



9M19 RESULTS PRESENTATION

Lisbon, October 31st 2019

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9M19 Key Highlights

EBITDA: +10% YoY

- ↑ Renewables growth (0.9 GW built up YoY) and Asset Rotation deals (0.6 GW agreed YTD)
- ↑ Networks with robust growth in Brazil (Distribution & Transmission)
- ↓ Hydro resources Portugal in 9M19 -39% vs. historical average

€2,661 Mn EBITDA

Recurring Net Profit: +7% YoY

- ↓ Avg. cost of debt 4.0% on higher weight of hybrid and USD/BRL debt: to be diluted with refinancing
- ↓ Negative non recurring items¹: CMEC provision in 3Q18 (-€285 Mn), Fridão provision in 3Q19 (-€87 Mn)

€585 Mn Recurring Net Profit

Net debt: -5% YoY

- ↑ Recurring Organic Free Cash Flow of €1.0 Bn: +1% YoY
- ↑ Expansion investments of €1.3 Bn balanced by asset rotation proceeds of €1.0 Bn

€13.8 Bn Net Debt

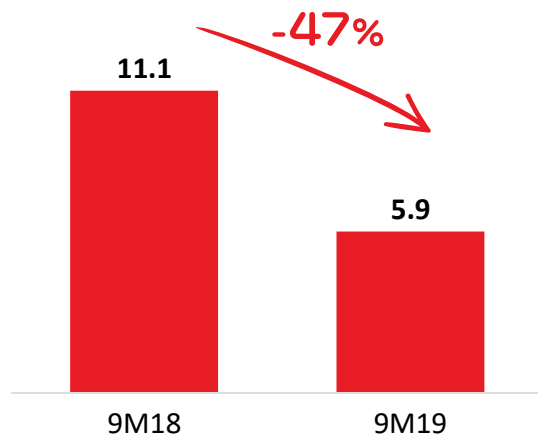
1) Amount gross of taxes

Low hydro resources in Iberia in 9M19, while wind resources stable YoY but still below average



EDP Hydro production in Iberia

TWh



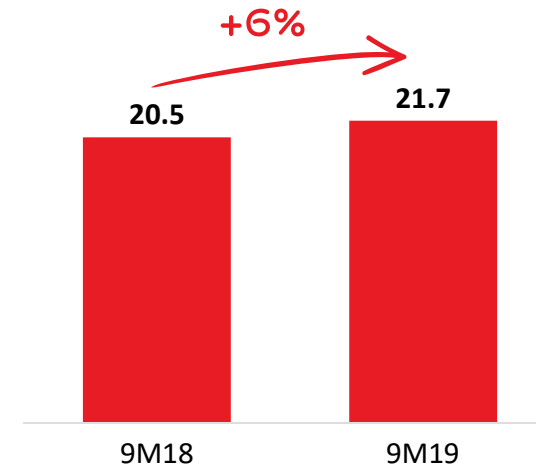
Hydro resources
vs. LT Avg.¹

+20%

-39% ↓

EDP Wind production

TWh



Wind resources
vs. LT Avg. (P50)

-4%

-4%

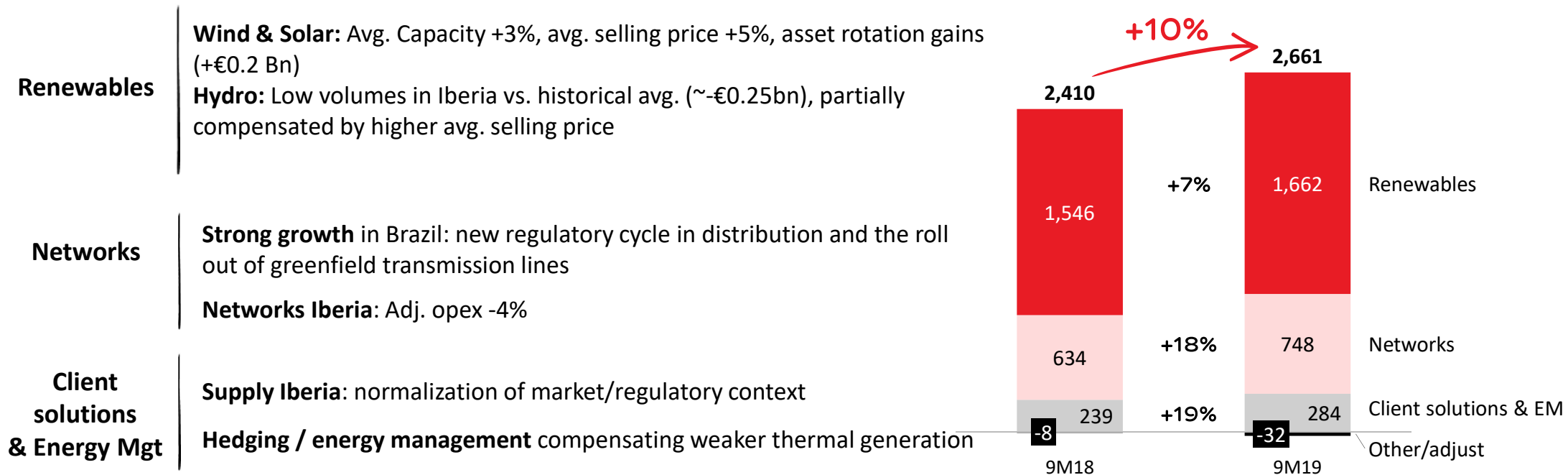
1) Hydro resources reference from Portugal only

EBITDA +10%, with strong growth in renewables (new capacity and asset rotation) and networks (expansion in Brazil, lower Opex Iberia)



EBITDA 9M19

€ Mn; YoY growth, %



Strong operating costs performance in all divisions



xx% Weight on Opex

Operations	Indicator	YoY Change	Main drivers
Iberia 55%	Opex ¹	0%	• Inflation +0.4% in PT and +0.8% in ES • Avg. headcount -4% YoY
EDP Brasil 16%	Opex ¹ in BRL	+3%	• Avg. Inflation: +3.9%² • DisCos # Customers: +2% YoY
EDPR 29%	Adj. Core Opex ¹ /MW ³	0%	• Avg inflation in our geographies⁴: +1.6% • Avg MW +3%
	Opex ex-forex ¹	+2%	• Generation avg. MW: +1%
	Opex like-for-like (excl. growth)	-1%	• DisCos # Customers: +1%

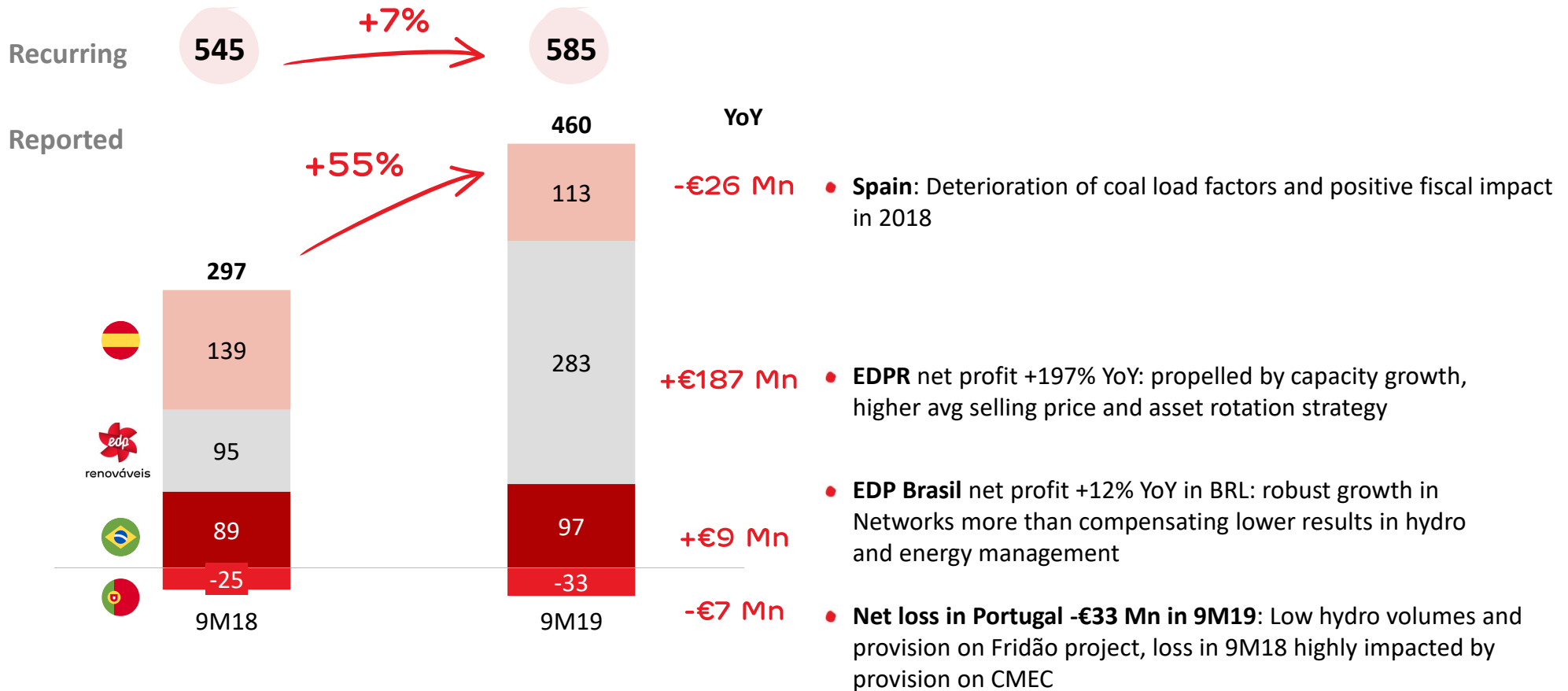
1) Recurring Opex Pro-forma (excludes IFRS16 impact) ; 2) Avg. IPCA 9M19 vs. 9M18 ; 3) Core Opex/Avg MW adjusted by IFRS16, offshore costs (mainly cross-charged to projects SPV's) and FX ; 4) Inflation in 9M19 vs 9M18 in EDPR geographies, weighted by installed capacity in each country

Net Profit +55%, supported by renewables growth, Portuguese operations depressed by low hydro (9M19), one-offs and regulation



Net Profit 9M19

€ Mn



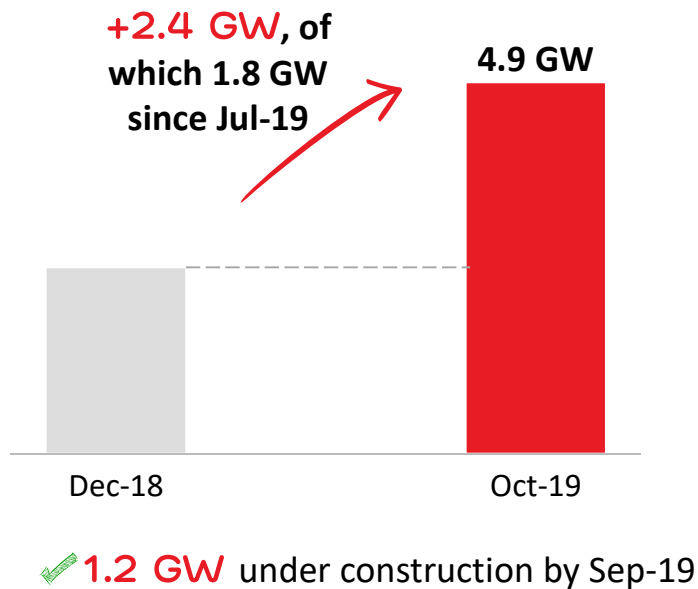


Strategy Execution

We are delivering our growth target in renewables, with 4.9 GW already secured (c.70% of our 7 GW target)

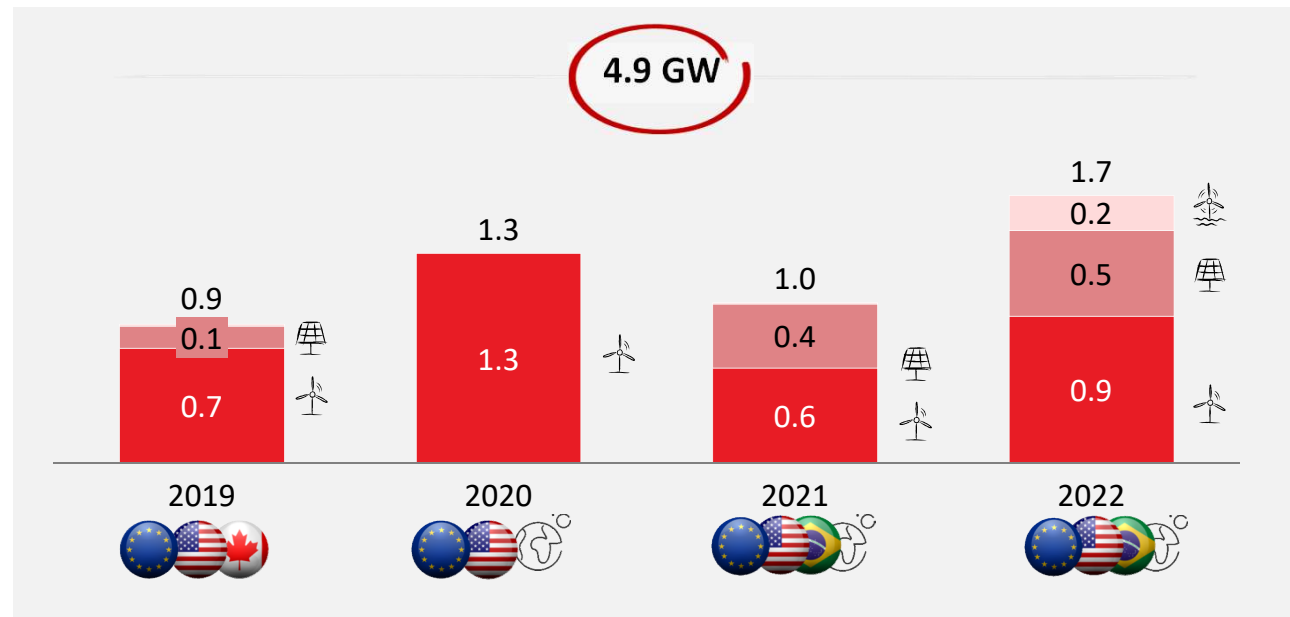


Renewables Capacity LT contracts secured for 19-22



Projects already secured

Build-out GW; Oct-19



Wind offshore: EDP/Engie JV progressing on formal establishment as expected

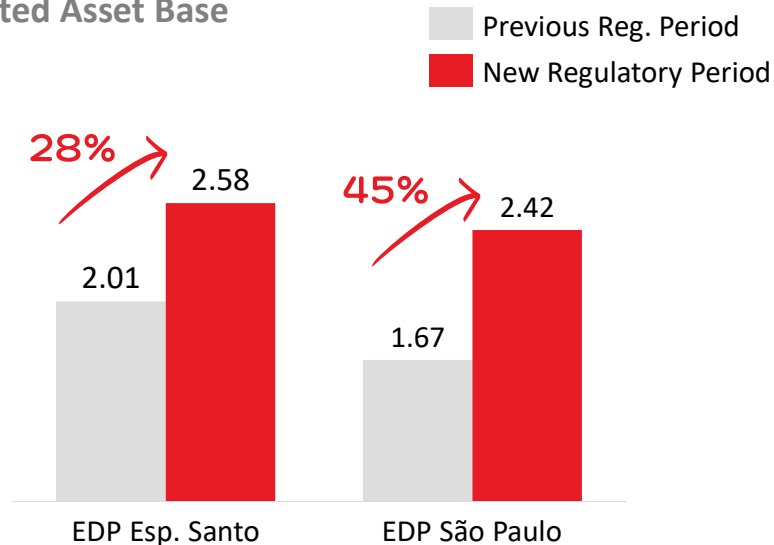
Mayflower (804 MW, COD 2025) was awarded in Massachusetts. Results of Connecticut PPA auction known soon

Growth visibility in Networks Brazil: new regulatory period in distribution and deployment on track of new transmission projects



Distribution: Regulatory review

Regulated Asset Base
R\$ Bn



- ✓ **RoRAB @ 8.09% post-tax** (up to Aug-22 for EDP ES and Oct-23 for EDP SP)
- ✓ **Regulated revenues “Parcela B”**: **+20%** vs. First 12M of the previous regulatory period

Transmission lines rollout moving forward

6 projects: **1,441km**
R\$3.9 Bn⁽¹⁾ of total investment

- **1 line in operation** (20 months ahead of schedule)
- **4 lines under construction**
- **1 line in permitting stage**

- ✓ **37%** of CAPEX executed in 9M19
- ✓ **71%** of funding already secured at better than expected financing costs
- ✓ **12-14%** implicit ROE in auction bids, with 2x NPV enhancement, driven by construction ahead of schedule and funding optimization

(1) Inflation adjusted CAPEX
RESULTS PRESENTATION

Asset rotation and disposals in Iberia moving forward as planned



Asset rotation

	Europe 	Brazil 
Announcement	Apr-19	Jul-19
Capacity, Gross	997 MW	137 MW
Net	491 MW	
EV/MW	€1.6 M/MW	€2.2 M/MW
Cash Proceeds	€0.8 Bn	€0.3 Bn
	Jul-19	4Q19

- ✓ Implicit **valuations above** business plan **assumptions**
- ✓ Deals agreed YTD: ~**25% of €4 Bn target proceeds for 2019-22**

Asset Disposals Iberia

- **Potential disposal of a portfolio of merchant generation assets in Portugal (~1.7 GW)**
- **Ongoing due diligence process** by a selected group of interested parties with view to binding offers by year end
- **Other complementary/alternative options** also being considered

- ✓ On track to deliver disposals' plan **by 2020**

Our strong commitment with ESG was recognized by Dow Jones Sustainability Index 2019 ranking: #1 Global Integrated Utility



Global Leader within **integrated utilities**



Best-in-Class (score 100/100) in 9 criteria namely:

- Climate Strategy
- Water Related Risks
- Stakeholder Engagement
- Environmental & Social Reporting
- Human Rights



- **2050 Commitment: Carbon neutrally** EDP is one of the 87 global corporations that have recently **pledged to reduce emissions and ensure global warming does not exceed 1.5°C** and reaching net-zero emissions by no later than 2050
- **2030 Commitment:**
 - -90% CO₂ specific emissions (vs. 2005 levels)
 - 90% renewables generation in our mix

Strong engagement with decarbonization: Leading the energy transition to create superior value

9M19 period marked by important steps to deliver 2019-2022 strategic targets



2019 GUIDANCE

Recurring EBITDA: **~€3.6bn**

Recurring Net Profit¹: **~€0.8bn**

- Asset rotation Brazil closing in 4Q19
- Avg. renewables' output around historical avg. in 4Q19

2019-2022 STRATEGIC PLAN

On track to delivery



Accelerated and focused growth

- **Renewables:** target additions for 2019-22 (7.0 GW) **70% secured with LT contracts** (4.9 GW)
- **Networks Brazil:** Visibility on distribution (**RAB +36%**); transmission ahead of schedule



Continuous portfolio optimization

- **Asset Rotation:** **€1.1 bn** proceeds agreed, implicit valuations above strategic plan assumptions
- **Asset disposals program:** **on track to deliver our >€2.0bn** target proceeds before 2020 YE



Solid Balance sheet and low-risk profile

- **Refinancing:** in Sep-19, €0.6 bn 7-Year bond, **0.4%** yield (€4 Bn bond maturities up to 22)



Efficiency

- **-1% Opex** in 9M19 (Like-for-Like ex-growth)

(1) Assumes extraordinary energy tax as non recurrent
RESULTS PRESENTATION

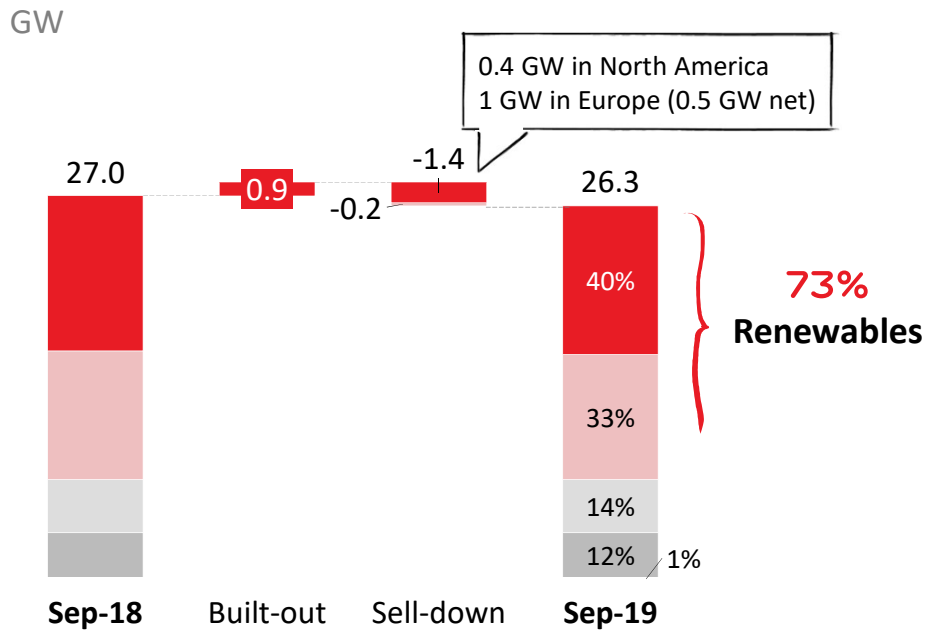


Results Analysis

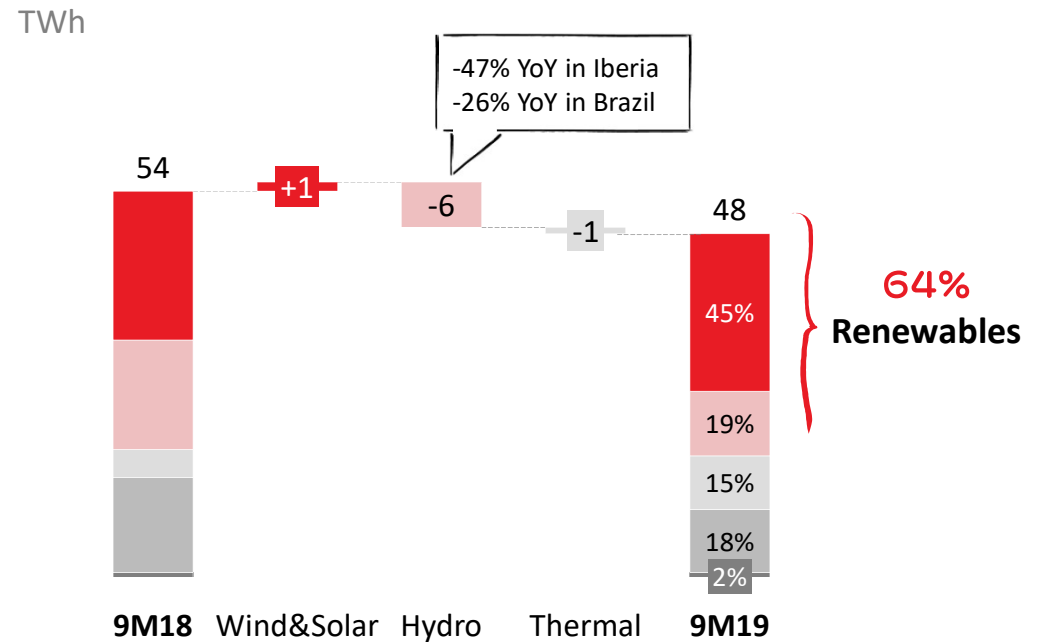
Lower electricity output explained by weak hydro resources in PT, while installed capacity figures mostly reflect our asset rotation deal



Installed capacity breakdown by technology



Electricity production breakdown by technology



■ Wind & Solar
 ■ Hydro
 ■ CCGT
 ■ Coal
 ■ Other¹

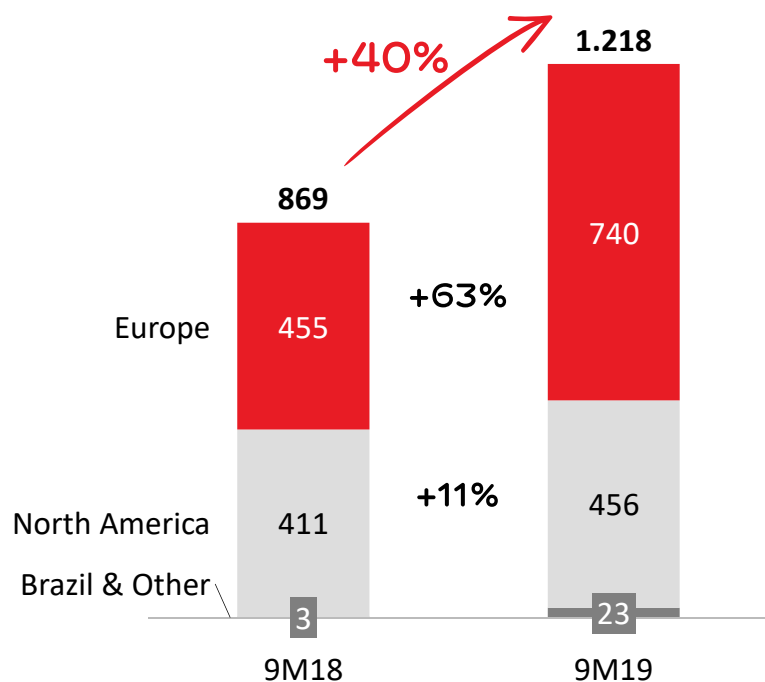
¹ Others include thermal special regime (cogeneration, biomass) and nuclear

Wind & Solar EBITDA +40%, impacted by asset rotation gains in Europe and +5% avg. selling price



EBITDA – Wind & Solar

€ Mn; YoY growth, %



	9M18	9M19	YoY
Avg. Installed Capacity ¹ , GW	10.7	11.0	+3% ↑
Production vs. LT Avg. (P50), %	-4%	-4%	0 pp ➡
Electricity Production, TWh	20.7	21.9	+6% ↑
Avg. selling price, €/MWh	53.7	56.1	+5% ↑
Asset Rotation Gains, € Mn	-	226	- ↑

1) Considers capacity at EBITDA level

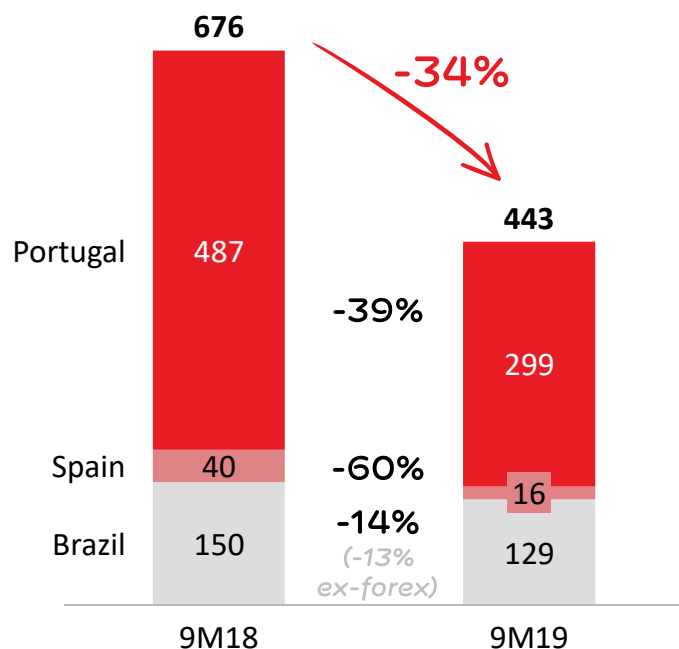
RESULTS PRESENTATION

EBITDA from Hydro down by 34%, strongly penalized by low volume in Iberia, while partially offset by higher prices and hedging



EBITDA – Hydro

€ Mn; YoY growth, %



	9M18	9M19	YoY	
Hydro Capacity, MW	7,288	7,186	-1%	↓
Hydro Production, TWh	11.1	5.9	-47%	↓
Avg selling price, €/MWh	59	61	+3%	↑



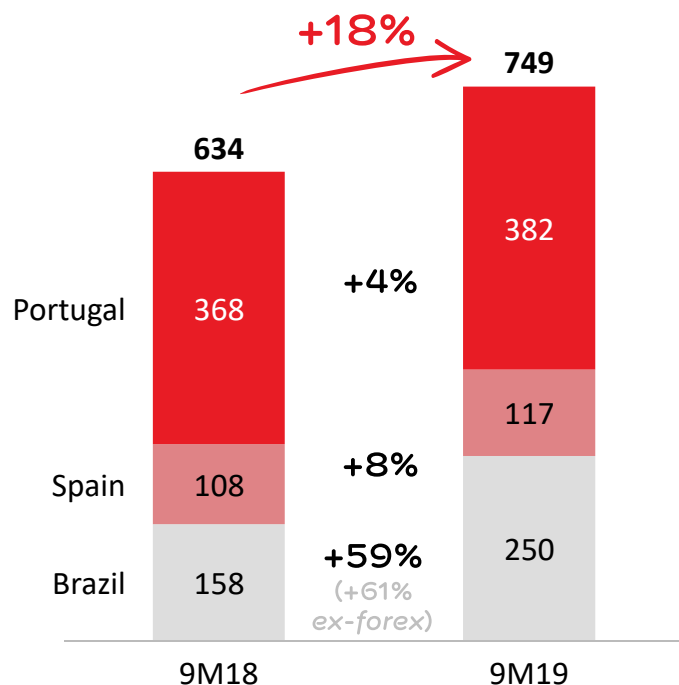
	9M18	9M19	YoY	
Hydro installed capacity, MW	1,731	1,599	-8%	↓
Avg selling price, \$R/MWh	187	180	-4%	↓

Regulated Networks EBITDA +18%, mainly driven by increased tariffs and higher asset base in distribution and transmission in Brazil



EBITDA – Networks

€ Mn; YoY growth, %



	9M18	9M19	YoY
Return on RAB PT ¹ , %	5.42%	5.13%	-28 bp ↓
RAB, €Mn	3,946	3,924	-1% ↓
Opex ² , €Mn	298	286	-4% ↑



	9M18	9M19	YoY
Electricity distributed, TWh	19.1	19.6	+3% ↑
Transmission EBITDA, € Mn	1	28	- ↑
RAB distribution ³ , € Mn	984	1,131	+15% ↑
VNR ⁴ , € Mn	11	59	- ↑

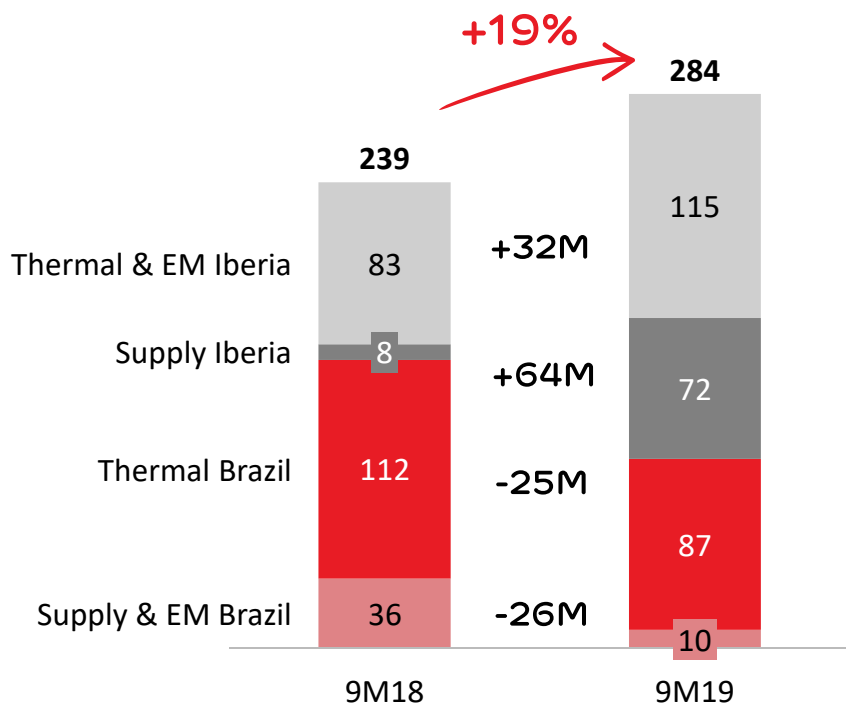
1) RoRAB of HV/MV | 2) Excludes IFRS16 impact of €5 Mn | 3) Accounting RAB as of Sep-19 | 4) Revaluation of residual asset value

Client Solutions & Energy Management EBITDA +19%, normalization of supply margins in Iberia and weaker Energy Management in Brazil



EBITDA – Client Solutions & Energy Management

€ Mn; YoY growth, %



↑ Normalization of supply margins in Iberia, following a particularly adverse 9M18

↓ Deterioration of coal load factors (80% 3Q18 vs. 22% 3Q19)

↑ Better results from energy management and forward hedging in energy markets



	9M18	9M19	YoY	
Pecém availability, %	89%	97%	+8 pp	↑
ADOMP ¹ , € Mn	25	0	-	↓
Supply volumes, TWh	13.6	9.8	-28%	↓

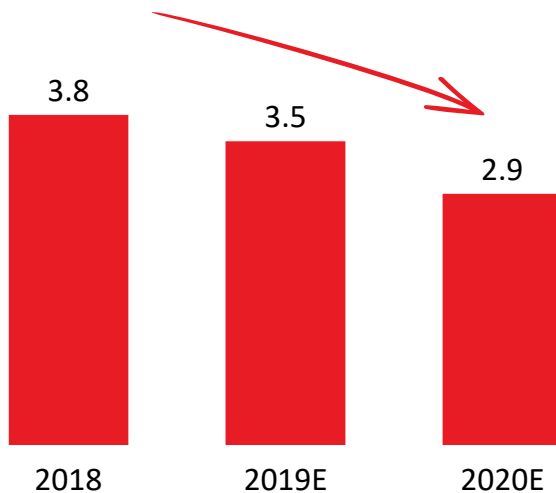
1) One-off revenues from the downwards revision of the regulatory level of the availability factor

Portuguese electricity system debt is being gradually reduced in line with projections: expected to be fully paid down before 2025



Portuguese electricity system debt

€ Bn



- **ERSE's tariff proposal for 2020:**

- **Avg. last resort tariff for residentials: -0.4%**, avg. access tariff: +1.1%
- Lower 10-year Portuguese bond yields: **Distribution return on RAB in line with 2019, at 5.16%¹**; some negative one-offs penalizing 2020 distribution regulated revenues

- **Other drivers:**

- **Capacity additions from the Portuguese solar auction**, with 1.3 GW of capacity awarded at record low prices
- **Extraordinary energy tax (CESE) for 2020**: to be defined in Annual State Budget (draft 15-Dec)

1) Historically, the regulator assumes the preliminary rate of the previous year

Net debt at €13.8 Bn, +2% YTD

Change in Net Debt: Sep-19 vs. Dec-18, € Bn

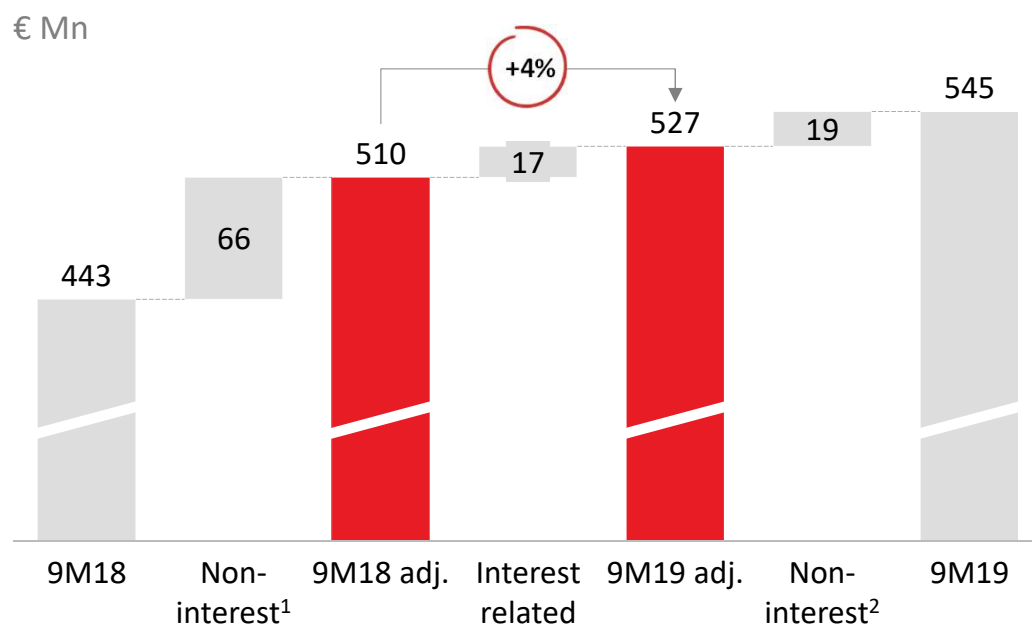


1) Based on net debt excluding regulatory receivables and on recurring EBITDA of the last 12 months. Excludes €829 Mn related with Leasings' debt accounted as Other Liabilities (IFRS 16 impact)

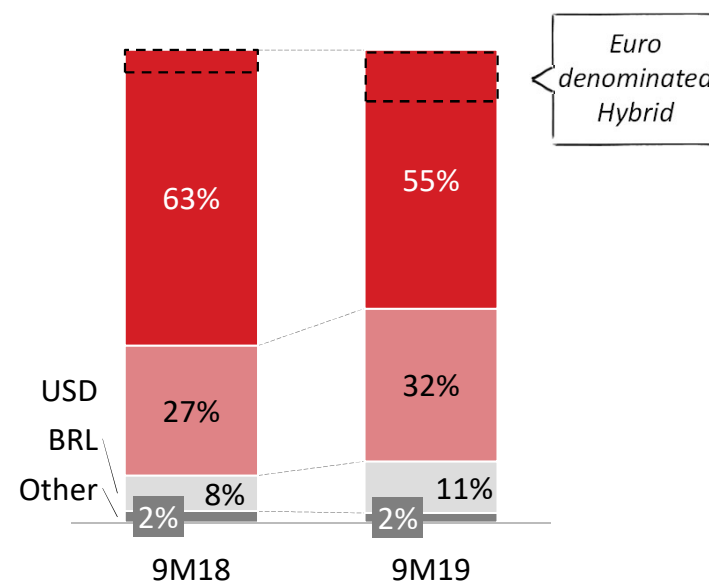
Financial results adjusted for non-interest items up by 4% following 20bp increase of avg cost of debt and slight decline of avg. debt



Net Financial Costs: 9M19 vs. 9M18



Nominal debt by currency³



Avg. cost of debt **+20 bp** **4.0%** impacted by €1bn hybrid bond issue in Jan-19 and higher weight of USD & BRL

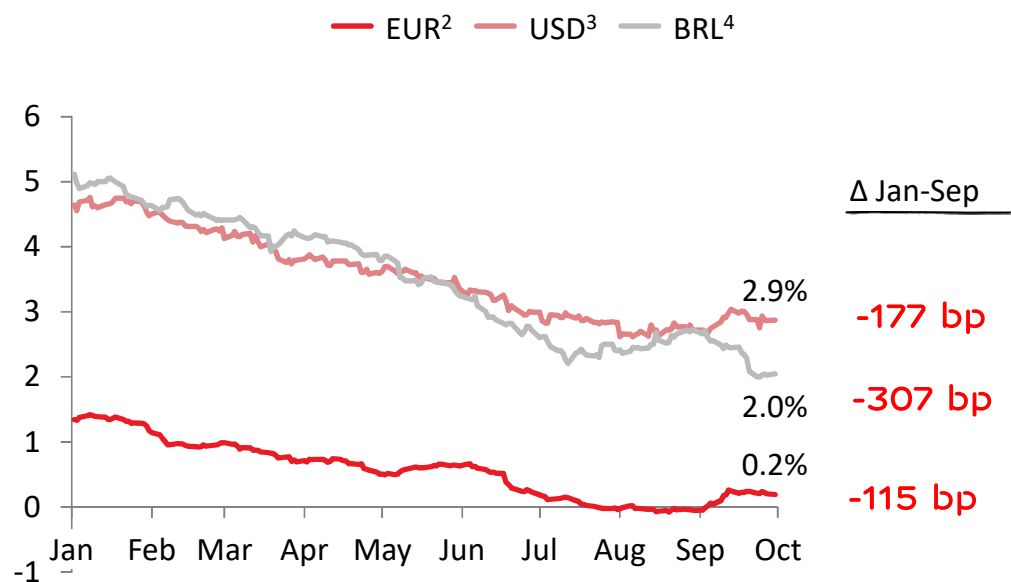
Avg. Debt **-1% YoY**

1) Other items in 9M18 includes: +€15 Mn of badwill arising from the acquisition of a stake in Celesc, +€19 Mn of Capital Gains (mostly Moray East asset rotation), +€8 Mn of Net foreign exchange differences and derivatives and +€25 Mn pro-forma impact from IFRS 16 | 2) Other items in 9M19 are related with Net foreign exchange differences and derivatives and €3 Mn of Capital Losses | 3) Includes FX Hedge

Over 9M19 refinancing costs have moved significantly lower vs. our 2019-22 business plan assumptions

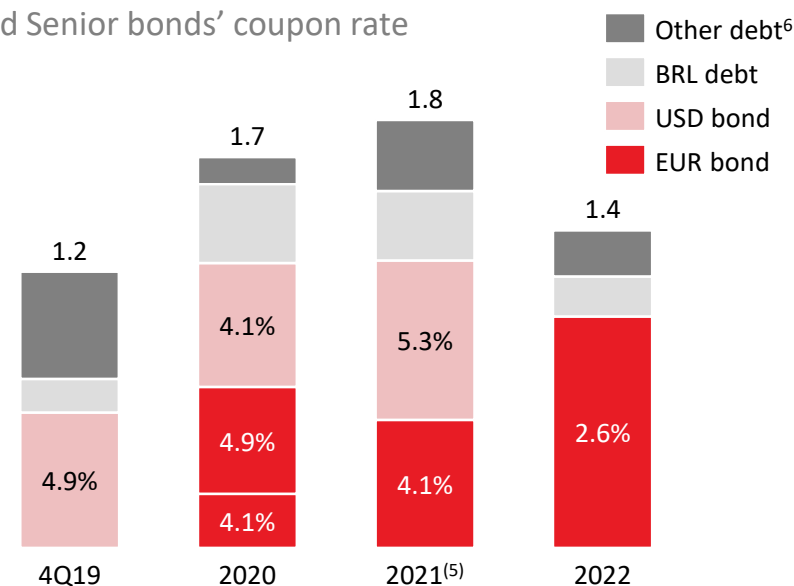


Market yields of 5y¹ EDP Bonds, % (Jan-Sep 2019)



EDP consolidated debt maturities in 4Q19-2022

€ Bn and Senior bonds' coupon rate



€4 Bn of EUR and USD bonds maturing until 2022: interest costs significantly above current market yields

Financial liquidity €7.7 Bn (€5.9 Bn credit lines), covering refinancing needs beyond 2022

1 Except for BRL | 2 EDPPL 1.125 02/12/2024 REGS Corp | 3 EDPPL 3.625 07/15/2024 144A Corp | 4 ENBRBZ 8.3479 04/15/22 Corp | 5 Does not include €750 Mn hybrid bond with 5.375% coupon which has a call option on Sep-2021 | 6 Includes commercial paper and project finance

Net Profit +7% YoY, supported by EBIT growth and penalized by increase of financial costs and income taxes



9M19 Reported Net Profit, € Mn

		Δ YoY	Key comments
EBITDA	2,661	251	EBITDA +10% ; propelled by improved results of wind & solar and networks Brazil
Amort, Impair. & Provisions	1,190	141	Non recurring provisions: In 3Q19 Fridão (€87 Mn); in 3Q18 CMEC (€285 Mn)
EBIT	1,471	393	EBIT +36%
Financial Results & Associates	531	-97	Adverse YoY comparison of non interest related items 20bps increase in avg. cost of debt
Income Taxes	146	-95	Effective tax rate 15% in 9M19 vs. 8% in 9M18
Extraordinary Energy Tax	68	-3	Non-recurring energy tax (CESE) mostly flat yoy
Non-controlling interest	266	-35	Increase of EDPR net profit
Net Profit	460	163	Net profit +55% ; recurring net profit +7%
	585		
	Recurring Net Profit¹		

1) One-offs impacts at net profit level: 9M18: CESE (-€65 Mn), Innovative CMEC costs (-€195 Mn) and retroactive Final CMEC (-€13 Mn); in 9M19: CESE (-€68 Mn) and Fridão Provision (-€59 Mn)

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Next Events

- Nov 4-5th: London Roadshow
- Nov 11th-13th: US Roadshow
- Nov 13th: London (UBS Conference)
- Nov 20th: London (UniCredit Fixed Income Conf.)
- Dec 4th: Paris (Soc. Générale Conf.)
- Dec 10th: Paris (Crédit Agricole Conf.)
- Feb 20th: YE19 results