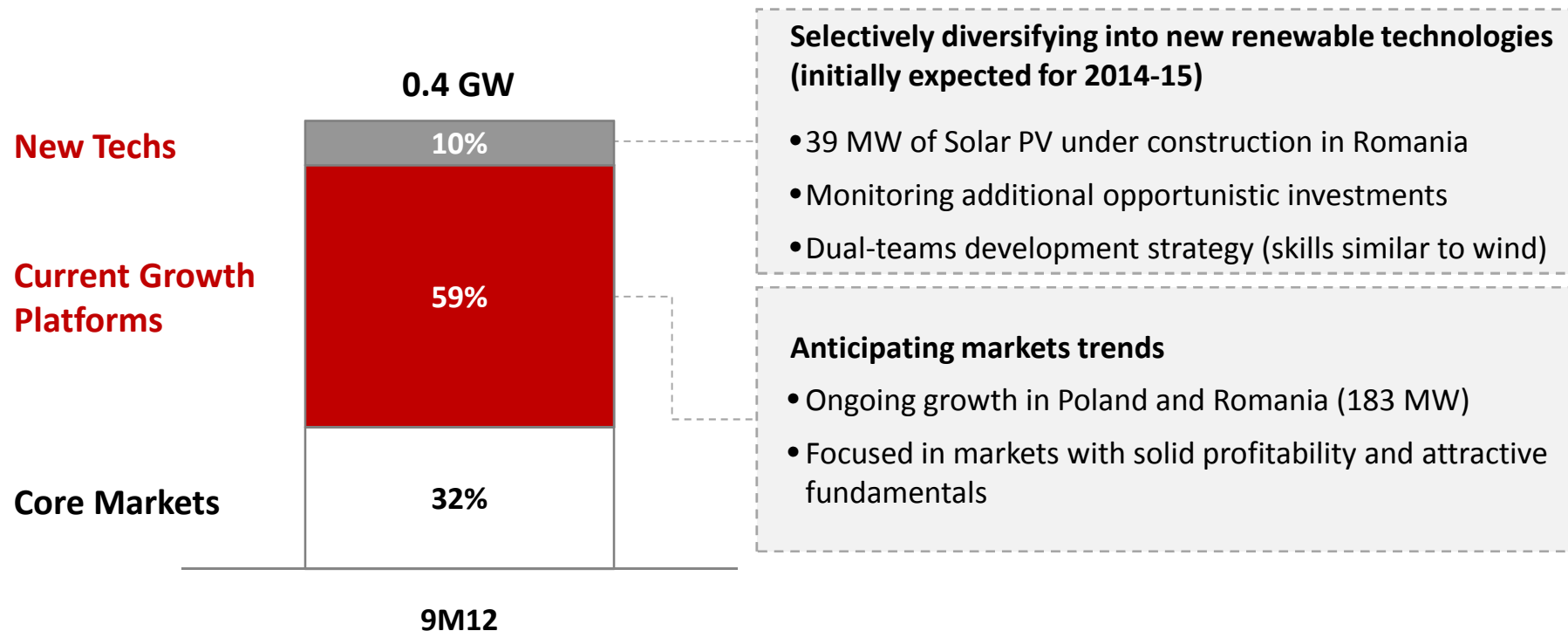
Recent events brought further clarity in EDPR's core markets asset base

Expansion focused in emerging wind markets and increasingly exploring Solar PV technology



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9M12 Capacity Under Construction
(MW)



About 70% of capacity under construction outside Core Markets including 10% in Solar PV
executing the growth strategy announced

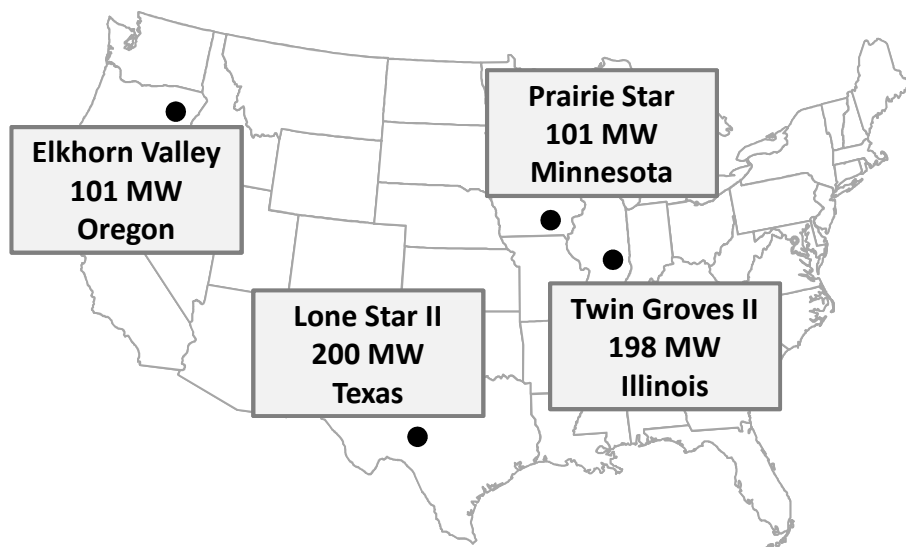
First asset rotation transaction executed



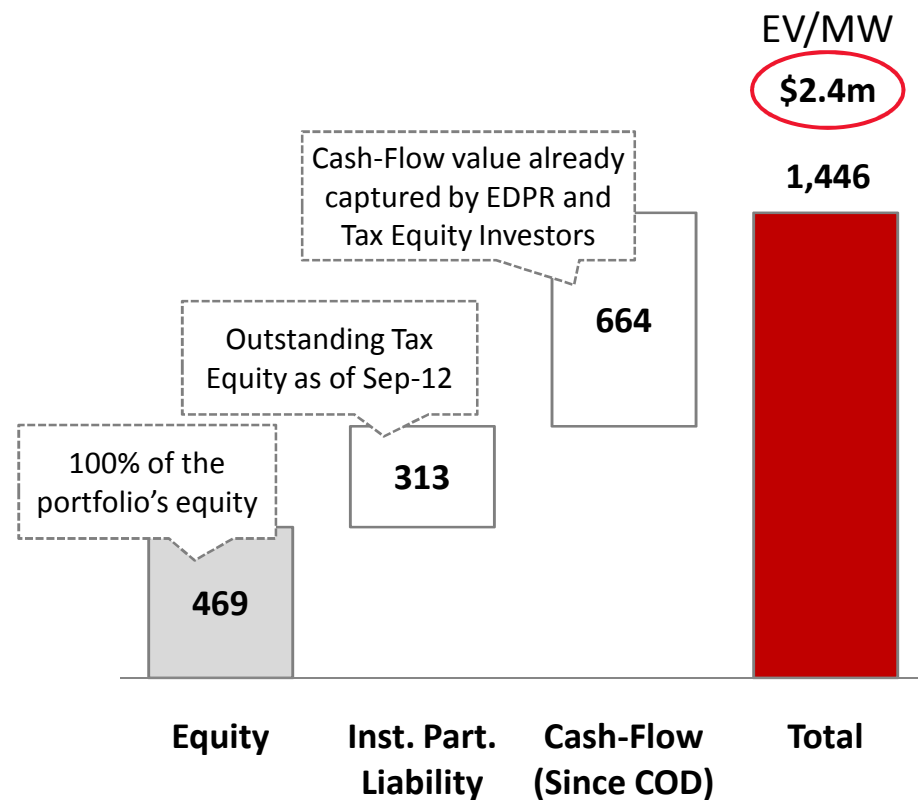
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**Borealis acquires a 49% interest
in a 599 MW US wind portfolio for US\$230m**

**Implied Portfolio Value
(\$ million)**



4.5 years of average age with Long-term PPAs



Crystallising value of optimised assets through minority sales transactions to fund quality growth

CTG minority stake transaction for Portuguese assets expected to be signed before YE2012

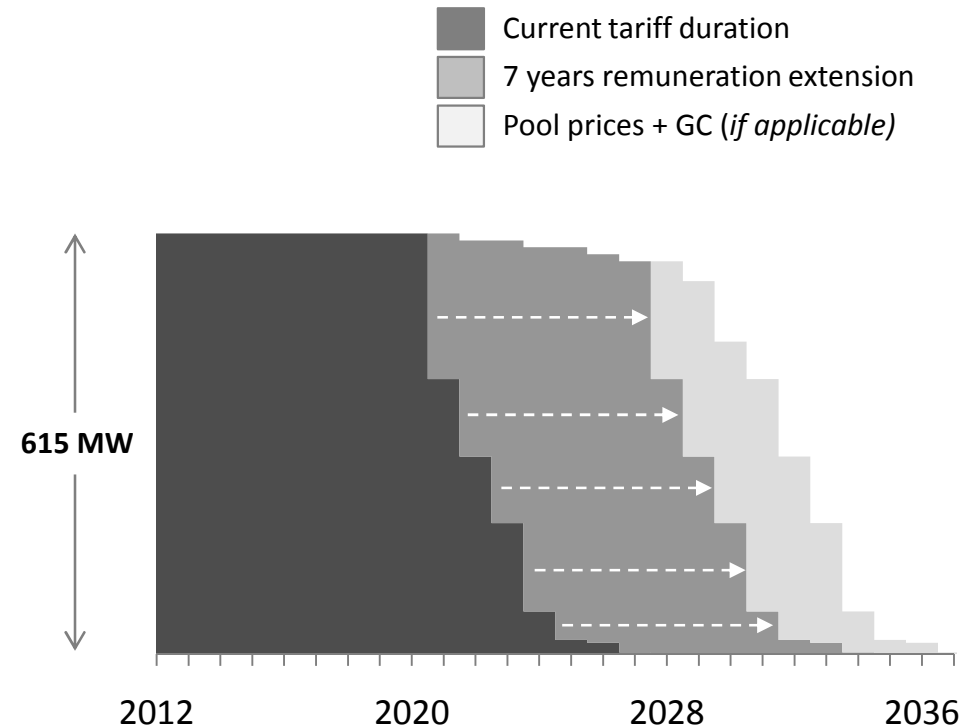


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EDPR PT Assets KPIs

Transaction Scope (MW)	615
Average Age/Useful Life (as of Sep-2012)	5.8/19.2
Load Factor (last 5 years average)	27%
2011 Tariff (€/MWh)	99
2011 EBITDA/MW (€k)	185

Duration of Wind Farms' Remuneration (MW)



Status: finalising deal structure and valuation process

EDPR is on the right track to execute the strategic road map defined in May-2012

Operating quality assets

Executing profitable growth

Anticipating market trends

Engaging in valuable partnerships

Funding growth through own sources

Strengthening the balance sheet

Increasing shareholder value

2015 Strategic Targets

EBITDA / Avg. MW in Oper.
(2015E vs. 2011)

+25%

EBITDA
(2015E)

€1.35–1.5 bn

Net Profit
(2015E vs. 2011)

>3x



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13/14/15 Nov: Frankfurt / Oslo / Amsterdam

27/28 Nov: London / Paris

29 Nov: Stockholm/ Copenhagen

30 Nov: Zurich / Geneva

11-14 Dec: Roadshow US



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