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Investors & Analysts' Briefing

INVESTOR RELATIONS DEPARTMENT

Pedro Pires, Head of IR
Gonçalo Santos
Elisabete Ferreira
Cristina Requicha
Rui Antunes
Catarina Mello

Phone +351 210012834
Fax: +351 210012899

Email: ir@edp.pt

EDP ANNOUNCES DEBT EXCHANGE OFFER ON THE EUROBOND 2008 AND 2011 AND INTENDS TO LAUNCH A CONSENT SOLICITATION ON THE EUROBOND 2009

EDP Finance B.V. ("EDP B.V.") today announced an Exchange Offer on its €500,000,000 5.000% Eurobond due 2008 (the "2008 Notes") and the €1,000,000,000 5.875% Eurobond issued by EDP – Energias de Portugal, S.A. ("EDP") due 2011 (the "2011 Notes" and, together with the 2008 Notes, the "Existing Notes") for new Euro denominated fixed-rate Notes due 2015 (the "New Notes").

EDP B.V. will accept up to a maximum aggregate principal amount of €500,000,000 of the 2011 Notes and any and all principal amount of the 2008 Notes, in exchange for New Notes, up to a maximum of €700,000,000.

The Exchange Offer is being made on the terms and subject to the conditions described in the Exchange Offer Memorandum. The New Notes will be issued under EDP's and EDP B.V.'s €5,000,000,000 *Programme for the Issuance of Debt Instruments* (the "Programme") and application will be made for the New Notes to be admitted to official listing on the London Stock Exchange.

The exchange spreads for the Existing Notes under the Exchange Offer have been fixed as follows:

Existing Notes	Exchange Spread
€500m 5.000% Bonds due 2008	24bps over OBL 4.5% due 17 August 07
€1bn 5.875% Notes due 2011	29bps over DBR 5.25% due 4 January 11



The indicative spread range on the New Notes is as follows:

New Notes	New Issue Spread Range
EUR denominated Notes due 2015	47 to 57 bps over the 10 year mid-swap rate

The final spread on the New Notes will be announced on 8 June 2005. The Exchange Offer will expire at 4pm BST on 14 June 2005 and pricing will be fixed on 15 June 2005. Settlement is expected on 22 June 2005. EDP B.V. may, in its sole discretion, increase the issue amount of the New Notes.

Simultaneously EDP announced today that it intends to launch a Consent Solicitation on its €1,000,000,000 6.400% Notes due 2009 (the "2009 Notes") to approve certain amendments to the terms and conditions of these Notes (the "Conditions").

The purpose of the Consent Solicitation is to (a) conform more closely the Conditions to those of other outstanding debt securities issued by EDP and EDP B.V. under the Programme and (b) insert an Investor Put exercisable by holders on notice given by EDP.

A meeting of the Noteholders will be held at 10.00 a.m. (London time) on 27 June 2005. Noteholders who wish to vote must take action prior to 10.00 a.m. (London time) on 24 June 2005 (subject to earlier deadlines set by the clearing systems).

Holders of the Notes are advised to carefully read the Consent Memorandum for full details of the Consent Solicitation and information on the procedures for participating in the Consent Solicitation.

This restructuring transaction which involves the principal Eurobonds issued by the EDP Group reflects EDP's active debt portfolio management policy and has the following main objectives:

- to extend the maturity profile of the Group's debt portfolio;
- to manage efficiently the refinancing risk by reducing debt maturities in 2008 and 2011;
- to conform more closely the terms and conditions of its outstanding debt securities issued by EDP and EDP Finance B.V. ;



- to take advantage of present market conditions, namely the historically low interest rates, which will allow a reduction in annual coupons of more than 1%.

Deutsche Bank is acting as Consent Agent and Transaction Co-ordinator on this transaction and ABN AMRO, BNP Paribas and Deutsche Bank are acting as Joint Dealer Managers.

EDP – Energias de Portugal, S.A.