



EDP — ENERGIAS DE PORTUGAL, S.A.

(incorporated with limited liability in the Portuguese Republic)

and

EDP FINANCE B.V.

*(incorporated with limited liability in The Netherlands
and having its statutory seat in Amsterdam)*

€12,500,000,000

Programme for the Issuance of Debt Instruments

This Supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the prospectus dated 3 September 2013 as supplemented by the supplement dated 7 November 2013 (together, the "**Base Prospectus**") prepared by EDP — Energias de Portugal, S.A. ("**EDP**") and EDP Finance B.V. ("**EDP B.V.**") (together, the "**Issuers**") in connection with their Programme for the Issuance of Debt Instruments (the "**Programme**") for the issuance of up to €12,500,000,000 in aggregate principal amount of instruments (the "**Instruments**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the "**CBI**"), which is a competent authority for the purposes of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") and relevant implementing measures in Ireland, as a base prospectus supplement issued in compliance with the Prospectus Directive and relevant implementing measures in Ireland.

The purpose of this Supplement is to (i) in respect of EDP, incorporate by reference in the Base Prospectus the audited consolidated annual financial statements of EDP for the financial year ended 31 December 2013 and the auditors' report thereon, which appear on pages 169 – 326 of EDP's annual report for the financial year ended 31 December 2013; (ii) in respect of EDP B.V., incorporate by reference in the Base Prospectus the audited annual financial statements of EDP B.V. for the financial year ended 31 December 2013 and the auditors' report thereon, which appear on pages 7 – 31 of EDP B.V.'s annual report for the financial year ended 31 December 2013; (iii) disclose regulatory modifications affecting the Spanish electricity sector that affect energy assets; and (iv) disclose recent changes in Portuguese taxation.

IMPORTANT NOTICES

Each of the Issuers accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Instruments issued under the Programme has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

Investors should be aware of their rights under Article 16(2) of the Prospectus Directive. In accordance with Article 16(2) of the Prospectus Directive, investors who have agreed to purchase or subscribe for any Instruments before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances.

AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented in the manner described below.

A. Documents incorporated by reference

In respect of EDP, a copy of the audited consolidated annual financial statements of EDP for the financial year ended 31 December 2013 and the auditor's report thereon, which appear on pages 169 – 326 of EDP's annual report for the financial year ended 31 December 2013 (the "**2013 EDP Financial Statements**"), is incorporated by reference in and forms part of this Supplement. A copy of EDP's annual report for the financial year ended 31 December 2013 has been filed with the CBI, and is also available at <http://www.edp.pt/en/Investidores/Resultados/Pages/Resultados.aspx>.

Any information contained in EDP's annual report for the financial year ended 31 December 2013 referred to above which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus, as amended by this Supplement.

In respect of EDP B.V., a copy of the audited annual financial statements of EDP B.V. for the financial year ended 31 December 2013 and the auditor's report thereon, which appear on pages 7 – 31 of EDP B.V.'s annual report for the financial year ended 31 December 2013 (the "**2013 EDP B.V. Financial Statements**"), is incorporated by reference in and forms part of this Supplement. A copy of EDP B.V.'s annual report for the financial year ended 31 December 2013 has been filed with the CBI, and is also available at <http://www.edp.pt/en/Investidores/publicacoes/relatorioecontas/Pages/RelatorioeContas.aspx>.

Any information contained in EDP B.V.'s annual report for the financial year ended 31 December 2013 referred to above which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus, as amended by this Supplement.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Supplement shall not form part of this Supplement.

Copies of the information incorporated by reference in this Supplement as described above can be obtained from the registered office of the Issuers and from the specified office of the Paying Agent for the time being in London and in Lisbon.

B. The section entitled "EDP and the EDP Group – Regulatory Framework – Spain – Electricity Regulation Overview" on pages 136 – 138 of the Base Prospectus is updated as follows:

Royal Decree Law no. 9/2013 included a set of regulatory modifications applicable to the Spanish electricity sector that affected energy assets. These modifications were confirmed by the enactment of new Law no. 24/2013 of the Electricity Sector of 26 December and were mainly aimed at eliminating tariff deficit.

Some of these modifications were directly implemented by Royal Decree Law no. 9/2013, for example: (i) the return ratio pre-tax of regulated activities was indexed to the ten-year Spanish Bond yield, plus a spread, (ii) a decrease in capacity payments for combined cycle gas turbines from €26/kW to €10/kW, although doubling the remaining payment period and (iii) the funding of the social tariff discounts by vertically integrated companies. The above mentioned spread in relation to distribution and transmission activities was set at 100 basis points for the second half of 2013 and will be 200 basis points from 1 January 2014 onwards. The spread applicable to renewable and combined heat and power ("**CHP**") generation was set at 300 basis points from the enactment of the Royal Decree Law.

The Royal Decree and Ministerial Order that will set the remuneration values of renewables and CHP, as stated in Royal Decree Law no. 9/2013, are still in the draft phase available for consultation and their entry into force is still pending. The new return ratio pre-tax has been set at 7.4 per cent. (ten-year Spanish Bond yield + 300 basis points) during the regulatory life of the power plant (20 years wind & CHP, 25 years generation from waste).

According to these draft regulations, wind farms will receive the pool price and a capacity complement per MW. The amount of complement will vary depending on the year the wind farm entered into operation (expected to be €0 for MW installed up to and during 2004; €101/MW installed in 2008; €110/MW installed in 2010) and will be paid until completion 20 years after commissioning. There will be interim revisions (every 3 years) to correct deviations from the expected pool price. EDP Renováveis installed capacity in Spain, according to Commercial Operation Date, is 22 per cent. up to 2004, 26 per cent. between 2005-07 and 52 per cent. from 2008 onwards.

Under the draft regulations, the remuneration based on complement to be received by EDP Renováveis is expected to total €152 million in 2014. In 2014, Royal Decree Law no. 9/2013 is expected to have a €36 million negative impact on the remuneration to be received by EDP Renováveis (as compared to amounts recovered by it under the applicable tariff for the first half of 2013).

Additionally, a set of implementation Royal Decree drafts have also been prepared by the Spanish Government that include other modifications to regulations governing all activities. The detailed terms and conditions of implementation of the measures provided for in such Royal Decree drafts are as yet unknown, and when implemented could have a material adverse effect on entities operating in the Spanish electricity sector, including EDP, and, consequently, could have a material adverse effect on EDP's business, financial condition, prospects or results of operations.

C. The section entitled "Taxation - Portugal" on pages 176 – 181 of the Base Prospectus is updated as follows:

The following is a general summary of the Issuers' understanding of current law and practice in Portugal as in effect as at the date of this Supplement in relation to certain current relevant aspects to Portuguese taxation of the Instruments and is subject to changes in such laws, including changes that could have a retroactive effect. The following summary is intended as a general guide only and is not exhaustive. It is not intended to be, nor should it be considered to be, legal or tax advice to any Beneficial Owner of Instruments. It does not take into account or discuss the tax laws of any country other than Portugal and relates only to the position of persons who are the absolute beneficial owners of Instruments. Prospective investors are advised to consult their own tax advisers as to the Portuguese or other tax consequences resulting from the purchase, ownership and disposition of Instruments, including the effect of any state or local taxes, under the tax laws of Portugal and each country where they are, or are deemed to be, residents.

The reference to "interest", "other investment income" and "capital gains" in the paragraphs below means "interest", "other investment income" and "capital gains" as understood in Portuguese tax law. The statements below do not take any account of any different definitions of "interest", "other investment income" or "capital gains" which may prevail under any other law or which may be created by the "Terms and Conditions of the Instruments" or any related documentation.

The summary below in relation to Instruments issued by EDP B.V. and by EDP assumes that such Instruments would be treated by the Portuguese tax authorities as corporate bonds ("*obrigações*") as defined under Portuguese law. If the Portuguese tax authorities do not treat the Instruments as *obrigações*, no assurance can be given that the same tax regime would apply.

1. Instruments issued by EDP B.V.

Interest and other investment income obtained by Portuguese resident individuals on Instruments issued by EDP B.V. is subject to individual income tax. If the payment of interest or other types of investment income is made available to Portuguese resident individuals through a Portuguese resident entity or a Portuguese branch of a non resident entity, withholding tax applies at a rate of 28 per cent., which is the final tax on that income unless the individual elects for aggregation to his taxable income, subject to tax at progressive rates of up to 53 per cent. to which a 3.5 per cent. surtax is to be added. In this case, the tax withheld is deemed a payment on account of the final tax due. Interest and other investment income paid or made available ("*colocado à disposição*") to accounts in the name of one or more accountholders acting on behalf of undisclosed entities is subject to a final withholding tax at 35 per cent., unless the beneficial owner of the income is disclosed, in which case the general rules will apply. If the interest and other investment income on the Instruments is not received through an entity located in Portugal, it is not subject to Portuguese

withholding tax, but an autonomous taxation rate of 28 per cent. will apply, unless an option for aggregation is made, subject to the aforementioned progressive tax rates and surtax.

Capital gains obtained by Portuguese resident individuals on the transfer of the Instruments are taxed at a rate of 28 per cent. levied on the positive difference between the capital gains and capital losses realised on the transfer of securities and derivatives of each year, which is the final tax on that income, unless the individual elects for aggregation to his taxable income, subject to tax at progressive rates of up to 53 per cent. to which a 3.5 per cent. surtax is to be added. Accrued interest qualifies as interest for tax purposes.

Interest and other investment income derived from the Instruments and capital gains obtained with the transfer of the Instruments by legal persons resident for tax purposes in Portugal and by non resident legal persons with a permanent establishment in Portugal to which the income or gains are attributable are included in their taxable profits and are subject to Corporate Income Tax at a 23 per cent. tax rate or at 17 per cent. tax rate on the first Euro 15,000 in the case of small or small and medium-sized enterprises, to which may be added a municipal surcharge ("*derrama municipal*") of up to 1.5 per cent. of its taxable income. A state surcharge ("*derrama estadual*") also applies at 3 per cent. on taxable profits in excess of Euro 1,500,000 and up to Euro 7,500,000, 5 per cent. on taxable profits in excess of Euro 7,500,000 and up to Euro 35,000,000 and 7 per cent. on taxable profits in excess of Euro 35,000,000.

No Stamp Duty applies to the acquisition through gift or inheritance of Instruments by an individual.

The acquisition of Instruments through gift or inheritance by a Portuguese resident legal person or non resident acting through a Portuguese permanent establishment is subject to Corporate Income Tax at a 23 per cent. tax rate or at a 17 per cent. tax rate on the first Euro 15,000 in the case of small or small and medium-sized enterprises, to which may be added a municipal surcharge ("*derrama municipal*") of up to 1.5 per cent. of its taxable income. A state surcharge ("*derrama estadual*") also applies at 3 per cent. on taxable profits in excess of Euro 1,500,000 and up to Euro 7,500,000, 5 per cent. on taxable profits in excess of Euro 7,500,000 and up to Euro 35,000,000 and 7 per cent. on taxable profits in excess of Euro 35,000,000.

Interest and other investment income paid or made available ("*colocado à disposição*") to accounts in the name of one or more account holders acting on behalf of undisclosed entities is subject to a final withholding tax at 35 per cent., unless the beneficial owner of the income is disclosed, in which case the general rules will apply.

There is neither wealth nor estate tax in Portugal.

Payments made by EDP B.V. of interest, other investment income or principal on Instruments issued by it to an individual or legal person non resident in Portugal for tax purposes without a permanent establishment to which such income may be attributable are not subject to Portuguese income tax.

Capital gains obtained on the transfer of an Instrument by an individual or a legal person who is neither resident nor engaged in business through a permanent establishment in Portugal to which that gain is attributable are not subject to Portuguese income tax.

2. Instruments issued by EDP not integrated in a centralised control system recognised by the Portuguese Securities Code ("*Código dos Valores Mobiliários*")

Interest and other types of investment income obtained on Instruments by a Portuguese resident individual is subject to individual income tax. If the payment of interest or other investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 per cent., which is the final tax on that income unless the individual elects for aggregation to his taxable income, subject to tax at progressive rates of up to 53 per cent. to which a 3.5 per cent. surtax is to be added. In this case, the tax withheld is deemed a payment on account of the final tax due.

Interest and other investment income paid or made available ("*colocado à disposição*") to accounts in the name of one or more account holders acting on behalf of undisclosed entities is subject to a final withholding tax at 35 per cent., unless the beneficial owner of the income is disclosed, in which case the general rules will apply.

In the case of Zero Coupon Instruments, the difference between the redemption value and the subscription cost is qualified as investment income and is also subject to Portuguese income tax.

Capital gains obtained by Portuguese resident individuals on the transfer of Instruments are taxed at a rate of 28 per cent. levied on the positive difference between the capital gains and capital losses realised on the transfer of securities and derivatives of each year, which is the final tax on that income, unless the individual elects for aggregation to his taxable income, subject to tax at progressive rates of up to 53 per cent. to which a 3.5 per cent. surtax is to be added. Accrued interest qualifies as interest for tax purposes.

Interest and other investment income derived from Instruments and capital gains obtained with the transfer of Instruments by legal persons resident for tax purposes in Portugal and by non resident legal persons with a permanent establishment in Portugal to which the income or gains are attributable are included in their taxable income and are subject to Corporate Income Tax at a 23 per cent. tax rate or at a 17 per cent. tax rate on the first Euro 15,000 in the case of small or small and medium-sized enterprises, to which may be added a municipal surcharge ("*derrama municipal*") of up to 1.5 per cent. of its taxable income. A state surcharge ("*derrama estadual*") also applies at 3 per cent. on taxable profits in excess of Euro 1,500,000, 5 per cent. on taxable profits in excess of Euro 7,500,000 and up to Euro 35,000,000 and at 7 per cent. on taxable profits in excess of Euro 35,000,000.

Withholding tax at a rate of 25 per cent. applies on interest and other investment income, which is deemed a payment on account of the final tax due. Financial institutions subject to Portuguese corporate income tax (including branches of foreign financial institutions located in Portugal), and *inter alia* pension funds, retirement and/or education savings funds, share savings funds and venture capital funds constituted under the laws of Portugal are not subject to withholding tax.

Interest and other types of investment income obtained by non resident legal persons without a Portuguese permanent establishment to which the income is attributable is subject to withholding tax at a rate of 25 per cent., which is the final tax on that income. Interest and other types of investment income obtained by non resident individuals without a Portuguese permanent establishment to which the income is attributable is subject to withholding tax at a rate of 28 per cent., which is the final tax on that income. The rate is 35 per cent. in the case of individuals or legal persons domiciled in a country included in the "tax havens" list approved by Ministerial order no. 150/2004 of 13 February (as amended by Ministerial order no. 292/2011 of 8 November). Interest and other investment income paid or made available ("*colocado à disposição*") to accounts in the name of one or more accountholders acting on behalf of undisclosed entities is subject to a final withholding tax at 35 per cent., unless the beneficial owner of the income is disclosed, in which case the general rules will apply.

Under the tax treaties entered into by Portugal which are in full force and effect as at the date of this Supplement, the withholding tax rate may be reduced to 15, 12, 10 or 5 per cent., depending on the applicable treaty and provided that the relevant formalities (including certification of residence by the tax authorities of the beneficial owners of the interest and other investment income) are met. The reduction may apply at source or through the refund of the excess tax. The forms currently applicable for these purposes were approved by Order ("*Despacho*") n. 4743-A/2008 (2nd series), of 8 February 2008, published in the Portuguese official gazette, second series, n. 37, of 21 February 2008 of the Portuguese Minister of Finance (as amended), available for viewing and downloading at www.portaldasfinancas.gov.pt.

Income paid to an associated company of EDP who is resident in the European Union is exempt from withholding tax.

For these purposes, an associated company of EDP is:

- (i) a company which is subject to one of the taxes on profits listed in Article 3 (a) (iii) of Council Directive 2003/49/EC without being exempt, which takes one of the forms listed in the Annex to that Directive, which is considered to be resident in an European Union Member State and is not, within the meaning of a double taxation convention on income concluded with a third state, considered to be resident for tax purposes outside the Community; and

- (ii) which holds a minimum direct holding of 25 per cent. of the capital of the Issuer, or is directly held by the Issuer at least 25 per cent. or which is directly held at least 25 per cent. by a company which holds at least 25 per cent. of the capital of the Issuer; and
- (iii) provided that the holding has been maintained for an uninterrupted period of at least two years; if the minimum holding period is met after the date the withholding tax becomes due, a refund may be obtained.

The associated company of EDP to which payments are made must be the beneficial owner of the interest, which will be the case if it receives the interest for its own account and not as an intermediary, either as a representative, a trustee or authorised signatory, for some other person.

The exemption from withholding tax may take place at source or through the refund of tax withheld.

Capital gains obtained on the transfer of Instruments by non resident individuals without a permanent establishment in Portugal to which gains are attributable are exempt from Portuguese capital gains taxation unless the beneficial owner is resident in a country, territory or region subject to a clearly more favourable tax regime included in the "low tax jurisdictions" list approved by Ministerial order ("*Portaria*") no. 150/2004 of 13 February ("*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*") amended by Ministerial order ("*Portaria*") no. 292/2011 of 8 November. If the exemption does not apply, the gains will be subject to personal income tax at a rate of 28 per cent. However, under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case-by-case basis. Accrued interest does not qualify as capital gains for tax purposes.

Gains obtained on the disposal of Instruments by a legal person non resident in Portugal for tax purposes and without a permanent establishment in Portugal to which gains are attributable are exempt from Portuguese capital gains taxation, unless the share capital of the beneficial owner is more than 25 per cent. directly or indirectly held by Portuguese resident entities or if the beneficial owner is resident in a country, territory or region subject to a clearly more favourable tax regime included in the "low tax jurisdictions" list approved by Ministerial order ("*Portaria*") no. 150/2004 of 13 February ("*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*") amended by Ministerial order ("*Portaria*") no. 292/2011 of 8 November. If the exemption does not apply, the gains will be subject to corporate income tax at a rate of 25 per cent. However, under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case-by-case basis.

Stamp Duty at a rate of 10 per cent. applies to the acquisition through gift or inheritance of Instruments by an individual who is domiciled in Portugal. An exemption applies to transfers in favour of the spouse, de facto spouse, descendants and parents/grandparents. The acquisition of Instruments through gift or inheritance by a Portuguese resident legal person or a non resident acting through a Portuguese permanent establishment is subject to Corporate Income Tax at a 23 per cent. tax rate or at a 17 per cent. tax rate on the first Euro 15,000 in the case of small or small and medium-sized enterprises, to which may be added a municipal surcharge ("*derrama municipal*") of up to 1.5 per cent. of its taxable income. A state surcharge ("*derrama estadual*") also applies at 3 per cent. on taxable profits in excess of Euro 1,500,000 and up to Euro 7,500,000, 5 per cent. on taxable profits in excess of Euro 7,500,000 and up to Euro 35,000,000 and 7 per cent. on taxable profits in excess of Euro 35,000,000.

No Stamp Duty applies to the acquisition through gift and inheritance of Instruments by an individual who is not domiciled in Portugal. The acquisition of Instruments through gift or inheritance by a non resident legal person is subject to corporate income tax at a rate of 25 per cent. However, under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese tax, but the applicable rules should be confirmed on a case-by-case basis.

There is neither wealth nor estate tax in Portugal.

3. Instruments issued by EDP integrated in a centralised control system recognised by the Portuguese Securities Code

The regime described in paragraph 2 above corresponds to the general tax treatment of investment income and capital gains on Instruments issued by a Portuguese entity and to the acquisition through gift or inheritance of such Instruments.

Further to the amendments introduced by Law 83/2013, of 9 December 2013, the description of Decree-Law 193/2005 in the below paragraphs applies to Instruments issued on or after 1 January 2014 or, if the Instruments were issued before, to the income obtained after the first interest payment date falling after 31 December 2013.

Nevertheless, pursuant to the Special Tax Regime for Debt Securities, approved by Decree-Law no. 193/2005, of 7 November 2005, as amended from time to time (hereafter “the special regime approved by Decree-Law no. 193/2005”), investment income and gains on the disposal of debt securities issued by Portuguese resident entities, such as the Instruments obtained by non-resident beneficial owners, are exempt from Portuguese income tax provided that the debt securities are integrated in a centralised system managed by Portuguese resident entities (such as the Central de Valores Mobiliários, managed by Interbolsa), by other European Union or European Economic Area entities that manage international clearing systems (in the latter case if there is administrative cooperation for tax purposes with the relevant country which is equivalent to that in place within the European Union), or, when authorised by the member of the government in charge of finance (currently the Finance Minister), in other centralised systems, and:

- (i) the beneficial owners have no residence, head office, effective management or permanent establishment in the Portuguese territory to which the income is attributable; and
- (ii) the beneficial owners are central banks and government agencies, international organisations recognised by the Portuguese state, residents in a country or jurisdiction with which Portugal has entered into a double tax treaty or a tax information exchange agreement in force or other non resident entities which are not domiciled in a country, territory or region subject to a clearly more favourable tax regime included in the list approved by Ministerial order no. 150/2004, of 13 February.

The special regime approved by Decree Law no. 193/2005 sets out the detailed rules and procedures to be followed on the proof of non residence by the beneficial owners of the Instruments to which it applies.

Under these rules, the direct register entity is required to obtain and retain proof, in the form described below, that the beneficial owner is a non-resident entity that is entitled to the exemption. As a general rule, the proof of non-residence should be provided to, and received by, the direct register entities prior to the relevant date for payment of any interest, or the redemption date (for Zero Coupon Instruments), and, in the case of domestically cleared Instruments, prior to the transfer of Instruments, as the case may be.

The following is a general description of the rules and procedures on the proof required for the exemption to apply at source, as they stand as at the date of this Supplement.

(a) Domestically Cleared Instruments

The beneficial owner of Instruments must provide proof of non residence in Portuguese territory substantially in the terms set forth below:

- (i) If a holder of Instruments is a central bank, a public law entity or agency or an international organisation recognised by the Portuguese state, a declaration of tax residence issued by the holder of Instruments, duly signed and authenticated or proof pursuant to the terms of paragraph (iv) below;
- (ii) If the beneficial owner of Instruments is a credit institution, a financial company, pension fund or an insurance company domiciled in any OECD country or in a country with which Portugal has entered into a double taxation treaty and is subject to a special supervision regime or administrative registration, certification shall be made by means of the following: (A) its tax identification; or (B) a certificate issued by the entity responsible for such supervision or registration confirming the legal existence of the holder of Instruments and its domicile; or (C) proof of non residence, pursuant to the terms of paragraph (iv) below;

- (iii) If the beneficial owner of Instruments is either an investment fund or other type of collective investment undertaking domiciled in any OECD country or any country or jurisdiction with which Portugal has entered into a double tax treaty or a tax information exchange agreement in force, certification shall be provided by means of any of the following documents: (A) declaration issued by the entity which is responsible for its registration or supervision or by the tax authorities, confirming its legal existence and the law of incorporation; or (B) proof of non residence pursuant to the terms of paragraph (iv) below;
- (iv) In any other case, confirmation must be made by way of (A) a certificate of residence or equivalent document issued by the relevant tax authorities or, (B) a document issued by the relevant Portuguese consulate certifying residence abroad, or (C) a document specifically issued by an official entity of the public administration (either central, regional or peripheral, indirect or autonomous) of the relevant country certifying the residence; for these purposes, an identification document such as a passport or an identity card or document by means of which it is only indirectly possible to assume the relevant tax residence (such as a work or permanent residency permit) is not acceptable. There are rules on the authenticity and validity of the documents, in particular that the holder of Instruments must provide an original or a certified copy of the residence certificate or equivalent document. This document must be issued up to until 3 months after the date on which the withholding tax would have been applied and will be valid for a 3 year period starting on the date such document is issued.

In cases referred to in paragraphs (i), (ii) and (iii) above, proof of non residence is required only once, the beneficial owner having to inform the register entity of any changes that impact the entitlement to the exemption. The holder of Instruments must inform the register entity immediately of any change that may preclude the tax exemption from applying.

(b) Internationally Cleared Instruments

If the Instruments are registered in an account with an international clearing system, prior to the relevant date for payment of any interest or the redemption date (for Zero Coupon Instruments), the entity managing such system is to provide to the direct register entity or its representative the identification and number of securities, as well as the income and, when applicable, the tax withheld, itemised by type of beneficial owner, as follows:

- (i) Portuguese resident entities or permanent establishments of non resident entities to which the income is attributable which are not exempt from tax and are subject to withholding tax;
- (ii) entities domiciled in a country, territory or region subject to a clearly more favourable tax regime included in the list approved by Ministerial order no. 150/2004, of 13 February which are not exempt from tax and are subject to withholding tax;
- (iii) Portuguese resident entities or permanent establishments of non resident entities to which the income is attributable which are exempt from tax and are not subject to withholding tax;
- (iv) other non-Portuguese resident entities.

In addition, the international clearing system managing entity is to provide to the direct register entity, in relation to each income payment, at least the following information concerning each of the beneficiaries mentioned in (i), (ii) and (iii) above: name and address, tax identification number, if applicable, identification of the securities held and amount thereof and amount of income.

No Portuguese exemption shall apply at source under the special regime approved by Decree-law no. 193/2005 if the above rules and procedures are not followed. Accordingly, the general Portuguese tax provisions shall apply as described above.

If the conditions for an exemption to apply are met, but, due to inaccurate or insufficient information, tax is withheld, a special refund procedure is available under the regime approved by Decree-law no.

193/2005. The refund claim is to be submitted to the direct register entity of the Instruments within 6 months from the date the withholding took place. A special form for these purposes is yet to be approved.

The refund of withholding tax after the above 6 months period is to be claimed to the Portuguese tax authorities through an official form available at <http://www.portaldasfinancas.gov.pt>, within 2 years from the end of the year in which tax was withheld. The refund is to be made within 3 months, after which interest is due.

D. Update of the Summary of the Programme

AS a result of the incorporation by reference in this Supplement of the 2013 EDP Financial Statements and the 2013 EDP B.V. Financial Statements, the Summary on pages 11-29 of the Base Prospectus has been amended to take into account such new financial information. The new Summary is attached as Appendix 1 hereto.

Appendix 1

SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introduction and warnings

Element		
A.1	Introduction and Warning	<p>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms.</p> <p>Any decision to invest in the Instruments should be based on consideration of the Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</p> <p>Where a claim relating to the information contained in the Base Prospectus and the applicable Final Terms is brought before a court of a Member State of the European Economic Area, the plaintiff investor might, under the national legislation of that Member State, have to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</p> <p>Civil liability may attach only to those persons who have tabled this summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the applicable Final Terms, it does not provide, when read together with the other parts of the Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Instruments.</p>
A.2	Consent by Issuers for use of the Prospectus	<p>Certain Tranches of Instruments with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a Public Offer</p> <p><i>[Not applicable; the Instruments are not being offered to the public as part of a Public Offer]</i></p> <p>[Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Instruments by the Dealers[, [●] [and] [each financial intermediary whose name is published on the Issuer's website (www.edp.pt and identified as an Authorised Offeror in respect of the relevant Public Offer] [and any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):</p> <p>"We, [insert legal name of financial intermediary] refer to the [insert title</p>

Element	
	<p>of relevant Instruments] (the "Instruments") described in the Final Terms dated [insert date] (the "Final Terms") published by [EDP – Energias de Portugal, S.A. / EDP Finance B.V.] (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Instruments in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly."]</p> <p>(each an "Authorised Offeror" in [specify Relevant Member State]</p> <p>[EDP – Energias de Portugal, S.A. / EDP Finance B.V.]'s consent referred to above is given for Public Offer of Instruments during [●] (the [specify Relevant Member State] Offer Period).</p> <p>The conditions to the consent of [EDP – Energias de Portugal, S.A. / EDP Finance B.V.] [in addition to the conditions referred to above]] are that such consent:</p> <ul style="list-style-type: none"> (a) is only valid during the [specify Relevant Member State] Offer Period; (b) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Instruments in []; and (c) [specify any other conditions applicable to the Public Offer of the particular Tranche in the Relevant member State, as set out in the Final Terms].] <p>[replicate section for each Relevant Member State in which a Public Offer of the Instruments is made]</p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY INSTRUMENTS IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH INSTRUMENTS TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENT. THE INVESTOR MUST LOOK TO THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION.</p>

Section B – Issuers and Keep Well Provider

Element	Title																													
B.1	Legal and commercial names of the Issuers	EDP – Energias de Portugal, S.A. ("EDP") EDP Finance B.V. ("EDP B.V.")																												
B.2	Domicile/legal form/legislation/country of incorporation	EDP is a limited liability company incorporated and domiciled in the Portuguese Republic under Portuguese law. EDP B.V. is a limited liability company incorporated and domiciled in The Netherlands under Dutch law.																												
B.4b	Trend information	Not Applicable; there are no known trends affecting the Issuers and the industries in which they operate.																												
B.5	Description of the Group	EDP is a vertically integrated utility company and is the parent company of the EDP Group which operates in the business areas of generation, supply and distribution of electricity and supply and distribution of gas in Portugal, Spain, France, Belgium, Italy, Poland, Romania, the United States and Brazil. EDP B.V. is a wholly owned subsidiary of EDP.																												
B.9	Profit forecast or estimate	Not Applicable; no profit forecast or estimate is made in the Base Prospectus.																												
B.10	Audit report qualifications	Not Applicable; there are no qualifications in the audit report on the historical financial information.																												
B.12	Selected historical key financial information ¹ : In relation to EDP: The table below sets out summary information extracted from the EDP Group's audited income statement for each of the two years ended 31 December 2012 and 31 December 2013 and from the EDP Group's unaudited income statement for each of the six month periods ended 30 June 2012 and 30 June 2013, respectively: Consolidated Income Statement:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="3"></th> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;">Unaudited</th> </tr> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Six Months Ended 30 June</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Year Ended 31 December</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">2013</th> <th style="text-align: center; border-bottom: 1px solid black;">2012</th> <th style="text-align: center; border-bottom: 1px solid black;">2013</th> <th style="text-align: center; border-bottom: 1px solid black;">2012</th> </tr> <tr> <td></td> <td colspan="2" style="text-align: center;">(Thousands of Euros)</td> <td colspan="2" style="text-align: center;">(Thousands of Euros)</td> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td style="text-align: right;">8,120,755</td> <td style="text-align: right;">8,213,532</td> <td style="text-align: right;">16,103,190</td> <td style="text-align: right;">16,339,854</td> </tr> <tr> <td>Cost of electricity</td> <td style="text-align: right;">-4,088,700</td> <td style="text-align: right;">-4,172,342</td> <td style="text-align: right;">-8,235,491</td> <td style="text-align: right;">-8,392,199</td> </tr> </tbody> </table>		Unaudited				Six Months Ended 30 June		Year Ended 31 December		2013	2012	2013	2012		(Thousands of Euros)		(Thousands of Euros)		Turnover	8,120,755	8,213,532	16,103,190	16,339,854	Cost of electricity	-4,088,700	-4,172,342	-8,235,491	-8,392,199
	Unaudited																													
	Six Months Ended 30 June			Year Ended 31 December																										
	2013	2012	2013	2012																										
	(Thousands of Euros)		(Thousands of Euros)																											
Turnover	8,120,755	8,213,532	16,103,190	16,339,854																										
Cost of electricity	-4,088,700	-4,172,342	-8,235,491	-8,392,199																										

¹ Following the publication of a Supplement to the Base Prospectus dated 2 April 2014, selected historical key financial information has been added for the year ended 31 December 2013, and information for the year ended 31 December 2011 has been removed.

Element	Title				
	Cost of gas	-659,898	-713,096	-1,264,745	-1,375,841
	Changes in inventories and cost of raw materials and consumables used	<u>-457,604</u>	<u>-538,852</u>	<u>-1,051,924</u>	<u>-1,143,647</u>
		<u>2,914,553</u>	<u>2,789,242</u>	<u>5,551,030</u>	<u>5,428,167</u>
	Revenue from assets assigned to concessions	167,436	178,853	424,105	433,661
	Expenditure with assets assigned to concessions	<u>-167,436</u>	<u>-178,853</u>	<u>-424,105</u>	<u>-433,661</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Other operating income / (expenses)				
	Other operating income	190,963	154,369	360,003	389,967
	Supplies and services	-451,178	-445,589	-934,903	-928,287
	Personnel costs and employee benefits	-337,747	-330,231	-638,516	-671,536
	Other operating expenses	<u>-359,883</u>	<u>-282,683</u>	<u>-720,646</u>	<u>-589,853</u>
		<u>-957,845</u>	<u>-904,134</u>	<u>-1,934,062</u>	<u>-1,799,709</u>
		1,956,708	1,885,108	3,616,968	3,628,458
	Provisions	-36,850	-6,751	-54,877	-16,055
	Depreciation, amortisation expense and impairment	-719,060	-717,107	-1,503,616	-1,493,889
	Compensation of amortisation and depreciation	<u>13,536</u>	<u>13,129</u>	<u>26,369</u>	<u>24,901</u>
		1,214,334	1,174,379	2,084,844	2,143,415
	Gains / (losses) on the sale of financial assets	12	2,857	-16	2,766
	Financial income	529,456	366,187	904,910	731,658
	Financial expenses	-862,345	-719,228	-1,642,350	-1,436,924
	Share of profit in associates	<u>18,793</u>	<u>10,464</u>	<u>34,132</u>	<u>23,777</u>
	Profit before income tax	900,250	834,659	1,381,520	1,464,692
	Income tax expense	<u>-190,060</u>	<u>-158,940</u>	<u>-187,997</u>	<u>-282,537</u>
	Net profit for the period	<u>710,190</u>	<u>675,719</u>	<u>1,193,523</u>	<u>1,182,155</u>
	Attributable to:				
	Equity holders of EDP	603,219	581,768	1,005,091	1,012,483
	Non-controlling Interests	<u>106,971</u>	<u>93,951</u>	<u>188,432</u>	<u>169,672</u>
	Net profit for the period	<u>710,190</u>	<u>675,719</u>	<u>1,193,523</u>	<u>1,182,155</u>
	Earnings per share (Basic and Diluted) - Euros	0.17	0.16	0.28	0.28
	The table below sets out summary information extracted from the EDP Group's audited statement of financial position as at 31 December 2012 and 31 December 2013 and from the EDP Group's unaudited statement of financial position as at 30 June 2013:				
	Consolidated Statement of Financial Position:				
		Six Months ended 30 June	Year ended 31 December		
		2013	2013	2012*	2012
	(Thousands of Euros)				
	Assets				
	Property, plant and equipment	20,734,129	20,316,306	20,905,340	20,905,340

Element	Title				
	Intangible assets	6,281,525	6,028,307	6,541,862	6,541,862
	Goodwill	3,313,255	3,295,874	3,318,457	3,318,457
	Investments in associates	177,864	182,562	163,881	163,881
	Available for sale investments	185,178	212,483	181,298	181,298
	Deferred tax assets	421,467	388,813	340,816	340,816
	Trade receivables	99,859	99,005	97,099	97,099
	Debtors and other assets from commercial activities	2,915,360	3,188,586	2,736,902	2,736,902
	Other debtors and other assets	482,199	525,077	534,573	534,573
	Collateral deposits associated to financial debt	465,036	430,607	415,045	415,045
	Total Non-Current Assets	35,075,872	34,667,620	35,235,273	35,235,273
	Inventories	282,791	280,009	377,618	377,618
	Trade receivables	1,893,267	2,208,287	2,280,104	2,280,104
	Debtors and other assets from commercial activities	2,027,537	1,827,815	2,051,519	2,051,519
	Other debtors and other assets	262,181	308,155	296,674	296,674
	Current tax assets	363,792	439,109	435,628	435,628
	Financial assets at fair value through profit or loss	5,514	4,217	390	390
	Collateral deposits associated to financial debt	23,757	18,729	13,451	13,451
	Cash and cash equivalents	1,730,257	2,180,122	1,695,336	1,695,336
	Assets classified as held for sale	-	715,837	241,851	241,851
	Total Current Assets	6,589,096	7,982,280	7,392,571	7,392,571
	Total Assets	41,664,968	42,649,900	42,627,844	42,627,844
	Equity				
	Share capital	3,656,538	3,656,538	3,656,538	3,656,538
	Treasury stock	-90,709	-85,573	-103,706	-103,706
	Share premium	503,923	503,923	503,923	503,923
	Reserves and retained earnings	3,544,903	3,365,777	3,123,116	3,123,116
	Consolidated net profit attributable to equity holders of EDP	603,219	1,005,091	1,012,483	1,012,483
	Total Equity attributable to equity holders of EDP	8,217,874	8,445,756	8,192,354	8,192,354
	Non-controlling Interests	3,183,359	3,082,805	3,239,314	3,239,314
	Total Equity	11,401,233	11,528,561	11,431,668	11,431,668
	Liabilities				
	Financial debt	14,735,344	15,968,756	16,715,725	16,715,725
	Employee benefits	1,866,480	1,751,066	1,750,838	1,933,425
	Provisions	401,606	360,203	340,068	382,866
	Hydrological correction account	34,745	-	33,644	33,644
	Deferred tax liabilities	862,046	775,269	852,054	852,054
	Institutional partnerships in USA wind farms	1,632,741	1,508,495	1,679,753	1,679,753
	Trade and other payables from commercial activities	1,430,284	1,252,337	1,262,771	1,262,771
	Other liabilities and other payables	488,993	375,846	409,737	409,737
	Total Non-Current Liabilities	21,452,239	21,991,972	23,044,590	23,269,975
	Financial debt	5,218,904	4,192,168	3,807,503	3,807,503

Element	Title				
	Employee benefits	-	183,469	182,587	-
	Provisions	-	28,003	42,798	-
	Hydrological correction account	11,416	35,641	22,832	22,832
	Trade and other payables from commercial activities	2,550,509	3,289,002	3,220,599	3,220,599
	Other liabilities and other payables	371,862	238,086	368,143	368,143
	Current tax liabilities	658,805	585,034	467,738	467,738
	Liabilities classified as held for sale	-	577,964	39,386	39,386
	Total Current Liabilities	8,811,496	9,129,367	8,151,586	7,926,201
	Total Liabilities	30,263,735	31,121,339	31,196,176	31,196,176
	Total Equity and Liabilities	41,664,968	42,649,900	42,627,844	42,627,844
	* Restated financial information for comparative purposes				
	The table below sets out summary information extracted from the EDP Group's audited statement of cash flows as at 31 December 2012 and 31 December 2013 and the EDP Group's unaudited statement of cash flows as at 30 June 2012 and 30 June 2013, respectively:				
	Statement of Cash Flows:				
		Unaudited			
		Six Months Ended 30		Year Ended 31 December	
		June			
		2013	2012	2013	2012*
					2012
		(Thousands of Euros)		(Thousands of Euros)	
	Operating activities				
	Cash receipts from customers	7,580,020	7,501,403	14,551,137	14,709,734
	Proceeds from tariff adjustments securitization	1,007,823	167,936	1,559,978	442,340
				-	-
	Payments to suppliers	-5,690,709	-5,913,298	10,946,648	-11,665,153
	Payments to personnel	-423,028	-487,917	-655,391	-654,672
	Concession rents paid	-142,784	-124,020	-267,499	-266,570
	Other receipts / (payments) relating to operating activities	-171,951	-38,435	-463,808	-441,352
	Net cash from operations	2,159,371	1,105,669	3,777,769	2,124,327
	Income tax received / (paid)	-72,674	-33,159	-257,919	-127,792
	Net cash from operating activities	2,086,697	1,072,510	3,519,850	1,996,535
	Investing activities				
	Cash receipts relating to:				
	Sale of assets / subsidiaries with loss of control	255,556	4,770	256,173	26,322
	Other financial assets and investments	349	4,236	2,178	4,905
	Financial assets and investments	-	-	-	-
	Property, plant and equipment and intangible assets	27,053	4,702	26,314	6,718
	Investment grants	2,569	17,421	-	42,057
	Interest and similar income	30,622	45,333	82,382	91,321
	Dividends	11,648	10,712	20,604	22,932

Element	Title					
		<u>327,797</u>	<u>87,174</u>	<u>387,651</u>	<u>194,255</u>	<u>194,255</u>
	Cash payments relating to:					
	Acquisition of assets / subsidiaries	-134,265	-50,176	-253,185	-177,490	-
	Other financial assets and investments	-5,672	-1,509	-9,987	-23,619	-
	Financial assets and investments	-	-	-	-	-201,109
	Changes in cash resulting from consolidation perimeter variations	-	5	-175,287	1,023	1,023
	Property, plant and equipment and intangible assets	-1,122,214	-1,085,796	-2,269,316	-2,118,998	-2,118,998
		<u>-1,262,151</u>	<u>-1,137,476</u>	<u>-2,707,775</u>	<u>-2,319,084</u>	<u>-2,319,084</u>
	Net cash from investing activities	<u>-934,354</u>	<u>-1,050,302</u>	<u>-2,320,124</u>	<u>-2,124,829</u>	<u>-2,124,829</u>
	Financing activities					
	Receipts / (payments) relating to loans	-312,575	868,727	687,121	1,530,649	1,530,649
	Interest and similar costs including hedge derivatives	-396,421	-390,475	-803,402	-706,962	-706,962
	Governmental grants received	91,549	3,206	90,539	4,817	4,817
	Share capital increases / (decreases) by non-controlling interests	-15,869	-	-96,691	-	-
	Receipts / (payments) relating to derivative financial instruments	16,350	-934	3,029	-57,967	-57,967
	Dividends paid to equity holders of EDP	-670,932	-670,829	-670,932	-670,829	-670,829
	Dividends paid to non-controlling interests	-44,586	-99,641	-158,873	-154,656	-154,656
	Treasury stock sold / (purchased)	5,911	-2,125	8,976	-859	-859
	Sale of assets / subsidiaries without loss of control	257,371	-	292,143	175,687	175,687
	Receipts / (payments) from wind activity institutional partnerships - USA	-22,622	-6,670	-35,579	-15,159	-15,159
	Net cash from financing activities	<u>-1,091,824</u>	<u>-298,741</u>	<u>-683,669</u>	<u>104,721</u>	<u>104,721</u>
	Changes in cash and cash equivalents	<u>60,519</u>	<u>-276,533</u>	<u>516,057</u>	<u>-23,573</u>	<u>-23,573</u>
	Effect of exchange rate fluctuations on cash held	-25,598	-13,102	-31,271	-12,615	-12,615
	Cash and cash equivalents at the beginning of the period	1,695,336	1,731,524	1,695,336	1,731,524	1,731,524
	Cash and cash equivalents at the end of the period	<u>1,730,257</u>	<u>1,441,889</u>	<u>2,180,122</u>	<u>1,695,336</u>	<u>1,695,336</u>
	* Restated financial information for comparative purposes					
	In relation to EDP B.V.:					
	The table below sets out summary information extracted from EDP B.V.'s audited income statement for each of the two years ended 31 December 2012 and 31 December 2013 and EDP B.V.'s unaudited income statement for each of the six month periods ended 30 June 2012 and 30 June 2013, respectively:					

Element	Title					
		Unaudited		Year Ended 31 December		
		Six Months Ended 30 June				
		2013	2012	2013	2012 *	2012
		(Thousands of Euros)		(Thousands of Euros)		
	Interest income	324,566	320,630	704,702	633,054	636,015
	Interest expenses	-343,351	-302,162	707,516	-608,718	-614,260
	Net interest income / (expense)	-18,785	18,468	-2,814	24,336	21,755
	Net other financial income and expenses	-3,521	9,539	-8,448	-10,476	-7,895
	Net financial income / (expense)	-22,306	28,007	-11,262	13,860	13,860
	Other operating income / (expenses)					
	Services rendered	205	349	1,778	705	705
	Supplies and services	-793	-579	-3,256	-1,577	-1,577
	Provisions	-	-6,037	-	1,400	1,400
	Profit / (Loss) before income tax	-22,894	21,740	-12,740	14,388	14,388
	Tax expense / (benefit)	5,705	-1,167	3,245	-3,609	-3,609
	Profit / (Loss) for the year	-17,189	20,573	-9,495	10,779	10,779
	Total comprehensive income for the period	-17,189	20,573	-9,495	10,779	10,779
	Profit / (Loss) for the year attributable to owners of the company	-17,189	20,573	-9,495	10,779	10,779
	Total comprehensive income for the period attributable to the owner of the company	-17,189	20,573	-9,495	10,779	10,779
	* Restated financial information for comparative purposes					
	The table below sets out summary information extracted from EDP B.V.'s audited statement of financial position as at 31 December 2012 and 31 December 2013 and from EDP B.V.'s unaudited statement of financial position as at 30 June 2013:					

Element	Title			
	Statement of Financial Position:			
		<u>Unaudited</u>		
		Six Months ended 30		
		June	Year ended 31 December	
		2013	2013	2012
		(Thousands of Euros)	(Thousands of Euros)	
	Assets			
	Loans to and receivables from group entities	7,981,043	11,704,152	7,959,801
	Derivative financial instruments	53,106	48,663	141,930
	Total Non-Current Assets	<u>8,034,149</u>	<u>11,752,815</u>	<u>8,101,731</u>
	Loans to and receivables from group entities	7,572,218	3,975,605	7,508,470
	Derivative financial instruments	39,367	84,039	77,256
	Debtors and other assets	917	2,471	711
	Tax receivable	6,535	4,971	-
	Cash and cash equivalents	452,333	238,173	343,585
	Total Current Assets	<u>8,071,370</u>	<u>4,305,259</u>	<u>7,930,022</u>
	Total Assets	<u><u>16,105,519</u></u>	<u><u>16,058,074</u></u>	<u><u>16,031,753</u></u>
	Equity			
	Share capital	2,000	2,000	2,000
	Share premium	11,980	11,980	11,980
	Reserves and retained earnings	123,666	123,666	112,887
	Profit / (loss) for the period	-17,189	-9,495	10,779
	Total Equity	<u>120,457</u>	<u>128,151</u>	<u>137,646</u>
	Liabilities			
	Debt securities	7,474,450	8,728,180	8,750,028
	Loans and credit facilities from third parties	3,039,625	3,404,831	3,653,295
	Derivative financial instruments	67,344	63,937	41,654
	Total Non-Current Liabilities	<u>10,581,419</u>	<u>12,196,948</u>	<u>12,444,977</u>
	Debt securities	1,734,119	1,642,504	591,304
	Loans and credit facilities from third parties	2,706,574	1,675,430	2,235,300
	Loans from group entities	265,363	113,492	100,111
	Amounts owed on commercial paper	693,000	280,000	480,000
	Derivative financial instruments	2,047	19,935	7,019
	Trade and other payables	2,540	1,614	1,510

Element	Title						
	Tax payable						33,886
	Total Current Liabilities	5,403,643	3,732,975				3,449,130
	Total Liabilities	15,985,062	15,929,923				15,894,107
	Total Equity and Liabilities	16,105,519	16,058,074				16,031,753
<p>The table below sets out summary information extracted from EDP B.V.'s audited statement of cash flows as at 31 December 2012 and 31 December 2013 and from EDP B.V.'s unaudited statement of cash flows as at 30 June 2012 and 30 June 2013, respectively:</p>							
Statement of Cash Flows:							
Unaudited							
Six Months Ended 30 June							
Year Ended 31 December							
		2013	2012 *	2012	2013	2012 *	2012
(Thousands of Euros)							
Operating activities							
	Profit/(Loss) for the period	-17,189	20,573	20,573	-9,495	10,779	10,779
	Adjustments for:						
	Interest income	-	-	-93,833	-	-	-
	Interest expense	-	-	-83,250	-	-	-
	Net interest income	18,786	-18,467	-	2,814	-24,336	-21,755
	Net other financial income and expenses	-	-	-	-2,712	-42,522	-
	Tax income	-5,706	1,167	-194	-3,245	3,609	3,609
	Amortisation of discounts/premiums	15,956	10,141	10,141	-	-	3,934
		11,847	13,414	-146,563	-12,638	-52,470	-3,433
	Changes in:						
	Loans to and receivables from group entities	-	-	-	-6,629	-2,003,571	-
	Debtors and other assets	-205	295	296	-1,759	172	172
	Amounts owed on commercial paper	213,000	747,000	747,000	-200,000	480,000	480,000
	Loans from group entities	165,251	386,330	386,330	13,381	-16,725	-16,725
	Trade and other payables	1,031	-1,256	-1,256	356	-2,087	-2,087
	Tax payable	-1,370	-268	1,360	-	31,987	31,987
	Provisions	-	6,036	-	-	-32,481	-32,481
	Change in derivative financial instruments	147,431	-14,445	-	-	-	-42,522
	Change to debt securities	169,503	364,063	-	-	-	510,950
	Change in loans and credit facilities from third parties	7,604	33,990	-74,852	-	-	-12,834
	Changes in loans to group entities	-211,665	-344,118	-	-	-	318,907
	Other changes in loans to group companies	-	-	-420,916	-	-	-

Element	Title						
		502,427	1,191,041	491,399	-207,289	-1,595,175	1,231,934
	Extension of loans to group entities	-3,353,282	-1,437,834	-1,286,000	-	-	-2,420,255
	Redemption of loans to group entities	3,283,150	-	-	-	-	95,196
	Interest received	179,974	141,429	141,429	273,185	400,866	400,866
	Interest paid	-318,223	-341,278	-341,278	-573,778	-517,702	-517,702
	Tax paid	-33,344	-705	-973	-35,611	-3,204	-3,204
	Net cash flow from operating activities	<u>260,702</u>	<u>-447,347</u>	<u>-995,423</u>	<u>-543,493</u>	<u>-1,715,215</u>	<u>-1,213,165</u>
	Cash flows from financing activities						
	Proceeds from issued debt securities	-	-	-	1,531,023	1,718,430	1,203,545
	Redemption of debt securities	-	-500,000	-500,000	-350,000	-1,607,920	-1,607,920
	Other changes to debt securities	-	-	447,314	-	-	-
	Proceeds of loans and credit facilities from third parties	1,055,000	975,000	1,008,842	1,709,410	1,932,679	1,945,513
	Redemption of loans and credit facilities from third parties	-1,205,000	-75,000	-	-2,456,000	-375,000	-375,000
	Change in provisions	-	-	6,036	-	-	-
	Change in derivate financial instruments	-	-	-14,446	-	-	-
	Net cash flow from financing activities	<u>-150,000</u>	<u>400,000</u>	<u>947,746</u>	<u>434,433</u>	<u>1,668,189</u>	<u>1,166,138</u>
	Changes in cash and cash equivalents	<u>110,702</u>	<u>-47,347</u>	<u>-47,677</u>	<u>-109,060</u>	<u>-47,026</u>	<u>-47,027</u>
	Cash and cash equivalents at the beginning of the period	343,585	403,883	403,883	343,585	403,883	403,883
	Effect of exchange rate fluctuations on cash held	-1,954	-330	-	-	-	-
	Effect of exchange rate fluctuations on cash and cash equivalents held	-	-	-	3,647	-13,272	-13,271
	Cash and cash equivalents at the end of the period	<u>452,333</u>	<u>356,206</u>	<u>356,206</u>	<u>238,172</u>	<u>343,585</u>	<u>343,585</u>
	* Restated financial information for comparative purposes						
	Statements of no significant or material adverse change						
	There has been no significant change in the financial or trading position of the EDP Group since 31 December 2013 ² and there has been no material adverse change in the financial position or prospects of the EDP Group since 31 December 2013 ³ .						
B.13	Events impacting the Issuers' solvency	Not Applicable; there are no recent events particular to the Issuers which are to a material extent relevant to the evaluation of the Issuers' solvency.					

² Updated to 31 December 2013 following the publication of a Supplement to the Base Prospectus dated 2 April 2014.

³ Updated to 31 December 2013 following the publication of a Supplement to the Base Prospectus dated 2 April 2014.

Element	Title	
B.14	Dependence upon other group entities	<p>EDP is the parent company of EDP Group. EDP is not dependent upon other entities within the EDP Group.</p> <p>EDP B.V. is a funding vehicle for the EDP Group and its sole purpose is to raise finance in the international loan and capital markets and provide funds and investment services to the EDP Group companies, including by entering into intra-group loan agreements. Therefore, given its sole purpose as a funding vehicle for the EDP Group, EDP B.V. relies on the ability of other companies in the EDP Group to meet their financial obligations. It does not have any other sources of revenue.</p>
B.15	Principal activities	<p>EDP's principal activities include the generation, distribution and supply of electricity. EDP also distributes gas and acts as wind power operator.</p> <p>The principal activity of EDP B.V. is to raise funds in the international markets and to provide financial and investment services to the EDP Group.</p>
B.16	Controlling shareholders	<p>EDP B.V. is directly owned and controlled by EDP.</p> <p>EDP is neither directly nor indirectly owned or controlled by any one party.</p>
B.17	Credit ratings	<p>Each of EDP and EDP B.V. has been rated Ba1 by Moody's Investors Service Limited ("Moody's"), BBB- by Fitch Ratings Ltd. ("Fitch") and BB+ by Standard & Poor's Credit Market Services France SAS, a Division of The McGraw-Hill Companies, Inc. ("Standard & Poor's"). Instruments issued under the Programme with a maturity of more than one year have been rated Ba1 by Moody's, BBB- by Fitch and BB+ by Standard & Poor's. Instruments issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above.</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating agency.</p>
B.18	Description of the Keep Well Agreement	<p>[EDP has entered into a Keep Well Agreement with EDP B.V., pursuant to which EDP has agreed that, for so long as EDP B.V. has any Instruments outstanding under the Programme, it will make available to EDP B.V. funds sufficient to meet its payment obligations or repay borrowings then maturing to the extent that EDP B.V.'s funds or other liquid assets are insufficient to meet its payment obligations or repay its borrowings. Under the terms of the Keep Well Agreement the Trustee may, on behalf of holders of any Instruments issued by EDP B.V. under the Programme, enforce EDP B.V.'s rights under the Keep Well Agreement against EDP. Holders of Instruments do not have any direct rights against EDP. The Keep Well Agreement is not a guarantee and EDP has no obligation to pay any amounts due under the Instruments issued by EDP B.V.] / [Not Applicable]</p>
B.19/B.1	Legal and commercial name of the Keep Well	EDP - Energias de Portugal, S.A.

Element	Title	
	Provider	
B.19/B.2	Domicile/ legal form/ legislation/ country of incorporation	The Keep Well Provider is a limited liability company incorporated and domiciled in the Portuguese Republic under Portuguese Law.
B.19/B.4b	Trend information	Not Applicable; there are no known trends affecting EDP and the industries in which it operates.
B.19/B.5	Description of the Group	EDP is a vertically integrated utility company and is the parent company of the EDP Group which operates in the business areas of generation, supply and distribution of electricity and supply and distribution of gas in Portugal, Spain, France, Belgium, Italy, Poland, Romania, the United States and Brazil.
B.19/B.9	Profit forecast or estimate	Not Applicable; no profit estimate or forecast is made regarding EDP.
B.19/B.10	Audit report qualifications	Not Applicable; there are no qualifications in the audit report on the historical financial information.
B.19/B.12	Selected historical key financial information:	Historical key financial information about EDP as Keep Well Provider is the same as the historical key information for EDP as Issuer and is provided in Element B.12 above.
B.19/B.13	Events impacting the Keep Well Provider's solvency	Not Applicable; there are no recent events particular to EDP which are to a material extent relevant to the evaluation of the Keep Well Provider's solvency.
B.19/B.14	Dependence upon other Group entities	EDP is not dependent upon other entities within the EDP Group.
B.19/B.15	The Keep Well Provider's Principal activities	EDP's principal activities include the generation, distribution and supply of electricity. EDP also distributes gas and acts as a wind power operator.
B.19/B.16	Controlling shareholders	EDP is neither directly nor indirectly owned or controlled by any one party.
B.19/B.17	Credit ratings	EDP has been rated Ba1 by Moody's, BBB- by Fitch and BB+ by Standard & Poor's. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Section C – Securities

Element	Title	
C.1	Description of Instruments/ISIN	<p>The Instruments to be issued under the Programme may be Fixed Rate Instruments, Floating Rate Instruments, Zero Coupon Instruments, Instalment Instruments or a combination of the foregoing.</p> <p><i>Issuance in Series</i></p> <p>Instruments will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Instruments of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Instruments of each Tranche will all be subject to identical terms in all respects.</p> <p><i>Forms of Instruments</i></p> <p><u>Bearer Instruments:</u></p> <p>Instruments may be issued in bearer form.</p> <p>Instruments in bearer form may initially be in the form of a Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for definitive bearer Instruments or a registered Instrument in definitive form in certain limited circumstances.</p> <p>Temporary Global Instruments may also be issued which are exchangeable for definitive bearer Instruments or registered Instruments on or after a specified date.</p> <p>Bearer Instruments in definitive form will, if interest bearing, have Coupons attached and, where the Instruments have more than 27 coupon payments, Talons for further Coupons.</p> <p>Each Bearer Global Instrument will be issued in either "Classic Global Note" or "CGN" form or in "New Global Note" or "NGN" form. CGN Instruments will be deposited on or around the relevant issue date with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. and NGN Instruments will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.</p> <p><u>Registered Instruments:</u></p> <p>Instruments may be issued in registered form.</p> <p>Instruments may initially be in the form of Global Registered Instruments, registered in the name of (i) a common depository for Euroclear and Clearstream, Luxembourg; or (ii) a common safekeeper for Euroclear and Clearstream, Luxembourg, and such Instruments will be exchangeable for registered Instruments in definitive form in certain limited circumstances.</p> <p>Each Tranche of Instruments represented by a Global Registered Instrument may or may not be held under the new safekeeping structure ("New Safekeeping Structure" or "NSS"). Instruments that are not held under NSS will be registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Instrument will be deposited on or about the issue date with the common depository. Instruments that are held under the NSS, will be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Registered Instrument will be deposited on or around the issue date with the common</p>

Element	Title	
		<p>safekeeper for Euroclear and/or Clearstream, Luxembourg.</p> <p><u>Book Entry Instruments</u></p> <p>Instruments issued by EDP may be issued in dematerialised book-entry form ("<i>forma escritural</i>").</p> <p>Such Instruments will be held through Interbolsa and will either be (i) <i>nominativas</i> (in which case Interbolsa, at the request of the Issuer, can ask for information regarding the identity of the holders of the Instruments and transmit such information to the Issuer); or (ii) <i>ao portador</i> (in which case Interbolsa cannot inform the Issuer of the identity of the holders). Form and title to the Book Entry Instruments will be evidenced by book entries.</p> <p>Form of the Instruments: [].</p> <p>Type of Instruments: [] Instruments.</p> <p>ISIN: [].</p> <p>Common Code: [].</p>
C.2	Currency	<p>Subject to compliance with all applicable laws, regulations and directives, the Instruments may be denominated in any currency agreed between the relevant Issuer and the relevant Dealer(s) at the time of the issue of such Series of Instruments (the "Specified Currency"), and the Book Entry Instruments will be denominated in Euro or such other currency as can be settled through Interbolsa, in all cases subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>Specified Currency: [].</p>
C.5	Restrictions on transferability	<p>There are no restrictions on the free transferability of the Instruments.</p>
C.8	Rights attached to the Instruments, including ranking and limitations on those rights	<p>Instruments issued under the Programme will be subject to, amongst others, the following terms and conditions:</p> <p>Status</p> <p>Instruments will constitute direct, unconditional, unsubordinated and (subject to the provisions of the Issuer's negative pledge below) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.</p> <p>Taxation</p> <p>All payments in respect of Instruments will be made without deduction for or on account of withholding taxes imposed by the Issuer's country of incorporation. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p> <p>Negative pledge</p> <p>The terms of the Instruments will contain a negative pledge provision which restricts the right of the Issuers to create or have outstanding any mortgage, lien, pledge or other charge or to otherwise secure any obligations (subject to certain conditions and exceptions) over the whole or any part of their assets whilst the Instruments remain outstanding.</p>

Element	Title	
		<p>Events of default</p> <p>(a) default in payment of any principal or interest due in respect of the Instruments, continuing for a specified period of time;</p> <p>(b) non-performance or non-observance by the Issuer (or, if the Issuer is EDP B.V., by EDP) of any of its other obligations under the conditions of the Instruments, the Trust Deed, or, in the case of Book Entry Instruments, the Interbolsa Instrument, in certain cases continuing for a specified period of time;</p> <p>(c) any indebtedness (other than the Instruments) of EDP B.V. (if EDP B.V. is the Issuer), or EDP, or certain subsidiaries of EDP becomes due and payable prior to its stated maturity as a result of a default, such indebtedness is not paid at its maturity, a guarantee or indemnity in respect of such indebtedness given by such company is not honoured when due and called upon, or any security interest over the assets of such company becomes enforceable, in certain cases where the indebtedness amounts to at least US\$50,000,000; and</p> <p>(d) events relating to the insolvency or winding up of EDP B.V. (if EDP B.V. is the Issuer), EDP or certain subsidiaries of EDP;</p> <p>(e) save for the purposes of reorganisation on terms previously approved by an extraordinary resolution of the Holders, EDP B.V. (if EDP B.V. is the Issuer), EDP or certain of its subsidiaries, or EDP and those certain subsidiaries (including EDP B.V.) taken as a whole cease or threaten to cease to carry on the whole or a major part of their business;</p> <p>(f) any requirements of any governmental or public body or authority necessary to enable or permit EDP B.V. or EDP to comply with its obligations under the Instruments, the Trust Deed or the Keep Well Agreement or, for the validity or enforceability of any such obligations, fails to remain in full force and effect or any law, decree or directive of any competent authority of or in The Netherlands or Portugal is enacted or issued which materially impairs the ability or right of EDP B.V. or EDP to perform such obligations;</p> <p>(g) in relation to certain of its subsidiaries, EDP ceases to own directly or indirectly more than 50 per cent. of the issued share capital or voting rights attached thereto or similar right of ownership or, in relation to EDP B.V. (if EDP B.V. is the Issuer), EDP ceases to own directly or indirectly 100 per cent. of the issued share capital or voting rights attached thereto or similar right of ownership or EDP shall cease to have direct or indirect control of certain subsidiaries or EDP B.V.; and</p> <p>(h) the Keep Well Agreement ceases to be in full force and effect.</p> <p>Meetings</p> <p>The terms of the Instruments will contain provisions for calling meetings of holders of such Instruments to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p>Governing law</p> <p>English law, except that with respect to Book-Entry Instruments only, the</p>

Element	Title	
		form and transfer of the Instruments, creation of security over the Instruments and the Interbolsa procedures for the exercise of rights under the Book Entry Instruments are governed by, and shall be construed in accordance with Portuguese law.
C.9	Interest/Redemption	<p>Interest</p> <p>The terms of the relevant Series of Instruments will be agreed between the relevant Issuer and the relevant Dealer(s) at the time of the issue of such Series of Instruments.</p> <p>Nominal interest rate: [].</p> <p>Interest commencement date: [].</p> <p>Interest Payment date(s): [].</p> <p>Reference rate: [].</p> <p>Yield: [].</p> <p>Redemption, Maturity and Redemption Price</p> <p>The terms under which Instruments may be redeemed will be agreed between the relevant Issuer and the relevant Dealer at the time of issue of the relevant Instruments.</p> <p>Maturity: [].</p> <p>Redemption price: [].</p> <p>Provisions relating to [].</p> <p>early redemption:</p> <p>Representation of holders</p> <p>The Trustee, who represents the holders of Instruments other than Book Entry Instruments, is: Deutsche Trustee Company Limited.</p>
C.10	Derivative component in the interest payments	Not Applicable; there is no derivative component in the interest payments.
C.11 C.21	Listing and admission to trading / distribution	<p>Application will or has been made for Instruments to be admitted to trading on the Irish Stock Exchange. The Programme also permits Instruments to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer, including without limitation, Euronext Lisbon.</p> <p>[Application has been made for the Instruments to be admitted to trading on [] with effect from [].]</p> <p>[The Instruments are neither listed nor admitted to trading on or by any competent authority or stock exchange.]</p>

Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuers	<p>The key risks that are specific to the Issuers are as follows.</p> <p>Regulation: The EDP Group's operating results are highly affected by laws and regulations implemented by public entities in the various jurisdictions in which it operates. Changes to such regulations may have an effect on concessions, licences and permits held by the EDP Group, taxes, levies and other charges to which it may be subject and also the development and profitability of energy projects.</p> <p>In addition, changes to environmental, health and safety laws and regulations to which EDP is subject that would result in them becoming more restrictive or less favourable, or if a stricter interpretation of current regulations were to be applied, this could lead to changes in EDP's operating conditions that might require additional capital expenditures, increase its operating costs or otherwise hinder the development of its business.</p> <p>EDP's cash flow is also subject to possible changes in the amounts and timings of the recovery of regulatory receivables from the energy systems.</p> <p>Competition and demand: EDP's profitability, in particular from its supply activities may be affected by significant changes in energy demand in each of the countries where it operates. In the Iberian Peninsula, electricity generation is subject to licensing by the competent authorities, which is carried out in a competitive environment. Consequently, new electricity generation power plants may be licensed to EDP's competitors in the markets where it operates, affecting the profitability of certain of its power plants. Furthermore, EDP may be unsuccessful in obtaining licences for the construction or operation of new power plants, and it could therefore be unable to increase or maintain its generation capacity or market share. EDP may also face competition as a result of the transmission of electricity from regions with excess capacity or lower energy prices. With respect to the development of wind power generation, EDP primarily faces competition in relation to bidding for or acquiring available sites and grid interconnection rights, and in setting prices for energy produced.</p> <p>In addition, the increase of competition in electricity and natural gas supply in recently liberalised markets in the Iberian Peninsula (where customers are free to choose their electricity supplier) may reduce EDP's margins and reduce its ability to sell electricity and natural gas to value added final customers.</p> <p>Profit Margin: The selling price and gross profit per unit of energy sold by EDP may decline significantly due to a deterioration of market conditions. This may result from an adverse imbalance between supply and demand in the electricity and natural gas markets in which EDP operates, the performance of international and/or regional energy prices both for fuel and electricity prices together with CO₂ allowances and green certificates, higher cost of power plant construction, a change in the technological mix of installed generation capacity and administrative decisions imposed by legislative and regulatory authorities. Although EDP currently uses and may use various financial and commodity hedging instruments as well as bilateral Power Purchase Agreements, in order to mitigate market risks, there is no certainty that such strategies will successfully hedge all of these risks.</p> <p>Counterparty Risk: EDP is exposed to counterparty risk in some of its</p>

Element	Title	
		<p>businesses such as its electricity and natural gas supply to final customers, its energy wholesale activities in the Iberian Peninsula and in international fuel markets, as well as its Power Purchasing Agreements in the United States and Brazil. Counterparties may not comply with their contractual obligations, they may become subject to insolvency or liquidation proceedings during the term of the relevant contracts or the credit support received from such counterparties will be inadequate to cover EDP's losses in the event of its counterparty's failure to perform.</p> <p>Finance: EDP's financial position may be adversely affected by a number of factors including restrictions on its ability to borrow from the capital markets and other longer term lending sources and the cost of such borrowings which may be affected by changes to EDP's credit ratings and adverse changes and volatility in the global credit markets. EDP operates in a capital extensive business and in particular has significant construction and capital expenditure requirements. The recovery of its capital investment occurs on the long term. EDP expects to finance a significant part of its capital expenditure from its operating activities. If it is unable to do so it may need to finance these expenditures from outside sources. It may not be possible to raise funds from outside sources on acceptable terms or at all.</p> <p>Adjustment Programme for Portugal: The measures envisaged by the Eurozone, European Union and International Monetary Fund (IMF) economic adjustment programme may affect EDP's businesses and activities directly (particularly as a consequence of the measures regarding the ongoing process of liberalisation of the electricity and gas markets) or indirectly through the impact on the Portuguese economy as a whole.</p> <p>Instruments issued by EDP B.V.: The Instruments issued by EDP B.V. are obligations of EDP B.V. and not of EDP. The Keep Well Agreement entered into by EDP with EDP B.V., is not a guarantee and EDP has no obligation to pay any amounts due under the Instruments issued by EDP B.V.. Although under the terms of the Keep Well Agreement the Trustee may, on behalf of holders of any Instruments issued by EDP B.V., enforce EDP B.V.'s rights under that agreement against EDP to require it in certain circumstances to make available funds sufficient to enable EDP B.V. to meet its payment obligations in respect of the Instruments, holders of Instruments issued by EDP B.V. do not have any direct rights against EDP.</p>

Element	Title	
D.3	Key risks regarding the Instruments	<p>Changes in interest rates will affect the value of Instruments which bear interest at a fixed rate – if market rates increase above the rate paid on the Instrument, the value of the Instrument will be adversely affected;</p> <p>If the Issuers have the right to redeem any Instruments at their option, this may limit the market value of the Instruments concerned. During any period when the Issuers may elect to redeem the Instruments, and potentially prior to this period, the market value of the Instruments will generally not rise above the price at which they can be redeemed. Investors may also be unable to reinvest redemption proceeds at an effective yield as high as the yield on the Instruments being redeemed;</p> <p>Fixed/Floating Rate Instruments which bear interest at a rate that converts, at the option of the Issuer, from a fixed rate to a floating rate, or vice versa, may be issued under the Programme. If the Issuer elects to exercise such option, this will affect the secondary market and the market value of the Instruments, since the Issuers may be expected to convert the rate to produce a lower overall cost of borrowing. This means that where the Issuers convert from a fixed rate to a floating rate, the spread on these Instruments may be less favourable than then prevailing spreads on comparable Floating Rate Instruments tied to the same reference rate. The new floating rate may also be lower than the rates on other Instruments and where the Issuers convert from a floating rate to a fixed rate, the fixed rate may also be lower than then prevailing market rates;</p> <p>Instruments may be issued under the Programme at a substantial discount or premium to their principal amount and the market values of these Instruments tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest bearing securities. Generally, there will be greater price volatility the longer the term remaining on the Instrument.</p> <p>Inverse Floating Rate Instruments (where the interest rate is equal to a fixed rate minus a rate based on a reference rate) may be issued under the Programme and the market values of these Instruments will typically be more volatile than that of conventional Floating Rate Instruments. This is because in addition to decreasing the interest rate of the Instruments, an increase in the reference rate may reflect an increase in prevailing interest rates, which may further adversely affect the market value of these Instruments;</p> <p>An investor may not receive payment of the full amounts due in respect of Instruments as a result of amounts being withheld by the Issuer in order to comply with applicable laws;</p>

Section E – Offer

Element	Title	
E.2b	Reasons for the offer and use of proceeds	<p>The net proceeds from each issue of Instruments issued by EDP, will be applied by EDP for its general corporate purposes.</p> <p>The proceeds of Instruments issued by EDP B.V. will be on-lent to, or invested in, EDP Group companies.</p>
E.3	Terms and conditions of the offer	<p>Under the Programme, the Instruments may be offered to the public in a Public Offer in Ireland or Portugal.</p> <p>The terms and conditions of each offer of Instruments will be determined by agreement between the Issuer and the relevant Dealer at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any Instruments in a Public Offer from an Authorised Offeror will do so, and offers and sales of such Instruments to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.</p> <p>Offer Price: []</p> <p>Conditions to which the offer is subject: []</p> <p>Offer Period: []</p> <p>Description of the application process: []</p> <p>Details of the minimum and/or maximum amount of application: []</p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: []</p> <p>Details of the method and time limits for paying up and delivering the Instruments: []</p> <p>Manner in and date on which results of the offer are to be made public: []</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: []</p> <p>Whether tranche(s) have been reserved for certain countries: []</p> <p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: []</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser: []</p> <p>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer</p>

		takes place.
E.4	Interests material to the issue/offer	<p>There are no interest(s) material to issues of the Instruments under the Programme, save for any fees payable to the Dealer(s) acting as underwriters of issues of Instruments and that any Dealer and its affiliates may also have engaged, and may in the future engage in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuers and their affiliates in the ordinary course of business.</p> <p>The following additional interest(s) are material to issues of the Instruments: [].</p>
E.7	Expenses charged to the investor by the Issuer or an offeror	Not applicable. No expenses will be chargeable by the Issuer to an Investor in connection with any offer of Instruments. Any expenses chargeable by a Relevant Dealer or an Authorised Offeror to an Investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Relevant Dealer or an Authorised Offeror at the time of the Relevant Public Offer.