



Investors & Analysts' Briefing

Reuters: EDP.LS
Bloomberg: EDP PL

EDP TO RECEIVE EUR 600 MILLION IN SECURITIZATION OF ELECTRICITY TARIFF DEFICIT IN PORTUGAL

Lisbon, July 21st 2016: Under the terms and for the purposes of article 248 of the Securities Code, EDP – Energias de Portugal, S.A. (“EDP”) hereby discloses the following information to the market and to the public in general:

EDP Serviço Universal, S.A. (“EDP SU”), the last resort supplier for the Portuguese electricity system, a company wholly owned by the EDP Group, agreed the assignment, by means of a true sale without recourse to Tagus – Sociedade de Titularização de Créditos, S.A. (“Tagus”), of a portion of the 2016 Tariff Deficit, and respective interest, for an amount of EUR 600 million.

The 2016 Tariff Deficit resulted from the deferral, for the period of 5 years, of the recovery of the 2016 over costs related to the acquisition of electricity from special regime generators. The outstanding amount of the 2016 Tariff Deficit due to EDP SU before this agreement was approximately EUR 800 million.

Tagus will finance this transaction through the issuance of EUR 600 million of senior notes with a yield of 2.45%, coupon of 2.423%, and an expected rating of A1/BBB/BBB High, attributed by Moody’s, Fitch and DBRS. The issuance of such debt instruments is subject to CMVM’s asset code attribution and prospectus approval, and expected to be admitted to trading on NYSE Euronext Lisbon.

The transaction has been solely arranged by StormHarbour Securities LLP and joint lead managed by, J.P. Morgan and StormHarbour Securities LLP.

EDP – Energias de Portugal, S.A.

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