

# *edp* renováveis

## *Results Report*

*First Half 2019*



Meadow Lake - United States

July 24th, 2019

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## Conference Call & Webcast Details

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**Date:** Wednesday, July 24th, 2019, 14:30 CET | 13:30 UK/Lisbon

**Webcast:** [www.edpr.com](http://www.edpr.com)

**Phone dial-In number:** +44 (0) 2071 928000 | +1 631 5107 495

**Phone Replay dial-in number:** +44 (0) 333 300 9785 (until July 31st, 2019)

**Access code:** 4288786

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## Important Information

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- On January 1st 2019, EDPR adopted IFRS 16, which supersedes IAS 17 in what respects the regulation of operating leases. The new standard requires the recognition of lease commitments for the entire duration of contracts into the balance sheet liabilities as well as the recognition of a new asset "Right Of Use Asset" as counterparty. In the 1H19, this new standard led to higher liabilities (€610m), higher assets (€614m), higher depreciation (€17m) and higher financial results (€14m), and lower operating costs (€23m).
- In Apr-19, EDPR announced the Sell-down of its entire ownership on a portfolio of 997 MW in Europe (491 MW net for EDPR). All transaction relevant completion conditions have already been achieved as of Jun-19 and the financial closing is expected in the 3Q19.

# 1H19 Results

## Operational Results

EDPR had, by Jun-19, a portfolio of operating assets of 11.8 GW, with 8 years of avg. age, spread over 11 countries, of which 11.4 GW fully consolidated and 371 MW equity consolidated (equity stakes in Spain and US). In the last 12 months EDPR portfolio increased by 720 MW, namely 318 MW in North America, 266 MW in Europe and 137 MW in Brazil. In the 1H19 EDPR built 116 MW, all in Europe, namely 47 MW in Portugal, 19 MW in France and 50 MW in Italy, and initiated the repowering of a 24 MW wind farm in Spain (dismantling the old turbines), resulting in +92 MW YTD. As of Jun-19, EDPR had 1.3 GW of new capacity under construction, of which 993 MW related to wind onshore and 330 MW from equity participations in offshore and floating projects.

In the 1H19 EDPR produced 16.2 TWh of clean electricity (+5% YoY), avoiding 11 mt of CO2 emissions. The YoY evolution was affected by a wind resource below average (33% vs 34% in the 1H18; 1H19 at 96% of LT avg. vs 99% in 1H18) offset by capacity additions over the last 12 months (+680 EBITDA MW YoY). The avg. selling price increased 5% YoY driven by Eastern Europe price recovery, higher achieved price in Spain, US and fx.

## Revenues to Net Profit

As a result of lower wind resource (-1pp YoY; -€28m YoY), higher capacity (+6% avg MW; +€71m YoY), higher average selling price (+5% YoY; +€29m YoY), positive impact from forex translation (+€27m YoY) and the 10-year life PTCs scheduled expiration of specific tax equity structures (-€22m YoY), Revenues totalled €1,005m (+9% YoY).

Other operating income amounted to €253m (+€198m YoY), with YoY evolution reflecting the gains (+€219m) related to the sell-down of a 997 MW portfolio (491 MW net for EDPR), announced in Apr-19. All transaction relevant completion conditions have been achieved as of Jun-19 and the financial closing is expected in the 3Q19.

Operating Costs (Opex) totalled €297m (+1% YoY) and excludes €23m from application of IFRS16 (leases and rents). In comparable terms, adjusted by IFRS16, offshore costs (mainly cross charged to projects' SPV) and fx, Core Opex per avg. MW decreased by 2% YoY.

As a consequence, EBITDA summed €961m (+40% YoY) and EBIT increased to €667m (vs €427m in 1H18), with IFRS16 increasing depreciations by €17m in the period. Net Financial Expenses increased to €189m (+€56m vs 1H18) with YoY comparison impacted by the €15m gain accounted in 1Q18 from the sale down of a stake in UK offshore project and by €14m from new leases treatment under IFRS16 in the 1H19, along with higher average debt. At the bottom line, Net Profit summed €343m (vs €139m in the 1H18). Non-controlling interests in the period totalled €91m, decreasing by €10m YoY as a result of top-line performance of such wind farms.

## Cash Flow & Net Debt

As of Jun-19, Net Debt totalled €3,728m (+€668m vs Dec-18) reflecting on the one hand assets' cash generated, and on the other hand investments in the period and forex translation. Institutional Partnership Liabilities summed €1,178m, with the benefits captured by the projects and tax equity partners (-8% vs Dec-18 in USD).

Operational Results (MW)	1H19	1H18	Δ YoY
EBITDA MW <sup>(1)</sup>	11,393	10,713	+680
Other equity consolidated	371	331	+40
<b>EBITDA MW + Equity Consolidated</b>	<b>11,764</b>	<b>11,044</b>	<b>+720</b>
<b>EBITDA MW metrics</b>			
Load Factor (%)	33%	34%	(1pp)
Output (GWh)	16,157	15,451	+5%
Avg. Electricity Price (€/MWh)	56.2	53.5	+5%

Financial Results (€m)	1H19	1H18	Δ YoY
<b>Revenues</b>	<b>1,005</b>	<b>923</b>	<b>+9%</b>
<b>EBITDA</b>	<b>961</b>	<b>686</b>	<b>+40%</b>
EBITDA/Revenues	96%	74%	+21pp
EBIT	667	427	+56%
Net Financial Expenses	(189)	(133)	+42%
Share of profit of associates	4	1	+271%
Non-controlling interests	91	101	(11%)
<b>Net Profit (Equity holders of EDPR)</b>	<b>343</b>	<b>139</b>	<b>+147%</b>

Cash-flow and Net debt (€m)	1H19	1H18	Δ YoY
<b>FFO (Funds From Operations)</b>	<b>853</b>	<b>585</b>	<b>268</b>
<b>Operating Cash-Flow</b>	<b>645</b>	<b>581</b>	<b>65</b>
Capex & Financial Investments	(625)	(465)	(161)
Changes in PP&E working capital	(401)	(39)	(362)
Government grants	0	0	0
<b>Net Operating Cash-Flow</b>	<b>(381)</b>	<b>78</b>	<b>(458)</b>
Proceeds from Sell-down	0	43	(43)
Proceeds from institutional partnerships	0	9	(9)
Payments to institutional partnerships	(64)	(84)	20
Net interest costs (post capitalisation)	(73)	(57)	(16)
Dividends net & other distributions	(109)	(82)	(27)
Forex & others	(41)	(317)	276
			-
<b>Decrease / (Increase) in Net Debt</b>	<b>(668)</b>	<b>(410)</b>	<b>(258)</b>

Net debt & tax Equity (€m)	Jun-19	Dec-18	Δ YTD
<b>Net Debt</b>	<b>3,728</b>	<b>3,060</b>	<b>+22%</b>
<b>Institutional Partnership Liabilities</b>	<b>1,178</b>	<b>1,269</b>	<b>(7%)</b>
<b>Rents due from lease contracts</b>	<b>610</b>	-	-

(1) Includes the 997 EBITDA MW portfolio related to the Sell-down announced in Apr-19.

## Asset Base & Investment Activity

Installed Capacity (MW) <sup>(1)</sup>	Jun-19	Δ YTD	vs Jun-18			Under Constr.
			Built	Sold	Δ YoY	

### EBITDA MW

Spain <sup>(2)</sup>	2,288	(24)	+44	-	+44	53
Portugal	1,355	+47	+102	-	+102	-
France	440	+19	+30	-	+30	13
Belgium	71	-	-	-	-	10
Poland	418	-	-	-	-	38
Romania	521	-	-	-	-	-
Italy	271	+50	+89	-	+89	-
<b>Europe</b>	<b>5,364</b>	<b>+92</b>	<b>+266</b>	-	<b>+266</b>	<b>114</b>
United States	5,332	-	+478	(200)	+278	779
Canada	30	-	-	-	-	100
Mexico	200	-	-	-	-	-
<b>North America</b>	<b>5,562</b>	-	<b>+478</b>	<b>(200)</b>	<b>+278</b>	<b>879</b>
<b>Brazil</b>	<b>467</b>	-	<b>+137</b>	-	<b>+137</b>	-
<b>Total EBITDA MW</b>	<b>11,393</b>	<b>+92</b>	<b>+880</b>	<b>(200)</b>	<b>+680</b>	<b>993</b>

### Equity Consolidated (MW)

Spain	152	-	-	-	-	-
United States	219	-	-	+40	+40	-
<b>Wind Onshore</b>	<b>371</b>	-	-	<b>+40</b>	<b>+40</b>	-
<b>Wind Offshore</b>	-	-	-	-	-	<b>330</b>
<b>Total Equity Cons. (MW)</b>	<b>371</b>	-	-	<b>+40</b>	<b>+40</b>	<b>330</b>

<b>Total EBITDA + Equity MW</b>	<b>11,764</b>	<b>+92</b>	<b>+880</b>	<b>(160)</b>	<b>+720</b>	<b>1,323</b>
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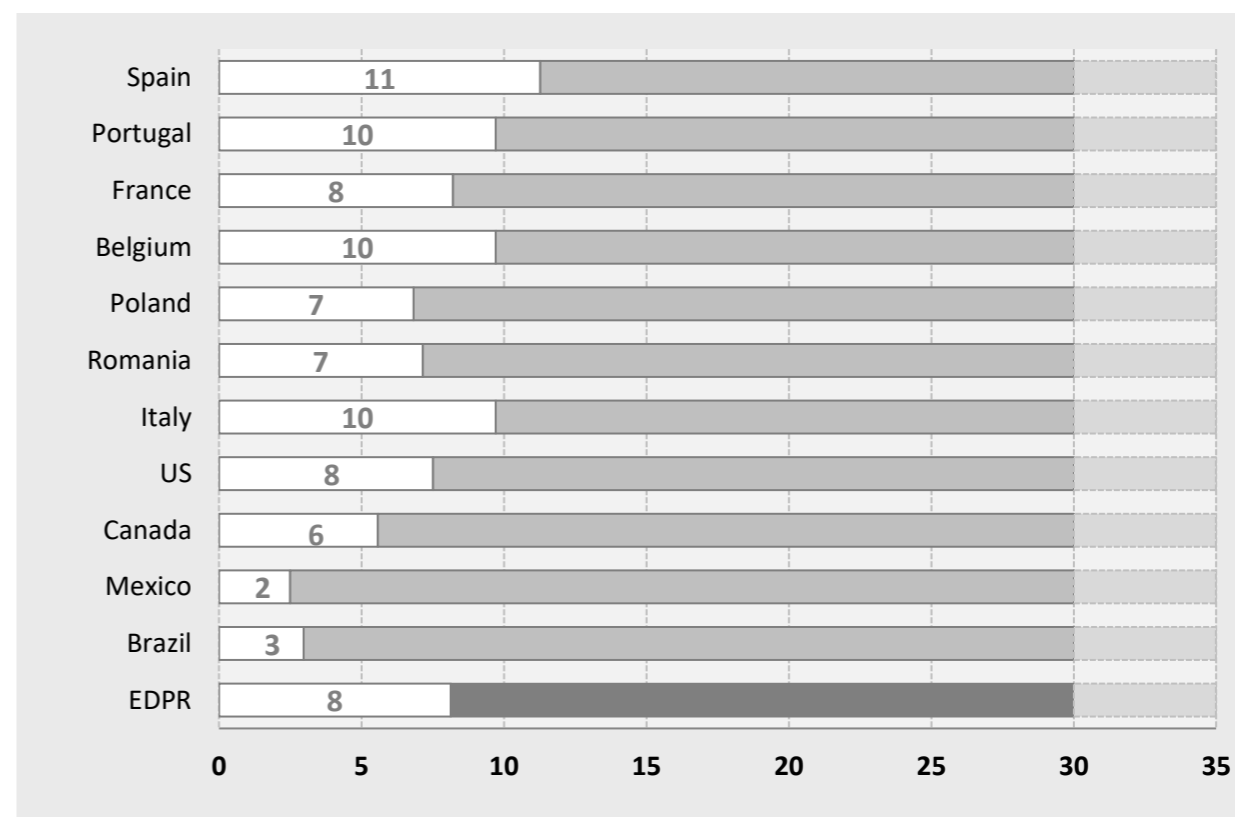
Investments (€m)	1H19	1H18	Δ %	Δ €
Europe	112.5	143.2	(21%)	(31)
North America	220.8	230.5	(4%)	(10)
Brazil	5.7	87.9	(93%)	(82)
Other	34.8	2.9	-	+32
<b>Total Capex</b>	<b>373.7</b>	<b>464.6</b>	<b>(20%)</b>	<b>(91)</b>
Financial investments	251.6	0.9	-	+251
Government grant	-	-	-	-
Sell-down strategy & divestments	-	(43.7)	-	+44
<b>Net Investments</b>	<b>625.3</b>	<b>421.8</b>	<b>+48%</b>	<b>+204</b>

(1) Includes the 997 EBITDA MW portfolio related to the Sell-down transaction announced in Apr-19.

(2) In Spain, built capacity vs Mar-18 is net of 24 MW being repowered in the north of the country.

### Assets' Average Age & Useful Life by Country

EBITDA MW



Property, Plant & Equipment - PP&E (€m)	1H19	1H18	Δ €
<b>PP&amp;E (net)</b>	<b>12,774</b>	<b>13,534</b>	<b>(760)</b>
(-) PP&E assets under construction	1,104	1,287	(183)
<b>(=) PP&amp;E existing assets (net)</b>	<b>11,669</b>	<b>12,247</b>	<b>(577)</b>
(+) Accumulated Depreciation	5,470	5,347	+122
(-) Government Grants	522	514	+9
<b>(=) Invested capital on existing assets</b>	<b>16,617</b>	<b>17,080</b>	<b>(464)</b>

# Operating Performance

Load Factor	1H19	1H18	Δ 19/18
Europe	29%	29%	(0.2pp)
North America	37%	38%	(2pp)
Brazil	33%	30%	+3pp
<b>Total</b>	<b>33%</b>	<b>34%</b>	<b>(1pp)</b>

Electricity Generation (GWh)	1H19	1H18	Δ 19/18
Europe	6,610	6,341	+4%
North America	8,849	8,690	+2%
Brazil	697	420	+66%
<b>Total</b>	<b>16,157</b>	<b>15,451</b>	<b>+5%</b>

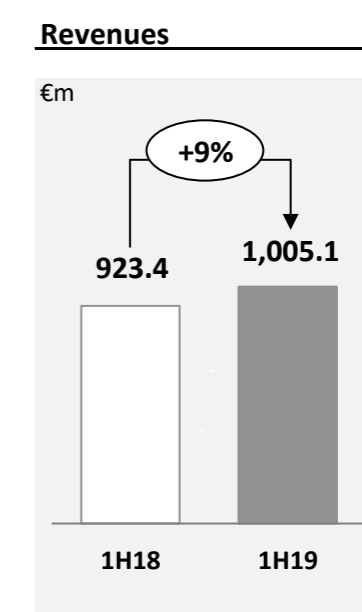
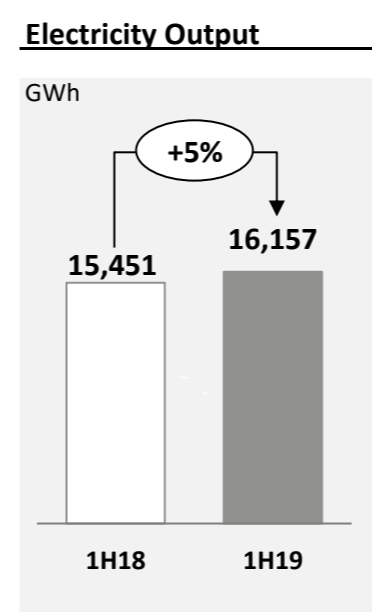
Electricity Sales and Other (€m)	1H19	1H18	Δ 19/18
Europe	532.0	492.6	+8%
North America	351.3	314.0	+12%
Brazil	30.3	18.6	+63%
<b>Total</b>	<b>910.5</b>	<b>823.0</b>	<b>+11%</b>

Income from Institutional Partnerships (€m)	1H19	1H18	Δ 19/18
<b>Total</b>	<b>94.7</b>	<b>100.4</b>	<b>(6%)</b>

Revenues	1H19	1H18	Δ 19/18
Revenues (€m)	1,005.1	923.4	+9%
Revenues per avg. MW in operation (€k)	88.8	86.6	+3%

Renewables Index (vs LT average)	1H19	1H18	Δ 19/18
Europe	99%	101%	(2pp)
North America	94%	98%	(4pp)
Brazil	85%	93%	(8pp)
<b>EDPR</b>	<b>96%</b>	<b>99%</b>	<b>(3pp)</b>

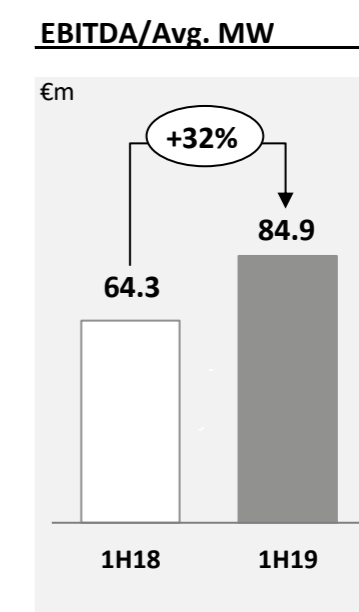
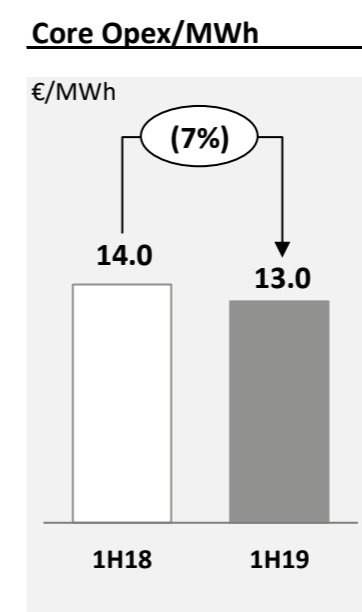
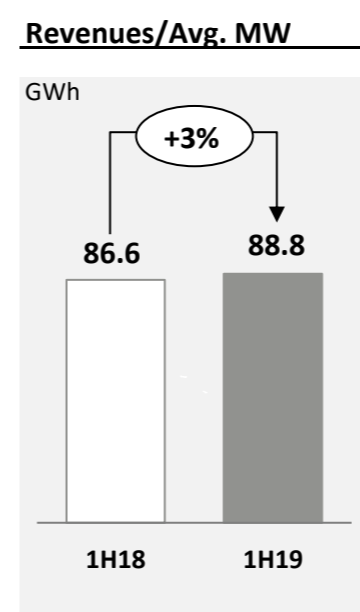
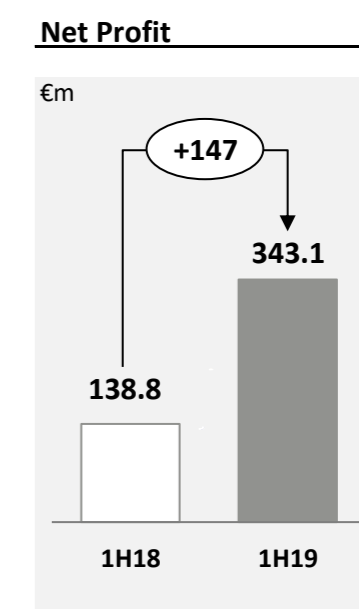
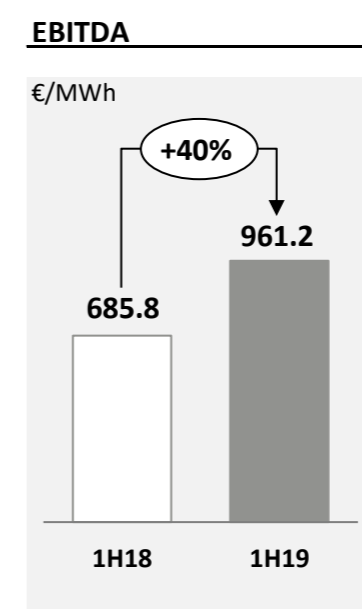
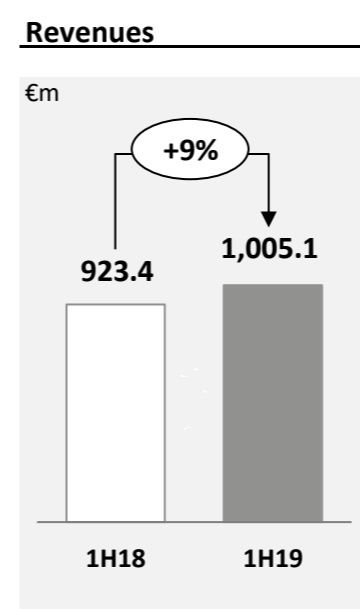
Selling Prices (per MWh)	1H19	1H18	Δ 19/18
Europe	€80.2	€77.6	+3%
North America	\$45.6	\$45.1	+1%
Brazil	R\$210.3	R\$208.4	+1%
<b>Average Selling Price</b>	<b>€56.2</b>	<b>€53.5</b>	<b>+5%</b>



Note: Operational Performance considers only capacity consolidated at EBITDA level. 1H19 figures include the 997 EBITDA MW portfolio related to the Sell-down transaction announced in Apr-19.

# Financial Performance

Revenues to EBITDA (€m)	1H19	1H18	Δ %
Electricity sales and other	910.5	823.0	+11%
Income from Institutional Partnerships	94.7	100.4	(6%)
<b>Revenues</b>	<b>1,005.1</b>	<b>923.4</b>	<b>+9%</b>
Other operating income	253.0	55.1	+359%
Operating Costs	(297.0)	(292.7)	+1%
Supplies and services (S&S) <sup>(2)</sup>	(147.5)	(159.6)	(8%)
Personnel costs (PC)	(63.0)	(57.0)	+11%
Other operating costs	(86.5)	(76.1)	+14%
<b>EBITDA</b>	<b>961.2</b>	<b>685.8</b>	<b>+40%</b>
Provisions	(0.3)	(0.3)	-
Depreciation and amortisation	(302.2)	(266.9)	+13%
Amortisation of deferred income (government grants)	8.7	7.9	+10%
<b>EBIT</b>	<b>667.4</b>	<b>426.5</b>	<b>+56%</b>
<b>Net Financial Expenses</b>	<b>(188.6)</b>	<b>(132.8)</b>	<b>+42%</b>
Net interest costs of debt	(80.4)	(66.7)	+21%
Institutional partnerships costs	(43.8)	(40.4)	+8%
Capitalised financial expenses	7.7	10.2	(25%)
Fx & Fx derivatives	(0.1)	1.4	-
Other	(72.0)	(37.3)	+93%
<b>Share of profit of associates</b>	<b>3.9</b>	<b>1.0</b>	<b>+271%</b>
<b>Pre-Tax Profit</b>	<b>482.7</b>	<b>294.7</b>	<b>+64%</b>
Income taxes <sup>(1)</sup>	(49.0)	(54.5)	(10%)
<b>Profit of the period</b>	<b>433.6</b>	<b>240.2</b>	<b>+81%</b>
Non-controlling interests	90.5	101.3	(11%)
<b>Net Profit (Equity holders of EDPR)</b>	<b>343.1</b>	<b>138.8</b>	<b>+147%</b>
<b>Efficiency and Profitability Ratios</b>	<b>1H19</b>	<b>1H18</b>	<b>Δ %</b>
Revenues/Average MW in operation (€k)	88.8	86.6	+3%
Core Opex (S&S + PC) /Average MW in operation (€k) <sup>(2)</sup>	18.6	20.3	(8%)
Core Opex (S&S + PC) /MWh (€) <sup>(2)</sup>	13.0	14.0	(7%)
EBITDA margin	96%	74%	+21pp
EBITDA/Average MW in operation (€k)	84.9	64.3	+32%



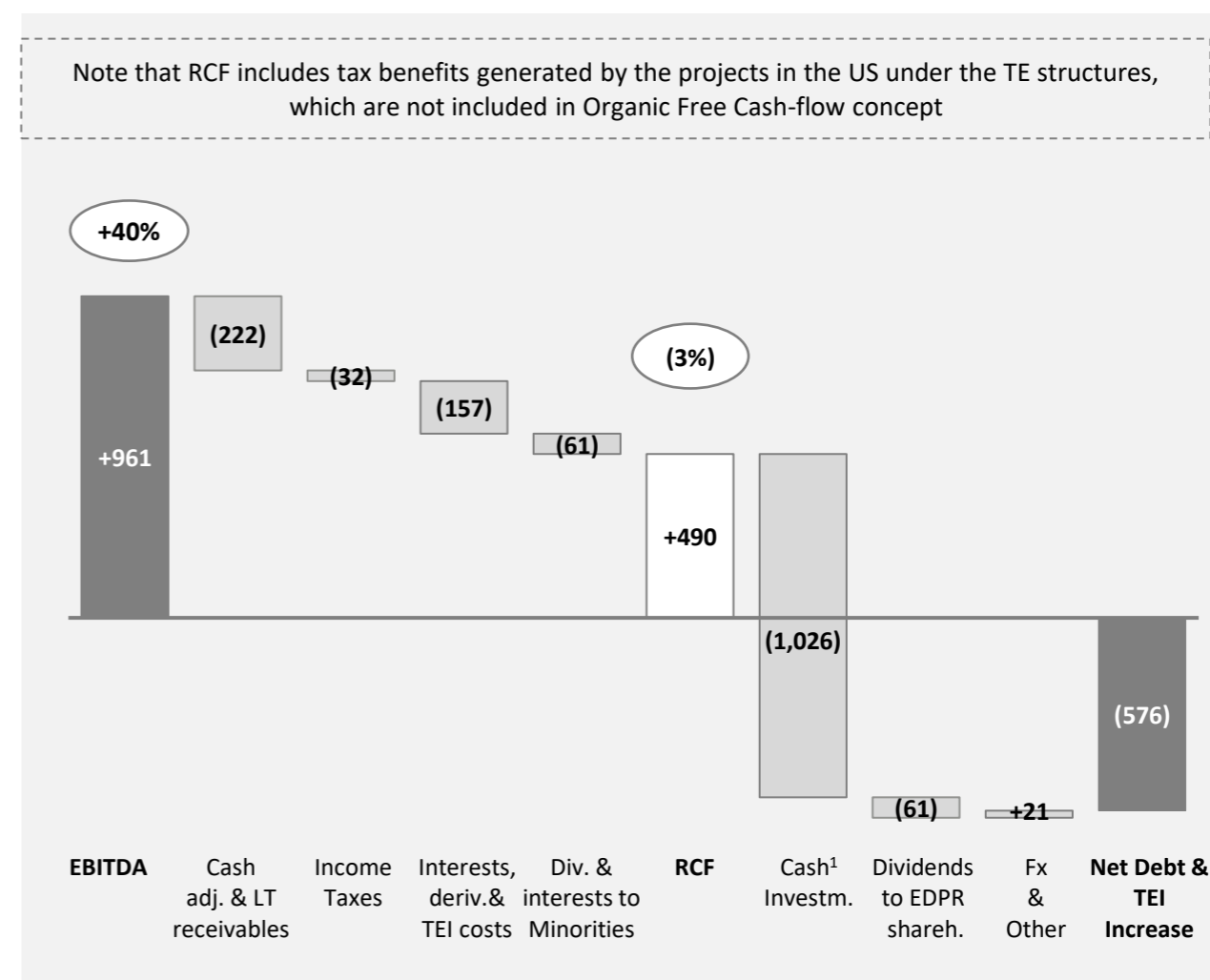
(1) Includes €3.5m from Extraordinary contribution to the energy sector (CESE)

(2) From Jan-19 onwards IFRS 16 (the new leases standard) is applied with a YoY impact of €23m (in 1H19) in Supplies & Services. Excluding IFRS 16 YoY impact, Core Opex per avg. MW and per MWh increased by 1% and 3% respectively.

## Cash-Flow

Cash-Flow (€m)	1H19	1H18	Δ %
<b>EBITDA</b>	<b>961</b>	<b>686</b>	<b>+40%</b>
Current income tax	(32)	(36)	(10%)
Net interest costs	(80)	(67)	+21%
Share of profit of associates	4	1	-
<b>FFO (Funds From Operations)</b>	<b>853</b>	<b>585</b>	<b>+46%</b>
Net interest costs	80	67	+21%
Share of profit of associates	(4)	(1)	-
Income from institutional partnership	(90)	(96)	(6%)
Non-cash items adjustments	(210)	4	-
Changes in working capital	17	23	-
<b>Operating Cash-Flow</b>	<b>645</b>	<b>581</b>	<b>+11%</b>
Capex	(374)	(465)	(20%)
Financial investments	(252)	-	-
Changes in working capital related to PP&E suppliers	(401)	(39)	-
Government grants	-	-	-
<b>Net Operating Cash-Flow</b>	<b>(381)</b>	<b>78</b>	<b>-</b>
Sale of non-controlling interests and Sell-down Strategy	0	43	(100%)
Proceeds from institutional partnerships	-	9	(100%)
Payments to institutional partnerships	(64)	(84)	(24%)
Net interest costs (post capitalisation)	(73)	(57)	+29%
Dividends net and other capital distributions	(109)	(82)	+33%
Forex & others	(41)	(317)	(87%)
<b>Decrease / (Increase) in Net Debt</b>	<b>(668)</b>	<b>(410)</b>	<b>+63%</b>

### From EBITDA to Retained Cash-Flow (RCF) to Debt and TEI reduction (€m)



(1) Cash investments include Capex (net of projects sold), Net financial investments and Changes in working capital related with PPE suppliers and Government Grants



## Net Debt and Institutional Partnership Liability

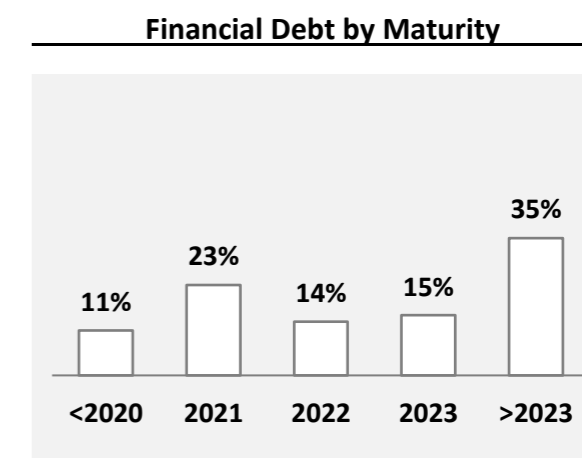
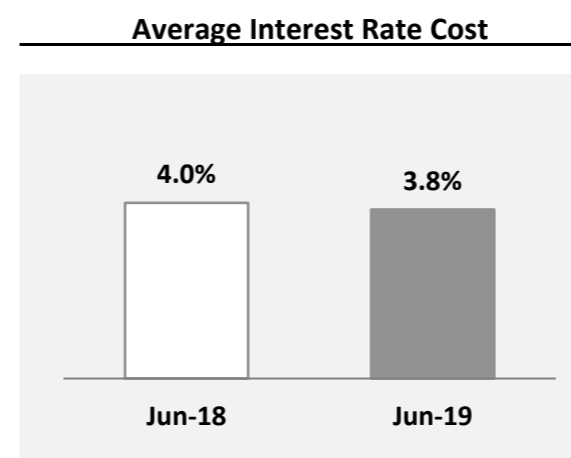
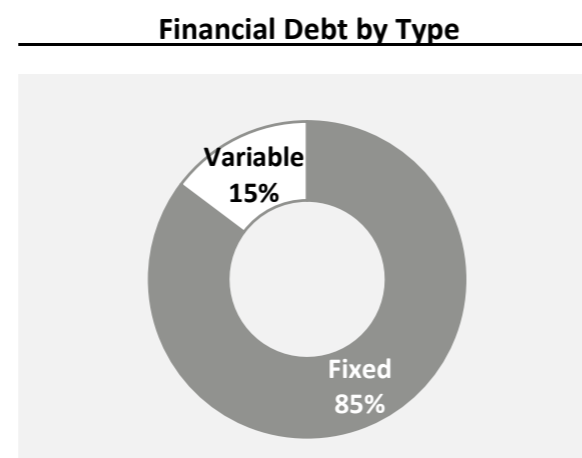
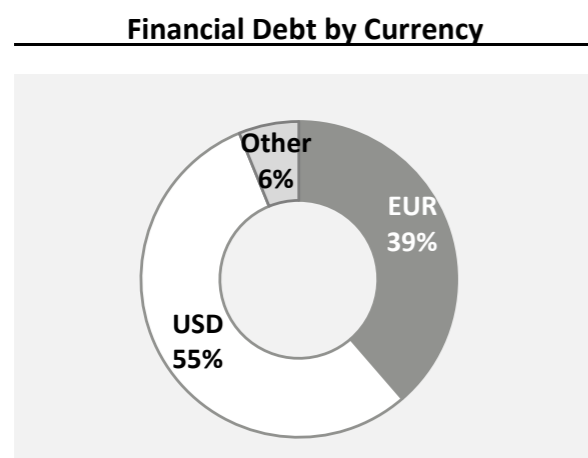
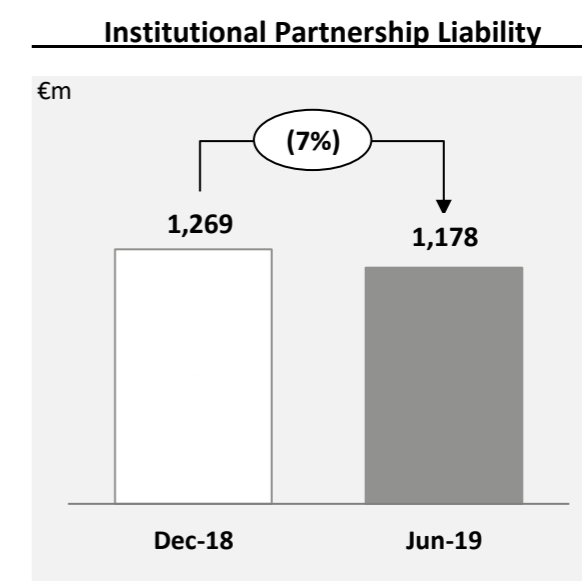
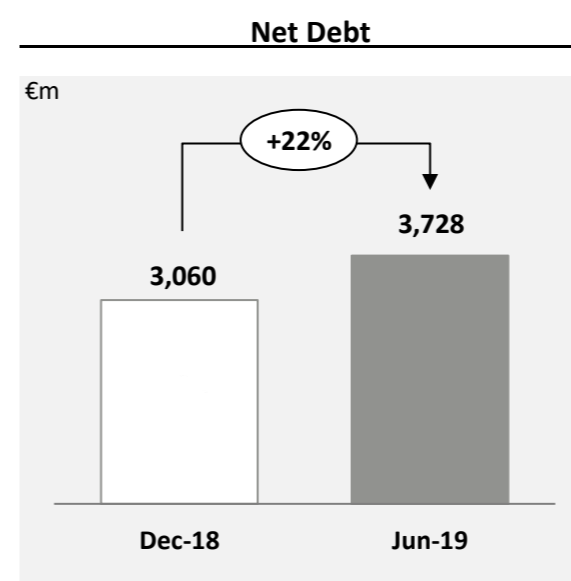
Net Debt (€m)	1H19	2018	Δ €
Nominal Financial Debt + Accrued interests on Debt	4,025	3,650	+375
Collateral deposits associated with Debt	(30)	(39)	+9
<b>Total Financial Debt</b>	<b>3,995</b>	<b>3,611</b>	<b>+384</b>
Cash and cash equivalents	268	552	(284)
Loans to EDP Group related companies and cash pooling	-0.00	0.03	(0.0)
<b>Cash &amp; Equivalents</b>	<b>268</b>	<b>552</b>	<b>(284)</b>
<b>Net Debt</b>	<b>3,728</b>	<b>3,060</b>	<b>+668</b>

Average Debt (€m)	1H19	2018	Δ %
Average nominal financial debt	3,341	3,639	(8%)
Average net debt	2,972	3,213	(8%)

Institutional Partnership (€m) <sup>(1)</sup>	1H19	2018	Δ €
Institutional Partnership Liability	1,178	1,269	(92)

(1) Net of tax credits already benefited by the institutional investors and yet due to be recognised

Rents due from lease contracts (€m)	1H19	2018	Δ €
Rents due from lease contracts	610	-	+610





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*Business Platforms*

# Europe

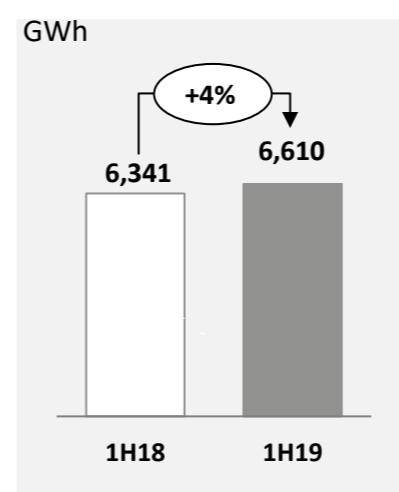
## Operational Indicators

	EBITDA MW			Load Factor			Production (GWh)			Average Selling Price €/MW			Electricity Sales (€m) <sup>(1)</sup>		
	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18
Spain	2,288	2,244	+44	30%	30%	+0.2pp	3,009	2,866	+5%	€74.5	€71.9	+4%	224.0	206.1	+9%
Portugal	1,355	1,253	+102	28%	31%	(2pp)	1,635	1,676	(2%)	€91.9	€94.2	(2%)	150.3	157.9	(5%)
France	440	410	+30	21%	27%	(6pp)	396	481	(17%)	€90.3	€90.5	(0.2%)	35.8	43.5	(18%)
Belgium	71	71	-	22%	23%	(1pp)	68	71	(4%)	€105.6	€104.3	+1%	7.2	7.4	(3%)
Italy	271	181	+89	32%	29%	+3pp	290	190	+53%	€98.2	€113.8	(14%)	28.5	21.6	+32%
Poland	418	418	-	32%	26%	+6pp	585	469	+25%	€70.1	€52.1	+34%	38.4	22.6	+70%
Romania	521	521	-	28%	26%	+2pp	626	588	+6%	€68.6	€53.4	+29%	31.7	22.6	+40%
<b>Europe</b>	<b>5,364</b>	<b>5,098</b>	<b>+266</b>	<b>29%</b>	<b>29%</b>	<b>(0.2pp)</b>	<b>6,610</b>	<b>6,341</b>	<b>+4%</b>	<b>80.2</b>	<b>77.6</b>	<b>+3%</b>	<b>532.0</b>	<b>492.6</b>	<b>+8%</b>

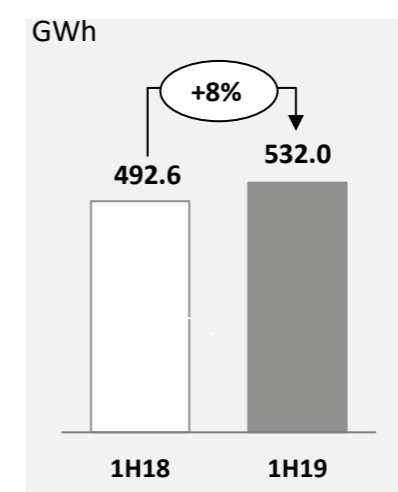
Non-controlling Interest (Net MW)	1H19	1H18	Δ 19/18
Spain	230	228	+2
Portugal	623	621	+3
Rest of Europe (RoE)	557	561	(3)
<b>Europe</b>	<b>1,411</b>	<b>1,409</b>	<b>+2</b>

Income Statement (€m)	1H19	1H18	Δ 19/18
<b>Revenues</b>	<b>532.0</b>	<b>492.6</b>	<b>+8%</b>
Other operating income	229.9	17.3	+1230%
Operating Costs	(138.8)	(141.2)	(2%)
Supplies and services (S&S) <sup>(2)</sup>	(77.1)	(81.3)	(5%)
Personnel costs (PC)	(15.3)	(14.2)	+8%
Other operating costs	(46.4)	(45.7)	+2%
<b>EBITDA</b>	<b>623.0</b>	<b>368.6</b>	<b>+69%</b>
EBITDA/Revenues	117%	75%	+42pp
Provisions	(0.3)	(0.3)	(3%)
Depreciation and amortisation	(125.9)	(122.2)	+3%
Amortisation of deferred income (gov. grants)	0.7	0.3	+97%
<b>EBIT</b>	<b>497.5</b>	<b>246.5</b>	<b>+102%</b>

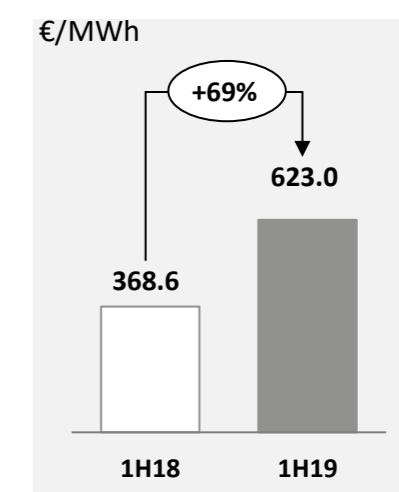
## Production (GWh)



## Revenues



## EBITDA



Opex ratios	1H19	1H18	Δ 19/18
Core Opex (S&S + PC)/Avg. MW in operation (€k) <sup>(2)</sup>	17.5	18.9	(8%)
Core Opex (S&S + PC)/MWh (€) <sup>(2)</sup>	14.0	15.1	(7%)

(1) For analysis purposes hedging results are included in electricity sales per country but excluded from the sum; In Spain, for 2H19 EDPR hedged 1.4 TWh at €47/MWh and for 2020 1.7 TWh at €47/MWh.

(2) From Jan-19 onwards IFRS 16 (the new leases standard) is applied with a YoY impact of €10m (in 1H19) in Supplies & Services. Excluding IFRS 16 YoY impact, in Europe, Core Opex per avg. MW and per MWh increased by 2% and 3% respectively.

# North America (USD)

## Operational Indicators

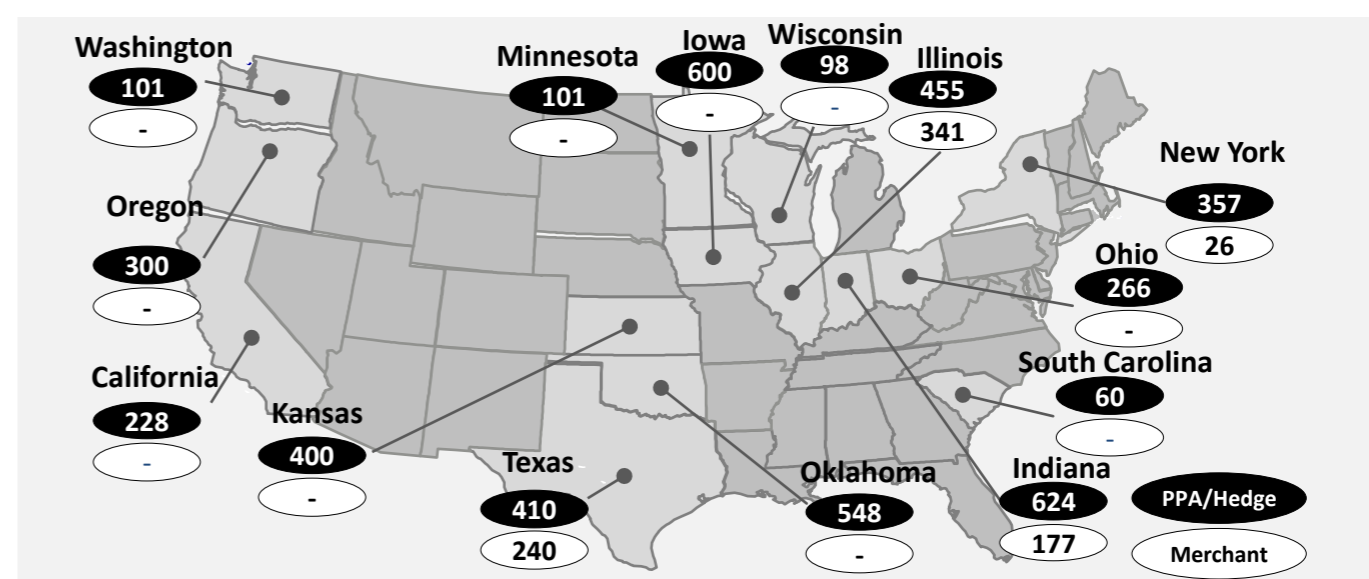
	EBITDA MW			Load Factor			Production (GWh)			Avg. Final Selling Price \$/MW		
	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18
US	5,332	5,284	+48	36%	38%	(2pp)	8,409	8,265	+2%	44.4	43.8	+1%
Canada	30	30	-	30%	30%	+0.1pp	40	39	+0.4%	110.0	114.4	(4%)
Mexico	200	200	-	46%	45%	+2pp	401	386	+4%	65.0	64.2	+1%
<b>North America</b>	<b>5,562</b>	<b>5,514</b>	<b>+48</b>	<b>37%</b>	<b>38%</b>	<b>(2pp)</b>	<b>8,849</b>	<b>8,690</b>	<b>+2%</b>	<b>45.6</b>	<b>45.1</b>	<b>+1%</b>

Non-controlling Interest (Net MW)	1H19	1H18	Δ 19/18
US	1,098	1,103	(5)
Canada	15	15	-
Mexico	98	98	-
<b>North America</b>	<b>1,210</b>	<b>1,215</b>	<b>(5)</b>

Income Statement (US\$m)	1H19	1H18	Δ 19/18
Electricity sales and other	396.9	380.1	+4%
Income from institutional partnerships	106.9	121.5	(12%)
<b>Revenues</b>	<b>503.8</b>	<b>501.6</b>	<b>+0.4%</b>
Other operating income	18.8	34.5	(46%)
Operating Costs	(152.7)	(159.5)	(4%)
Supplies and services (S&S) <sup>(1)</sup>	(74.3)	(89.7)	(17%)
Personnel costs (PC)	(34.6)	(33.4)	+4%
Other operating costs	(43.8)	(36.4)	+20%
<b>EBITDA</b>	<b>369.9</b>	<b>376.6</b>	<b>(2%)</b>
EBITDA/Revenues	73%	75%	(2pp)
Provisions	-	-	-
Depreciation and amortisation	(185.6)	(166.1)	+12%
Amortisation of deferred income (gov. grants)	9.1	9.1	-
<b>EBIT</b>	<b>193.4</b>	<b>219.6</b>	<b>(12%)</b>

Opex ratios	1H19	1H18	Δ 19/18
Core Opex (S&S + PC)/Avg. MW in operation (\$k) <sup>(1)</sup>	19.6	23.3	(16%)
Core Opex (S&S + PC)/MWh (\$) <sup>(1)</sup>	12.3	14.2	(13%)

## EDPR US: EBITDA MW by Market



MW per Incentive	1H19
MW with PTCs	1,964
MW with ITCs	590
MW with Cash Grant and Self Shelter	1,014

FX (€/€)	1H19	1H18	Δ 19/18
End of Period	1.14	1.17	(2%)
Average	1.13	1.21	(7%)

(1) From Jan-19 onwards IFRS 16 (the new leases standard) is applied with a YoY impact of \$14m (in 1H19) in Supplies & Services. Excluding IFRS 16 YoY impact, in North America, Core Opex per avg. MW decreased by 5% and Core Opex per MWh decreased by 2%.

## Brazil (BRL)

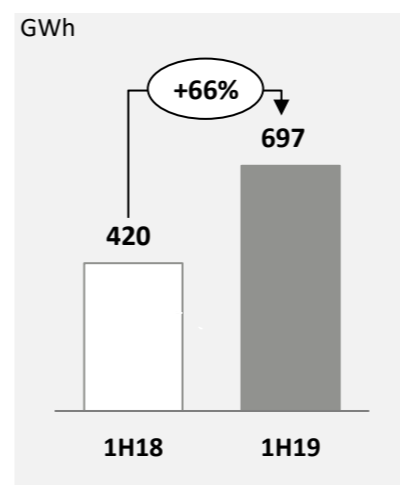
### Operational Indicators

	EBITDA MW			Load Factor			Production (GWh)			Average Selling Price R\$/MW		
	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18	1H19	1H18	Δ 19/18
Brazil	467	331	+137	33%	30%	+3pp	697	420	+66%	210.3	208.4	+1%

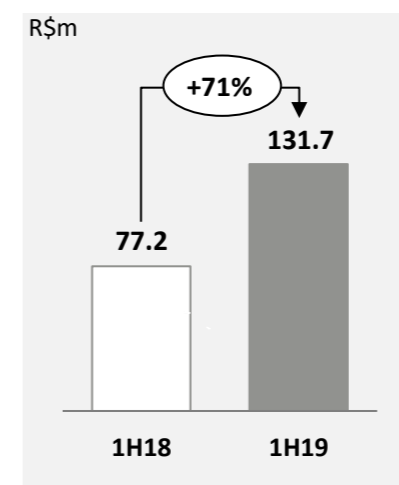
Non-controlling Interest (Net MW)			
	1H19	1H18	Δ 19/18
Brazil	162.0	162.0	-

Income Statement (R\$m)			
	1H19	1H18	Δ 19/18
<b>Revenues</b>	<b>131.7</b>	<b>77.2</b>	<b>+71%</b>
Other operating income	5.1	7.8	(35%)
Operating Costs	(42.9)	(29.0)	+48%
Supplies and services (S&S) <sup>(1)</sup>	(35.0)	(22.4)	+56%
Personnel costs (PC)	(6.1)	(4.6)	+33%
Other operating costs	(1.8)	(2.0)	(10%)
<b>EBITDA</b>	<b>93.8</b>	<b>55.9</b>	<b>+68%</b>
EBITDA/Revenues	71%	72%	(1pp)
Provisions	-	(0.0)	-
Depreciation and amortisation	(42.1)	(25.1)	+67%
Amortisation of deferred income (gov. grants)	(0.1)	0.1	(164%)
<b>EBIT</b>	<b>51.7</b>	<b>30.9</b>	<b>+67%</b>

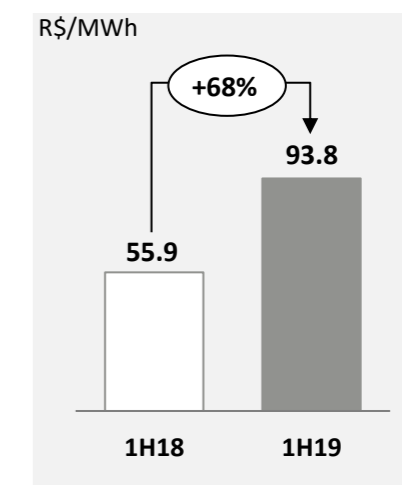
### Production (GWh)



### Revenues



### EBITDA



Opex ratios			
	1H19	1H18	Δ 19/18
Core Opex (S&S + PC)/Avg. MW in operation (R\$/k) <sup>(1)</sup>	88.0	82.7	+6%
Core Opex (S&S + PC)/MWh (R\$/k) <sup>(1)</sup>	58.9	64.2	(8%)

### FX (\$R/€)

	1H19	1H18	Δ 19/18
End of Period	4.35	4.49	(3%)
Average	4.34	4.14	+5%

(1) From Jan-19 onwards IFRS 16 (the new leases standard) is applied with a YoY impact of R\$2m (in 1Q19) in Supplies & Services. Excluding IFRS 16 YoY impact, in Brazil, Core Opex per avg. MW increased by 8% and Core Opex per MWh decreased by 6%.

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*Balance Sheet & Income Statements*

## EDPR: Balance Sheet

<b>Assets (€m)</b>	<b>Jun-19</b>	<b>Dec-18</b>	<b>Δ</b>
Property, plant and equipment, net	12,774	13,922	(1,148)
Right-of-use asset	614	-	+614
Intangible assets and goodwill, net	1,447	1,577	(130)
Financial investments, net	332	357	(25)
Deferred tax assets	154	174	(21)
Inventories	36	36	+0
Accounts receivable - trade, net	290	334	(44)
Accounts receivable - other, net	1,311	540	+771
Assets held for sale	367	8	+359
Collateral deposits	30	39	(9)
Cash and cash equivalents	268	552	(284)
<b>Total Assets</b>	<b>17,623</b>	<b>17,539</b>	<b>+84</b>
<b>Equity (€m)</b>	<b>Jun-19</b>	<b>Dec-18</b>	<b>Δ</b>
Share capital + share premium	4,914	4,914	+0
Reserves and retained earnings	1,537	1,282	+255
Net Profit (Equity holders of EDPR)	343	313	+30
Non-controlling interests	1,354	1,613	(259)
<b>Total Equity</b>	<b>8,147</b>	<b>8,122</b>	<b>+25</b>
<b>Liabilities (€m)</b>	<b>Jun-19</b>	<b>Dec-18</b>	<b>Δ</b>
Financial debt	4,025	3,650	+375
Institutional partnerships	1,178	1,269	(92)
Rents due from lease contracts	610	-	+610
Provisions	267	295	(28)
Deferred tax liabilities	345	463	(118)
Deferred revenues from institutional partnerships	957	962	(5)
Other liabilities	2,093	2,777	(684)
<b>Total Liabilities</b>	<b>9,476</b>	<b>9,416</b>	<b>+59</b>
<b>Total Equity and Liabilities</b>	<b>17,623</b>	<b>17,539</b>	<b>+84</b>

## EDPR: Income Statement by Region

1H19 (€m)	Europe	N. America	Brazil	Other/Adj. <sup>(1)</sup>	Consolidated
Electricity sales and other	532.0	351.3	30.3	(3.1)	910.5
Income from institutional partnerships	-	94.7	-	-	94.7
<b>Revenues</b>	<b>532.0</b>	<b>445.9</b>	<b>30.3</b>	<b>(3.1)</b>	<b>1,005.1</b>
<b>Other operating income</b>	<b>229.9</b>	<b>16.6</b>	<b>1.2</b>	<b>5.4</b>	<b>253.0</b>
<b>Operating Costs</b>	<b>(138.8)</b>	<b>(135.3)</b>	<b>(9.9)</b>	<b>(13.0)</b>	<b>(297.0)</b>
Supplies and services	(77.1)	(65.8)	(8.1)	3.5	(147.5)
Personnel costs	(15.3)	(30.6)	(1.4)	(15.7)	(63.0)
Other operating costs	(46.4)	(38.8)	(0.4)	(0.9)	(86.5)
<b>EBITDA</b>	<b>623.0</b>	<b>327.3</b>	<b>21.6</b>	<b>(10.7)</b>	<b>961.2</b>
<i>EBITDA/Revenues</i>	<i>117%</i>	<i>73%</i>	<i>71%</i>	<i>n.a.</i>	<i>96%</i>
Provisions	(0.3)	-	-	-	(0.3)
Depreciation and amortisation	(125.9)	(164.3)	(9.7)	(2.3)	(302.2)
Amortisation of deferred income (government grants)	0.7	8.1	(0.0)	(0.0)	8.7
<b>EBIT</b>	<b>497.5</b>	<b>171.1</b>	<b>11.9</b>	<b>(13.1)</b>	<b>667.4</b>

1H18 (€m)	Europe	N. America	Brazil	Other/Adj. <sup>(1)</sup>	Consolidated
Electricity sales and other	492.6	314.0	18.6	(2.3)	823.0
Income from institutional partnerships	-	100.4	-	-	100.4
<b>Revenues</b>	<b>492.6</b>	<b>414.5</b>	<b>18.6</b>	<b>(2.3)</b>	<b>923.4</b>
<b>Other operating income</b>	<b>17.3</b>	<b>28.5</b>	<b>1.9</b>	<b>7.4</b>	<b>55.1</b>
<b>Operating Costs</b>	<b>(141.2)</b>	<b>(131.9)</b>	<b>(7.0)</b>	<b>(12.5)</b>	<b>(292.7)</b>
Supplies and services	(81.3)	(74.2)	(5.4)	1.3	(159.6)
Personnel costs	(14.2)	(27.6)	(1.1)	(14.1)	(57.0)
Other operating costs	(45.7)	(30.1)	(0.5)	0.2	(76.1)
<b>EBITDA</b>	<b>368.6</b>	<b>311.1</b>	<b>13.5</b>	<b>(7.4)</b>	<b>685.8</b>
<i>EBITDA/Revenues</i>	<i>75%</i>	<i>75%</i>	<i>72%</i>	<i>n.a.</i>	<i>74%</i>
Provisions	(0.3)	-	(0.0)	(0.0)	(0.3)
Depreciation and amortisation	(122.2)	(137.2)	(6.1)	(1.4)	(266.9)
Amortisation of deferred income (government grants)	0.3	7.5	0.0	0.0	7.9
<b>EBIT</b>	<b>246.5</b>	<b>181.4</b>	<b>7.5</b>	<b>(8.8)</b>	<b>426.5</b>

<sup>(1)</sup> Note on Offshore: Offshore is being reported under "Other/Adj"



## EDPR Europe: Income Statement by Country

1H19 (€m)	Spain	Portugal	RoE	Other/Adj. <sup>(1)</sup>	Total Europe
<b>Revenues</b>	<b>234.7</b>	<b>150.9</b>	<b>158.7</b>	<b>(12.3)</b>	<b>532.0</b>
Operating Costs and Other operating income	19.4	123.5	(16.0)	(35.8)	91.1
<b>EBITDA</b> <i>EBITDA/Revenues</i>	<b>254.1</b> <i>108%</i>	<b>274.3</b> <i>182%</i>	<b>142.7</b> <i>90%</i>	<b>(48.1)</b> <i>n.a.</i>	<b>623.0</b> <i>117%</i>
Depreciation, amortisation and provisions	(56.3)	(28.1)	(38.3)	(2.8)	(125.5)
<b>EBIT</b>	<b>197.8</b>	<b>246.3</b>	<b>104.4</b>	<b>(50.9)</b>	<b>497.5</b>













1H18 (€m)	Spain	Portugal	RoE	Other/Adj. <sup>(1)</sup>	Total Europe
<b>Revenues</b>	<b>216.7</b>	<b>157.8</b>	<b>128.9</b>	<b>(10.8)</b>	<b>492.6</b>
Operating Costs and Other operating income	(61.1)	(21.5)	(38.7)	(2.7)	(124.0)
<b>EBITDA</b> <i>EBITDA/Revenues</i>	<b>155.6</b> <i>72%</i>	<b>136.3</b> <i>86%</i>	<b>90.2</b> <i>70%</i>	<b>(13.5)</b> <i>n.a.</i>	<b>368.6</b> <i>75%</i>
Depreciation, amortisation and provisions	(52.9)	(27.0)	(40.0)	(2.2)	(122.1)
<b>EBIT</b>	<b>102.8</b>	<b>109.2</b>	<b>50.2</b>	<b>(15.8)</b>	<b>246.5</b>

<sup>(1)</sup> **Important note on Spain and Other:** Pursuant the changes in the Spanish regulatory framework, EDPR hedges its exposure to the Spanish pool price, accounted at the European platform level (Other/Adj.). On page 10, the hedging was included in the Spanish division only for analytical purposes.



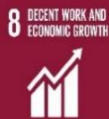



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*Annex*

# Remuneration Frameworks

Country	Short Description	Country	Short Description
 <b>US</b>	<ul style="list-style-type: none"> <li>Sales can be agreed under PPAs (up to 20 years), Hedges or Merchant prices</li> <li>Green Certificates (Renewable Energy Credits, REC) subject to each state regulation</li> <li>Tax Incentive: <ul style="list-style-type: none"> <li>PTC collected for 10-years since COD (\$25/MWh in 2019)</li> <li>Wind farms beginning construction in 2009 and 2010 could opt for 30% cash grant in lieu of PTC</li> </ul> </li> </ul>	 <b>France</b>	<ul style="list-style-type: none"> <li>The majority of existing wind farms receive Feed-in tariff for 15 years: <ul style="list-style-type: none"> <li>First 10 years: €82/MWh; Years 11-15: depending on load factor €82/MWh @2,400 hours to €28/MWh @3,600 hours; indexed</li> </ul> </li> <li>Wind farms under the RC 2016 scheme receive 15-yr CfD which strike price value similar to existing FIT fee plus a management premium</li> </ul>
 <b>Canada</b>	<ul style="list-style-type: none"> <li>Feed-in Tariff (Ontario). Duration: 20-years</li> <li>Renewable Energy Support Agreement (Alberta)<sup>(4)</sup></li> </ul>	 <b>Belgium</b>	<ul style="list-style-type: none"> <li>Market price plus green certificate (GC) system. Separate GC prices with cap and floor for Wallonia (€65/MWh-100/MWh)</li> <li>Option to negotiate long-term PPAs</li> </ul>
 <b>Mexico</b>	<ul style="list-style-type: none"> <li>Technological-neutral auctions (opened to all technologies) in which bidders offer a global package price for the 3 different products (capacity, electricity generation and green certificates)</li> <li>EDPR project: bilateral Electricity Supply Agreement under self-supply regime for a 25-year period</li> </ul>	 <b>Poland</b>	<ul style="list-style-type: none"> <li>Electricity price can be established through bilateral contracts</li> <li>Wind receive 1 GC/MWh which can be traded in the market. Electric suppliers have a substitution fee for non compliance with GC obligation. From Sep-17 onwards, substitution fee is calculated as 125% of the avg market price of the GC from the previous year and capped at 300PLN</li> <li>15-year indexed CfD allocated through competitive tenders -first tender held in November 2018</li> </ul>
 <b>Brazil</b>	<ul style="list-style-type: none"> <li>Old installed capacity under a feed-in tariff program ("PROINFA")</li> <li>Since 2008, competitive auctions awarding 20-years PPAs</li> <li>Sales can be agreed under PPAs</li> </ul>	 <b>Romania</b>	<ul style="list-style-type: none"> <li>Wind assets (installed until 2013) receive 2 GC/MWh until 2017 and 1 GC/MWh after 2017 until completing 15 years. 1 out of the 2 GC earned until Mar-2017 can only be sold from Jan-2018 and until Dec-2025. Solar assets receive 6 GC/MWh for 15 years. 2 out of the 6 GC earned until Dec-2020 can only be sold after Jan-2021 and until Dec-2030. GC are tradable on market under a cap and floor system (cap €35 / floor €29.4)</li> <li>Wind assets (installed in 2013) receive 1.5 GC/MWh until 2017 and after 0.75 GC/MWh until completing 15 years</li> <li>The GCs issued starting in Apr-2017 and the GCs postponed to trading from Jul-2013 will remain valid and may be traded until Mar-2032</li> </ul>
 <b>Spain</b>	<ul style="list-style-type: none"> <li>Wind energy receives pool price and a premium per MW, if necessary, in order to achieve a target return established as the Spanish 10-year Bond yields plus 300bps</li> <li>Premium calculation is based on standard assets (standard load factor, production and costs)<sup>(5)</sup></li> <li>Since 2016, all the new renewable capacity is allocated through competitive auctions</li> </ul>	 <b>Italy</b>	<ul style="list-style-type: none"> <li>Projects online before 2013 are (during 15 years) under a pool + premium scheme (premium=1x€180/MWh –“P-1”)x0.78, being P-1 previous year average market price</li> <li>Assets online from 2013 onwards were awarded a 20 years contract through competitive auctions. According with the auction scheme, the electricity produced by these wind farms will be sold to the market and if the realized market price is lower than the awarded price, the difference will be paid by Gestore dei Servizi Energetici (“GSE”)</li> </ul>
 <b>Portugal</b>	<ul style="list-style-type: none"> <li>MWs from previous regime: Feed-in Tariff inversely correlated with load factor throughout the year. Tariff updated monthly with inflation, through the later of: 15 years of operation or 2020, + 7 years (extension cap/floor system: €74/MWh - €98/MWh)</li> <li>ENEOP: price defined in an international competitive tender and set for 15 years (or the first 33 GWh per MW) + 7 years (extension cap/floor system: €74/MWh - €98/MWh). Tariff for first year established at c.€74/MWh and CPI monthly update for following years</li> <li>VENTINVESTTE: price defined in an international competitive tender and set for 20 years (or the first 44 GWh per MW)</li> </ul>	 <b>Greece</b>	<ul style="list-style-type: none"> <li>20 years non-indexed CfD, allocated through tenders</li> </ul>
		 <b>Offshore</b>	<ul style="list-style-type: none"> <li>UK: 15 years CPI indexed CfD, allocated by tender, at £57.5/MWh (2012 tariff-based)</li> <li>France: 20-year indexed feed-in tariff</li> </ul>

# Sustainable Development Performance

	1H19	1H18	Δ YoY	Comments
 <b>Affordable and clean energy</b>				
New renewable built capacity (MW)	116	37	+79	47 MW in Portugal, 19 MW in France and 50 MW in Italy
 <b>Climate change</b>				
CO2 Avoided (kt) <sup>(1)</sup>	11,282	12,370	(9%)	GWh: +5% YoY; impacted by lower emission factors YoY
 <b>Decent work &amp; Gender Equality &amp; Innovation</b>				
<b>Ethics</b>				
Number of claims in the ethics channel	-	1	(100%)	Claim in 1Q18 considered as not grounded by the Ethics Committee
<b>Health &amp; Safety</b> <sup>(2)</sup>				
Number of accidents	5	14	-	2 in the US, 1 in SP, 1 in PT, 1 in BR; 80% related to contractors
Frequency rate <sup>(3)</sup>	1.3	3.0	(57%)	
Severity rate <sup>(4)</sup>	39	128	(69%)	
<b>Human Capital</b>				
Employees	1,460	1,326	+10%	Mainly new hires in the US and Corporate
Turnover (%) <sup>(5)</sup>	8%	10%	(2pp)	
Female workforce (%)	31%	31%	+0.3pp	
Trained employees (%)	86%	86%	-	
 <b>Life on land</b>				
Number of significant spills and fires <sup>(6)</sup>	-	-	-	Zero accident mindset
 <b>Responsible production and consumption</b>				
Total waste (kg/GWh) <sup>(7)</sup>	34	38	(11%)	c.60% is non-hazardous waste
Total waste recovered (%) <sup>(7)</sup>	87%	65%	+21pp	Target: >75%; Hazardous waste recovered: 97%
 <b>Sustainable cities and communities</b>				
Investment in Access to Energy (€m)	2.2	-	-	
Social Investment (€m)	0.8	0.8	+4%	
Employees that participated in volunteering (%)	8%	11%	(3pp)	Mainly due to activities timing

(1) CO<sub>2</sub> avoided calculated as energy generation \* CO<sub>2</sub> eq. emission factors of each country and state within the US. Please note that the emission factors vary in accordance with the country/state's energy mix;

(2) Includes staff and contractors data;

(3) Frequency Rate calculated as [# of accidents with absence/Hours worked \* 1,000,000];

(4) Severity Rate calculated as [# of working days lost/Hours worked \* 1,000,000];

(5) Turnover calculated as: (new hires + departures)/2/headcount;

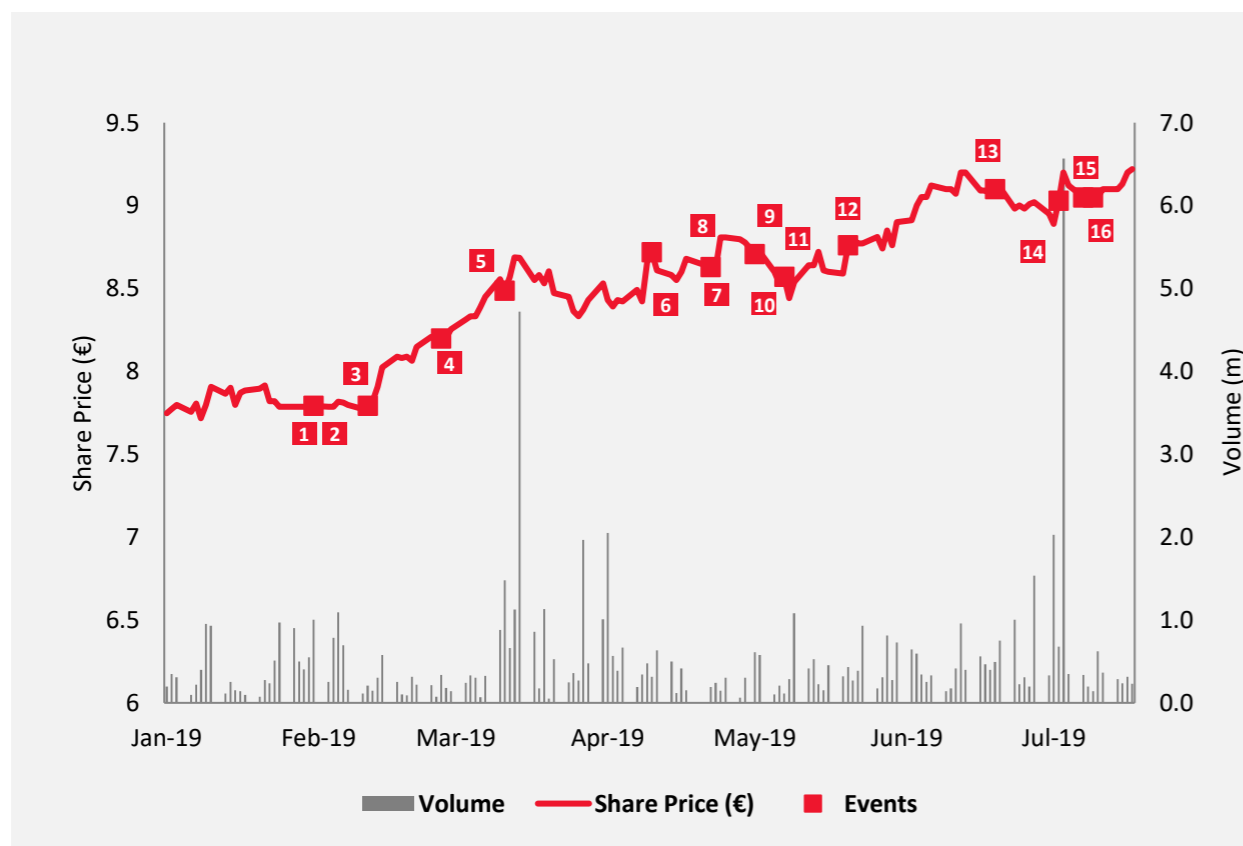
(6) EDPR defines significant spills and fires as any spill affecting water bodies/courses, protected soils or soils of interest because of its natural value, or fire affecting protected areas and/or species

(according to local protection laws), derived from the operation & maintenance activities in the facilities;

(7) Does not include waste caused by non-recurrent events.

# Share Performance & Shareholder Structure

## EDPR Share Price Performance



## 1H19 Main Events

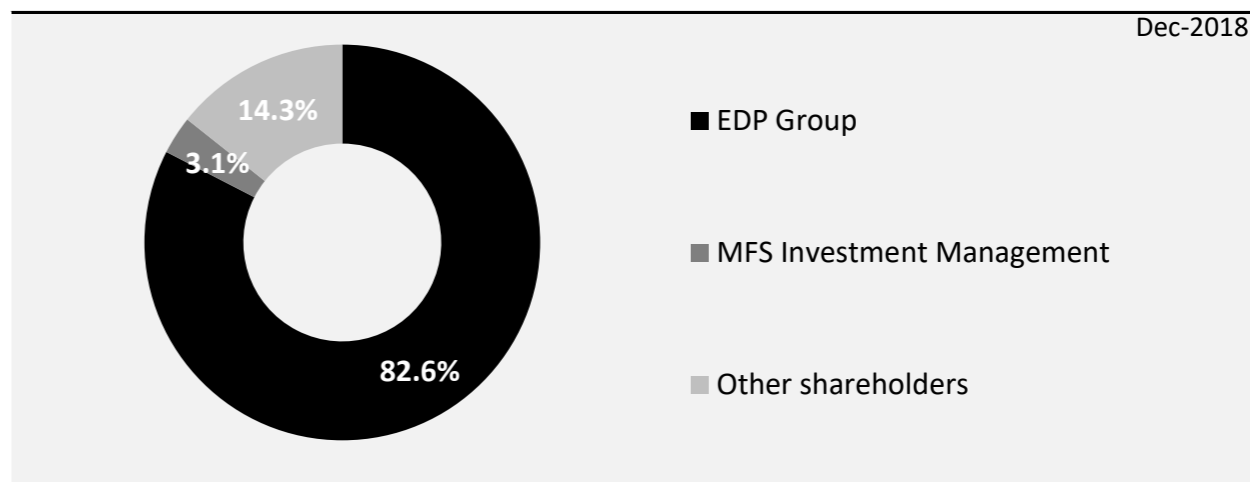
#	Date	Description	Share Price
1	01-Feb	EDPR signs a Build & Transfer agreement for a 102 MW in the US	€7.79
2	01-Feb	João Costeira submit his resignation as member of EDPR's BoD	€7.79
3	12-Feb	EDPR secures a 104 MW PPA for a new wind farm in the US	€7.79
4	27-Feb	EDPR announces changes in EDPR Board of Directors	€8.20
5	12-Mar	EDPR announces 2019-22 Strategic Update	€8.49
6	11-Apr	EDPR Annual Shareholders Meeting	€8.72
7	23-Apr	EDPR announces €0.8bn Asset Rotation deal for wind farms in E	€8.63
8	23-Apr	EDPR announces 1Q19 Operational data	€8.63
9	02-May	CMVM ends the administrative procedures of CTG bids for EDP/EDPR	€8.71
10	08-May	EDPR ex-dividend date (€0.07 per share)	€8.57
11	08-May	EDPR announces 1Q 2019 Results Report	€8.57
12	21-May	EDPR announces MoU with ENGIE, to create a 50:50 JV for offshore wind	€8.76
13	20-Jun	EDPR signs a PPA for a large scale project with storage system in the U.S.	€9.10
14	03-Jul	EDPR is awarded long-term CfD for 30 MW of wind at Greek auction	€9.03
15	08-Jul	EDPR secures PPA for 126 MW in Brazil	€9.05
16	10-Jul	EDPR announces 1H19 Operational data	€9.05

## Capital Market Indicators

	2019 YTD <sup>(1)</sup>	1H19	2018	2017
Opening Price	€ 7.71	€ 7.71	€ 6.86	€ 5.90
Minimum Price	€ 7.72	€ 7.72	€ 6.67	€ 5.58
Maximum Price	€ 9.22	€ 8.69	€ 9.10	€ 7.09
Average Price	€ 8.50	€ 8.08	€ 7.91	€ 6.62
Closing Price	€ 9.22	€ 9.02	€ 7.71	€ 6.86
Share performance	+20%	+17%	+12%	+16%
Dividend per share	€ 0.07	€ 0.07	€ 0.06	€ 0.05
Total Shareholder Return	+20%	+18%	+13%	+17%
Volume (m) <sup>(2)</sup>	629.7	514.3	209.6	421.9
Daily Average (m)	0.5	4.1	0.8	1.6
Market Cap (€m)	8,043	7,868	6,727	5,983

(1) From 01-Jan-2019 until 18-Jul-2019; (2) Bloomberg data including exchanges and OTC; (3) Dated as of Dec-2018

## Shareholder Structure



Dec-2018

*edp* renováveis