



Item One of the Agenda

Intervention by Octávio Viana

President of the Board of Directors of Portuguese Investors' Association

*Mr. Chairman of the General Shareholders' Meeting,
Mr. President of EDP's General and Supervisory Board,
Mr. President of EDP's Executive Board of Directors,
Other members of the panel,
Dear Shareholders,
Ladies and Gentlemen,*

On behalf of the Shareholder [OMITTED], who entrusted to the Capital Markets Technical Analysts and Investors' Association, which I represent, the powers to watch and perform all the obligations and rights inherent to his status as a shareholder, I make the following voting declaration:

I voted against the proposal of Item One on the Agenda, as regards the amendment of Article 10º of EDP By-Laws, by adding a new paragraph 10, because I believe there is indeed incompatibility between the exercise of functions in EDP corporate bodies and the quality of EDP competitor. This fact creates a clear and insurmountable conflict of interest, not only by the influence on the decisions, but also and mainly because of the danger it poses to the secrecy of the business, particularly as regards the organization, production methods or business of the Company. If nothing is done about this item, the industry players, investors and market participants in general are likely to watch powerless to the sectoral coordination of economic agents with monopolistic tropisms, which I even understand to be unconstitutional.

I end my explanation of vote thanking your attention.

Item Two of the Agenda

Intervention by Octávio Viana

President of the Board of Directors of Portuguese Investors' Association

*Mr. Chairman of the General Shareholders' Meeting,
Mr. President of EDP's General and Supervisory Board,
Mr. President of EDP's Executive Board of Directors,
Other members of the panel,
Dear Shareholders,
Ladies and Gentlemen,*

I voted against the proposal of Item Two on the Agenda, concerning the amendment of Article 14º of EDP' By-Laws, through modification of its number 3, because I believe that the statutory amendment introduced to revise the limit to the counting of votes cast by shareholders in General Meeting from 20 percent to 25 percent is not enough to guarantee in full the good practices of Corporate Governance. In



this particular case, I understand such practices could only be met with the total "de-shielding" of EDP By-Laws, raising the limit to 100 percent.

The proposal made does not meet a good Corporate Governance, but can only unequivocally address the requirement of the new shareholder, Three Gorges International, in order to vote with all its voting rights on 21:35 percent of capital held.

If we consider that the transparency of corporate governance can only exist with a clarification of the relationships of power within the Company, and that such clarification, in the case at issue, emerges from the obligation to launch a takeover bid by who owns the majority or a VTO by others who want to win the majority, then only the overall shielding (100%) could contribute to it and thus stabilize the decision-making power within the Company and protect the minority shareholders. As in this case we speak of an increase of 5 percent, which raises the limit of shielding to 25 percent, economic and juridical mathematics dictates that the proposal does not benefit the minority shareholders, since it dilutes the voting rights of small shareholders compared to the shareholder that, owning more than 20 percent but less than 25 percent, can now (and only now after this change) use the totality of its voting rights.

That is, the Company's By-Laws change, either in the resolution proposal of Item One, as in Item Two, only to meet the needs and requirements of Three Gorges International, which demonstrates a level of relational intensity among several shareholders who together hold the majority of EDP voting rights. This translates into an effective influence of Three Gorges International over other holders of voting rights. This is even more evident when one realizes that no well informed shareholder, with rational expectations and aiming only its economic and legal interest in the Company, would vote in favor of this proposal. Unless, of course, other interests outside the Company and its good Governance are involved, therefore justifying an action in concert to force the win of an economically irrational proposal that only benefits, in this case, Three Gorges Company to the detriment of all others.

This deviation from the behavior that was expected by the other shareholders, particularly institutional shareholders that are supposed to act in an informed and rational way, demonstrates the effective influence of Three Gorges to set the direction of their vote.

Thank you.

Item Three of the Agenda

Intervention by Octávio Viana

President of the Board of Directors of Portuguese Investors' Association

*Mr. Chairman of the General Shareholders' Meeting,
Mr. President of EDP's General and Supervisory Board,
Mr. President of EDP's Executive Board of Directors,
Other members of the panel,
Dear Shareholders,*



Ladies and Gentlemen,

My vote against the Item Three on the Agenda, regarding the decision on the election of members for the general board and supervision board of EDP, force me, in respect for the elected members, to clarify that I recognize a high curricular value (academic and professional) to each one of the proposed and now elected members, in addition to their qualities as individuals and active citizens in the Portuguese Society. I say this to make it clear that my vote is not against the persons, but against an election that reflects the influence of the Three Gorges shareholder.

Even though this is an elective General Shareholders Meeting, we can not forget that the list now proposed has been submitted, as it is brought here, soon after EDP privatization, where Three Gorges became a shareholder and, apparently, took control. It was a list chosen and proposed by a restrict group of shareholders and it became quite evident in public opinion that it was to the liking of the new shareholder. The names that formed the list, as well as their wages, were being discussed and taken for granted, not before but immediately after Three Gorges become a shareholder and without the General Meeting and the remaining shareholders could express their view.

Now if there are matters in which the right to vote is more important and of particular relevance, such is the case of the board of directors and the supervisory board election. Given the subscriber list, and the various interests at stake that have been made public, including the interests in China of some subscribers of the said list, one might look at the proposal for the election of governing bodies as a manifesto of communion of interests among all them and the new shareholder Three Gorges, which is a company wholly owned by the Chinese government, to whom, according to what is known, many shareholders have been begging favors.

Given this, our vote against this item is a censorship vote for the lack of decency in the way this list was made and the certainty of strong influence of the new Three Gorges shareholder.

Three Gorges paid, unequivocally, a control premium for the position it now holds.

Three Gorges is a well informed institutional investor, and its decisions are highly rational according to its best interests. So when it paid a high control premium, compared to market price, it is because, in fact and without a doubt, it was assured it would exert, directly or indirectly (by virtue of relational networks), that control it paid for.

Thus and multiplicative with the proposals brought to this General Shareholders Meeting, there is no doubt that Three Gorges is a controlling shareholder and therefore should allow the remaining shareholders to enjoy, without discrimination, the same control premium China paid to the Portuguese State, giving the remaining shareholders the possibility to sell their shares on equal terms.

It is unacceptable, under the principle of equal treatment that is part of the Portuguese doctrine, that the control has now been achieved through a private and direct negotiation with the State shareholder and eventually with the agreement of others, without the obvious and measurable control premium in this transaction has been paid to the remaining shareholders providing them the right and opportunity to leave a Company, which is now controlled by a new entity, at a price equal to that paid to the shareholder who released control.

The only way, accept by doctrine, as a tool for sharing the control premium is the mandatory takeover



bid. This allocation of control premium is based, first and foremost, on the economic and legal idea that the control premium is part of the overall value of a Company's shares and not just a shareholder in particular.

This General Shareholders Meeting has helped to demonstrate that Three Gorges is in command of a patrimony clearly much higher than the one corresponding to its participation, without having paid the appropriate premium to other shareholders for this domain. Therefore, considering that the Governing Board has not complied with its fiduciary duty to defend the interests of all shareholders in the Company, I vote against this Item on the Agenda.

Thank you.

Item Three of the Agenda

Intervention by Ambassador Henning Wegener

Member of the Board of Directors of Euroshareholders

*Mr. President of the General Assembly,
Mr. President of the Executive Board,
Mr. President of the General Supervision Council,
Mr. Official Accountant,
Remaining members of the Bodies of the Company,
Distinguished Shareholders,
Ladies and Gentlemen,
Good Afternoon,*

I am making this statement on behalf of the shareholders whose mandate I hold and on behalf of EUROSHAREHOLDERS. Euroshareholders is the organization of European shareholder's associations. At present Euroshareholders has 35 national members association from all over Europe. I serve as a member of the Board of Directors.

We voted against the proposal of item 1 off the Agenda, with regard to the amendment of article 10 of the bylaws of EDP, through the addition of new article 10, we voted against the proposal of item two of the agenda, with regard to the amendment of article 14 of the bylaws of EDP, through the modification of its third section, we voted against the proposal of item three of the Agenda, as regards as the deliberation of the appointment of the members of the EDP's General Supervision Council, we also voted against the proposal of item four of the agenda, regarding the deliberation about the appointment of the EDP's Executive Board for the next three years.

For the reasoning behind these votes, I would like, for simplicity's sake, refer to the statement previously made by Mr. Octávio Viana, representative of Associação de Investidores e Analistas Técnicos do Mercado de Capitais (ATM), the Portuguese member association of Euroshareholders. Our views on these matters are identical. We entirely endorse the statement of Mr. Viana.

There is one argument ATM has brought forward which I would like to endorse particularly. Three



Gorges has paid a high control premium for the shares of the State in EDP. We Have to assume that no one pays an elevated control premium for a company if he is not interested in taking effective control. The representative of ATM has made very clear that Three Gorges International has not only aimed at gaining effective control of the Company, but is indeed in the process of achieving it. But if Three Gorges controls the company "de facto", as it does, the it is in our firm view under obligation to launch a public takeover bid at the price it paid to the State, allowing the remaining shareholders to have the same option as the State to exit EDP's capital.

Thank you.