



EDP – ENERGIAS DE PORTUGAL, S.A.

Public company (*sociedade aberta*)

Registered office: Avenida 24 de Julho n.º 12, 1249-300 Lisboa

Fully subscribed and paid-up share capital: €3,656,537,715.00

Registered at the Commercial Registry Office of Lisbon under sole registration and tax payer number 500.697.256

(Offeror)

The following is a non-binding English translation of the Portuguese launch announcement that was registered with the Portuguese Securities Market Commission (Comissão do Mercado de Valores Mobiliários) on July 5, 2017 (the “Portuguese Launch Announcement”). The original Portuguese Launch Announcement, written in Portuguese, is the exclusive legally binding version and EDP – Energias de Portugal, S.A., Banco Comercial Português, S.A. and Banco Santander Totta, S.A. assume no liability for any of the statements or representations made in the English translation. In case of inconsistencies between the Portuguese Launch Announcement and the English text of the translation, the Portuguese text shall prevail.

LAUNCH ANNOUNCEMENT OF THE GENERAL AND VOLUNTARY TENDER OFFER FOR THE ACQUISITION OF SHARES REPRESENTATIVE OF THE SHARE CAPITAL OF EDP RENOVÁVEIS, S.A.

Pursuant to the terms and for the purposes of the provision of article 183-A of the Portuguese Securities Code, it is hereby made public the launch of a general and voluntary tender offer for the acquisition of shares representative of the share capital of EDP Renováveis, S.A., pursuant to the following terms and conditions (hereinafter referred to as the “**Offer**”):

1. The offeror is EDP – Energias de Portugal, S.A., a listed company (*sociedade aberta*), with registered offices at Avenida 24 de Julho, no. 12, 1249-300 in Lisbon, with single tax and registry number 500.697.256 and with a fully subscribed and paid-up share capital of € 3,656,537,715.00 (three thousand, six hundred and fifty six million, five hundred and thirty seven thousand, seven hundred and fifteen euros) including



its Spanish branch, EDP – Energias de Portugal, Sociedade Anonima, Sucursal en España (hereinafter referred to as the “**Offeror**”).

2. The company subject to the Offer is EDP Renováveis, S.A., a company incorporated and existing under the laws of the Kingdom of Spain, with registered office at Plaza de la Gesta, no. 2, in Oviedo, Spain, with tax identification number A-74219304, registered with the Commercial Registry of Asturias, volume 3,671, section 177, *folio* AS-37,669, with a fully subscribed and paid-up share capital of € 4,361,540,810.00 (four thousand, three hundred and sixty one million, five hundred and forty thousand, eight hundred and ten euros) (hereinafter referred to as “**Target Company**”).
3. The financial intermediaries entrusted to render services of assistance to the Offeror in the preparation, launching and execution of the Offer, on the terms and for the purposes of sub-paragraph b) of number 1 of article 113 of the Portuguese Securities Code, are Banco Comercial Português, S.A., with registered office at Praça D. João I, Porto, with a fully subscribed and paid-up share capital of € 5,600,738,053.72 (five thousand and six hundred million, seven hundred and thirty eight thousand and fifty three euros and seventy two cents) and registered at the Commercial Registry Office of Lisbon under sole registration and tax payer number 501.525.882, acting through its investment banking arm (*Millenium investment banking*) and Banco Santander Totta, S.A., with registered office at Rua Áurea, no. 88, 110-063, Lisboa, with a fully subscribed and paid-up share capital of € 1,256,723,284.00 (one thousand and two hundred and fifty six million, seven hundred and twenty three thousand, two hundred and eighty four euros) and registered at the Commercial Registry Office of Lisbon under sole registration and tax payer number 500.844.321.
4. The securities targeted by the Offer are ordinary, dematerialised, nominative shares, each with the nominal value of € 5.00 (five euros), representing the Target Company’s share capital, excluding the ordinary shares representing the share capital of the Target Company held by the Offeror (hereinafter referred to as the “**Shares**”).
The Shares are admitted to trading on “*Euronext Lisbon by Euronext Lisbon*”, the official regulated market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. (hereinafter referred to as “**Euronext Lisbon**”).
5. The Offer is general and voluntary, and the Offeror commits, pursuant to the terms and conditions of this offer announcement and the Offer Prospectus, to acquire all the Shares representing the share capital of the Target Company which are the object of a valid acceptance of the Offer.
6. Only the Shares which, at the date of closing of the Offer, are fully paid-up, with all inherent rights attached and free of any encumbrances, charges or liabilities, as well as any limitations or duties, notably regarding the respective economic and/or corporate rights and transferability, may be sold pursuant to the Offer. The acceptance of the Offer by its addressees is subject to compliance with the relevant legal and regulatory requirements, including foreign law requirements, whenever the addressees of the Offer are subject to such foreign law.



7. Taking into account the shares held directly by the Offeror, the securities encompassed by the Offer are 196,024,306 (one hundred and ninety-six million, twenty four thousand, three hundred and six) Shares, representing approximately 22.47% (twenty-two point four seven percent) of the share capital of the Target Company.
8. On this date, to the best of the Offeror's knowledge, the latter is attributed with, directly and under the provision of number 1 of article 20 of the Portuguese Securities Code, voting rights relative to 676,367,131 (six hundred and seventy-six million, three hundred and sixty-seven thousand, one hundred and thirty-one) shares representing approximately 77.54% (seventy-seven point five four percent) of the share capital and voting rights of the Target Company.

In this regard, the Offeror is attributable with voting rights inherent to 676,283,856 (six hundred and seventy and six million, two hundred and eighty three thousand, eight hundred and fifty six) shares representative of approximately 77.53% (seventy seven point five three per cent) of the Target Company's share capital which it holds directly, as well as, pursuant to the introductory sentence of number 1 and subparagraphs d) and j) of number 1 of article 20 of the Portuguese Securities Code, voting rights relative to 83,275 (eighty three thousand, two hundred and seventy five) shares representative of approximately 0.01% (zero point zero one per cent) of the share capital of the Target Company held by members of the Offeror's corporate bodies and members of the corporate bodies of companies which are in a domain or group relationship with the Offeror.

9. The consideration offered, payable in cash, is of € 6.80 (six euros and eighty cents) per Share, subject to deduction of any gross amounts which may be attributed to each Share, such as dividends, advance for account of profits or distribution of reserves, such deduction to be made from the moment in which the right to said amount has been detached from the Shares and provided such detachment occurs prior to the financial settlement of the Offer.

Considering that the shareholders of the Target Company have resolved, on April 6, 2017, the payment of a dividend in the amount of € 0.05 (five cents) per Share, which was made available for payment to the shareholders on 8 May, 2017 as well as what is set out in the last paragraph, the consideration to be effectively paid in cash by the Offeror to the Offer addressees is of € 6.75 (six euros and seventy five cents) per Share.

10. The effectiveness of the Offer is not subject to the fulfilment of any condition.
11. The decision to launch the Offer is based on the assumption that no material change occurred or shall occur in the national and international financial markets and the relevant financial institutions which has not been envisaged in the official scenarios released by the authorities of the countries in which the Target Company carries on its activities and which have a material negative impact on the Offer, exceeding the risks inherent to the same.
12. By launching the Offer, the Offeror is not waiving any rights, including the right to request CMVM to modify or revoke the Offer with regard to facts or acts that are



not consistent with the assumptions contained in the Preliminary Announcement or the Launch Announcement, in particular, those acts or facts which effects or consequences have not yet fully transpired or were not fully known to the Offeror at the time the Preliminary Announcement was released.

13. Pursuant to a financing agreement entered into by and between the Offeror and Banco Santander, S.A., as described under sections 2.5 and 2.8.3 of the Offer Prospectus, a cash commitment letter was executed pursuant to which the funds necessary to pay the full consideration, in the maximum amount of € 1,323,164,065.50 (one thousand, three hundred and twenty three million, one hundred and sixty thousand and sixty five euros and fifty cents), are ensured.
14. The Offer period will run from 8:30 a.m. (Lisbon time) on July 6, 2017 to 15:00 (Lisbon time) on August 3, 2017 and the relevant sell orders may be received up to the end of that period.

Pursuant to number 2 of article 183 of the Portuguese Securities Code, the CMVM, on its own initiative or at the Offeror's request, may extend the Offer period in the event of its revision, the launch of a competing bid, or when the protection of the offerees' interests justifies the extension.

15. The holders of Shares that wish to accept the Offer should transmit the sell orders directly to the financial intermediaries before which the securities registration and deposit accounts are held.
16. The holders of Shares that have accepted the Offer may revoke their declaration of acceptance by means of a communication addressed to the financial intermediary that received the acceptance declaration:
 - a) in general, at any time, up to three calendar days before the end of the Offer period, that is, until 15:00 (Lisbon time) on July 31, 2017;
 - b) in the case of the launch of a competing bid, until the last day of the Offer period;
 - c) in the case of suspension of the Offer by the CMVM, by the fifth calendar day after the end of the suspension.
17. The financial intermediaries that receive acceptance orders must communicate their clients' orders on a daily basis to Euronext Lisbon through the Tender Offers Central Services System, via the Centralisation Service, between 8:00 and 19:00, except on the last day of the Offer period when the period for transmission through the Tender Offers Central Services will be between 8:00 and 16:30.
18. The Offer addressees shall bear all costs relative to the sale of the Shares, notably fees due for the execution of the transaction in the Special Regulated Market Session, brokerage fees and the taxes which are due pursuant to the seller's taxable status.

The aforementioned costs must be disclosed by the financial intermediary on the moment of delivery of the sale orders.

The financial intermediation pricelists are available for viewing on the CMVM website (www.cmvm.pt).



19. The result of the Offer will be determined at a Special Regulated Market Session which is expected will be held on August 4, 2017, i.e. the first working day after the end of the Offer period, at a time to be designated in the relevant Notice of Special Regulated Market Session to be published by Euronext Lisbon, which is the entity responsible for determining and disclosing the results of the Offer.

The result of the Offer will be published in the Euronext Lisbon Daily Bulletin and will be available on the CMVM website (www.cmvm.pt).

It is expected that the physical and financial settlement will take place on the second working day after the date of the Special Regulated Market Session, pursuant to the Settlement and Clearance System provided for in Interbolsa Regulation no. 3/2007 and in accordance with the Notice of the Special Regulated Market Session, and it is foreseen that this settlement will take place on August 8, 2017.

20. The Offeror, regardless of the Offer results, wishes to reorganize the existing corporate relationship with the Target Company.
21. One of the actions considered by the Offeror is the delisting of the shares of the Target Company from the regulated market *Euronext Lisbon by Euronext Lisbon*. In this regard, if the Offeror comes to hold, as a result of the Offer, more than 90% (ninety percent) of the voting rights corresponding to the share capital of the Target Company, the Offeror considers the possibility to request Euronext Lisbon to delist of the shares of EDPR from the regulated market *Euronext Lisbon by Euronext Lisbon*.
22. In case the Offeror requests the delisting of the shares from the regulated market *Euronext Lisbon by Euronext Lisbon* the Offeror shall maintain a permanent purchase order of the Target Company's Shares at a price of € 6.75 (six euros and seventy five cents) per Share, for a maximum term of 3 to 6 months starting from the approval of the request to delist the Shares.
23. The Offer Prospectus may be consulted, free of charge, at the following locations:
- at the Offeror's registered office;
 - on the Offeror's website (www.edp.pt);
 - at the registered offices of the financial intermediaries, at Praça D. João I, 28, in Porto (registered office of Banco Comercial Português, S.A.) and at Rua Áurea, no. 88, 1100-063 Lisboa (registered office of Banco Santander Totta, S.A.);
 - at the official CMVM website (www.cmvm.pt).

The Offer was registered on July 5, 2017 by the CMVM under registration number 9215.

Lisbon, July 5, 2017



THE OFFEROR

EDP - Energias de Portugal, S.A.

FINANCIAL INTERMEDIARIES

Banco Comercial Português, S.A.

Banco Santander Totta, S.A.