



Investors & Analysts' Briefing

Reuters: EDP.LS
Bloomberg: EDP PL

ANEEL APPROVES AN AVERAGE TARIFF DECREASE OF 2.8% AT EDP ESCELSA'S PERIODIC TARIFF REVISION

Lisbon, August 2nd 2016: Pursuant to the terms and for the purposes of article 248 of the Portuguese Securities code, EDP - Energias de Portugal SA ("EDP") is providing the following information to the market:

The Brazilian electricity regulator, ANEEL, approved the 7th Periodic Tariff Revision for Espírito Santo Centrais Elétricas S.A. ("EDP Escelsa"), a subsidiary of EDP – Energias do Brasil, S.A., in which EDP holds a 51% stake. The approval is to be applied from August 7th, 2016 onwards and comprised an average tariff decrease of 2.8%, in light of the reduction on costs with energy in Brazil due to overall price decrease.

In the periodic tariff review process, that occurs on every 3 years for EDP Escelsa, ANEEL recalculates the regulatory costs that can be managed by the distributor (Parcel B) which includes: (i) operational costs and (ii) capital costs (remuneration and depreciation). Non-manageable costs (Parcel A), that includes energy purchases from generators, cost of energy transportation, sector charges and financial adjustments are adjusted based on price variation during the preceding twelve months.

In this regard, the net Regulatory Asset Base was set at R\$ 2.02 billion (from the previous R\$ 1.59 billion) for the starting 3 year regulatory period. Additionally, the rate of return on the Regulatory Asset Base is now 8.1% net of taxes.

Finally, the regulatory index for Technical Losses and Non-Technical Losses was set by ANEEL at 7.14% and 11.45% (vs. 6.70% and 7.87% in the previous period), respectively, until the next tariff revision. Worth noting that these indexes are constant during the term of the tariff cycle, with no trajectory of reduction.

Investor Relations Department

Miguel Viana, Head of IR
Sónia Pimpão
João Machado
Maria João Matias
Sérgio Tavares
Noélia Rocha
phone +351 21 001 2834
fax +351 21 001 2899
ir@edp.pt

EDP – Energias de Portugal, S.A.