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Investors & Analysts' Briefing

**INVESTOR RELATIONS
DEPARTMENT**

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EDP EXERCISES CALL OPTION FOR THE ACQUISITION OF SHAREHOLDINGS IN TURBOGÁS AND PORTUGEN

EDP – Energias de Portugal, S.A. and EDP Participações – SGPS, S.A. (jointly designated as “EDP”) have notified INTERNATIONAL POWER, PLC (“IPR”) and NATIONAL POWER INTERNATIONAL HOLDINGS BV (“IPBV”) of its intention to exercise the call option under the terms of the agreement signed on 26th October 2004, for the purchase of a shareholding of 20% of the share capital and respective shareholder loans of TURBOGÁS – Produtora Energética, S.A. (“TURBOGÁS”) and of a shareholding of 26.667% of the share capital and respective shareholder loans of PORTUGEN – Energia, S.A. (“PORTUGEN”).

The reference price for the option is €55,667,350.00, which was determined based on the underlying value of the Sale and Purchase Agreement entered into by IPR, IPBV and RWE POWER AG in relation to the transfer of a stake in TURBOGÁS and PORTUGEN (executed on 10th November 2004), and is subject to a price adjustment mechanism in order to reflect patrimonial variations which may occur until the date of the effective acquisition by EDP of the said shareholdings and respective shareholder loans.

The exercise of the call option has been made conditional upon the approval of the terms of the transaction by the syndicate of banks which finances TURBOGÁS, the date of completion of the acquisition of the shareholdings and respective shareholder loans being set once this consent is granted.



TURBOGÁS was incorporated in 1994 with the sole purpose of carrying out the development, construction and operation of a combined-cycle gas fired power station at Tapada do Outeiro, in Portugal, with a total installed capacity of 990 MW. TURBOGÁS currently sells the whole of its production to REN – Rede Eléctrica Nacional S.A., within the Portuguese supply public system, under a long term power purchase agreement. PORTUGEN is the entity in charge of the operation and maintenance of this power station.

EDP Participações – SGPS, S.A. is the current holder of a shareholding of 20% in the share capital of TURBOGÁS. The other shareholders of TURBOGÁS are IPBV, with a shareholding of 75%, and KOCH TRANSPORTTECHNIK GmbH, with a shareholding of 5%. IPBV owns 100% of the shareholding in PORTUGEN.

EDP – ENERGIAS DE PORTUGAL, S.A.