

Reuters: EDPP.IN / EDP.N
Bloomberg: EDP PL / EDP US

PAYMENT OF DIVIDENDS - FINANCIAL YEAR 2004

Article 249º of the Portuguese Securities Market Code and articles 3, paragraph a) and article 7, paragraph 3 of CMVM's Regulation no. 4/2004.

The General Shareholders Meeting of EDP – Energias de Portugal, S.A. held on the 31st of March, 2005 approved the proposal of the Board of Directors for distribution of profits regarding the financial year ended December 2004, which provides the payment of a gross dividend per share of 0,09243 Euros.

The dividends will be paid from the **29th of April 2005** as follows:

	Resident Shareholders	Non Resident Shareholders
Gross dividend	€ 0,09243	€ 0,09243
Taxable income	€ 0,04622	€ 0,04622
Income taxes	15%	25%
Total of tax deductions	€ 0,00693	€ 0,01155
Net value per share	€ 0,08550	€ 0,08088

(*)According to the provisions laid down in articles 39 of Law no. 32-B/2002, of December 30 and 59 of the *Estatuto dos Benefícios Fiscais* ("Tax Expenditure Statute") dividends now paid are taxable only in 50%.

(*)The 25% withholding tax rate applicable to dividends distributions to non-resident shareholders may be reduced in accordance with the applicable Double Taxation Treaties entered into between Portugal and the State of residency of the beneficiary, provided that the relevant formal obligations are complied with.

Shareholders entitled to tax exemption or not subject to tax withholding obligations regarding income taxation should evidence such exemption or discharge of obligation to the financial institution in which the respective shares are registered.

From the 26th of April 2005 (inclusive) EDP shares shall be traded on the stock exchange without the right to payment of dividends.

EDP – Energias de Portugal, S.A.

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