



# renováveis

## 1Q 2016 Results

May 4th, 2016

Conference call and webcast

**Date:** Wednesday, May 4th, 2016, 14:00 CET | 13:00 UK/Lisbon

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

**Phone dial-in number:** +44 (0)20 7162 0177 | +1 334 323 6203

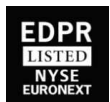
**Phone Replay dial-in number:** +44 (0) 20 7031 4064 | +1 954 334 0342 (until May 11th, 2016)

**Access code:** 958310

*EDP Renováveis, S.A. Head office: Plaza de la Gesta, 2 33007 Oviedo, Spain*



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# Table of contents

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1Q16 Highlights	- 2 -
Consolidated Financial Statements	- 3 -
Asset Base	- 4 -
Capital Expenditures and PP&E	- 5 -
Operating Performance	- 6 -
Financial Performance	- 7 -
Cash-Flow	- 8 -
Net Debt and Institutional Partnership Liability	- 9 -
Business Platforms	- 10 -
Europe	- 11 -
North America	- 14 -
Brazil	- 16 -
Quarterly Data	- 17 -
Income Statements	- 19 -
Annex	- 22 -
Equity Consolidated & Non-controlling Interest (MW)	- 23 -
Remuneration Frameworks	- 24 -
Sustainability Highlights	- 25 -
Share Performance & Shareholder Structure	- 26 -

## Results Highlights

Installed Capacity (MW)	1Q16	1Q15	Δ 16/15
EBITDA MW	9,351	8,149	+1,202
ENEOP - Eólicas de Portugal (eq. consolid.)	-	533	(533)
Other equity consolidated	356	353	3
<b>EBITDA MW + Equity Consolidated</b>	<b>9,707</b>	<b>9,036</b>	<b>+672</b>

Operating Data - EBITDA MW metrics	1Q16	1Q15	Δ 16/15
Load Factor (%)	38%	34%	+4pp
Output (GWh)	7,535	5,786	+30%
Avg. Electricity Price (€/MWh)	60.8	65.5	(7%)

Consolidated Income Statement (€m)	1Q16	1Q15	Δ 16/15
<b>Revenues</b>	<b>508</b>	<b>418</b>	<b>+22%</b>
<b>EBITDA</b>	<b>379</b>	<b>295</b>	<b>+29%</b>
EBITDA/Revenues	75%	71%	+4pp
EBIT	232	171	+35%
Net Financial Expenses	(74)	(72)	+3%
Share of profit of associates	(7)	9	-
Non-controlling interests	42	26	+59%
<b>Net Profit (Equity holders of EDPR)</b>	<b>75</b>	<b>57</b>	<b>+32%</b>

Cash-Flow (€m)	1Q16	1Q15	Δ 16/15
Operating Cash-Flow	281	220	+28%
Net Investments	(190)	162	-

Balance Sheet (€m)	1Q16	2015	Δ YTD
PP&E (net)	12,284	12,612	(3%)
Equity	7,095	6,834	+4%
Net Debt	3,414	3,707	(8%)
Institutional Partnership Liabilities	1,259	1,165	+8%

Employees	1Q16	2015	Δ YTD
Total	1,036	1,018	+2%

• **EDPR managed, by Mar-16, a global portfolio of 9.7 GW spread over 10 countries**, of which 9.4 GW fully consolidated and 356 MW equity consolidated (equity stakes in Spain and US). EDPR EBITDA consolidated capacity in Portugal includes, since Sep 1st 2015, 613 MW related to ENEOP (previously 533 MW equity consolidated). Over the last 12 months, EDPR added 672 MW to its installed capacity, of which 398 MW in the US.

• **In the 1Q16, EDPR delivered 7.5 TWh of clean electricity vs. 5.8 TWh in the 1Q15, +30% YoY.** The increase in production benefitted from the capacity additions over the last 12 months and from the higher realized load factor across all regions (38% vs 34% in the 1Q15).

• **The average selling price in the 1Q16 totalled €61/MWh (-7% YoY), reflecting a different mix of wind farms in operation (higher production vs prices).** In Europe, the decrease of 7% in the average selling price was mainly a consequence of the decrease in the Spanish pool price due to weather conditions and consolidation of ENEOP assets in Portugal. In North America the 9% (in USD) decrease in price follows the addition of new PPA capacity (higher production vs prices) and the evolution of merchant prices. In Brazil the 2% YoY (in BRL) decrease in the average price reflects mainly revenue tax thresholds on a 70 MW wind farm.

• **In the 1Q16, Revenues totalled €508m (+22% YoY; +€90m YoY)** benefitting mainly from the higher capacity in operation (+€73m YoY) and the outstanding load factor (+€39m YoY), offsetting the negative impact from lower average selling price (-€21m YoY). EBITDA increased by 29% YoY to €379m (75% EBITDA margin), reflecting the positive impact from the top-line and the 2% decrease in Operating Costs per average MW in operation.

• **EBIT increased to €232m (+35% YoY)**, as a result of the EBITDA performance (+29% YoY) and the 19% YoY increase in depreciation and amortisation costs (including impairments and net of government grants).

• **Net Financial Expenses increased by €2m in the 1Q16 vs. 1Q15**, amounting €74m. Net interest costs decreased 11% YoY benefitting from the lower cost of debt after renegotiations with EDP and others. Pre-Tax Profit amounted to €151m and income taxes totalled €34m, reflecting an effective income tax rate of 22%.

• **All in all, Net Profit increased 32% YoY to €75m.** Non-controlling interests in the period totalled €42m, increasing by €16m YoY on the back of non-controlling interests sold to DIF III (Mar-15), Fiera Axiom (Apr-15) and Axiom (Nov-15) as part of the execution of the asset rotation strategy, along with the sale of minorities in Brazil to CTG in the context of its partnership with EDP.

• **In 1Q16 Operating Cash-Flow reached €281m** and net investments reached -€190m, reflecting the cash-in of the proceeds from the execution of the asset rotation transaction signed in Nov-15 (€279m). As of Mar-16, Net Debt summed €3.4bn (-€0.3bn vs. Dec-15).

# Consolidated Financial Statements



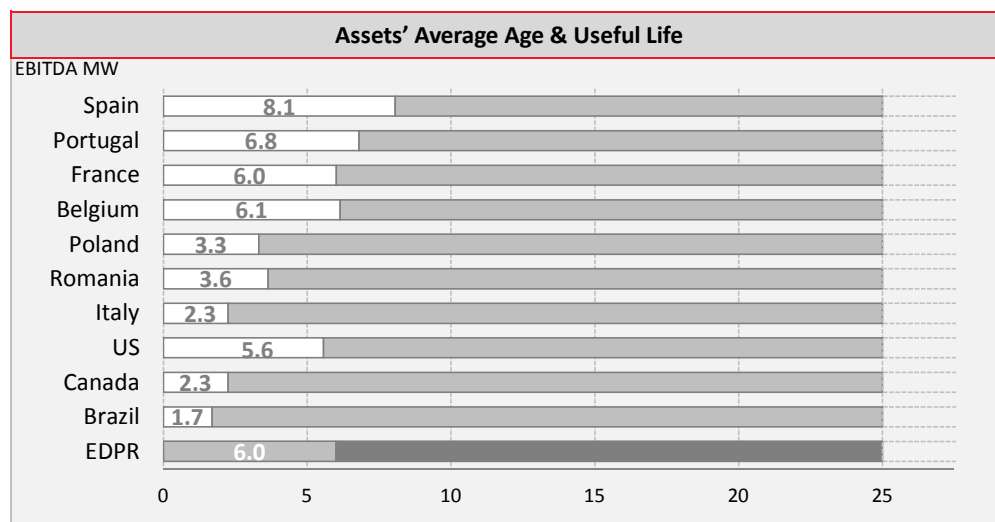
Note: The financial statements presented in this document are non-audited.

Consolidated Income Statement (€m)	1Q16	1Q15	Δ 16/15
Electricity sales and other	452.5	375.0	+21%
Income from Institutional Partnerships	55.5	42.9	+29%
<b>Revenues</b>	<b>507.9</b>	<b>417.9</b>	<b>+22%</b>
Other operating income	11.4	9.5	+19%
Operating Costs	(140.1)	(132.4)	+6%
Supplies and services	(68.6)	(65.0)	+6%
Personnel costs	(23.7)	(17.2)	+38%
Other operating costs	(47.8)	(50.2)	(5%)
<b>EBITDA</b>	<b>379.2</b>	<b>295.0</b>	<b>+29%</b>
<i>EBITDA/Revenues</i>	<i>75%</i>	<i>71%</i>	<i>+4pp</i>
Provisions	-	-	-
Depreciation and amortisation	(153.1)	(129.2)	+19%
Amortisation of deferred income (government grants)	5.7	5.6	+2%
<b>EBIT</b>	<b>231.8</b>	<b>171.4</b>	<b>+35%</b>
Financial income/(expense)	(74.0)	(72.1)	+3%
Share of profit of associates	(7.2)	9.0	-
<b>Pre-Tax Profit</b>	<b>150.6</b>	<b>108.3</b>	<b>+39%</b>
Income taxes	(33.8)	(25.2)	+34%
Profit of the period	116.8	83.1	+41%
<b>Net Profit (Equity holders of EDPR)</b>	<b>74.9</b>	<b>56.8</b>	<b>+32%</b>
Non-controlling interests	41.9	26.3	+59%

Assets (€m)	1Q16	2015
Property, plant and equipment, net	12,284	12,612
Intangible assets and goodwill, net	1,502	1,534
Financial investments, net	324	340
Deferred tax assets	45	47
Inventories	22	23
Accounts receivable - trade, net	257	222
Accounts receivable - other, net	353	338
Assets held for sale	-	110
Collateral deposits	75	73
Cash and cash equivalents	704	437
<b>Total Assets</b>	<b>15,566</b>	<b>15,736</b>
Equity (€m)	1Q16	2015
Share capital + share premium	4,914	4,914
Reserves and retained earnings	1,053	891
Net Profit (Equity holders of EDPR)	75	167
Non-controlling interests	1,053	863
<b>Total Equity</b>	<b>7,095</b>	<b>6,834</b>
Liabilities (€m)	1Q16	2015
Financial debt	4,196	4,220
Institutional partnerships	1,259	1,165
Provisions	123	121
Deferred tax liabilities	345	316
Deferred revenues from institutional partnerships	740	791
Other liabilities	1,808	2,288
<b>Total Liabilities</b>	<b>8,472</b>	<b>8,902</b>
<b>Total Equity and Liabilities</b>	<b>15,566</b>	<b>15,736</b>

**Important note:** Pursuant the implementation of IFRIC 21, an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For example, the US, France and Spain the obligating event for property taxes is ownership of the property on the day of the year for which the tax is imposed (typically at the beginning of the natural year). Prior to the adoption of IFRIC 21, EDPR recorded all property taxes rateably over the relevant tax year. Interim data presented in this document (1Q15) was restated for comparison purposes.

Installed Capacity (MW)	1Q16	YTD	YoY	Under Construc.
<b>EBITDA MW</b>				
Spain	+2,194	-	-	-
Portugal	+1,247	-	+623	2
France	+364	-	+24	24
Belgium	+71	-	-	-
Poland	+418	(50)	+27	-
Romania	+521	-	-	-
Italy	+100	-	+10	-
<b>Europe</b>	<b>+4,915</b>	<b>(50)</b>	<b>+684</b>	<b>26</b>
United States	+4,203	-	+398	250
Canada	+30	-	-	-
Mexico	-	-	-	200
<b>North America</b>	<b>+4,233</b>	-	<b>+398</b>	<b>450</b>
<b>Brazil</b>	<b>+204</b>	<b>+120</b>	<b>+120</b>	-
<b>Total EBITDA MW</b>	<b>+9,351</b>	<b>+70</b>	<b>+1,202</b>	<b>476</b>
<b>Equity Consolidated (MW)</b>				
ENEOP - Eólicas de Portugal	-	-	(533)	-
Spain	+177	-	+3	-
United States	+179	-	-	-
<b>Total Equity Consolidated</b>	<b>+356</b>	-	<b>(530)</b>	-
<b>Total EBITDA MW + Equity Consolidated</b>	<b>+9,707</b>	<b>+70</b>	<b>+672</b>	<b>476</b>



- As of Mar-16 EDPR managed a global portfolio of 9.7 GW spread over 10 countries, of which 5.1 GW in Europe, including 2.4 GW in Spain, 1.5 GW in RoE and 1.2 GW in Portugal, 4.4 GW in North America and the remaining in Brazil. EDPR EBITDA consolidated capacity in Portugal includes, since Sep 1<sup>st</sup>, 613 MW related to ENEOP (previously EDPR was consolidating 533 MW by the equity method).

- From the global portfolio of 9,707 MW, 9,625 MW are related to wind onshore technology, while the remaining 82 MW comprise solar PV power plants in Romania (50 MW), US (30 MW) and Portugal (2 MW).

- In the last 12 months EDPR increased its global portfolio by 0.7 GW. In terms of EBITDA capacity 1.2 GW were added, of which 0.7 GW in Europe and 0.4 GW in the US. In Europe, 623 MW were added in Portugal (including 613 MW related to ENEOP), 27 MW in Poland, 24 MW in France and 10 MW in Italy. The 27 MW net added in Poland include the deconsolidation of a 50 MW wind farm (in the 1Q16), following the completion of the cross sale of two wind farms in Poland, by which EDPR sold its 60% share in a 50 MW wind farm and bought the remaining 35% share in a 54 MW wind farm (already accounted as EBITDA MW). In the last 12 months, in the US, were completed 3 wind farms: Waverly (199 MW) in state of Kansas, Arbuckle (100 MW) in Oklahoma and Rising Tree South (99 MW) in California. In Brazil was completed the 120 MW Baixa do Feijão project in the 1Q16, with a 20-year PPA.

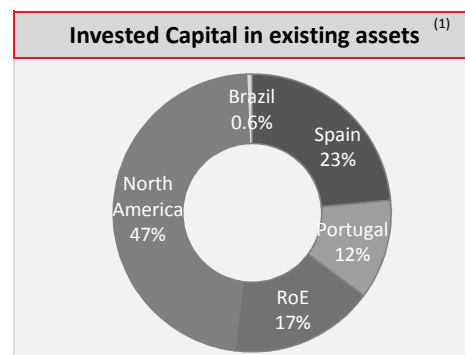
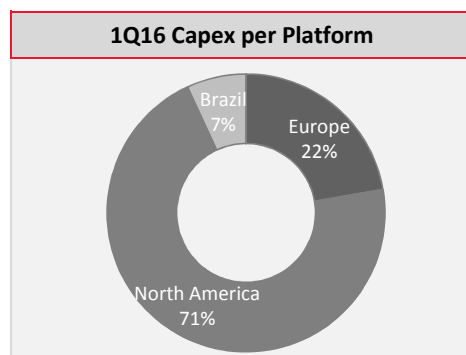
- As of Mar-16, EDPR had 476 MW of wind onshore under construction. In North America was under construction a total of 450 MW, all with PPAs awarded, of which 250 MW in the US (Texas) and 200 MW in Mexico, representing EDPR first wind farm project in the country. In Europe were under construction 24 MW in France and 2 MW in Portugal.

- EDPR's portfolio, considering EBITDA MW as of Mar-16, had an average age of 6.0 years. In detail, EDPR's portfolio had an average age of 6.6 years in Europe, 5.5 years in North America and 1.7 years in Brazil.

- As of Mar-16, EDPR's EBITDA installed capacity with no exposure to merchant prices totalled 90%, being the remaining 10% of EBITDA MW related to wind farms located in the US and Spain. In the US, EDPR exposure to the spot market was 744 MW, with the remaining capacity installed in the country being remunerated under long-term contracts (PPAs/hedges). In Spain, and in accordance with the Royal Decree 413/2014 approved in Jun-14, EDPR's installed capacity without incentive represented 2% of EDPR EBITDA MW portfolio. The remaining capacity installed in Spain is remunerated based on a standard return. EDPR production exposed to merchant market is managed within EDPR's risk management strategy and hedging policies, targeting a residual exposure to spot prices.

Investments (€m)	1Q16	1Q15	Δ %	Δ €
Europe	19.8	20.1	(2%)	(0)
North America	62.7	116.2	(46%)	(53)
Brazil	6.1	26.6	-	(21)
Other	-	-	-	-
<b>Total Capex</b>	<b>88.6</b>	<b>162.9</b>	<b>(46%)</b>	<b>(74)</b>
Financial investments/(divestments)	0.4	(0.6)	-	+1
Government grant	(0.2)	-	-	(0.2)
Asset rotation proceeds	(279.1)	-	-	(279)
<b>Net Investments</b>	<b>(190.2)</b>	<b>162.3</b>	<b>-</b>	<b>(353)</b>

Property, Plant & Equipment - PP&E (€m)	1Q16	2015	Δ €
<b>PP&amp;E (net)</b>	<b>12,284</b>	<b>12,612</b>	<b>(328)</b>
(-) PP&E assets under construction	854	1,243	(389)
<b>(=) PP&amp;E existing assets (net)</b>	<b>11,430</b>	<b>11,369</b>	<b>+61</b>
(+) Accumulated Depreciation	4,093	4,023	+70
(-) Government Grants	522	540	(18)
<b>(=) Invested capital on existing assets</b>	<b>15,001</b>	<b>14,853</b>	<b>+149</b>



- In the 1Q16, Capex totalled €89m, reflecting the capacity under construction and enhancements in capacity already in operation. Out of the €89m, €63m were in North America, €20m were related to growth in Europe (mainly Rest of Europe) and €6m in Brazil.
- Capex in North America represented 71% of EDPR total capex in the period, unchanged vs. the 1Q15, reflecting EDPR's growth strategy based on markets with stable regulatory frameworks and long-term contracts, providing visibility over future returns. In the period, Europe represented 22% of the total capex (vs. 12% in 1Q15) and Brazil represented 7% (vs. 16% in the 1Q15).
- In Jan-16, occurred the financial settlement of the asset rotation transaction signed in Nov-15 (Axiom; US) representing a total amount of €279m. Following this settlement, total net investments in period, calculated as total capex plus financial investments and net of government grants and proceeds from asset rotation, were negative totalling €190m.
- In the 1Q16, Net PP&E totalled €12.3bn, lower vs. Dec-15, mainly as a result of forex translation. PP&E includes total investments, capex (gross of government grants) and adjustments from Purchase Price Allocation (resulting from M&A transactions) incurred with existing assets, assets under construction or under development. PP&E in existing assets (net), adjusted for assets under construction, reached €11.4bn. Invested capital on existing assets, adjusted for assets under construction, gross of depreciation and net of government grants received, amounted to €15.0bn by Mar-16, increasing by €149m vs. Dec-15.
- As of Mar-16, North America represented 47% of Invested Capital in existing assets, Europe 52% and Brazil 1%. Out of the 52% of Invested Capital in existing European assets, 23% was related to Spain, 12% with Portugal and 17% with Rest of Europe.

(1) Considers EBITDA MW, with percentages calculated in euros.

# Operating Performance



Load Factor	1Q16	1Q15	Δ 16/15
Europe	35%	33%	+2pp
North America	40%	34%	+6pp
Brazil	30%	25%	+4pp
<b>Total</b>	<b>38%</b>	<b>34%</b>	<b>+4pp</b>

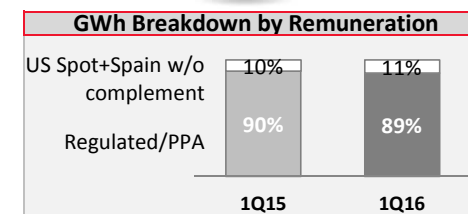
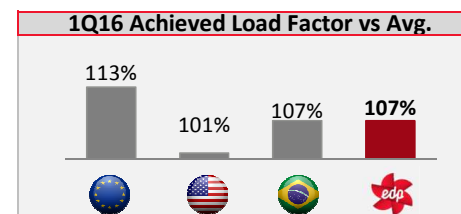
Electricity Generation (GWh)	1Q16	1Q15	Δ 16/15
Europe	3,787	2,932	+29%
North America	3,694	2,808	+32%
Brazil	54	46	+19%
<b>Total</b>	<b>7,535</b>	<b>5,786</b>	<b>+30%</b>

Selling Prices (per MWh)	1Q16	1Q15	Δ 16/15
Europe	€77.1	€82.6	(7%)
North America	\$48.1	\$52.7	(9%)
Brazil	R\$362.7	R\$369.7	(2%)
<b>Average Selling Price</b>	<b>€60.8</b>	<b>€65.5</b>	<b>(7%)</b>

Electricity Sales and Other (€m)	1Q16	1Q15	Δ 16/15
Europe	291.3	241.5	+21%
North America	157.2	128.7	+22%
Brazil	4.4	5.0	(13%)
<b>Total</b>	<b>452.5</b>	<b>375.0</b>	<b>+21%</b>

Income from Institutional Partnerships (€m)	1Q16	1Q15	Δ 16/15
<b>Total</b>	<b>55.5</b>	<b>42.9</b>	<b>+29%</b>

Revenues	1Q16	1Q15	Δ 16/15
<b>Revenues (€m)</b>	<b>507.9</b>	<b>417.9</b>	<b>+22%</b>
<b>Revenues per avg. MW in operation (€k)</b>	<b>55.0</b>	<b>52.1</b>	<b>+6%</b>



- In the 1Q16 EDPR reached a 38% load factor, higher vs. 34% in the 1Q15, reflecting the benefits of a balanced portfolio across different geographies and EDPR wind farm's intrinsic quality on the back of a unique wind assessment know-how. In Europe, EDPR reached 35% load factor (vs. 33% in 1Q15), with YoY comparison benefiting from new capacity in Portugal and higher wind resource in Spain. In Rest of Europe ("RoE"), EDPR delivered a 33% load factor, stable YoY. In North America, EDPR achieved a 40% load factor (vs. 34% in the 1Q15) reflecting the improvement vs the low wind conditions in the 1Q15. In Brazil, EDPR reached an outstanding 30% load factor (vs. 25% in the 1Q15).

- EDPR produced 7.5 TWh of clean energy in the 1Q16, +30% YoY. The increase in production benefitted from the capacity additions over the last 12 months and from the higher realized load factor (38% vs 34% in the 1Q15). From the 7.5 TWh generated in the 1Q16, 89% was sold under regulated frameworks schemes or PPAs.

- EDPR's average selling price in the 1Q16 reached €61/MWh, reflecting capacity additions mix (production vs price). In Europe, the average realised price decreased 7% YoY, mainly reflecting the lower realized price in Spain (-12% YoY), with €12m impact from the regulatory adjustment methodology in 2016 (pool price vs limit calculated with Oct-15 to Mar-16 average), and the new capacity in operation with lower average selling price in Portugal (-16% YoY). In North America, the average selling price decreased 9% YoY (in USD), due to a lower average selling price in the US, on the back of new capacity additions (production vs price), and the expiration of a PPA. In Brazil, the average selling price decreased 2% YoY (in BRL) mainly driven by a revenue tax thresholds on a 70 MW wind farm.

- In the period, electricity sales increased by 21% YoY to €452m, with the positive impact from the higher electricity output (+30% YoY) more than offsetting the decrease in the average realised selling price (-7% YoY). Electricity sales in Europe increased by 21% YoY to €291m, with the lower price compensated by the output effect. In North America, electricity sales increased 22% YoY in Euros, driven by a higher output (+32% YoY), along with a stronger average US dollar over the period (+€4m). Income from Institutional Partnerships increased by 29% YoY in euros to €56m on the back of the establishment of new institutional Tax Equity financing structures during the period. In Brazil, electricity sales decreased 13% YoY to €4m, with the higher output mitigated by the lower average price.

- All in all, in the 1Q16 EDPR revenues increased by 22% YoY to €508m and revenues per average MW in operation totalled €55k, benefitting from the higher production in the period.

Revenues to EBITDA	1Q16	1Q15	Δ %
<b>Revenues (€m)</b>	<b>507.9</b>	<b>417.9</b>	<b>+22%</b>
Other operating income	11.4	9.5	+19%
Operating Costs	(140.1)	(132.4)	+6%
Supplies and services (S&S)	(68.6)	(65.0)	+6%
Personnel costs (PC)	(23.7)	(17.2)	+38%
Other operating costs	(47.8)	(50.2)	(5%)
<b>EBITDA</b>	<b>379.2</b>	<b>295.0</b>	<b>+29%</b>

Efficiency and Profitability Ratios	1Q16	1Q15	Δ %
Revenues/Average MW in operation (€k)	55.0	52.1	+6%
Core Opex (S&S + PC) /Average MW in operation (€k)	10.0	10.2	(2%)
Core Opex (S&S + PC) /MWh (€)	12.2	14.2	(14%)
EBITDA margin	75%	71%	+4pp
EBITDA/Average MW in operation (€k)	41.0	36.8	+12%

EBITDA to EBIT (€m)	1Q16	1Q15	Δ %
<b>EBITDA</b>	<b>379.2</b>	<b>295.0</b>	<b>+29%</b>
Provisions	-	-	-
Depreciation and amortisation	(153.1)	(129.2)	+19%
Amortisation of deferred income (government grants)	5.7	5.6	+2%
<b>EBIT</b>	<b>231.8</b>	<b>171.4</b>	<b>+35%</b>

- In the 1Q16, EDPR revenues increased 22% YoY to €508m, benefitting mainly from the higher capacity in operation (+€73m YoY) and the outstanding load factor (+€39m YoY), offsetting the negative impact from lower average selling price (-€21m YoY). Other operating income totalled €11m, mainly on the back of a gain derived from the sale of 60% of a Polish wind farm (€6m). Operating Costs (Opex) reached €140m (+€8m YoY), reflecting the higher capacity in operation.
- In detail, Core Opex, defined by Supplies and services (including O&M activities) and Personnel costs, totalled €92m YoY (or +12% YoY), with Core Opex per Avg. MW and per MWh decreasing by 2% and 14% respectively. If adjusted by forex impact, Core Opex per Avg. MW and per MWh decreased by 3% and 14% YoY, respectively, reflecting strict control over costs and EDPR's asset management strategy and increased efficiency. Other operating costs (including taxes and rents to public authorities, the 7% tax over electricity sales generated in Spain and non-recurring costs) decreased by €2m to €48m.
- In the 1Q16, EBITDA totalled €379m (75% EBITDA margin, +4pp vs. 1Q15) and unitary EBITDA per average MW in operation increased by 12% YoY to €41k, mainly benefitting from the positive performance in the top line.
- Operating income (EBIT) increased 35% YoY to €232m, reflecting EBITDA performance and the 19% higher depreciation and amortisation costs (including impairments and net of government grants), on the back of capacity additions in the period and forex translation.

Net Financial Expenses (€m)	1Q16	1Q15	Δ %
Net interest costs of debt	(47.2)	(52.9)	(11%)
Institutional partnerships costs (non cash)	(23.9)	(19.5)	+22%
Capitalised financial expenses	5.6	6.9	(18%)
Forex differences & Forex Derivatives	1.9	1.9	-
Other	(10.3)	(8.4)	+22%
<b>Net Financial Expenses</b>	<b>(74.0)</b>	<b>(72.1)</b>	<b>+3%</b>

Profits of Associates	1Q16	1Q15	Δ %
Share of profit of associates	(7.2)	9.0	-

Profit Before Taxes to Net Income (€m)	1Q16	1Q15	Δ %
<b>Pre-Tax Profit</b>	<b>150.6</b>	<b>108.3</b>	<b>+39%</b>
Income taxes	(33.8)	(25.2)	+34%
<b>Profit of the period</b>	<b>116.8</b>	<b>83.1</b>	<b>+41%</b>
Non-controlling interests	41.9	26.3	+59%
<b>Net Profit (Equity holders of EDPR)</b>	<b>74.9</b>	<b>56.8</b>	<b>+32%</b>

- At the financing level, Net Financial Expenses increased by 3% YoY. Net interest costs decreased 11% YoY benefitting from the lower cost of debt after renegotiations with EDP and others. Institutional Partnership costs in the 1Q16 were €4m higher vs. 1Q15, reflecting mainly forex translation and new tax equity deals, while capitalized expenses decreased €1m YoY. Forex differences and derivatives had a positive impact (+€2m) mainly explained by USD and Leu depreciation in the period.
- In 1Q16, Share of profits of associates totalled -€7m, mainly reflecting EDPR's interest in associate companies in Spain and US (more detail in page 23).
- In the period, Pre-Tax Profit increased by 39% YoY to €151m, with income taxes totalling €34m and reflecting an effective income tax rate of 22%. Non-controlling interests amounted to €42m, increasing by €16m YoY on the back of non-controlling interests sold to DIF III (Mar-15), Fiera Axium (Apr-15) and Axium (Nov-15) as part of the execution of the asset rotation strategy, along with the sale of minorities in Brazil to CTG in the context of its partnership with EDP.
- In line with the top-line performance, Net Profit increased to €75m (+32% YoY).

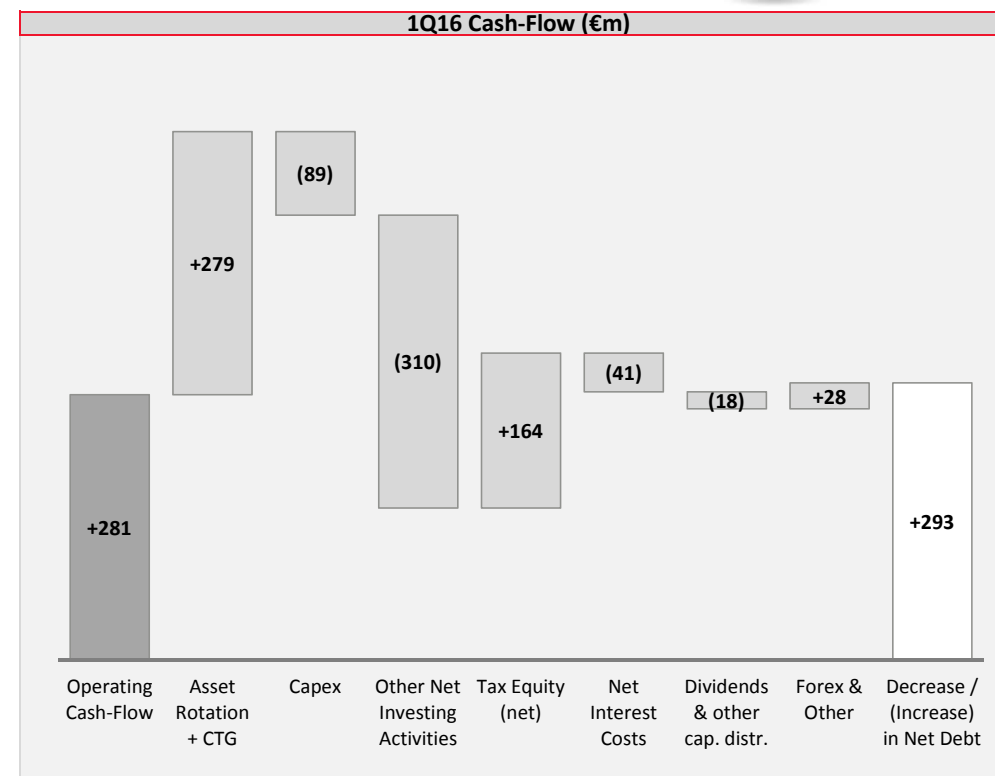


Cash-Flow	1Q16	1Q15	Δ 16/15
<b>EBITDA</b>	<b>379</b>	<b>295</b>	<b>+29%</b>
Current income tax	(18)	(13)	+36%
Net interest costs	(47)	(53)	(11%)
Share of profit of associates	(7)	9	-
<b>FFO (Funds From Operations)</b>	<b>307</b>	<b>238</b>	<b>+29%</b>
Net interest costs	47	53	(11%)
Share of profit of associates	7	(9)	-
Income from institutional partnerships	(55)	(43)	
Non-cash items adjustments	(7)	(2)	+199%
Changes in working capital	(18)	(17)	+7%
<b>Operating Cash-Flow</b>	<b>281</b>	<b>220</b>	<b>+28%</b>
Capex	(89)	(163)	(46%)
Financial (investments) divestments	(0.4)	1	-
Changes in working capital related to PP&E suppliers	(310)	(47)	-
Government grants	0.2	-	-
<b>Net Operating Cash-Flow</b>	<b>(118)</b>	<b>11</b>	<b>-</b>
Sale of non-controlling interests and shareholders' loans	279	-	-
Proceeds from institutional partnerships	216	38	-
Payments to institutional partnerships	(51)	(56)	(8%)
Net interest costs (post capitalisation)	(41)	(46)	(10%)
Dividends net and other capital distributions	(18)	(12)	+55%
Forex & others	28	(175)	-
<b>Decrease / (Increase) in Net Debt</b>	<b>293</b>	<b>(239)</b>	<b>-</b>

In the 1Q16, EDPR generated Operating Cash-Flow of €281m, a growth of 28% YoY, in line with EBITDA performance and reinforcing the generation capabilities of its assets in operation.

The key items that explain the 1Q16 cash-flow evolution are the following:

- Funds from operations, resulting from EBITDA after net interest expenses, share of profits of associates and current taxes, increased 29% YoY to €307m;
- Operating Cash-Flow, which is the EBITDA net of income tax and adjusted by non-cash items (namely income from US institutional partnerships and write-offs) and net of changes in working capital, increased 28% YoY to €281m;
- Capital expenditures with the ongoing construction and development works totalled €89m. Other net investing activities amounted to €310m, mostly reflecting the invoice payments to equipment suppliers related to some investments made in the previous year.



- Pursuing its Asset Rotation strategy, in Jan-16 occurred the settlement of Axiom transaction, signed in Nov-15, for a total amount of €279m.
- Proceeds from new institutional tax equity financing structure totalled €216m, related to the 199 MW Waverly wind farm tax equity signed in the 4Q15 (\$240m). Payments to institutional partnerships totalled €51m vs. €56m in the 1Q15 (+\$6m in local currency), reflecting mainly financing structures entering the “blackout” period and forex translation.
- In the 1Q16, total net dividends and other capital distributions paid to minorities amounted to €18m. In the period, Forex & Other had a positive impact decreasing Net Debt by €28m, mainly explained by the impact from US dollar and Leu depreciation in the period.
- All in all, in the 1Q16, Net Debt decreased by €0.3bn vs. Dec-15 to €3,414m.

# Net Debt and Institutional Partnership Liability

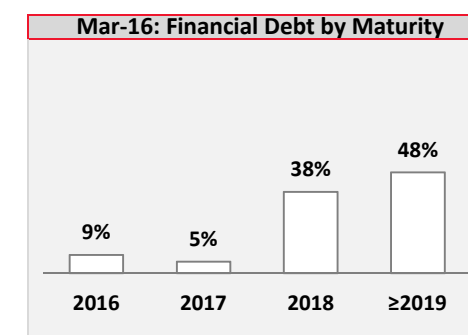
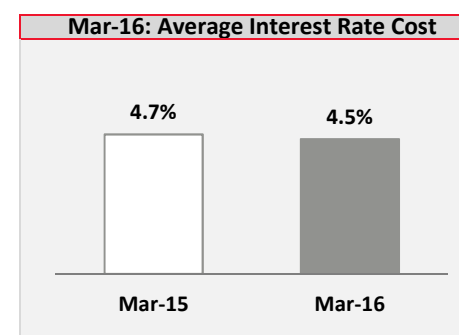
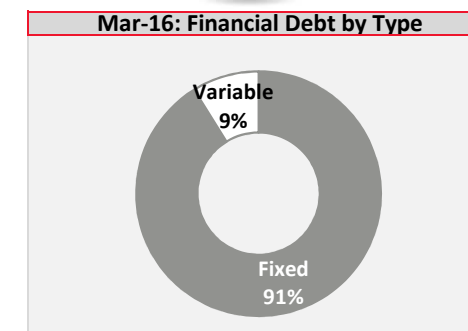
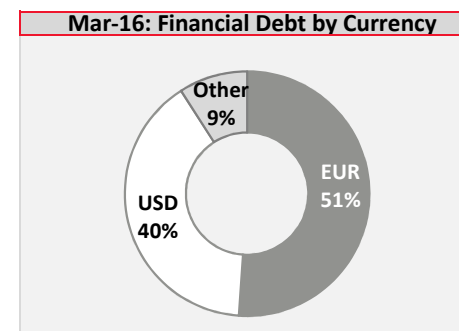
Net Debt (€m)	1Q16	2015	Δ €
Nominal Financial Debt + Accrued interests on Debt	4,196	4,220	(24)
Collateral deposits associated with Debt	(75)	(73)	(2)
<b>Total Financial Debt</b>	<b>4,121</b>	<b>4,147</b>	<b>(25)</b>
Cash and cash equivalents	704	437	+267
Loans to EDP Group related companies and cash pooling	3	3	+0.3
<b>Cash &amp; Equivalents</b>	<b>707</b>	<b>439</b>	<b>+268</b>
<b>Net Debt</b>	<b>3,414</b>	<b>3,707</b>	<b>(293)</b>

Average Debt (€m)	1Q16	1Q15	Δ %
Average nominal financial debt	4,163	4,036	+3%
Average net debt	3,492	3,385	+3%

Net Debt Breakdown by Assets (€m)	1Q16	2015	Δ €
Net debt related to assets in operation	3,030	3,658	(628)
Net debt related to assets under construction & develop.	384	49	+335

Institutional Partnership (€m) <sup>(1)</sup>	1Q16	2015	Δ €
<b>Institutional Partnership Liability</b>	<b>1,259</b>	<b>1,165</b>	<b>+94</b>

- As of Mar-16, EDPR's Net Debt was €293m lower vs. Dec-15, mainly reflecting the settlement (Jan-16) of an Asset Rotation transaction signed in Nov-15 (1 GW with Axium).
- In Mar-16, 74% of EDPR's financial debt was funded through long-term loans with EDP Group – EDPR's main shareholder – while loans with financial institutions represented 26%.
- Liabilities referred to Institutional Partnerships increased to €1,259m (vs. €1,165m in Dec-15), mainly reflecting the benefits captured by the tax equity partners during the period and the establishment of new institutional Tax Equity financing structures during the period.

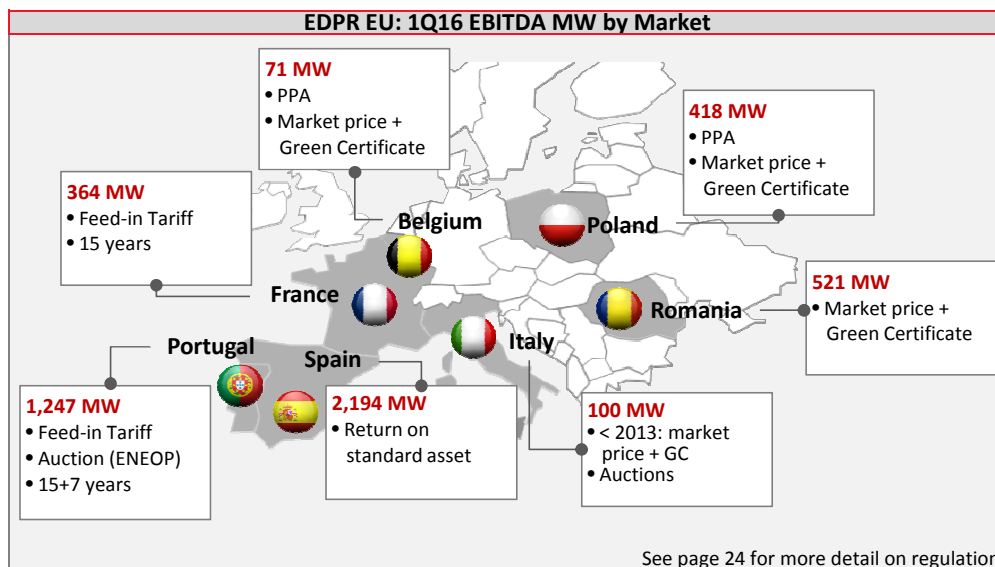


- As of Mar-16, 51% of EDPR's financial debt was Euro denominated, 40% was funded in US dollars, related to the company's investment in the US, and the remaining 9% was mostly related with debt in Polish Zloty and Brazilian Real.
- EDPR continues to follow a long-term fixed rate funding strategy, matching the Operating Cash-Flow profile with its financial costs and therefore mitigating interest rate risk. Accordingly, as of Mar-16, 91% of EDPR's financial debt had a fixed interest rate and only 14% had maturity schedule until 2018. 38% of EDPR's financial debt had maturity in 2018, reflecting a set of 10-year loans granted by EDP in 2008, and 48% in 2019 and beyond.
- As of Mar-16 the average interest rate was 4.5%, lower vs. 4.7% in Mar-15, reflecting part of EDPR re-negotiation of its long-term debt arrangements with EDP (Jul-15) and other institutions.

(1) Net of tax credits already benefited by the institutional investors and yet due to be recognised in the P&L.



**Business Platforms**



EBITDA MW	1Q16	1Q15	Δ 16/15
Spain	2,194	2,194	-
Portugal	1,247	624	+623
France	364	340	+24
Belgium	71	71	-
Poland	418	392	+27
Romania	521	521	-
Italy	100	90	+10
<b>Europe</b>	<b>4,915</b>	<b>4,231</b>	<b>+684</b>

Load Factor (%)	1Q16	1Q15	Δ 16/15
Spain	35%	32%	+3pp
Portugal	38%	38%	+0.5pp
France	39%	32%	+7pp
Belgium	35%	30%	+5pp
Poland	29%	34%	(4pp)
Romania	33%	33%	(0.3pp)
Italy	33%	38%	(5pp)
<b>Europe</b>	<b>35%</b>	<b>33%</b>	<b>+2pp</b>

- EDPR's EBITDA consolidated installed capacity in Europe totalled 4.9 GW by Mar-16, an increase of 684 MW YoY. From the 684 EBITDA MW installed in the last 12 months, 623 MW were related to EDPR operations in Portugal (including 613 MW related to consolidation of ENEOP), 27 MW net were installed in Poland, 24 MW in France and 10 MW in Italy. The 27 MW net added in Poland include the deconsolidation of a 50 MW wind farm (in the 1Q16), following the completion of the cross sale of two wind farms in Poland, by which EDPR sold its 60% share in a 50 MW wind farm and bought the remaining 35% share in a 54 MW wind farm (already accounted as EBITDA MW).


- From the total of 4,915 MW installed in Europe (EBITDA MW), 4,863 MW were related to wind onshore technology and 52 MW of solar PV (of which 50 MW in Romania and 2 MW in Portugal).


- In Spain, EDPR had 2.2 GW of which c.9% has no capacity complement and the remaining capacity is remunerated with a pool price with caps and floors and a capacity complement in order to reach the target return on a standard asset. In Portugal, installed capacity reached 1,247 MW, representing 25% of EDPR EBITDA MW portfolio in Europe. Since Sep 1st 2015, EDPR EBITDA consolidated capacity in Portugal includes 613 MW related to ENEOP (previously EDPR was consolidating 533 MW by equity method). As of Mar-16, EDPR had 1.5 GW installed in Rest of Europe ("RoE"), accounting for 30% of EBITDA MW portfolio in Europe.


- In addition to its 4,915 EBITDA MW in Europe, as of Mar-16, EDPR had 177 MW consolidated by equity, related to EDPR equity stakes in Spanish assets.

- In Europe, EDPR achieved in the 1Q16 a 35% load factor, an increase of 2pp vs. 1Q15 propelled by a higher wind resource in the period, when compared with an average year.

- In the period, EDPR accomplished a load factor of 35% in Spain, higher than the expected for an average 1Q and above market average (+1pp). In Portugal, EDPR reached a load factor of 38%, in line YoY, reflecting an above average wind resource. In France and Belgium, load factors increased YoY by 7pp to 39% and 5pp to 35%, respectively, on the back of the strong wind resource in the 1Q16 and the weak wind conditions in 1Q15. In Poland and Italy, due to lower wind resource in the 1Q16, load factors decreased YoY by 4pp and 5pp, to 29% and 33%, respectively. In Romania, EDPR reached a load factor of 33%, stable YoY.

 Spain	1Q16	1Q15	Δ 16/15
<b>Production (GWh)</b>	1,658	1,499	+11%
Production w/ capacity complement (GWh)	1,527	1,392	+10%
Standard Production (GWh)	1,137	1,137	-
Above/(below) Standard Production (GWh)	391	255	+53%
Production w/o capacity complement (GWh)	131	107	+22%
<b>Selling Price + Capacity Complement</b>			
Realised pool price (€/MWh)	€25.6	€41.3	(38%)
Regulatory Adjustment on standard GWh (€m)	€3.1	€0.0	-
Remuneration to investment (€m)	€44.1	€44.1	-
Hedging gains/(losses) (€m)	€13.7	€0.7	-
<b>Electricity Sales (€m)</b>	<b>103.6</b>	<b>106.3</b>	<b>(3%)</b>


 Portugal	1Q16	1Q15	Δ 16/15
Production (GWh)	1,039	505	+106%
Avg. Selling Price (€/MWh)	€90.9	€107.7	(16%)
<b>Electricity Sales (€m)</b>	<b>94.4</b>	<b>54.4</b>	<b>+74%</b>


 France	1Q16	1Q15	Δ 16/15
Production (GWh)	307	234	+31%
Avg. Selling Price (€/MWh)	€90.6	€90.9	(0%)
<b>Electricity Sales (€m)</b>	<b>27.8</b>	<b>21.2</b>	<b>+31%</b>


- In Spain, in the 1Q16 production reached 1.7 TWh (+11% YoY), of which 92% was generated from capacity with complement. According to the RDL 413/2014 approved in Jun-14, renewable assets receive pool price with caps and floors and a capacity complement (€/MW) in order to achieve the standard return. In the 1Q16, the realised pool price was €26/MWh, lower than the €41/MWh in the 1Q15 due to weather conditions, leading to €3.1m of regulatory adjustment (baseload pool price vs lower/upper limits calculated starting in Oct-15 until Mar-16 avg; +€15m if Jan-16 to Mar-16), and the capacity complement totalled €44m. Reflecting EDPR hedging strategy, gains from hedged capacity in Spain amounted €14m in the period. All in all, electricity sales in the period totalled €104m (-3% YoY). For the 2Q-4Q16 and 2017, EDPR hedged 2.4 TWh at €46/MWh and 2.4 TWh at €45/MWh, respectively.


- In Portugal, electricity sales totalled €94m (+74% YoY) reflecting the increase in production to 1.0 TWh (+106%), mainly explained by the consolidation of 613 MW from ENEOP, and the lower average selling price (-16% YoY to €91/MWh) due to a different mix of wind farms in operation (feed-in vs. auctions).

- In France, production increased to 307 GWh (+31% YoY) due to the positive contribution from the higher average installed capacity along with a higher YoY load factor (39% vs. 32% in the 1Q15). The average selling price reached €91/MWh, stable YoY, which together with the higher output in the period led to €28m of electricity sales in the period (+31% YoY).

 Italy	1Q16	1Q15	Δ 16/15
Production (GWh)	73	58	+25%
Avg. Selling Price (€/MWh)	€115.8	€120.2	(4%)
<b>Electricity Sales (€m)</b>	<b>8.4</b>	<b>7.0</b>	<b>+21%</b>

 Poland	1Q16	1Q15	Δ 16/15
Production (GWh)	306	273	+12%
Avg. Selling Price (€/MWh)	€83.4	€95.7	(13%)
<b>Electricity Sales (€m)</b>	<b>25.5</b>	<b>26.2</b>	<b>(2%)</b>

 Romania	1Q16	1Q15	Δ 16/15
Production (GWh)	350	317	+11%
Avg. Selling Price (€/MWh)	€75.3	€69.9	+8%
<b>Electricity Sales (€m)</b>	<b>26.4</b>	<b>22.2</b>	<b>+19%</b>

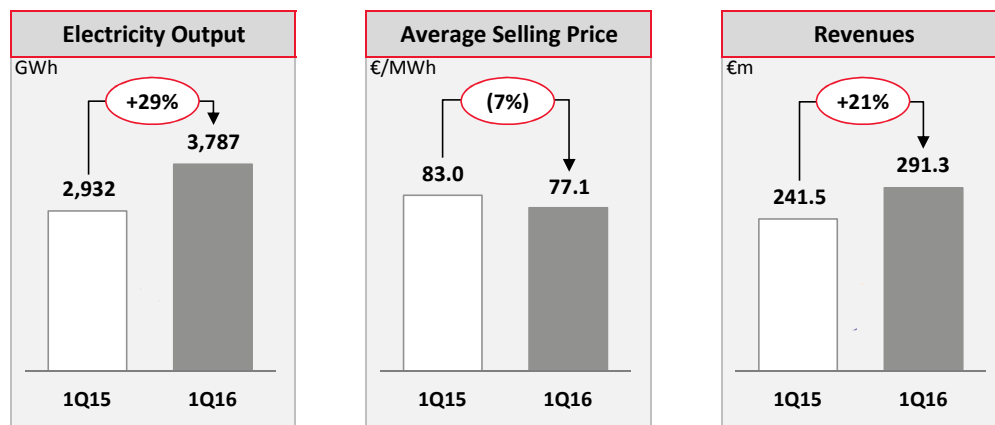
 Belgium	1Q16	1Q15	Δ 16/15
Production (GWh)	54	46	+17%
Avg. Selling Price (€/MWh)	€108.3	€110.5	(2%)
<b>Electricity Sales (€m)</b>	<b>5.8</b>	<b>5.0</b>	<b>+15%</b>

- In Italy, production in the 1Q16 increased YoY to 73 GWh (+25% YoY), benefitting from capacity additions (+10 MW) that offset the lower load factor (-5pp to 33% in the 1Q16). In the 1Q16, average selling price decreased to €116/MWh due to a different mix of wind farms in operation (auctions vs. old regime). On the back of a higher production, electricity sales in the 1Q16 summed up to €8m (+21% YoY).

- In Poland, the total production increased by 12%, to 306 GWh, due to higher average MW in operation that more than compensated the lower load factor in the period (29%, -4pp YoY). Average selling price decreased -13% to €83/MWh, reflecting the forex translation and lower wholesale price. As a result, electricity sales in Poland decreased to €26m in 1Q16 (-2% YoY).

- In Romania, production in the 1Q16 increased to 350 GWh (+11% YoY) benefitting from the higher average MW in operation in the period, with a stable load factor of 33%. The average selling price increased to €75/MWh, impacted by electricity prices recovery and mix effect. As a result, in the 1Q16 electricity sales totalled €26m (+19% YoY).

- In Belgium, production in the 1Q16 increased by 17%, to 54 GWh, on the back of the higher load factor registered in the period (35%, +5pp YoY). In the 1Q16, average selling price was €108/MWh (-2% YoY), reflecting energy price of new PPA. As a result, in the 1Q16 electricity sales increased by 15%, reaching €6m.



Opex ratios	1Q16	1Q15	Δ 16/15
Core Opex (S&S + PC) /Average MW in operation (€k)	8.9	9.2	(3%)
Core Opex (S&S + PC) /MWh (€)	11.6	12.9	(10%)

- In the 1Q16, EDPR output in Europe increased by 29% to 3.8 TWh, benefitting from capacity additions over the period along with the higher load factor (35% vs. 33% in the 1Q15). In the 1Q16, European generation accounted for 50% of EDPR total output. In the period, EDPR average selling price in Europe decreased 7% to €77/MWh, mainly driven by a lower average selling price in Spain (-12% YoY), due to lower pool prices and regulatory adjustment methodology, along with a different mix of wind farms in Portugal following the consolidation of 613 MW from ENEOP.
- Revenues in the 1Q16 totalled €291m (+21% YoY or +€50m) benefitting from the higher YoY output (+29% YoY, +€58m YoY) despite lower average selling price (-7% YoY, -€7m YoY). The increase in EDPR European revenues was the result of higher revenues in Portugal (+€40m YoY, on the back of ENEOP consolidation) and in Rest of Europe (+€13m YoY), more than compensating the decrease in revenues in Spain (-€3m YoY) and Poland (-€1m YoY).

Income Statement (€m)	1Q16	1Q15	Δ 16/15
<b>Revenues</b>	<b>291.3</b>	<b>241.5</b>	<b>+21%</b>
Other operating income	7.1	1.9	-
Operating Costs	(70.8)	(62.5)	+13%
Supplies and services (S&S)	(36.0)	(32.5)	+11%
Personnel costs (PC)	(7.8)	(5.3)	+48%
Other operating costs	(27.0)	(24.8)	+9%
<b>EBITDA</b>	<b>227.5</b>	<b>180.9</b>	<b>+26%</b>
EBITDA/Revenues	78%	75%	+3pp
Provisions	-	-	-
Depreciation and amortisation	(74.0)	(57.2)	+29%
Amortisation of deferred income (government grants)	0.5	0.5	(6%)
<b>EBIT</b>	<b>154.0</b>	<b>124.2</b>	<b>+24%</b>

Employees	1Q16	1Q15	Δ 16/15
<b>Europe</b>	<b>454</b>	<b>441</b>	<b>+3%</b>

- In the 1Q16, Other operating income totalled €7m (+€5m YoY) mainly explained by a capital gain subsequent to the sale of EDPR 60% share in a 50 MW wind farm in Poland (+€6m). In the period, Operating costs totalled €71m (+13% YoY) driven by the increase in Personnel costs (+€3m YoY), Supplies and services (+€4m YoY) and Other operating costs (+€2m YoY), on the back of higher capacity in operation.
- In the 1Q16, Core Opex per average MW in operation decreased 3% YoY to €9k, reflecting EDPR strict control over costs and strong efficiency levels. In the period, Core Opex per MWh decreased 10% YoY to €12 benefitting from the higher output in the period.
- All in all, EBITDA totalled €228m (+26% YoY), with an EBITDA margin of 78% (vs. 75% in 1Q15). In the 1Q16, depreciations and amortisations (including impairments and net of amortisations of government grants) increased by 29% YoY, reflecting the higher capacity in operation and resulting in an EBIT of €154m (+24% YoY).

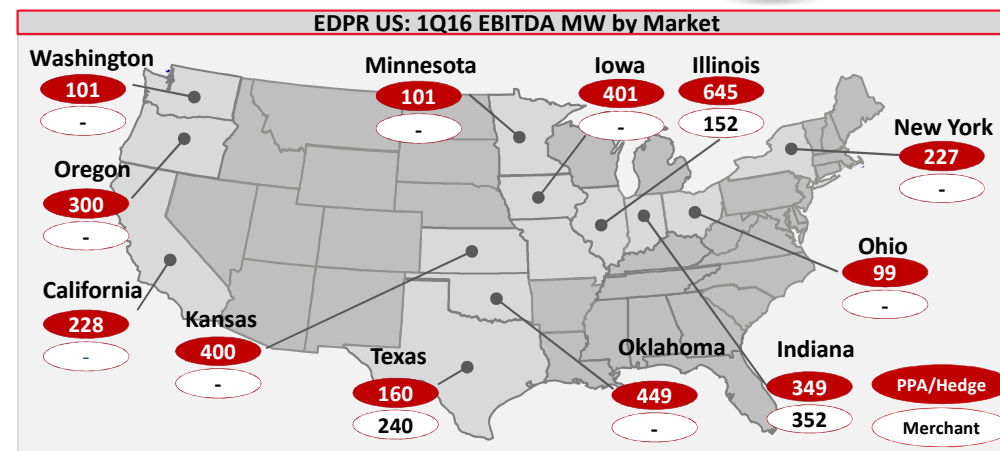
EBITDA MW	1Q16	1Q15	Δ 16/15
US PPA/Hedge	3,459	3,254	+205
US Merchant	744	551	+193
Canada	30	30	-
<b>Total EBITDA MW</b>	<b>4,233</b>	<b>3,835</b>	<b>+398</b>

Load Factor (%)	1Q16	1Q15	Δ 16/15
US	40%	34%	+6pp
West	24%	19%	+5pp
Central	43%	37%	+6pp
East	43%	36%	+7pp
Canada	35%	34%	+1pp
<b>Average Load Factor</b>	<b>40%</b>	<b>34%</b>	<b>+6pp</b>

Electricity Output (GWh)	1Q16	1Q15	Δ 16/15
US PPA/Hedge	2,950	2,335	+26%
US Merchant	721	451	+60%
Canada	23	22	+4%
<b>Total GWh</b>	<b>3,694</b>	<b>2,808</b>	<b>+32%</b>

Average Selling Price (US\$/MWh)	1Q16	1Q15	Δ 16/15
US PPA/Hedge price	49.5	52.9	(6%)
US Merchant price	41.0	48.3	(15%)
Canada	105.3	116.6	(10%)
<b>Avg. Final Selling Price</b>	<b>48.1</b>	<b>52.7</b>	<b>(9%)</b>

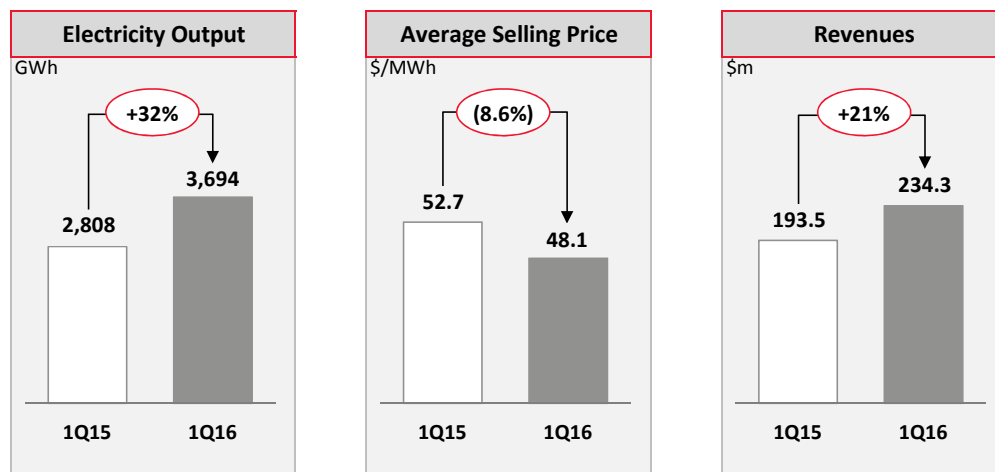
- As of Mar-16, EDPR EBITDA installed capacity in the North America totalled 4,233 MW, of which 4,203 MW in the US and 30 MW in Canada. From the 4,203 MW installed in the US, 4,173 MW are of wind onshore technology, while 30 MW are related to a solar PV power plant. In Mar-16, EDPR had 3.5 GW under long-term contracts (PPA/Hedge) or pre-defined remuneration scheme, representing 92% of its total installed capacity in the region.
- In the US, over the last 12 months, EDPR installed 0.4 GW of wind onshore capacity, all remunerated according with PPAs secured in advance and with a different generation mix (price vs production). The increase of 0.2 GW exposed to merchant reflects the 8-year PPA expiration of a wind farm.
- In the 1Q16, EDPR reached a load factor of 40% in North America, +6pp vs. 1Q15, with a strong YoY wind resource across all regions, and with YoY comparison impacted by the lower windy conditions in the 1Q15. Canada delivered a 35% load factor in the period, +1pp YoY.
- EDPR output in North America increased 32% YoY, reaching 3.7 TWh of clean energy in the 1Q16 on the back of higher installed capacity and stronger wind conditions. In the region, the output covered with PPA/Hedge/Feed-in increased by 616 GWh YoY and the production exposed to spot prices increased by 270 GWh YoY, with the PPA/Hedge/Feed-in production representing 80% of the output in the region during 1Q16.



Tax Incentives	1Q16	1Q15	Δ 16/15
MW under PTC/ITC (Tax Equity Structure)	2,689	2,291	+398
MW under cash grant flip (Tax Equity Structure)	500	500	-
MW under cash grant	1,014	1,014	-

Revenues (US\$m)	1Q16	1Q15	Δ 16/15
Electricity sales and other	173.2	145.1	+19%
Income from institutional partnerships	61.1	48.4	+26%
<b>Total Revenues</b>	<b>234.3</b>	<b>193.5</b>	<b>+21%</b>

- In the US, reflecting capacity additions, different mix of load factors vs. prices and the expiration of a PPA, PPA/Hedge price in the period totalled \$50/MWh (-6% YoY) and the realised merchant price decreased to \$41/MWh. In Canada, EDPR average selling price was \$105/MWh (-10% YoY) penalised by forex translation. All in all, the realised average selling price in the region was \$48/MWh.
- Benefitting from the higher output in the region (+32% YoY), in the 1Q16 electricity sales increased by 19% YoY to \$173m. Income from institutional partnerships was 26% higher at \$61m, reflecting the new tax equity partnerships and the higher output of the projects generating PTCs. All in all, revenues in North America increased by 21% to \$234m.



Opex ratios	1Q16	1Q15	Δ 16/15
Core Opex (S&S + PC) /Average MW in operation (\$k)	11.4	11.5	(1%)
Core Opex (S&S + PC) /MWh (\$)	13.1	15.7	(17%)

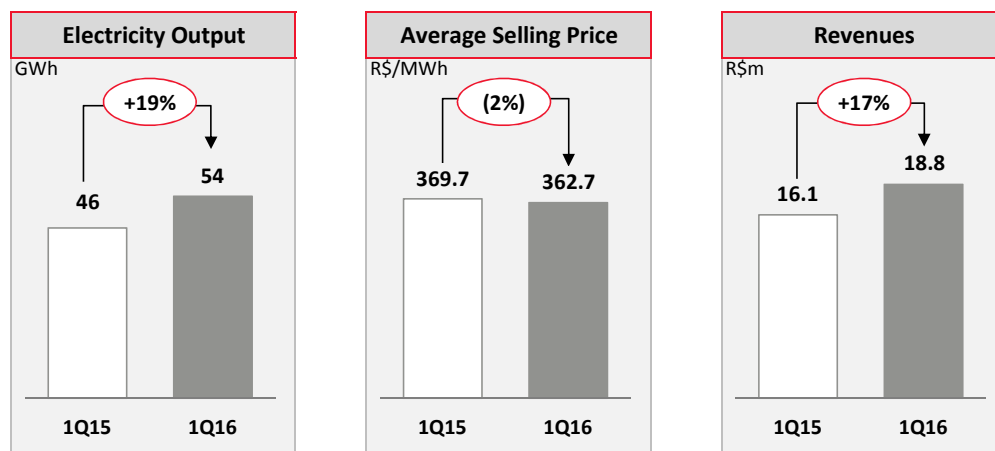
- In the 1Q16, EDPR electricity sales in North America increased by 19% YoY to \$173m, on the back of the 32% YoY increase in electricity output, offsetting the lower average selling price in the period (-9% YoY). Income from institutional partnerships increased by 26% or \$13m to \$61m. Following the top line, in the 1Q16 revenues in North America increased by 21%, reaching a total of \$234m.
- In the period, Other operating income decreased by \$4m YoY mainly due to loss damage compensations received in the 1Q15. Operating costs decreased \$2m YoY, to \$70m, as the YoY decrease in Other operating costs (-\$6m YoY) was offset by the \$3m and \$2m YoY increase in Personnel costs and Supplies and services, respectively. Core Opex per average MW in operation decreased by 1% YoY to \$11k, reflecting EDPR focus on efficiency and control over costs along with an increase in average MW in operation. Opex per MWh decreased by 17% YoY to \$13, also benefitting by the strong wind resource in the period.
- Reflecting the positive performance in Revenues in the 1Q16, EBITDA increased by 30% YoY, to €168m, reaching an EBITDA margin of 72% (+5pp vs. 1Q15).

Income Statement (US\$m)	1Q16	1Q15	Δ 16/15
Electricity sales and other	173.2	145.1	+19%
Income from institutional partnerships	61.1	48.4	+26%
<b>Revenues</b>	<b>234.3</b>	<b>193.5</b>	<b>+21%</b>
Other operating income	4.3	8.5	(49%)
Operating Costs	(70.5)	(72.1)	(2%)
Supplies and services (S&S)	(35.9)	(34.1)	+5%
Personnel costs (PC)	(12.4)	(9.8)	+26%
Other operating costs	(22.2)	(28.2)	(21%)
<b>EBITDA</b>	<b>168.2</b>	<b>129.8</b>	<b>+30%</b>
<i>EBITDA/Revenues</i>	<i>72%</i>	<i>67%</i>	<i>+5pp</i>
Provisions	-	-	-
Depreciation and amortisation	(85.1)	(78.8)	+8%
Amortisation of deferred income (government grants)	5.8	5.8	(0.0%)
<b>EBIT</b>	<b>88.8</b>	<b>56.8</b>	<b>+56%</b>

Employees	1Q16	1Q15	Δ 16/15
<b>North America</b>	<b>386</b>	<b>317</b>	<b>+22%</b>

- Following the EBITDA performance (+30% YoY), and the increase of \$6m YoY in depreciations and amortisations (including impairments and net of amortisations of government grants), EBIT increased 56% vs. 1Q15, reaching a total amount of \$89m.
- In the 4Q15, as part of its asset rotation strategy, EDPR sold to Axiom a minority cash equity interest in a US wind portfolio with a total production capacity of 1 GW. Proceeds from this asset rotation transaction (\$308m) were received in 1Q16.





Opex ratios	1Q16	1Q15	Δ 16/15
Core Opex (S&S + PC) /Average MW in operation (R\$/k)	89.2	76.9	+16%
Core Opex (S&S + PC) /MWh (R\$)	137.2	140.3	(2%)

- In Mar-16, EDPR had 204 MW of wind installed capacity in Brazil (+120 MW YoY), of which 84 MW under incentive programs for renewable energy development (PROINFA) and 120 MW awarded according with an auction system. Under these programs the projects were awarded with long-term contracts to sell the electricity produced for 20 years, providing long-term visibility over cash-flow generation throughout the projects' life.
- In the 1Q16, EDPR generated 54 GWh, an increase of 19% YoY, mainly explained by the outstanding load factor in the period (30% vs. 25% in the 1Q15).
- In the 1Q16, the average selling price in Brazil decreased by 2% YoY to R\$363/MWh, reflecting revenue tax thresholds on a 70 MW wind farm.
- In the period, EDPR's revenues in Brazil reached R\$19m (+17% YoY), with the increasing in generation electricity (+19% YoY) more than offsetting the decrease in average selling price (-2% YoY). In the period, Operating costs increased by R\$1m, following the increase in Personnel costs and Supplies and services, and despite the decrease in Other operating costs. All in all, EBITDA reached R\$11m (+23% YoY), with the EBITDA margin at 58% (+3pp vs. 1Q15).

Income Statement (R\$m)	1Q16	1Q15	Δ 16/15
<b>Revenues</b>	<b>18.8</b>	<b>16.1</b>	<b>+17%</b>
Other operating income	-	-	-
Operating Costs	(8.0)	(7.3)	+10%
Supplies and services (S&S)	(5.5)	(5.2)	+4%
Personnel costs (PC)	(2.0)	(1.2)	+66%
Other operating costs	(0.5)	(0.8)	(41%)
<b>EBITDA</b>	<b>10.8</b>	<b>8.8</b>	<b>23%</b>
EBITDA/Revenues	58%	55%	+3pp
Provisions	-	-	-
Depreciation and amortisation	(4.7)	(4.6)	+2%
Amortisation of deferred income (government grants)	0.0	0.0	-
<b>EBIT</b>	<b>6.2</b>	<b>4.3</b>	<b>+45%</b>

Employees	1Q16	1Q15	Δ 16/15
<b>Brazil</b>	<b>34</b>	<b>24</b>	<b>+42%</b>

- In the previous Brazilian energy auctions, EDPR was awarded with 20-year PPA for wind farms with a total of 257 MW of energy capacity. In Dec-13 EDPR was awarded 117 MW with a PPA and in Nov-15 was awarded with a PPA for 140 MW, both with operations expected to start in 2018 and based on long term contracts. This clearly strengthens EDPR's presence in a market with low risk profile, strong growth prospects and attractive wind resource.



## Quarterly Data

# Quarterly Data

Quarterly Data	1Q15	2Q15	3Q15	4Q15	1Q16	Δ YoY	Δ QoQ
<b>EBITDA MW</b>							
Europe	4,231	4,237	4,860	4,965	4,915	+16%	(1%)
North America	3,835	3,934	3,934	4,233	4,233	+10%	-
Brazil	84	84	84	84	204	-	+143%
<b>EDPR</b>	<b>8,149</b>	<b>8,254</b>	<b>8,878</b>	<b>9,281</b>	<b>9,351</b>	<b>+15%</b>	<b>+1%</b>
<b>Load Factor</b>							
Europe	33%	25%	21%	27%	35%	+2pp	+8pp
North America	34%	33%	24%	39%	40%	+6pp	+1pp
Brazil	25%	27%	33%	36%	30%	+4pp	(6pp)
<b>EDPR</b>	<b>34%</b>	<b>28%</b>	<b>22%</b>	<b>32%</b>	<b>38%</b>	<b>+4pp</b>	<b>+5pp</b>
<b>GWh</b>							
Europe	2,932	2,254	2,015	2,861	3,787	+29%	+32%
North America	2,808	2,754	2,076	3,466	3,694	+32%	+7%
Brazil	46	49	61	66	54	+19%	(18%)
<b>EDPR</b>	<b>5,786</b>	<b>5,056</b>	<b>4,152</b>	<b>6,394</b>	<b>7,535</b>	<b>+30%</b>	<b>+18%</b>
<b>Tariff/Selling Price</b>							
Europe (€/MWh)	82.6	81.5	87.0	81.7	77.1	(7%)	(6%)
North America (\$/MWh) <sup>(1)</sup>	52.7	51.4	52.4	48.6	48.1	(9%)	(1%)
Brazil (R\$/MWh)	369.7	367.7	373.6	369.9	362.7	(2%)	(2%)
<b>Average Portfolio Price (€/MWh) <sup>(1)</sup></b>	<b>65.5</b>	<b>62.7</b>	<b>67.2</b>	<b>61.4</b>	<b>60.8</b>	<b>(7%)</b>	<b>(1%)</b>
<b>Revenues (€m)</b>							
Europe	241	183	174	233	291	+21%	+25%
North America	172	167	126	230	213	+24%	(8%)
Brazil	5	5	6	6	4	(13%)	(24%)
<b>EDPR</b>	<b>418</b>	<b>355</b>	<b>306</b>	<b>468</b>	<b>508</b>	<b>+22%</b>	<b>+8%</b>
<b>EBITDA (€m)</b>							
Europe	181	128	201	181	228	+26%	+26%
North America	115	128	38	180	153	+33%	(15%)
Brazil	3	2	4	3	3	(8%)	(14%)
<b>EDPR</b>	<b>295</b>	<b>253</b>	<b>235</b>	<b>360</b>	<b>379</b>	<b>+29%</b>	<b>+5%</b>
<b>EBITDA Margin</b>							
Europe	74.9%	69.9%	115.1%	77.6%	78.1%	+3pp	+1pp
North America	67.1%	76.5%	30.4%	78.3%	71.8%	+5pp	(6pp)
Brazil	54.9%	48.6%	74.3%	51.1%	57.7%	+3pp	+7pp
<b>EDPR</b>	<b>70.6%</b>	<b>71.1%</b>	<b>76.6%</b>	<b>76.9%</b>	<b>74.7%</b>	<b>+4pp</b>	<b>(2pp)</b>
<b>Net Profit EDPR (€m)</b>	<b>57</b>	<b>13</b>	<b>30</b>	<b>67</b>	<b>75</b>	<b>+32%</b>	<b>+12%</b>
<b>Capex (€m)</b>							
Europe	20	21	36	107	20	(2%)	(81%)
North America	116	131	226	172	63	(46%)	(64%)
Brazil	27	6	11	29	6	(77%)	(79%)
<b>EDPR</b>	<b>163</b>	<b>159</b>	<b>274</b>	<b>307</b>	<b>89</b>	<b>(46%)</b>	<b>(71%)</b>
<b>Net Debt (€m)</b>	<b>3,522</b>	<b>3,472</b>	<b>3,686</b>	<b>3,707</b>	<b>3,414</b>	<b>(3%)</b>	<b>(8%)</b>
<b>Institutional Partnership Liability (€m)</b>	<b>1,184</b>	<b>1,175</b>	<b>1,114</b>	<b>1,165</b>	<b>1,259</b>	<b>+6%</b>	<b>+8%</b>

(1) Excludes institutional partnership revenues.



## Income Statements

# EDPR: Income Statement by Region



1Q16 (€m)	Europe	N. America	Brazil	Other/Adj.	Consolidated
Electricity sales and other	291.3	157.2	4.4	(0.4)	452.5
Income from institutional partnerships	-	55.5	-	-	55.5
<b>Revenues</b>	<b>291.3</b>	<b>212.7</b>	<b>4.4</b>	<b>(0.4)</b>	<b>507.9</b>
<b>Other operating income</b>	<b>7.1</b>	<b>3.9</b>	-	<b>0.3</b>	<b>11.4</b>
<b>Operating Costs</b>	<b>(70.8)</b>	<b>(64.0)</b>	<b>(1.8)</b>	<b>(3.5)</b>	<b>(140.1)</b>
Supplies and services	(36.0)	(32.6)	(1.3)	1.3	(68.6)
Personnel costs	(7.8)	(11.2)	(0.5)	(4.2)	(23.7)
Other operating costs	(27.0)	(20.2)	(0.1)	(0.5)	(47.8)
<b>EBITDA</b>	<b>227.5</b>	<b>152.6</b>	<b>2.5</b>	<b>(3.5)</b>	<b>379.2</b>
<i>EBITDA/Revenues</i>	78%	72%	58%	<i>n.a.</i>	75%
Provisions	-	-	-	-	-
Depreciation and amortisation	(74.0)	(77.2)	(1.1)	(0.8)	(153.1)
Amortisation of deferred income (government grants)	0.5	5.2	0.0	(0.0)	5.7
<b>EBIT</b>	<b>154.0</b>	<b>80.6</b>	<b>1.4</b>	<b>(4.3)</b>	<b>231.8</b>

1Q15 (€m)	Europe	N. America	Brazil	Other/Adj.	Consolidated
Electricity sales and other	241.5	128.7	5.0	(0.2)	375.0
Income from institutional partnerships	-	42.9	-	-	42.9
<b>Revenues</b>	<b>241.5</b>	<b>171.6</b>	<b>5.0</b>	<b>(0.2)</b>	<b>417.9</b>
<b>Other operating income</b>	<b>1.9</b>	<b>7.5</b>	-	<b>0.1</b>	<b>9.5</b>
<b>Operating Costs</b>	<b>(62.5)</b>	<b>(64.0)</b>	<b>(2.3)</b>	<b>(3.7)</b>	<b>(132.4)</b>
Supplies and services	(32.5)	(30.3)	(1.6)	(0.6)	(65.0)
Personnel costs	(5.3)	(8.7)	(0.4)	(2.8)	(17.2)
Other operating costs	(24.8)	(25.0)	(0.3)	(0.2)	(50.2)
<b>EBITDA</b>	<b>180.9</b>	<b>115.1</b>	<b>2.7</b>	<b>(3.7)</b>	<b>295.0</b>
<i>EBITDA/Revenues</i>	75%	67%	55%	<i>n.a.</i>	71%
Provisions	-	-	-	-	-
Depreciation and amortisation	(57.2)	(69.8)	(1.4)	(0.7)	(129.2)
Amortisation of deferred income (government grants)	0.5	5.1	0.0	(0.0)	5.6
<b>EBIT</b>	<b>124.2</b>	<b>50.4</b>	<b>1.3</b>	<b>(4.5)</b>	<b>171.4</b>

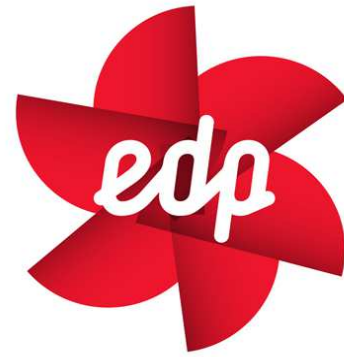
# EDPR Europe: Income Statement by Country



1Q16 (€m)	Spain	Portugal	RoE	Other/Adj. <sup>(1)</sup>	Total Europe
<b>Revenues</b>	<b>89.6</b>	<b>94.5</b>	<b>92.9</b>	<b>14.2</b>	<b>291.3</b>
Operating Costs and Other operating income	(36.1)	(12.1)	(13.9)	(1.5)	(63.7)
<b>EBITDA</b>	<b>53.5</b>	<b>82.4</b>	<b>79.0</b>	<b>12.7</b>	<b>227.5</b>
<i>EBITDA/Revenues</i>	<i>60%</i>	<i>87%</i>	<i>85%</i>	<i>n.a.</i>	<i>78%</i>
Depreciation, amortisation and provisions	(33.2)	(16.7)	(22.7)	(0.9)	(73.5)
<b>EBIT</b>	<b>20.3</b>	<b>65.6</b>	<b>56.3</b>	<b>11.8</b>	<b>154.0</b>

1Q15 (€m)	Spain	Portugal	RoE	Other/Adj. <sup>(1)</sup>	Total Europe
<b>Revenues</b>	<b>105.2</b>	<b>54.8</b>	<b>80.3</b>	<b>1.2</b>	<b>241.5</b>
Operating Costs and Other operating income	(36.0)	(7.4)	(16.2)	(1.0)	(60.6)
<b>EBITDA</b>	<b>69.2</b>	<b>47.4</b>	<b>64.1</b>	<b>0.2</b>	<b>180.9</b>
<i>EBITDA/Revenues</i>	<i>66%</i>	<i>87%</i>	<i>80%</i>	<i>n.a.</i>	<i>75%</i>
Depreciation, amortisation and provisions	(33.0)	(6.7)	(15.7)	(1.2)	(56.7)
<b>EBIT</b>	<b>36.1</b>	<b>40.7</b>	<b>48.4</b>	<b>(1.0)</b>	<b>124.2</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 12, the hedging was included in the Spanish division only for analytical purposes.



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Annex

# Equity Consolidated & Non-controlling Interest (MW)



## Equity Consolidated (MW) <sup>(1)</sup>

EDPR Interest	MW			Share of profit			EBITDA Equivalent		
	Country	1Q16	1Q15	Δ YoY	1Q16	1Q15	Δ YoY	1Q16	1Q15
Spain	177	174	+3	(€0.5m)	€1.5m	(€1.9m)	€1.1m	€2.7m	(61%)
US	179	179	-	(\$7.4m)	\$0.5m	(\$7.9m)	(\$3.7m) <sup>(2)</sup>	\$4.3m	-






## Non-controlling Interest (Net MW)






Installed Capacity (MW)	1Q16	Δ YTD	Δ YoY
Spain	60	-	-
Portugal	318	-	+2
Rest of Europe (RoE)	232	-	-
North America	1,122	+357	+766
Brazil	100	+59	+62
<b>Total</b>	<b>1,832</b>	<b>+416</b>	<b>+831</b>

•As of Mar-16, EDPR managed a total of 1.8 GW corresponding to minorities held by institutional and strategic partners, an increase of 831 MW from Mar-15, mainly reflecting EDPR settlement of asset rotation deals executed with DIF III (US), Fiera Axiom (US) and Axiom (US) on the back of the asset rotation strategy, and CGT (Brazil) in the context of EDP strategic partnership. EDPR asset rotation strategy is based in selling minorities stakes in its optimized wind farms to re-invest in the development of quality and value accretive projects.

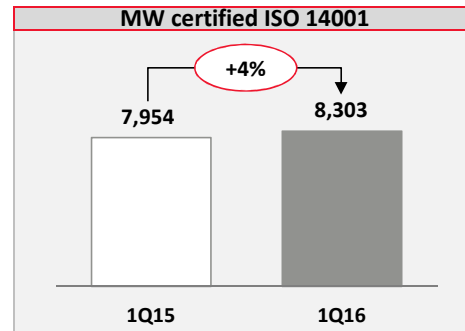
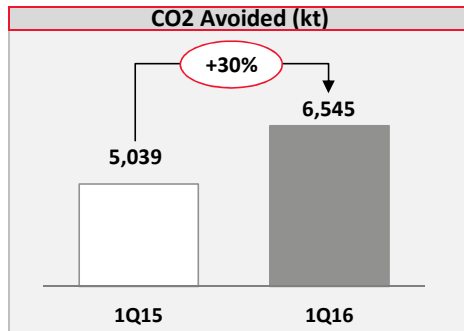
(1) Breakdown only considers associate companies with installed capacity; (2) YoY comparison impacted by IFRIC 21;



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 (\$23/MWh in 2013)</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>Canada</b>	<ul style="list-style-type: none"> <li>• Feed-in Tariff (Ontario)</li> <li>• Duration: 20-years</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)</li> </ul>
 <b>Portugal</b>	<ul style="list-style-type: none"> <li>• MW contributing to EDPR's EBITDA: Feed-in Tariff inversely correlated with load factor throughout the year. Duration: 15 years (Feed-in tariff updated monthly with inflation) + 7 years (extension cap/floor system: €74/MWh - €98/MWh)</li> <li>• ENEOP: price defined in a 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> </ul>
 <b>France</b>	<ul style="list-style-type: none"> <li>• Feed-in tariff for 15 years:                             <ul style="list-style-type: none"> <li>• First 10 years: receive €82/MWh; inflation type indexation</li> <li>• Years 11-15: depending on load factor receive €82/MWh @2,400 hours decreasing to €28/MWh @3,600 hours; inflation type indexation</li> </ul> </li> </ul>

Country	Short Description
 <b>Belgium</b>	<ul style="list-style-type: none"> <li>• Market price plus green certificate (GC) system</li> <li>• Separate GC prices with cap and floor for Wallonia (€65/MWh-100/MWh)</li> <li>• Option to negotiate long-term PPAs</li> </ul>
 <b>Poland</b>	<ul style="list-style-type: none"> <li>• Electricity price can be established through bilateral contracts or selling to distributor at regulated price (PLN169.99/MWh in 2016)</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. In 2015, the substitution fee was set at PLN300/MWh</li> </ul>
 <b>Romania</b>	<ul style="list-style-type: none"> <li>• Wind assets 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-2020. Solar assets receive 6 GC/MWh for 15 years. 2 out of the 6 GC earned until Mar-2017 can only be sold after Apr-2017 and until Dec-2020. GC are tradable on market under a cap and floor system (cap €59.9 / floor €29.4)</li> </ul>
 <b>Italy</b>	<ul style="list-style-type: none"> <li>• Projects online before 2013 receive, until 2015, market price plus GC. GSE has the obligation to buy GC at 0.78 x (€180/MWh - "P-1" (previous year avg. market price)). For 2015, GC price from GSE will be €97.4. From 2016 onwards (during 15 years), pool + premium scheme (premium = 1 x (€180/MWh - "P-1") x 0.78)</li> <li>• New assets: competitive auctions awarding 20-years PPAs</li> </ul>
 <b>Brazil</b>	<ul style="list-style-type: none"> <li>• Installed capacity under PROINFA program</li> <li>• Competitive auctions awarding 20-years PPAs</li> </ul>

## Environmental Metrics



Compliance	1Q16	1Q15	Δ YoY
Monetary value of environmental sanctions (€k)	-	0.3	-

Waste treatment	1Q16	1Q15	Δ YoY
Total waste (kg/GWh) <sup>(1)</sup>	30.6	66.4	(54%)
Total hazardous waste (kg/GWh)	11.9	16.6	(28%)
Total Oil related wastes (%)	86%	96%	(10pp)
% of hazardous waste recycled	96%	97%	(2pp)

## Economic Metrics

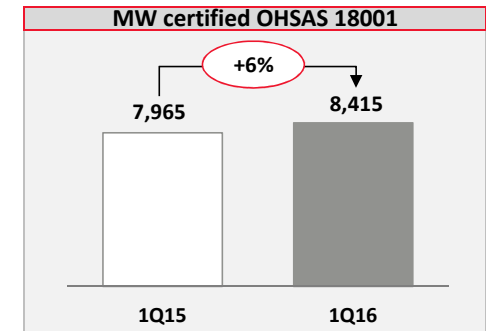
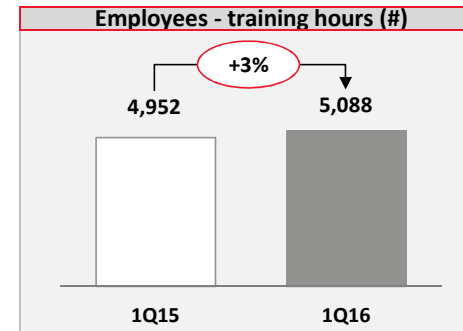
Economic Value (€m)	1Q16	1Q15	Δ YoY
Directly Generated	1,113	507	+120%
Distributed	710	292	+143%
Accumulated	403	214	+88%



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## Social Metrics



Human Capital Overview	1Q16	1Q15	Δ YoY
Employees	1,036	938	+10%
Turnover	3%	4%	(1pp)
% of female workforce	32%	32%	(0pp)

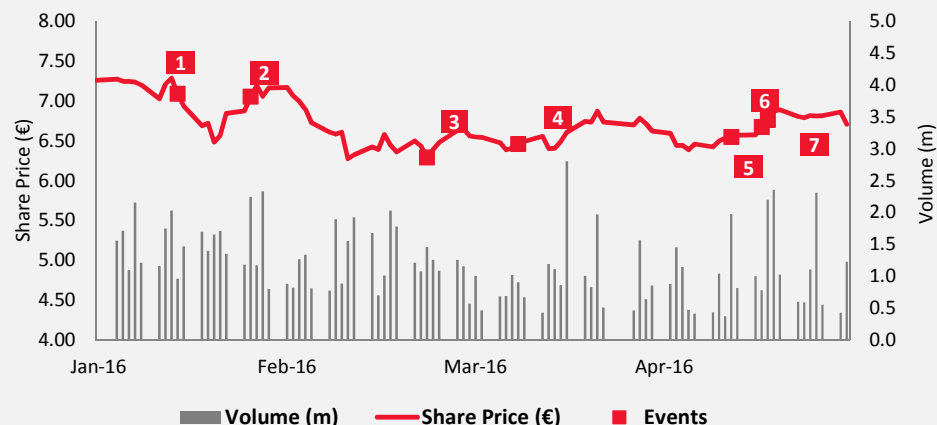
Health & Safety indicators	1Q16	1Q15	Δ YoY
Number of industrial accidents	5	2	+150%
Injury rate (IR) <sup>(2)</sup>	3.9	1.7	+132%
Lost work day rate (LDR) <sup>(3)</sup>	130	91	+43%

Corporate Citizenship	1Q16	1Q15	Δ YoY
Employee Volunteering (hours)	24	68	(65%)

## Main Events in Sustainability

Date	Description
Feb-16	EDPR publishes its integrated 2015 Annual Report based on GRI reporting guidelines.
Mar-16	EDPR donated 370 books, collected in "Solidarity books" campaign in Spain, to be sold through the online store Books&More. All the gains will finance cooperation projects in Guinea Bissau.
Mar-16	More than 500 employees in Europe and Brazil completed EDPR ethical development, management system and the principles and commitments set out in EDPR Code of Ethics.
Apr-16	EDPR was granted as "Great Place to Work" in Spain, in the category of companies with 250 to 500 employees.

## 2016 EDPR Share Price Performance



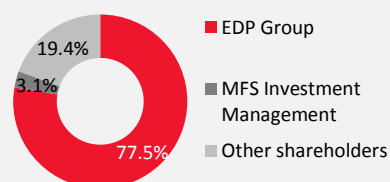
## 2016 YTD Main Events

#	Date	Description	Share Price
1	14-Jan	EDPR informs about the Spanish renewable energy auction	7.08
2	26-Jan	EDPR FY15 Volumes & Capacity Statement release	7.04
3	24-Feb	EDPR FY15 Annual Results release	6.28
4	10-Mar	EDPR secures a new long term contract for 100 MW in Canada	6.45
5	14-Apr	EDPR Annual Shareholders' Meeting	6.54
6	19-Apr	EDPR executes an asset rotation transaction in Europe	6.66
7	20-Apr	EDPR 1Q16 Volumes & Capacity Statement release	6.75

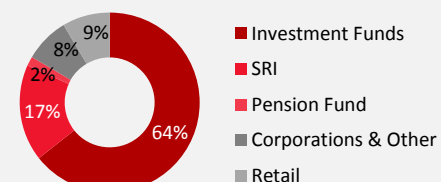
## Capital Market Indicators

	2016 YTD <sup>(1)</sup>	1Q16	2015	9M15	1H15	1Q15
Opening Price	€ 7.25	€ 7.25	€ 5.40	€ 5.40	€ 5.40	€ 5.40
Minimum Price	€ 6.27	€ 6.27	€ 5.30	€ 5.30	€ 5.30	€ 5.30
Maximum Price	€ 7.28	€ 7.28	€ 7.25	€ 6.90	€ 6.81	€ 6.47
Average Price	€ 6.70	€ 6.72	€ 6.30	€ 6.24	€ 6.22	€ 5.95
Closing Price	€ 6.70	€ 6.71	€ 7.25	€ 5.87	€ 6.35	€ 6.40
Share performance	(8%)	(7%)	+34%	+9%	+18%	+18%
Dividend per share	-	-	€ 0.04	€ 0.04	€ 0.04	€ 0.00
Total Shareholder Return	(8%)	(7%)	+35%	+9%	+18%	+18%
Volume (m) <sup>(2)</sup>	101.3	77.5	94.6	212.5	143.9	89.5
Daily Average (m)	1.2	1.2	1.2	1.1	1.1	1.1
Market Cap (€m)	5,844	5,853	6,324	5,116	5,539	5,583

## Shareholder Structure



## Investor Type (ex-EDP Group) <sup>(3)</sup>



## Investor Relations Department

Rui Antunes, Head of IR  
 Maria Fontes  
 Paloma Bastos-Mendes

Address:  
 Serrano Galvache, 56 - Edificio Olmo, 7º  
 28033, Madrid, España

Email: ir@edpr.com  
 Site: www.edpr.com  
 Phone|Fax: +34 902 830 700 | +34 914 238 429

Head Office:  
 Plaza de la Gesta, nº 2  
 33007 Oviedo, España  
 C.I.F. n.º A-74219304

(1) From 01-Jan-2016 until 03-May-2016; (2) Bloomberg data including all exchanges and OTC; (3) Dated as of 31-Dec-15.



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