



Investors & Analysts' Briefing

Reuters: EDP.LS
Bloomberg: EDP PL

EDP AGREES TO SELL 6 HYDRO PLANTS IN PORTUGAL FOR €2.2 BILLION

Lisbon, December 19th 2019: EDP – Energias de Portugal (“EDP”) agreed to sell a portfolio of 6 large hydro plants in Portugal to a consortium of investors formed by ENGIE (40% of equity stake), Crédit Agricole Assurances (35%) and Mirova – Natixis Group (25%), in a transaction valued at €2.2 billion.

The disposed hydro portfolio comprises 1,689 MW of installed capacity in the Douro river basin, namely:

- I. 3 run-of-river plants (Miranda, Picote and Bemposta), with 1.2 GW of installed capacity;
- II. 3 pumped storage power plants (Foz Tua, Baixo Sabor and Feiticeiro), with 0.5 GW of installed capacity.

The agreed transaction value represents an Enterprise Value of €2,210 million (with equity value subject to adjustments until the conclusion of the transaction). In 2018, in which hydro production index in Portugal was 1.05x, EBITDA contribution from this portfolio amounted to €154 million. The transaction is expected to be completed by the second half of 2020, following the fulfillment of the applicable corporate and regulatory conditions.

Over the last 12 years, EDP executed a plan for the construction and repowering of hydroelectric power plants in Portugal, increasing its installed capacity in the country by 2.6 GW. Following this transaction, EDP will maintain its leading position in Portugal in hydro generation capacity with 5.1 GW, while continuing to be the second largest hydro operator in Iberia.

This transaction aims at optimizing our portfolio, decreasing our exposure to concentrated hydro volatility and merchant prices, reinforcing the low business risk profile and improving financial leverage. Together with the strong visibility of our renewable growth plan for 2019-22 (more than 70% secured through long term contracts), contributing decisively towards the successful execution of the Strategic Plan 2019-22 announced in March 2019.

This information is disclosed pursuant to the terms and for the purposes of the article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council and of article 248-A of the Portuguese Securities code.

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