2018 RESULTS

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HIGHLIGHTS OF THE PERIOD
Growth strategy and value creation not affected by adverse cyclical factors which came on top of expected discontinuities (total EBITDA impact of €196m)

Quality assets

97.0% availability
lower vs 97.8% in 2017 due to specific causes in some wind farms

30% load factor -1pp YoY
94% of long-term average (P50)

Selectively profitable growth

+826 MW built YoY
+665 MW added YoY
674 MW already under construction

>100% of 2020 target secured
target +3.5 GW of additions in 2016-20

Self-funding business

Reaching €1.1bn of proceeds 2-yrs in advance
from stakes divestments of which €0.4bn in 2018 with its Sell-down strategy set to anticipate value creation

€274m Net Debt & TEI increase
reflecting forex & investments in the period, while keeping solid balance sheet

Optimizing Cost of Debt and TEI Costs
Debt: 4.1% Dec-18 (+0.1pp YoY; despite different mix); Avg TEI: 6.7% (-0.2pp; latest deals yields at 10-yrs min)

Retained Cash Flow(3) at €972m
reflecting forex & investments in the period, while keeping solid balance sheet

Dividend proposal of €7¢ per share increasing 17% YoY
(implied payout of 24% taking into consideration the 2016-18 period)

(1) at Dec-2018; (2) Adjusted by fx (3) with Capital Gains from Sell-down strategy; RCF includes tax benefits generated by the projects in the US under the TE structures, which are not included in Organic Free Cash-flow concept
2018 Results
EDPR reached a global portfolio of 11.7 GW assets with 8 years of average age

**Installed Capacity**(1)
(EBITDA MW + Equity Consolidated)

- Spain: 21%
- Portugal: 11%
- North America: 50%
- Brazil: 4%
- RoE: 14%

**Average Installed Capacity increased +6% YoY**

**826 MW built YoY of which 160 MW sold (80% stake on 200 MW wind farm)**

**665 MW added YoY and 674 MW already under construction (including stake in UK offshore)**

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(1) Incl. equity consolidated: 152 MW in Spain & 179 MW in the US;
(2) Related to Prairie Queen, on which an 80% stake was in Dec-18 (keeping the responsibility to build the project);
(3) Includes 316 MW of EDPR stake in UK Moray and 14 MW from Windplus floating in Portugal
2018 load factor at 30% (below P50), reflecting low wind resource and a lower availability in certain wind farms

In 2018, EDPR reached a 30% load factor (-1pp YoY) representing 94% of long term average

Load Factor and Technical Availability\(^{(1)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Delta YoY</th>
<th>2018 vs. Average (P50)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>26%</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>93%</td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>102%</td>
</tr>
<tr>
<td></td>
<td>30%</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>97.0%</td>
<td></td>
</tr>
</tbody>
</table>

EDPR Availability\(^{(1)}\)

In 2018, EDPR reached a 30% load factor (-1pp YoY) representing 94% of long term average

\(^{(1)}\) Technical Energy Availability (TEA)
+3% growth in electricity output, driven by higher capacity in operation (+6%)

<table>
<thead>
<tr>
<th>TWh</th>
<th>△% YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>-2%</td>
<td></td>
</tr>
<tr>
<td>+4%</td>
<td></td>
</tr>
<tr>
<td>+43%</td>
<td></td>
</tr>
</tbody>
</table>

-2% From lower wind resource in Romania (-18%) and Poland (-16% YoY)

+4% Benefitting from YoY capacity additions (+278 EBITDA MW)

+43% Reflecting YoY capacity additions

EDPR produced 28.4 TWh of clean electricity (+3% YoY), avoiding 19.8 mt of CO₂ emissions.
Geographical output breakdown: 55% in North America, 41% in Europe and 4% in Brazil
Avg. price at €54/MWh (-9% YoY; flat vs 1H18) mainly due to fx, expected lower prices in PL, RO and mix effect from new MW

<table>
<thead>
<tr>
<th>2018</th>
<th>△% YoY(1)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>€77.4</td>
<td>-4%</td>
<td>€59.2 (O&amp;M) (€53.7/MWh, -9% YoY), on the back of forex (-2% YoY; mostly USD) and expected price performance (-7% YoY)</td>
</tr>
<tr>
<td>$45.3</td>
<td>-2%</td>
<td>US (-3%): hedges gains in 2017 and mix effect from new MW; CAN (+1%): +1% in local currency</td>
</tr>
<tr>
<td>R$195</td>
<td>-32%</td>
<td>YOY comparison impacted by temporary PPA unwinding in 2017 along with different mix of a new wind farm in operation</td>
</tr>
</tbody>
</table>

(1) Calculated in local currency
Revenues decrease 7% YoY where volume (+2%) is offset by forex translation (-3%), scheduled PTCs expiring (-3%) and expected lower avg. selling prices (-4%).

Main drivers for Revenues performance

**Higher output: +3% YoY; +6% Avg. MW YoY**
Lower availability YoY (94% vs 98%) with lower load factor at 30% (below P50). Volume: +€38m YoY

**Lower average selling price: -9% YoY**
-€71m from lower price performance in Europe & US and to a lesser extend to capacity additions mix

**Forex impact & scheduled 10 years PTCs expiring**
PTCs expiring (10-year life): -€51m
Impact from Fx: -€46m

Revenues decreased €107m mainly due to lower prices (-€62m), forex translation & other (-€49m) along with PTCs expiring (-€43m), partially offset by higher volume (+€47m)
Core Opex per Avg. MW +2 % YoY, but flat YoY excluding one-offs and offshore costs (the last one is cross-charged to projects’ SPVs which offsets)

**Opex (excludes Other Operating Income)**

(€ million)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Opex^1</td>
<td>556</td>
<td>589</td>
</tr>
<tr>
<td>Levies &amp; Non-recurr</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Core Opex increasing YoY on the back of higher installed capacity

Core Opex/ Avg. MW unchanged YoY, reflecting forex, cost control and O&M strategy execution

^1 Includes Supplies and Services and Personnel Costs; ^2 Core Opex/avg MW adjusted by offshore costs cross-charged to projects’ SPVs and accounted in Other Income
Delivering EBITDA of €1,300m (-5% YoY) reflecting top-line discontinuities and low wind resource partially offset by capital gains accounted in Other operating income.

*Reported EBITDA totalled €1,300m (lower YoY) with capital gains mitigating weaker top line performance.*

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(1) Includes hedges from Spain, Rest of Europe and US
Net Profit totalled €313m, propelled by solid execution of Sell-down strategy and accelerating value creation

**2018 EBITDA to Net Profit**

(€ million)

<table>
<thead>
<tr>
<th></th>
<th>EBITDA</th>
<th>Δ€m YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,300</td>
<td></td>
</tr>
<tr>
<td>D&amp;A</td>
<td>546</td>
<td>+€17m</td>
</tr>
<tr>
<td>EBIT</td>
<td>754</td>
<td>-€49m</td>
</tr>
<tr>
<td>Financial</td>
<td>218</td>
<td></td>
</tr>
<tr>
<td>Results(1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>63</td>
<td>-€15m</td>
</tr>
<tr>
<td>Minorities</td>
<td>159</td>
<td>+€22m</td>
</tr>
<tr>
<td>Net Profit</td>
<td>313</td>
<td>+€14YoY</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+€37m</td>
</tr>
</tbody>
</table>

(1) Includes Share of profit of associates

**Operating performance impacted by PTC expiring, prices and forex, and mitigated by capital gains**

**Effect from YoY capacity additions being offset by forex translation and lower YoY impairments**

**As a result of EBITDA performance**

**Lower Net interests (net of capitalizations) & TEI costs along with gains from sale of offshore stakes (+€87m)**

**Effective Tax Rate of 12% vs 10% in 2017**

**Reflecting top-line performance from strategic partnership assets and asset rotation program**

**Net profit growth driven by improved financial results and Sell-down strategy value creation**
Cash Flow generation with RCF at €972m, 9% lower YoY from EBITDA performance

<table>
<thead>
<tr>
<th>2018: Retained Cash Flow (RCF)</th>
<th>(€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>-5%</td>
</tr>
<tr>
<td>LT receivables</td>
<td>1,300</td>
</tr>
<tr>
<td>&amp; cash adjustments³</td>
<td>(25)</td>
</tr>
<tr>
<td>Current income taxes</td>
<td>(77)</td>
</tr>
<tr>
<td>Interests, TEI, fees &amp;</td>
<td>(272)</td>
</tr>
<tr>
<td>derivatives</td>
<td></td>
</tr>
<tr>
<td>Dividends &amp; interests to</td>
<td>(152)</td>
</tr>
<tr>
<td>Minorities</td>
<td></td>
</tr>
<tr>
<td>RCF</td>
<td>775</td>
</tr>
<tr>
<td>Sell down gains</td>
<td>196</td>
</tr>
<tr>
<td>RCF w/ Sell down gains</td>
<td>972</td>
</tr>
</tbody>
</table>

- Weaker EBITDA performance on the back of fx, expected lower prices and PTCs expiration (10 y)
- Lower net interests (-6% YoY net of capitalization) and TEI costs (-9%; -5% ex-fx)
- RCF¹ of €972m (vs €1.1bn in 2017) YoY comparison impacted by top line and higher non-recurring TEI realized benefits in 2017

¹Note that RCF includes tax benefits generated by the projects in the US under the TE structures, which are not included in the Organic Free Cash-flow concept;
²Includes Capital gains from Sell-down strategy; (3) Like-for-like
Net debt and Tax Equity increased by €274m

2018 from RCF to Debt and TEI variance
(€ million)

\[ \begin{array}{cccc}
\text{RCF w/ Sell-down gains} & \text{Cash Invest.}\^{(2)} & \text{Dividends to EDPR Shareholders} & \text{Forex & Other} \\
972 & (1,203) & (52) & 9 \\
\hline
(274) & & & \\
\end{array} \]

\[ \Delta \text{Net Debt and TEI Increase} \]

Solid Balance sheet leading to lower Net Interests costs

2018 Debt and TEI Breakdown (%)

<table>
<thead>
<tr>
<th>Type</th>
<th>Debt &amp; TEI</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Debt</td>
<td>30%</td>
<td>63%</td>
</tr>
<tr>
<td>TEI \€1.1bn</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Other &amp; TEI</td>
<td>42%</td>
<td></td>
</tr>
<tr>
<td>Loans with EDP</td>
<td>58%</td>
<td></td>
</tr>
</tbody>
</table>

(1) Like-for-like (2) Cash investments include Capex (net of projects sold), Net financial investments and Changes in working capital related with PPE suppliers and Government Grants
Business Plan Execution
Short term performance impacted by a challenging transition year and very low wind resources...

**EBITDA YoY variance walk by driver**  
(€ million)

- **2017**
  - **Forex Impact**
  - **PTC phase-out**
  - **Eastern Europe**

- **2018 lower load factor**
- **2018 business performance**

**EBITDA increasing by 5% YoY (ex-discontinuities and fx) from lower wind resource**

(1) Substitution Fee
...but delivering increased Net Profit and solid RCF given successful execution of an ongoing Sell-down strategy along with interests and TEI costs reduction

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**Sell-down Strategy**

- 80% of 499 MW portfolio
- Offshore stakes (UK 34%; FR 13.5%)

**Lower Financial Costs**

- Stable YoY Net interest cost of debt
- Lower TEI costs (-9% YoY)

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**Net Profit**

- €313m (+14% YoY)

**RCF\(^1\)**

- €972m

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(1) Retained Cash Flow with Sell-down gains

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Reaching Net Profit of €313m (+14% YoY) and Retained Cash Flow\(^1\) €972m
Outstanding growth execution and new growth plan being prepared to deliver extra growth

Successful execution of BP16-20...

...set to deliver above target in 2019...

...and developing further growth

2.2 GW already built & more than 100% of 3.5 GW BP16-20 target already secured

North America: EDPR main growth market
Wind onshore: 99% of 2019E capacity additions¹

EDP Group Strategic update to be presented in March 12th

(1) 1% accounts for 14 MW related to WindPlus floating in Portugal
Conclusions

- 2018 operating performance impacted by a load factor at 94% vs expected, mostly due to low wind resource in the 2H

- Top-line (-7% YoY) further impacted by expected discontinuities: i) PTC expiration; ii) Eastern Europe regulatory structural features & fx

- Despite temporary negative impacts and lower wind resource, Net income growth and solid retained cash flow are boost by company focus on solid balance sheet and the execution of a Sell-down strategy to deliver recurrent annual extra value

- Medium term performance ensured by outstanding business plan execution, with 2020 capacity targets expected to be exceed

- EDP Group Strategic Update to be presented in March 12th
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