

9M2009 Results

Investor Relations Department

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Table of contents



9M2OO9 Highlights	- 2 -
Consolidated Financial Statements	- 3 -
Development of capacity	- 4 -
Capex and Cash Flow	- 5 -
Net Debt and Financial Results	- 6 -
Business Platforms	-7-
Europe	- 8 -
US	- 12 -
Quarterly Data	- 13 -
Income Statements	- 15 -
Annex	- 18 -

9M09 Highlights



Results Highlights (€m)	9M09	9M08	Δ%
Gross Profit (1)	495.5	401.9	+23%
Operating Costs	126.9	95.4	+33%
EBITDA EBITDA / Gross Profit	368.5 74.4%	306.5 76.3%	+20% (1.9 pp)
Net Income ⁽²⁾	70.1	58.8	+19%

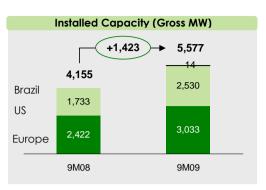


Capacity under development (Gross MW)	9M09		9M08
Under construction	1.293	Ł	1.612
Pipeline	18,731		17,035
Prospects	9,856	•	10,580
Total	29,881		29,227

Capex (€m)	I	9M09	9M08
Capex		1,487	1,249

Liabilities (€m)	9M09	YE08
Net Debt	2,079	1,069
Adj. Institutional Partnership Liability	811	852

Employees	I 9M09 I 9	80M
Employees	690	592



Electricity Generated (GWh)	9M09	△ 09/08
Europe US Brazil Total Generation	3,225 4,050 19 7,295	+16% +57% - +36%
Load Factors (%)	9M09	△ 09/08
Europe US	24% 31%	(1 pp)

- EDP Renováveis ("EDPR") continues delivering strong growth, having installed in the last 12 months 1,423 MW, a 34% annual growth. As a result, EDPR finished 9M09 managing a total portfolio of 5.6 GW, spread by six different countries. The strong capacity increase is being reflected in the electricity output, which grew by 36% YoY, and in the financial figures. EBITDA grew by 20% YoY, while Net Income increased by 19% to €70m.
- From the 1,423 MW installed in the last 12 months, 798 MW were in US, 611 MW in EU, while the remaining 14 MW were related to Brazil. As of Sept-09, EDPR had 1.3 GW under construction, of which 866 MW in Europe and 427 MW in US.
- In the 9M09, and despite the expected seasonality of the wind, EDPR continues to deliver above average load factor, underlining the high quality of its wind farms. The total average load factor, in a period with a lower wind resource, remained stable vis-à-vis 9M08 at 28% as a result of a balanced portfolio. Load factor in the 9M09 reached 24% in Europe and 31% in US.
- Gross profit in the 9M09 was up 23% YoY, reaching the €495m, reflecting the increase in the electricity output to 7,295 GWh and a low risk portfolio to face the current unfavourable pricing environment in the power markets. In the 9M09, EDPR registered a €14m gain due to its active risk management strategy, which involved the decision to hedge its exposure to the Spanish pool price. For the Jan. to Sept. 2009 period, EDPR sold forward c1.4 TWh (c80% of its exposed volume) at above market prices. The good top-line performance (+23% YoY) together with the maintenance of efficiency levels achieved in the period, resulted in an EBITDA increase of 20% and an EBITDA margin of 74%. Net profit reached €70m, up 19% YoY, also benefiting from lower interest expenses and a decline on the effective income tax rate.
- Capex in 9M09 reached €1.5bn, 54% in EU and 46% in US. Net debt in the period increased to €2.1bn on the back of the strong investment programme. At Sep-09, net debt only represented 21% of the company's EV, clearly demonstrating EDPR's solid balance sheet.
- In September, EDPR received the first Cash Grant approved by the US Department of Treasury (\$48m) and successfully closed a new Institutional Partnership structure (\$102m), which will improve the project's economics and the company's fiscal efficiency.
- For 2010, EDPR expects to install between 1.3 1.4 Gross GW of new capacity.

⁽¹⁾ Includes revenues from the sale of interests in institutional partnerships.

⁽²⁾ Attributable to equity holders.

^{(3) €5}m gain included in "Other" related to the sale of a solar project in Spain in the 9M08. In the financial statements this amount is booked in the European platform.

Consolidated Financial Statements



Note: The financial statements presented in this document are non-audited.

Consolidated Income Statement (€ m)	9M09	9M08	Δ 09/08
Revenues Direct Activity Costs Gross Profit	440.9 (5.8) 435.0	371.1 (10.5) 360.6	18.8% 44.3% 20.6%
Other income - sale of interests in institutional partnerships Adjusted Gross Profit	60.4 495.5	41.3 401.9	46.4% 23.3%
Supplies and services Personnel costs Other operating costs (or revenues) Operating costs	103.5 30.6 (7.2) 126.9	70.6 25.9 (1.1) 95.4	46.7% 18.3% - 33.1%
EBITDA EBITDA/Adjusted Gross Profit	368.5 74.4%	306.5 76.3%	20.2% (1.9 pp)
Provisions for risks and contingencies Depreciation and amortization Comp.of subsidised assets' depreciation	(0.1) 220.6 (0.8)	0.4 147.6 (0.5)	49.5% 43.9%
EBIT	148.8	159.0	(6.4%)
Capital gains/(losses) Financial income/(expense) Income/(losses) from group and associated companies	0.3 (60.6) 2.9	2.4 (64.1) 3.2	(88.7%) 5.4% (9.6%)
Pre-tax profit	91.3	100.5	(9.1%)
Income taxes Discontinued Activities	(21.3)	(36.7)	41.9% -
Profit of the period	70.0	63.8	9.7%
Equity holders of EDPR Minority interests	70.1 (0.1)	58.8 5.0	19.3% -

Assets (€ m)	9M09	I	FY08
Property, plant and equipment, net Intangible assets, net Financial Investments, net	8,150 1,371 53		7,074 1,378 53
Deferred Tax asset Inventories Accounts receivable - trade, net Accounts receivable - other, net Financial assets held for trading Assets held for sale Cash and cash on windows.	27 9 59 568 37 1)) }	22 12 83 512 36 1
Cash and cash equivalents Total assets	239 10,513		9, 401

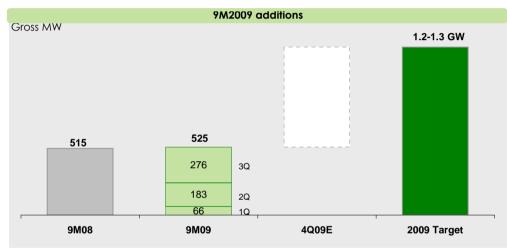
Eauitv (€ m)	I	9M09	I	FY08
Share capital + share premium		4,914		4,914
Reserves and retained earnings		192	2	89
Consolidated net profit attrib. to equity holders of the parent		70)	104
Minority Interest		98	3	83
Total equity		5,273	3	5,190

Liabilities (€ m)	I 9M09 I	FY08
Financial Debt Institutional Partnership	2,370 1,128	1,462 1,097
Provisions	58	51
Deferred Tax liability Accounts payble - net	312 1,371	308 1,293
Total liabilities	5,239	4,211
Total equity and liabilities	10 513	9 401

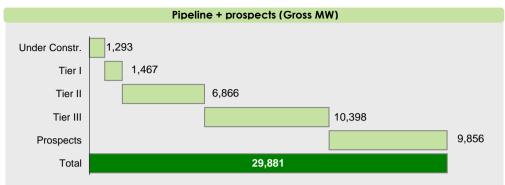
Development of Capacity



Installed Capacity (Gross MW)	9M09	9M08	\triangle MW
Spain Portugal ⁽¹⁾ Rest of Europe - France - Belgium	2,169 596 268 211 57	1,761 517 144 144	+408 +79 +124 +67 +57
Europe	3,033	2,422	+611
us	2,530	1,733	+798
Brazil	14	-	+14
Total	5,577	4,155	+1,423



- In the last 12 months, EDP Renováveis increased its installed capacity by 1,423 MW, representing a 34% increase vis-à-vis the 9M08. In the 9M09, total additions amount to 525 MW, of which 372 MW in US, 139 MW in Europe and 14 MW in Brazil. This level of new installations in the 9M09 was above the 9M08 new installations and corresponds to more than 40% of the company's annual target for 2009.
- In the 3Q09 stand alone, EDPR added 276 MW through the continued growth in the US market (+173 MW), the installation of 60 MW in Spain and 18 MW in France, and the new capacity that was commissioned in Portugal already related to the capacity of the Eólicas de Portugal consortium that is attributable to EDPR (+26 MW).

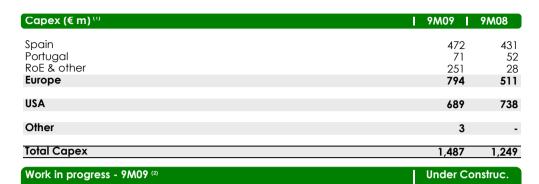


Cross MAN	unaer		Pipe	eline		Dunama ala	Total
Gross MW	Constr.	Tier 1	Tier 2	Tier 3	Total	Prospects	Total
Spain	417	373	485	1,814	2,671	2,341	5,429
Portugal	128	351	14	9	374	200	702
Rest of Europe - France - Belgium - Poland - Romania	322 30 13 120 159	124 55 - - 69	571 58 - 456 57	854 356 37 406 56	1,549 468 37 862 182	1,882 753 25 604 500	3,752 1,251 74 1,586 841
Europe	866	847	1,070	2,677	4,594	4,423	9,883
US	427	550	5,563	7,385	13,498	4,564	18,489
Brazil	-	70	234	336	640	869	1,509
Total	1,293	1,467	6,866	10,398	18,731	9,856	29,881

- At the 9M09, EDPR had under construction 1.3 GW, of which 866 MW in Europe and 427 MW in the US. In Europe, 48% of this capacity (417 MW) is under construction in Spain, 15% in Portugal (128 MW, of which 86 MW for the attributable capacity in the Eólicas de Portugal consortium) and 37% in the Rest of Europe (322 MW). Is worth mentioning that EDPR started the construction of its first MW in Romania (159 MW already under construction out of 228 MW) and initiated in October the commissioning process of the first turbines at its 120 MW project in Poland. In the US, EDPR keeps on developing new wind projects and has launched the construction of Meadow Lake II wind farm (99 MW) in Indiana, which was fostered by the cash grant awarded in September by the US Department of Treasury.
- EDP Renováveis' portfolio of projects vs. YE08 increased 1.6 GW to 29.9 GW, mainly by the origination of new projects in an early stage and by the acquisition of 532 MW in different stages of development in Brazil, increasing even more the optionalities to foster EDP Renováveis' profitable growth.

Capex and Cash Flow







Following are the key cash-flow items that influenced the change in net debt:

- Operating cash-flow of €311m: i) cash flow after taxes and corrected by financial costs, of which the main non-cash items are related to the sale of interests in institutional partnerships; and ii) change in working capital of €47m;
- Investing activities of €1.4bn reflecting the capital expenditures + financial investments adjusted by equipment suppliers' working capital;
- Cash grant of €35m from the US Department of Treasury related to Wheat Field wind farm (97 MW);

- Capex in the 9M09 amounted to €1.5bn, of which €794m in Europe and €689m in US (\$937m), reflecting the conclusion of the construction of 525 MW and the 1,293 MW under construction. It is worth highlighting the €251m spent in RoE, reflecting the MW installed in France and Belgium, and the MW under construction in those regions (43 MW), in Poland (120 MW) and in Romania (159 MW).
- Capital expenditures related with the construction and development activities amounted to €1.3bn, which reflects the final works with the capacity in operation, the capacity installed in the period and the capacity under construction and development. Capex with turbines deposits amounted to €107m, representing 7% of total expenditures.
- It is important to highlight that total work in progress related to capacity under construction/development amounted to €1,648m, reflecting the capex already incurred with this projects, of which €1.2bn solely related to under construction activities.

Cash Flow (€ m)	9M09
Net profit before minorities	70
Net depreciations, amortizations and provisions	220
Non cash and other adjustments	(92)
Taxes	21
FFO (Funds from operations)	219
Net financial costs	45
Change in operating working capital	48
Operating Cash Flow	311
Capex and financial investments	(1,541)
Working capital related to property and equipment suppliers	93
Cash Grant	35
Net Operating Cash Flow	(1,101)
Net financial costs	(45)
Proceeds from institutional partnership in US wind farms	(45) 112
Forex & Other	24
Decrease / (Increase) in Net Debt	(1,010)

- Net financial costs of €45m: mainly related to net interest cost effective cash-out that was not capitalised and excluding institutional partnership financial costs (non-cash);
- Payments from institutional partnerships of €112m: related to the receivable of the second instalment of Vento III deal (\$50m) and the new deal related with the Rail Splitter wind farm (\$102m);

All in all, Net Debt increased by €1,010m reflecting the strong investment activities in the period related to the new addition of 525 MW and the 1.3 GW under construction.

⁽¹⁾ Gross operating capital expenditures, excluding cash grant in the US.

⁽²⁾ Excludes works in progress related to PPA and to capacity already in operation

Net Debt and Financial Results

Total



Net Debt (€ m)	I	9M09	FY08
Bank Loans and Other Loans with EDP Group Related Companies		541.3 1,887.8	560.2 902.1
Financial Debt		2,429.1	1,462.3
Cash and Equivalents Loans to EDP Group Related Companies Financial assets held for trading		239.0 74.0 36.8	229.7 127.8 35.8
Cash & Equivalents		349.7	393.2
Net Debt		2,079.3	1,069.1
Institutional Partnership (€ m)	1	9M09 I	FY08
		////O/	
Institutional Partnership Liability (-) Deferred Revenue (-) Restricted cash (1) Adjusted Institutional Partnership Liability		1,128.3 (301.3) (15.5) 811.4	1,096.7 (201.8) (43.0) 851.8
(-) Deferred Revenue (-) Restricted cash (1)	9M09 [1,128.3 (301.3) (15.5)	1,096.7 (201.8) (43.0)

• EDP Renováveis' gross financial debt was €2.4bn in the 9M09, being 78% of it loans with EDP Group, which are made through a fixed rate for 10 years, while external debt with financial institutions is mostly related to project finances with a long-term profile. Net Debt achieved €2.1bn, increasing from the €1.1bn by the end of 2008, reflecting the capital expenditures in the period.

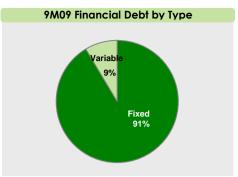
(60.6)

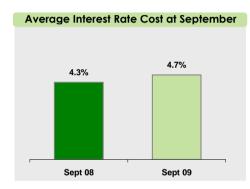
(64.1)

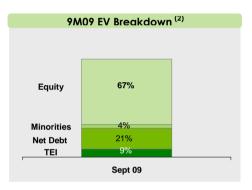
+5.4%

- Liabilities referred as institutional partnerships in the US, decreased to €811m in 9M09 from €852m in FY08 reflecting: i) the amortization of this liability, and ii) the positive impact by forex translation, which were offset by iii) the new institutional partnership signed in 1st September 2009 incorporating the ITC equivalent value, and monetized under the cash grant program, as well as the MACRS associated tax credit. The non-current deferred revenue is related to tax credits already benefited by to the institutional investor and to be recognized in the P&L in the future.
- 9M09 financial costs were €61m, 5% below the €64m registered in the 9M08 reflecting lower non-interest related financial costs. Net interest costs and institutional partnership costs (non-cash) increased YoY on the back of higher averaged net debt and tax equity liability. Interest costs associated to the construction of the wind farms are being capitalized.









- As of September 2009, 52% of EDP Renováveis' financial debt was in US Dollars, reflecting the investments the company has done in the US. EDP Renováveis finances itself in US Dollars for the North-American investments, reducing its financial exposure to forex changes. Dollar denominated debt was fully contracted with EDP.
- 91% of EDP Renováveis' financial debt was negotiated at a fixed rate, which mainly represents the financing agreements with EDP. EDPR follows a long-term fixed rate funding strategy to match the operating cash flow profile with its financing costs.
- 9M09 average interest rate was 4.7%, reflecting the ongoing financing agreements signed with EDP for the capacity build-out.
- It is important to highlight that at September 2009, EDPR's net debt only represented 21% of the company's EV, which clearly demonstrates a solid balance sheet. This, coupled with EDP's support as the main funding source, continues to give solid ground for future growth.

^[1] Restricted cash includes funds that are required to be held in escrow, sufficient to pay the remaining tax equity projects' construction related costs

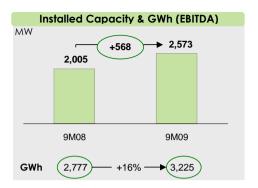
⁽²⁾ Market cap as of 30 Sept. 2009; Includes Caja Madrid Put Option over 20% of Genesa valued at €266m

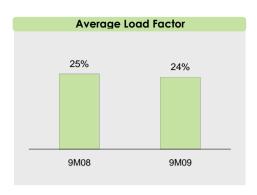


Business Platforms

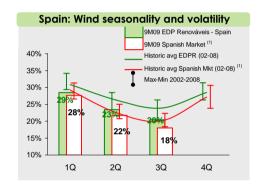
Europe











- EDP Renováveis' wind installed capacity in Europe totalled 2,573 MW (EBITDA) by September 2009, having increased 568 MW YoY. At this date, EDP Renováveis had 866 MW under construction in Europe, of which 417 MW in Spain, 128 MW in Portugal and 322 MW in Rest of Europe.
- In the 9M09, EDPR installed 60 MW in Spain, 26 MW in France and 10 MW in Belgium, and started the first operating MW under the Eólicas de Portugal consortium, having now 43 MW in operation. Note that this consortium is registered in the consolidated financial statements through the equity method.
- Electricity generation incresead 16% YoY to 3,225 GWh, given the additional capacity introduced on the last 12 months. EDPR's European load factor decreased from 25% in 9M08 to 24% in 9M09, affected by below average wind resource at EDPR's regions in the period and by a lower availability in 1Q09. Nevertheless, in 3Q09, load factors recovered and improved to 21% vs. the 20% achieved in 3Q08. Also availability has been improving and reached the 96% level at 9M09.

Income Statement (€ m)	9M09	9M08	Δ 09/08
Revenues	296.1	287.0	+3.2%
Direct Activity Costs	(5.1)	(10.2)	+50.0%
Gross Profit	291.1	276.8	+5.2%
Supplies and services Personnel costs Other operating costs / (revenues) Operating Costs	46.8	39.5	+18.6%
	10.0	14.0	(28.7%)
	3.4	6.3	(46.1%)
	60.2	59.8	+0.7%
EBITDA EBITDA / Gross Profit	230.9 79.3%	217.0 78.4%	+6.4% +0.9 pp
Provisions for risks and contingencies	(0.1)	(0.9)	+83.8%
Depreciation and amortization	111.4	87.1	+27.9%
Comp.of subsidised assets' depreciation	(0.6)	(0.5)	(15.8%)
EBIT	120.2	131.3	(8.4%)

Opex ratios	- 1	9M09	1	9M08	△ 09/08
Total Opex / Average MW (\in th, annualised) Total Opex / MWh (\in)		32. 18.	_		3 (25.5%) 5 (13.3%)

Employees	9M09	9M08	∆ 09/08
Employees	351	320	+9.7%

- In Europe, EDPR reached a gross profit of €291m in 9M09, increasing 5% YoY (or 7% higher in a like-for-like basis by excluding the non-current profits⁽²⁾ booked in 9M08), even taking into consideration: i) the 40% decline in the Spanish pool price, and ii) the lower load factor given a below average wind resource.
- Operating costs remained flat YoY (+1%) as a result from: i) the reduction in personnel costs following the transfer of staff and provisions' adjustments; and ii) lower "other costs/(revenues)" due to the recovery of revenues to compensate the low availability levels reported in 1H09; being offset by iii) the increase in supplies and services costs, on the higher O&M expenses due to the continuously strong business growth.
- All in all, EBITDA reached €231m, increasing 6% YoY, with 9M09 EBITDA margin improving 0.9pp to 79.3%.

⁽¹⁾ Source: based on REE data

⁽²⁾ Esm gain included in "Other" related to the sale of a solar project in Spain in the 9M08. In the financial statements this amount is booked in the European platform.

Europe: Spain



Installed Capacity (EBITDA MW)	9M09 9M08 ∆ 09/08
MW under Transitory Regime MW under RD 661/2007	1,101 1,101 +0MW 651 243 +408MW
Total MW	1,752 1,344 +408MW
Avg. Load Factors (%)	9M09 9M08 ∆ 09/08
Load Factor	24% 25% (1 pp)
Electricity Output (GWh)	9M09 9M08 ∆ 09/08
Total GWh	2,156 1,875 +15.0%

Average Tariffs (€/MWh)	I 9M09 I	9M08	△ 09/08
Avg. Price achieved in the Pool	37.4	62.1	(39.8%)
Avg. Final Selling Price (incl. Hegding)	86.4	99.5	(13.2%)

P&L Highlights - Including Hedging (€m)	I 9M09 I	9M08 I A	09/08
Gross Profit Operating Costs EBITDA EBITDA/Gross Profit	184.7	186.2	(0.8%)
	34.4	25.1	+37.0%
	150.3	161.1	(6.7%)
	81.4%	86.5%	(5.1 pp)

- In Spain, 9M09 Gross Profit remained flat vis-à-vis 9M08, benefiting from the 15% increase in electricity generation, but offset by a 13% decrease in average final selling price. Note that this fall was still much lower than 40% poll price fall, given the EDPR's hedging policy.
- As of September 2009, EDP Renováveis' wind installed capacity in Spain increased to 1,752 MW (EBITDA). It is important to highlight that out of the total installed capacity in Spain, 651 MW (or 37%) are under the new RD 661/2007 regime, which mainly differs from the old regime on the application of a floor and a cap to the premium paid to the operator when it chooses the market option (see table).
- Following the same trend seen in last periods, in 9M09 EDPR continues to deliver a premium load factor vs. the market: 24% for EDPR against 22% for the market. Considering 3Q09 isolated, EDPR obtained a 240bps spread over the market average.

Remuneration Scheme

RD 436/2004

Applicability: Only applicable to wind farms that started operations before 2008. Wind farms had to decide before 2009 if they maintain this remuneration scheme or join the new one. Wind farms that decided to remain in this system may only remain until December 2012.

Two Options:

- **1.** Fixed tariff fixed at the same value (no actualization) for the whole life of the project.
- 2. Market tariff market indexed revenues equals achieved pool price plus a premium+incentive with no explicit cap or floor (premium+incentive was set at €38.3/MWh for 2009).

Additional revenues: reactive power and voltage dips

RD 661/2007

Applicability: Compulsory for all wind farms that start operations after 2008.

Two Options:

- 1. Fixed tariff fixed for the first 20 years at a value indexed to CPI-x, remaining years at a different value.
- 2. Market tariff market indexed revenues equals pool price plus a premium with a cap and a floor. Premium in 2009 was set at €31.3/MWh, while the cap and floor at €90.7/MWh and €76.1/MWh, respectively. For the hours in which pool price is higher than the cap, the wind farm receives the pool price. All values, for the exception of the pool price, are fixed for 20 years and indexed to CPI-x.

Additional revenues: reactive power

All the wind farms that contribute to Spain's EBITDA are under the market option

- Pool prices are experiencing a cumulative downtrend along 2009, with 3Q09 being no exception. EDPR's average price achieved in the pool during 9M09 stood at €37.4/MWh, having fallen sharply from €62.1/MWh achieved in 9M08 (-40% YoY). However, EDPR managed to sustain the decrease at its selling price only by 13% on the decision to hedge its exposure to the pool price in 2009, through an active risk management of its portfolio. In 9M09, EDPR benefited from the forward selling, at prices higher than the market, for c1,400 GWh, which represents c64% of the 9M production (or 80% of the exposed volumes). Such strategy resulted in a €14m gain and a protection against the falling pool prices (important note: on the page 16, although related to the Spanish assets, the hedging was booked at the European holding level).
- Overall, 9M09 EBITDA in Spain decreased 7% YoY to €150m, affected by i) a flat gross profit and ii) higher costs following the strong business growth. EBITDA margin backed to 81.4%.

Europe: Portugal



Installed Capacity (EBITDA MW)	9M09	9M08	I ∆ 09/08
<u>w</u> w	553	517	+36MW

Avg. Load Factors (%)	9M09	9M08	△ 09/08
Load Factor	25%	26%	(1 pp)

Electricity Output (GWh)	9M09	9M08 \triangle 09/08
GWh	829	727 +14.0%

Average Tariffs (€/MWh)	I	9M09	9M08	△ 09/08
Avg. Final Tariff		99.2	100.1	(0.9%)

P&L Highlights (€m)	9M09	9M08	∆ 09/08
Gross Profit Operating Costs EBITDA EBITDA/Gross Profit	84.2 14.3 70.0 83.0%	73.6 14.7 58.9 80.0%	+14.5% (2.7%) +18.8% +3.0 pp

- In Portugal, gross profit reached €84m, increasing 14% YoY benefiting from: i) the increase in installed capacity (+36MW); ii) the increase in the electricity output (+14%); and iii) the stable price environment. Load factor achieved 25% in the 9M09, unchanged since 1H09, but slightly lower than the one registered in 9M08 (26%).
- At September 2009, EDP Renováveis' wind installed capacity in Portugal totalled 553 MW (EBITDA), increasing by 36 MW YoY. It is important to highlight that 553 MW, as well as 42 MW under construction, are under the old regime tariff. The new regime tariff will be applied only to the 480 MW (1,200 MW for the Eólicas de Portugal consortium) attributed in the competitive auction. From those, 43 MW (attributable to EDPR) are already operating, and 86 MW (attributable to EDPR) are already under construction being the remaining classified as Tier 1 projects.
- In the 9M09, EDP Renováveis' load factor in Portugal was 25%, given the below average wind resource in the period. Nevertheless, it is worth highlighting the considerable load factor recovery when analysing the 3Q09 stand alone (+3pp YoY) to 24%.

Remuneration Scheme

Portugal has one single system with two sets of parameters which apply depending on the entry date of the wind farm. Remuneration formula has different components to account for: i) avoided investments in alternative production systems; ii) O&M costs of alternative production methods; iii) valuation of avoided CO2 emissions; and iv) CPI indexation

Before DL 33A/2005

Applicability: Wind farms licensed until February 2006 (before the competitive tender).

Evolution: CPI; remuneration is updated since the publication of the law.

Duration: 15 years since the publication of DL 33A/2005, pool + green certificates thereafter if applicable.

Indexation to operating hours: yes.

After DL 33A/2005

Applicability: Wind farms licensed after February 2006 (applies only to the competitive tender).

Evolution: CPI; remuneration is constant in nominal terms until the 1st year of operation.

Duration: 33 GWh of production up to 15 years limit, pool + green certificates thereafter if applicable.

Indexation to operating hours: no.

All the wind farms that contribute to Portugal's EBITDA are under the old remuneration

- Average electricity prices remained stable in 9M09 at €99.2/MWh. Portugal is a regulated market offering a stable feed-in tariff, and as a result, delivering strong and consistent remuneration levels, supported by a tariff which stood at circa €100/MWh during the last periods.
- The decrease of 3% in operating costs is mainly explained by the reversal of a provision registered in previous years.
- In the 9M09, EBITDA increased 19% to €70m, while EBITDA margin improved 3.0 pp to 83.0%.

Europe: Rest of Europe



Installed Capacity (EBITDA MW)	9M09 9M08 \(\Delta \) 09/08
MW - France MW - Belgium	211 144 +67MW 57 - +57MW
Total MW	268 144 +124MW
Avg. Load Factors (%)	9M09 9M08 \(\Delta \) 09/08
Load Factor	20% 23% (3 pp)
Electricity Output (GWh)	9M09 9M08 \(\Delta \) 09/08
GWh	240 175 +37.3%
Average Tariffs (€/MWh)	9M09 9M08 ∆ 09/08
Avg. Final Tariff	89.2 73.2 +21.9%

P&L Hiahliahts (€m) ⁽¹⁾	9M09	9M08	∆ 09/08
Gross Profit Operating Costs EBITDA EBITDA/Gross Profit	21.6	12.9	+67.0%
	7.1	3.4	+110.6%
	14.5	9.6	+51.7%
	67.2%	74.0%	(6.8 pp)

- Gross profit in the Rest of Europe improved 67% YoY in 9M09 to €22m, as a result of a 37% increase in electricity generation along with a 22% average final tariff appreciation. EBITDA grew by 52% YoY reaching €15m.
- As of September 2009, EDP Renováveis' wind installed capacity totalled 268 MW (EBITDA), of which 211 MW in France and 57 MW in Belgium meaning a 124 MW increase YoY. By the end of 9M09, EDP Renováveis in the Rest of Europe had 322 MW under construction: 30 MW in France, 13 MW in Belgium, 120 MW in Poland and 159 MW in Romania. It is worth mentioning that EDPR has already started the commissioning process of the first turbines at the 120 MW wind farm in Poland (one of the biggest of the region), and initiated the construction of the first wind farm in Romania (159 MW under construction, out of a 228 MW project).

Remuneration Schemes

Rest of Europe comprises France, Belgium, Poland and Romania. In France and Belgium EDPR already has operating assets, in Poland has capacity under construction/under development in the pipeline and in Romania capacity is solely under development.

France

System: Feed-in tariff, stable for 15 years. Two different systems applicable to wind farms with contracted sales before and after July 2006 (EDPR only has 9MW under the old system). **Current remuneration (2006):**

- First 10 years: wind farms receive €82/MWh; indexation is inflation type and with an x factor only until the start of operation.
- Years 11-15: depending on the load factor wind farms receive €82/MWh @2,400 hours decreasing to €28/MWh @3,600 hours.

Belgium

System: Market price plus green certificate (GC) system. Separate green certificate prices with cap and floor for Wallonia (€65MWh -100/MWh) and Flanders (€0MWh -125/MWh). Option to negociate long-term PPAs.

Poland

System: Market price plus green certificate system. DisCos have a minimum purchase price in 2008 of 128.8 PLN/MWh and substitute fee for non compliance with green certificate (GC) obligation was 248.4 PLN/MWh. Option to negotiate long-term PPAs.

Romania

System: Market price plus green certificate system. Wind generators receive 2 GC for each 1MWh produced. The trading value of green certificates has a floor of €27 and a cap of €55, both indexed to Romanian inflation. Option to negotiate long-term PPAs.

- Load factors in the 9M09 fell YoY by 3pp to 20%, on a below average wind resource in the period.
- Rest of Europe delivered a final tariff of €89.2/MWh in 9M09, having increased 22%, as in the 9M08 a part of the operating capacity was under a testing period and consequently were applied a lower tariff. Correcting this effect, the final tariff in the 9M08 should have been €84/MWh, meaning a 6% YoY growth. This increase is a result from both a stable tariff at the French market (growing at an inflation type rate) and a high tariff with low risk (PPA) applied at the Belgium market.
- After an increased visibility at the French and Belgium markets, EDPR will now focus on growing at the Polish and Romanian markets, increasing the number of geographies where EDPR operates. The Eastern European markets provide attractive remuneration schemes and will represent important growth markets for EDPR.

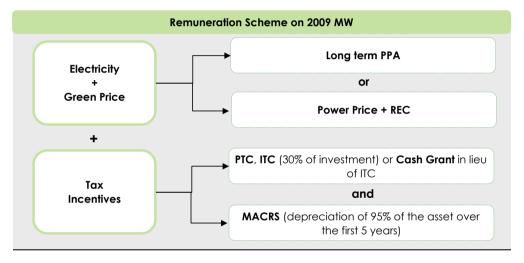
(1) 9M08 refers only to French activities.

US



Operating Data	9M09	9M08 Δ 09/08
Installed Capacity (EBITDA MW)	2,295	1,497 +798 MW
Output (GWh)	4,050	2,576 +57.2%
Load Factor	31%	31% -

Average Price (USD/MWh)	9M09	9M08 4	∆ 09/08
Avg. PPA/Hedged price	52.2	48.1	+8.5%
Avg. portfolio price (1)	48.1	49.2	(2.3%)



- By the end of Sep-09, EDP Renováveis' wind installed capacity in US totalled 2,295 MW (EBITDA), increasing 798 MW YoY. At Sep-09, EDPR had 427 MW under construction in US.
- In line with the strong increase of the installed capacity, electricity output went up by 57% YoY, totalling 4,050 GWh. Load factors in the period reached 31%, in line with the value achieved in the same period of 2008. The lower availability in newly operated wind farms are financially covered under the existing manufacturers' warranties and the credit is accounted as other operating revenues (\$14m in the 9M09).
- The average electricity price in the period was \$48.1/MWh, 2% lower than the 9M08 figure (due to the lower selling price in the wind farms without a PPA). Average electricity price on wind farms with PPA or hedged sales increased 9% YoY to \$52.2/MWh, reflecting the latest PPA signed in the US related to projects that started operations in the last 12 months.
- In the 9M09, 84% of EDPR's production in the US was under long-term PPAs/Hedges benefiting from favourable prices, while only 16% were under merchant.

Income Statement (USD m)	9M09	9M08	∆ 09/08
Revenues Direct Activity Costs Gross Profit	194.7 (1.0) 193.8	128.6 (0.5) 128.2	+51.4% (97.2%) +51.2%
Other income - sale of interests in institutional partnerships Adjusted Gross Profit	82.2 276.0	63.1 191.3	+30.2% +44.3%
Supplies and services Personnel costs Other operating costs / (revenues) Operating Costs	64.7 21.0 (14.7) 70.9	46.2 18.7 (12.2) 52.7	+39.9% +11.9% (20.5%) +34.5%
EBITDA EBITDA / Adjusted Gross Profit	205.0 74.3%	138.5 72.4%	+48.0% +1.9 pp
Provisions for risks and contingencies Depreciation and amortization Comp.of subsidised assets' depreciation	147.6 (0.2)	2.0 92.5	- +59.6% -
EBIT	57.6	44.1	+30.7%
Opex ratios L	9M09 I	9M08 I	A 09/08

Opex ratios	9M09	9M08 ∆ 09/08
Total Opex / Average MW (\$ th, annualised)	46.0	55.4 (16.9%)
Total Opex / MWh (\$)	17.5	20.5 (14.5%)

Employees	9M09	9M08	∆ 09/08
Employees	288	272	+6%

- Gross Profit in the 9M09 increased 51% YoY to \$194m reflecting the 57% growth in the electricity output, leveraged in the new 798 MW installed in the last 12 months and stable load factor (31%).
- In terms of other income from institutional partnership, the 30% YoY increase is explained by the higher production and by the deal closed in Dec. 2008 related to 2008 projects (\$265m raised). The Rail Splitter institutional partnership deal is already being accounted in this line (\$0.3m). Note that the production with PTC amounts to 3,891 GWh (96% of the total), of which 14% (547 GWh) is generating PTC that are only being carried in the Balance Sheet and not being registered in the P&L (still pending monetization).
- EBITDA in the 9M09 reached \$205m, which represents a 48% YoY increase, benefiting from the Adjusted Gross Profit performance (+44% YoY) and the lower increase in the operating costs (+34% YoY).

⁽¹⁾ Excluding Institutional partnership revenues.



Quarterly Data



Quarterly Data	3Q2008	4Q2008	1Q2009	2Q2009	3Q2009	Δ ΥοΥ	Δ QoQ
EBITDA MW Europe USA Brazil EDPR	2,005	2,477	2,477	2,495	2,573	+28%	+3%
	1,497	1,923	2,022	2,123	2,295	+53%	+8%
	-	-	14	14	14	-	-
	3,502	4,400	4,513	4,632	4,882	+39%	+5%
Load Factor Europe USA Brazil EDPR	20%	28%	28%	23%	21%	0.7 pp	(1.7 pp)
	20%	40%	40%	32%	21%	1.7 pp	(10.3 pp)
	-	-	28%	20%	26%	-	6.0 pp
	20%	35%	35%	28%	21%	1.1 pp	(6.7 pp)
GWh Europe USA Brazil EDPR	819	1,123	1,163	1,001	1,062	+30%	+6%
	573	1,330	1,675	1,399	976	+70%	(30%)
	-	-	8	7	4	-	(40%)
	1,392	2,454	2,845	2,407	2,042	+47%	(15%)
Tariffs/Selling Price Europe (€/MWh) USA (\$/MWh) (1)	104	98	94	88	87	(16%)	(1%)
	51	48	47	48	50	(2%)	+5%
Gross Profit (€m) Europe USA EDPR	84	112	110	89	92	+10%	+4%
	30	67	88	68	47	+56%	(32%)
	114	180	198	158	140	+22%	(12%)
EBITDA (€m) Europe USA EDPR	66	90	90	71	70	+6%	(2%)
	15	48	67	51	33	+120%	(36%)
	80	131	154	116	98	+22%	(16%)
EBITDA margin Europe USA EDPR	78%	80%	82%	80%	75%	(2.5 pp)	(4.4 pp)
	50%	71%	76%	75%	70%	20.1 pp	(5.3 pp)
	70%	73%	78%	74%	70%	0.2 pp	(3.8 pp)
Net Income EDPR (€m)	9	46	50	16	5	(50%)	(71%)
Capex (€m) Europe USA EDPR	168	382	230	263	301	+79%	+14%
	321	460	174	245	270	(16%)	+10%
	489	842	403	509	574	+17%	+13%
Net Debt (€m)	513	1,069	1,551	1,924	2,079	-	+8%
Adj. Institutional Partnership Liability (€m)	769	852	924	825	811	+5%	(2%)

⁽¹⁾ Excludes institutional partnership revenues.



Income Statements

9M09 Income Statement by Region



Income Statement (6 m)			Europe					
Income Statement (€ m)	Spain ⁽¹⁾	Portugal	RoE	Other/Adj. (1)	Total Europe	US	Other/Adj.	Consolidated
Revenues (1) Direct Activity Costs Gross Profit	179.2 (8.4) 170.8	84.4 (0.2) 84.2	21.5 0.1 21.6	3.4	296.1 (5.1) 291.1	143.2 (0.7) 142.5	1.6 (0.1) 1.5	440.9 (5.8) 435.0
Other income - sale of interests in institutional partnerships Adjusted Gross Profit	170.8	84.2	21.6	- 14.4	291.1	60.4 202.9	1.5	60.4 495.5
Supplies and services Personnel costs Other operating costs (or revenues) Operating costs	28.6 5.5 0.3 34.4	11.5 0.4 2.4 14.3	4.9 1.1 1.1 7.1	1.9 3.0 (0.4) 4.4	46.8 10.0 3.4 60.2	47.5 15.4 (10.8) 52.1	9.2 5.3 0.2 14.6	103.5 30.6 (7.2) 126.9
EBITDA EBITDA/Adjusted Gross Profit	136.4 79.8%	70.0 83.0%	14.5 67.2%		230.9 79.3%	150.7 74.3%	(13.1) n.a.	368.5 74.4%
Provisions for risks and contingencies Depreciation and amortization Comp.of subsidised assets' depreciation	(0.0) 76.6 (0.1)	(0.1) 22.7 (0.5)	- 11.2 -	(0.0)	(0.1) 111.4 (0.6)	108.5 (0.1)	0.7	(0.1) 220.6 (0.8)
EBIT	59.9	47.9	3.3	9.1	120.2	42.3	(13.8)	148.8
Capital gains/(losses) Financial income/(expense) Income/(losses) from group and associated companies	0.3 (45.4) 3.1	(15.8)	(9.3) -	(50.9) (0.0)	0.3 (121.4) 3.1	(38.1) (0.2)	98.9 0.0	0.3 (60.6) 2.9
Pre-tax profit	17.9	32.1	(6.0)	(41.8)	2.2	4.0	85.2	91.3
Income taxes Discontinued Activities	(3.1)	(5.8)	0.4	9.4	1.0	-	(22.3)	(21.3)
Profit of the period Equity holders of EDPR Minority interests	14.8 11.6 3.2	26.3 25.9 0.4	(5.6) (4.9) (0.7)	(32.4) (29.4) (3.0)	3.2 3.2 (0.0)	4.0 4.0	62.9 63.0 (0.1)	70.0 70.1 (0.1)

^[1] Important Note on Spain and Other: EDPR is actively hedging its exposure to the Spanish pool price. Although entirely related to the Spanish assets, the hedging gain of €14m is being accounted at the European platform level. On the page 9, the hedging gain was included in the Spanish division only for analysis purposes.

9M08 Income Statement by Region



			Europe			luo .	OII (A II	
Income Statement (€ m)	Spain	Portugal	RoE (1)	Other/Adj.	Total Europe	US	Other/Adj.	Consolidated
Revenues	186.5	73.7	12.9	13.9	287.0	84.1	(0.0)	371.1
Direct Activity Costs	(0.2)	(0.1)	_	(9.8)	(10.2)	(0.3)	-	(10.5)
Gross Profit	186.2	73.6	12.9	4.1	276.8	83.8	(0.0)	360.6
Other income - sale of interests in institutional partnerships	_	_	_	_	_	41.3	_	41.3
Adjusted Gross Profit	186.2	73.6	12.9	4.1	276.8	125.1	(0.0)	401.9
Supplies and services	22.3	8.4	2.8	6.0	39.5	30.2	0.9	70.6
Personnel costs	0.5	2.2	0.5		14.0	12.3	(0.3)	25.9
Other operating costs (or revenues)	2.3	4.1	0.1	(0.1)	6.3	(8.0)	0.6	(1.1)
Operating costs	25.1	14.7	3.4	16.6	59.8	34.5	1.1	95.4
EBITDA	161.1	58.9	9.6	(12.6)	217.0	90.6	(1.1)	306.5
EBITDA/ Adjusted Gross Profit	86.5%	80.0%	74.0%	n.a.	78.4%	72.4%	n.a.	76.3%
Provisions for risks and contingencies	-	-	-	(0.9)	(0.9)	1.3	(0.0)	0.4
Depreciation and amortization	46.2	19.4	4.8		87.1	60.5	(0.0)	147.6
Comp.of subsidised assets' depreciation	(0.1)	(0.4)	-	(0.0)	(0.5)	-	· -	(0.5)
EBIT	115.1	39.9	4.7	(28.4)	131.3	28.8	(1.1)	159.0
Capital gains/(losses)	0.5	_	-	1.8	2.4	_	_	2.4
Financial income/(expense)	(31.3)	(14.0)	(7.5)	(54.0)	(106.8)	(30.5)	73.2	(64.1)
Income/(losses) from group and associated companies	0.4	-	-	2.7	3.2	0.1	(0.0)	3.2
Pre-tax profit	84.7	25.9	(2.7)	(77.9)	30.0	(1.6)	72.1	100.5
Income taxes	(24.4)	(6.3)	(0.4)	16.9	(14.2)	_	(22.5)	(36.7)
Discontinued Activities	-	-	-	-	-	-	-	-
Profit of the period	60.3	19.6	(3.1)	(61.1)	15.8	(1.6)	49.6	63.8
Equity holders of EDPR	60.3	19.6	(3.1)	(64.1)	12.8	(1.6)	47.6	58.8
Minority interests		-	-	3.0	3.0		2.0	5.0

^{(1) 9}M08 refers only to French activities



Installed Capacity



Wind Farms in 9M09	Installed Capacity		
	100%	EBITDA MW	% Held
Spain	2,169	1,752	1,691
under Transitory Regime	1,474	1,101	1,086
under RD 661/2007	695	651	605
Portugal	596	553	576
under old remuneration	553	553	533
under new remuneration	43	-	43
France	211	211	211
under old remuneration	9	9	9
under new remuneration	202	202	202
Belgium	57	57	40
PPA	57	57	40
OTAL EUROPE	3,033	2,573	2,518
us			
PPA	1,760	1,686	1,704
Hedged	264	138	138
Merchant	506	472	472
TOTAL US	2,530	2,295	2,314
Brazil			
PPA	14	14	8
OTAL BRAZIL	14	14	8
TOTAL EDP RENOVÁVEIS	5,577	4,882	4,839



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