

**HC ENERGIA REPORTS****CONSOLIDATED EBITDA OF €428M IN 2006**

HC Energia, EDP subsidiary in the Spanish market, reported in 2006 consolidated sales of €2.107m, a 3% increase YoY, and a consolidated EBITDA of €428m, a 14% decline YoY.

The volume of electricity produced by our conventional generation plants in Spain amounted to 13.584 GWh in 2006, a 12% decline YoY. The programmed maintenance stoppages at HC Energia's main thermal plants, Aboño 2 (coal) in 2Q06 and Castejón (CCGT) in 1Q06 had a significant contribution to the referred decline in the 2006 generation output.

<b>Electricity generation output (GWh)</b>	<b>2006</b>	<b>2005</b>	<b>Chg. %</b>
Hydro	846	847	-0.2
Coal	9,854	11,164	-11.7
CCGT	1,692	2,109	-19.7
Nuclear	1,192	1,253	-4.9
<b>Total electricity generation output *</b>	<b>13,584</b>	<b>15,372</b>	<b>-11.6</b>

\*excluding pumping own consumption

HC Energia EBITDA in 2006 was penalized by €48m due to the negative impacts reflecting the Royal Decree 3/2006 measures: €16m at the level of electricity distribution due to the €42.35/MWh price set for energy sold by generators and purchased by distributors in the pool by the same company and €32m due to the reconsideration of CO2 internalization in market price. On these issues, HC Energia maintained prudent interpretation criteria, in line the criteria of CNE and the Ministerial Order project which should regulate the referred measures.



---

In liberalized electricity supply in Spain, HC Energia sold 8.313 GWh, 40% growth YoY, and improved by 16% YoY its average net selling price. Considering just direct retail customers, and excluding sales to out-of-the-group suppliers, electricity sales to liberalized retail customers amounted to 6,671 GWh in 2006, a 12.6% increase YoY.

In electricity distribution, the number of electricity customers rose by 3% YoY to 603.181 while electricity distributed increased by 2.6% YoY to 9.550 GWh.

Naturgas, our subsidiary for the gas business in Spain, contributed to HC Energia consolidated figures with an EBITDA of €113.5m, representing a 7.3% growth YoY.

## **EDP – Energias de Portugal, S.A.**

### **INVESTOR RELATIONS DEPARTMENT**

Miguel Viana, Head of IR  
Pedro Rei  
Elisabete Ferreira  
Ricardo Farinha

Phone +351 210012834  
Fax: +351 210012899

Email: [ir@edp.pt](mailto:ir@edp.pt)  
Website: [www.edp.pt](http://www.edp.pt)