EDP Renováveis, S.A. and subsidiaries

Consolidated Annual Accounts
31 December 2013

Consolidated Directors' Report
Year 2013

(With Auditors' Report Thereon)

KPMG Auditores S.L.
Ventura Rodríguez, 2
33004 Oviedo

Auditors' Report on the Consolidated Annual Accounts

To the Shareholders of
EDP Renováveis, S.A.

We have audited the consolidated annual accounts of EDP Renováveis, S.A. (the "Company") and subsidiaries (the "Group"), which comprise the consolidated statement of financial position at 31 December 2013, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and the notes thereto. As mentioned in note 2 to the accompanying consolidated annual accounts, in accordance with International Financial Reporting Standards as adopted by the European Union, and other provisions of financial reporting legislation applicable to the Group, preparation of the Group's annual accounts is the responsibility of the Company's directors. Our responsibility is to express an opinion on the consolidated annual accounts taken as a whole, based on our audit, which was conducted in accordance with prevailing legislation regulating the audit of accounts in Spain, which requires examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated annual accounts and evaluating whether their overall presentation, the accounting principles and criteria used and the accounting estimates made comply with the applicable legislation governing financial information.

In our opinion, the accompanying consolidated annual accounts for 2013 present fairly, in all material respects, the consolidated equity and consolidated financial position of the Company and subsidiaries at 31 December 2013 and the consolidated results of their operations and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union, and other provisions of applicable legislation governing financial reporting.

The accompanying consolidated directors' report for 2013 contains such explanations as the Directors of the Company consider relevant to the situation of the Group, the evolution of its business and other matters, and is not an integral part of the consolidated annual accounts. We have verified that the accounting information contained therein is consistent with that disclosed in the consolidated annual accounts for 2013. Our work as auditors is limited to the verification of the consolidated directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of the Company and subsidiaries.

KPMG Auditores, S.L.

Ana Fernández Poderós

26 February 2014

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EDP Renováveis, S.A.

Consolidated Financial Statements

31 December 2013

EDP Renováveis, S.A. and subsidiaries

Consolidated Income Statement
for the years ended 31 December 2013 and 2012

Thousands of Euros	Notes	2013	2012
Revenues	6	1,230,963	1,157,796
Income from institutional partnerships in US wind farms	7	125,101	127,350
		1,356,064	1,285,146
Other operating income / (expenses)			
Other operating income	8	41,726	63,116
Supplies and services	9	-262,795	-261,810
Personnel costs and employee benefits	10	-66,554	-62,659
Other operating expenses	11	-121,314	-86,212
		-408,937	-347,565
		947,127	937,581
Provisions		-1,290	3
Depreciation, amortisation expense and impairment	12	-491,158	-502,709
Amortisation of deferred income (government grants)	12	18,472	15,231
		473,151	450,106
Gains / (losses) from the sale of financial assets		-3	2,766
Financial income	13	108,411	74,188
Financial expenses	13	-371,626	-351,804
Share of profit of associates		15,909	6,833
Profit before tax		225,842	182,089
Income tax expense	14	-56,718	-46,039
Profit for the year		169,124	136,050
Attributable to:			
Equity holders of EDP Renováveis	27	135,116	126,266
Non-controlling interests	29	34,008	9,784
Profit for the year		169,124	136,050
Earnings per share basic and diluted - Euros	27	**0.15**	**0.14**

The following notes form an integral part of these Consolidated Financial Statements

EDP Renováveis, S.A. and subsidiaries

Consolidated statement of comprehensive income for the for the year ended at 31 December 2013 and 2012

Thousands of Euros	2013 Equity holders of the parent	2013 Non controlling Interests	2012 Equity holders of the parent	2012 Non controlling Interests
Net profit for the year	135,116	34,008	126,266	9,784
Items that will never be reclassified to				
Actuarial gains / (losses)	14	-	14	-
Tax effect of actuarial gains/(losses)	-4	-	-4	-
	10	-	10	-
Items that are or may be reclassified to				
Fair value reserve (available for sale financial assets)	-1,204	-770	-129	-82
Tax effect of Fair value reserve (available for sale financial assets)	-	-	-	-
Fair value reserve (cash flow hedge)	18,177	3,372	-31,879	-7,375
Tax effect from the fair value reserve (cash flow hedge)	-4,837	-947	6,167	1,922
Share of other comprehensive income of associates, net of taxes	3,873	-	-5,149	
Exchange differences arising on consolidation	-10,589	-14,507	1,847	-6,861
	5,420	-12,852	-29,143	-12,396
Other comprehensive income for the year, net of income tax	5,430	-12,852	-29,133	-12,396
Total comprehensive income for the year	140,546	21,156	97,133	-2,612

The following notes form an integral part of these Consolidated Annual Accounts

EDP Renováveis, S.A. and subsidiaries

Consolidated Statement of Financial Position
as at 31 December 2013 and 2012

Thousands of Euros	Notes	2013	2012
Assets			
Property, plant and equipment	15	10,358,725	10,536,907
Intangible assets	16	89,796	24,915
Goodwill	17	1,255,725	1,301,930
Investments in associates	18	64,660	47,473
Available for sale financial assets	19	7,434	9,407
Deferred tax assets	20	111,055	89,378
Debtors and other assets from commercial activities	23	53,160	55,153
Other debtors and other assets	24	320,440	251,220
Collateral deposits associated to financial debt	30	74,172	48,433
Total Non-Current Assets		12,335,167	12,364,816
Inventories	21	15,489	16,209
Trade receivables	22	207,189	180,259
Debtors and other assets from commercial activities	23	45,768	104,165
Other debtors and other assets	24	133,094	334,490
Current tax assets	25	103,652	55,089
Financial assets at fair value through profit or loss		76	389
Collateral deposits associated to financial debt	30	6,054	719
Cash and cash equivalents	26	265,229	245,837
Total Current Assets		776,551	937,157
Total Assets		13,111,718	13,301,973
Equity			
Share capital	27	4,361,541	4,361,541
Share premium	27	552,035	552,035
Reserves	28	-69,605	-74,385
Other reserves and Retained earnings	28	692,179	458,202
Consolidated net profit attributable to equity holders of the parent		135,116	126,266
Total Equity attributable to equity holders of the parent		5,671,266	5,423,659
Non-controlling interests	29	418,230	325,168
Total Equity		6,089,496	5,748,827
Liabilities			
Medium / Long term financial debt	30	3,543,805	3,657,083
Provisions	31	68,539	63,825
Deferred tax liabilities	20	383,329	380,592
Institutional partnerships in US wind farms	32	1,508,495	1,679,753
Trade and other payables from commercial activities	33	418,140	376,503
Other liabilities and other payables	34	239,770	258,824
Total Non-Current Liabilities		6,162,078	6,416,580
Short term financial debt	30	148,131	217,237
Trade and other payables from commercial activities	33	478,853	704,610
Other liabilities and other payables	34	134,511	157,876
Current tax liabilities	35	98,649	56,843
Total Current Liabilities		860,144	1,136,566
Total Liabilities		7,022,222	7,553,146
Total Equity and Liabilities		13,111,718	13,301,973

The following notes form an integral part of these Consolidated Financial Statements

EDP Renováveis, S.A.

Consolidated Statement of Changes in Equity
for the year ended at 31 December 2013 and 2012

Thousands of Euros	Total Equity	Share Capital	Share Premium	Reserves and retained earnings	Exchange Differences	Hedging reserve	Fair value reserve	Equity attributable to equity holders of EDP Renováveis	Non-controlling Interests
Balance as at 31 December 2011	**5,453,725**	**4,361,541**	**552,035**	**454,135**	**-31,002**	**-14,118**	**4,575**	**5,327,166**	**126,559**
Comprehensive income:									
Fair value reserve (available for sale financial assets) net of taxes	-211	-	-	-	-	-	-129	-129	-82
Fair value reserve (cash flow hedge) net of taxes	-31,165	-	-	-	-	-25,712	-	-25,712	-5,453
Share of other comprehensive income of associates, net of taxes	-5,149	-	-	-	-267	-4,882	-	-5,149	-
Actuarial gains/(losses) net of taxes	10	-	-	10	-	-	-	10	-
Exchange differences arising on consolidation	-5,014	-	-	-	1,847	-	-	1,847	-6,861
Net profit for the year	136,050	-	-	126,266	-	-	-	126,266	9,784
Total comprehensive income for the year	94,521	-	-	126,276	1,580	-30,594	-129	97,133	-2,612
Dividends attributable to non-controlling interests	-4,805	-	-	-	-	-	-	-	-4,805
Share capital increase in EDP Renovaveis Brazil	26,443	-	-	-	-	-	-	-	26,443
Sale without loss of control of Vento II (EDPR NA)	176,121	-	-	4,057	-3,224	-1,473	-	-640	176,761
Changes resulting from acquisitions / sales and equity increases	2,822	-	-		-	-	-	-	2,822
Balance as at 31 December 2012	**5,748,827**	**4,361,541**	**552,035**	**584,468**	**-32,646**	**-46,185**	**4,446**	**5,423,659**	**325,168**
Comprehensive income:									
Fair value reserve (available for sale financial assets) net of taxes	-1,974	-	-	-	-	-	-1,204	-1,204	-770
Fair value reserve (cash flow hedge) net of taxes	15,765	-	-	-	-	13,340	-	13,340	2,425
Share of other comprehensive income of associates, net of taxes	3,873	-	-	-	-267	4,140	-	3,873	-
Actuarial gains/(losses) net of taxes	10	-	-	10	-	-	-	10	-
Exchange differences arising on consolidation	-25,096	-	-	-	-10,589	-	-	-10,589	-14,507
Net profit for the year	169,124	-	-	135,116	-	-	-	135,116	34,008
Total comprehensive income for the year	161,702	-	-	135,126	-10,856	17,480	-1,204	140,546	21,156
Dividends paid	-34,892	-	-	-34,892	-	-	-	-34,892	-
Dividends attributable to non-controlling interests	-16,719	-	-	-	-	-	-	-	-16,719
Sale without loss of control of EDPR Portugal	226,048	-	-	148,334	-	-	-	148,334	77,714
Sale without loss of control of Wheat Field (EDPR NA)	34,977	-	-	-1,043	-231	-	-	-1,274	36,251
Acquisitions without changes of control	-15,986	-	-	-4,754	-	-409	-	-5,163	-10,823
Other changes resulting from acquisitions / sales and equity increases	-14,514	-	-	-	-	-	-	-	-14,514
Other	53	-	-	56	-	-	-	56	-3
Balance as at 31 December 2013	**6,089,496**	**4,361,541**	**552,035**	**827,295**	**-43,733**	**-29,114**	**3,242**	**5,671,266**	**418,230**

The following notes form an integral part of these Consolidated Annual Accounts

EDP Renováveis, S.A. and subsidiaries

Consolidated Statement of Cash Flows
for the years ended 31 December 2013 and 2012

Thousands of Euros	2013	2012
Cash flows from operating activities		
Cash receipts from customers	1,239,154	1,141,490
Cash paid to suppliers	-314,289	-285,247
Cash paid to employees	-66,842	-68,893
Other receipts / (payments) relating to operating activities	-81,256	-75,573
	776,767	711,777
Income tax received / (paid)	-76,655	-45,465
Net cash flows from operating activities	700,112	666,312
Continuing activities	700,112	666,312
Cash flows from investing activities		
Cash receipts resulting from:		
Proceeds from sale of property, plant and equipment	2,193	2,273
Interest received	3,468	20,559
Dividends received	1,985	4,075
Loans to related parties	138,954	-
Other receipts from investing activities	2,170	11,602
	148,770	38,509
Cash payments resulting from:		
Acquisition of assets / subsidiaries	-46,728	-27,808
Acquisition of property, plant and equipment	-809,705	-612,495
Loans to related parties	-174,443	-
Other payments in investing activities	-1,669	-1,072
	-1,032,545	-641,375
Net cash flows from investing activities	-883,775	-602,866
Continuing activities	-883,775	-602,866
Cash flows from financing activities		
Sale of assets / subsidiaries without loss of control	292,143	175,687
Receipts/ (payments) of loans	1,187	-4,413
Interest and similar costs	-49,381	-215,330
Governmental grants received	90,539	4,817
Dividends paid	-51,610	-4,805
Receipts / (Payments) from institutional partnership in US wind farms	-35,579	-15,159
Other cash flows from financing activities	-37,293	26,683
Net cash flows from financing activities	210,006	-32,520
Continuing activities	210,006	-32,520
Net increase / (decrease) in cash and cash equivalents	26,343	30,926
Effect of exchange rate fluctuations on cash held	-6,951	-5,011
Cash and cash equivalents at the beginning of the period (*)	245,837	219,922
Cash and cash equivalents at the end of the period (*)	265,229	245,837

(*) See Note 26 of the consolidated financial statements for a detailed breakdown of Cash and cash equivalents.

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Annex 1

Annex 2

1. THE BUSINESS OPERATIONS OF THE EDP RENOVÁVEIS GROUP

EDP Renováveis, Sociedad Anónima (hereinafter referred to as "EDP Renováveis") was incorporated on 4 December 2007. Its main corporate objective is to engage in activities related to the electricity sector, namely the planning, construction, operation and maintenance of electricity generating power stations, using renewable energy sources, mainly wind. The registered offices of the company are located in Oviedo, Spain. On 18 March 2008 EDP Renováveis was converted into a company incorporated by shares (Sociedad Anónima).

As at 31 December 2013 and 2012 the share capital is held 62.02% by EDP S.A. - Sucursal en España ("EDP Branch"), 15.51% by Hidroeléctrica del Cantábrico, S.A. and 22.47% of the share capital is free-float in the NYSE Euronext

As at 31 December 2013, EDP Renováveis holds a 100% stake in the share capital of the following companies: EDP Renewables Europe, S.L. (EDPR EU), EDP Renewables North America, L.L.C. (EDPR NA), EDP Renewables Canada, Ltd. (EDPR Canada), South África Wind & Solar Power, S.L.U. and EDP Renováveis Servicios Financieros, S.L.. Also holds a 55% stake in the share capital of EDP Renováveis Brasil, S.A. (EDPR BR).

The Company belongs to the EDP Group, of which the parent company is EDP Energias de Portugal, S.A., with registered offices at Praça Marquês de Pombal, 12 - 4, Lisbon.

In December 2011, China Three Gorges Corporation (CTG) sign an agreement to acquire 780,633,782 ordinary shares in EDP from Parpública - Participações Públicas SGPS, S.A., representing 21.35% of the share capital and voting rights of EDP Energías de Portugal S.A., a majority shareholder of the Company. This operation was concluded in May 2012.

The terms of the agreements through which CTG became a shareholder of the EDP Group stipulate that CTG would make minority investments totalling 2,000 million of Euros in operating and ready-to-build renewable energy generation projects (including co-funding capex).

Within the agreement mentioned above, in June 2013, EDPR has completed the sale of 49% equity shareholding in EDPR Portugal to CTG through CITIC CWEI Renewables S.C.A.

EDPR EU operates through its subsidiaries located in Portugal, Spain, France, Belgium, Poland, Romania, Italy and United Kingdom. EDPR EU's main subsidiaries are: EDP Renováveis Portugal, S.A. (wind farms in Portugal), EDP Renovables España, S.L. (renewable resources electricity generation in Spain), EDP Renewables France (wind farms in France), EDP Renewables Belgium (wind farms in Belgium), EDP Renewables Polska, SP.ZO.O (wind farms in Poland), EDP Renewables Romania, S.R.L. (wind farms in Romania), EDP Renewables Italy, SRL (wind farms in Italy), EDPR UK Limited (offshore development projects) and EDPR RP PV, S.L.R. (photovoltaic solar farms in Romania).

EDPR NA's main activities consist in the development, management and operation of wind farms in the United States of America and providing management services for EDPR Canada.

EDPR EDPR Canada's main activities consist in the development, management and operation of wind farms in Canada.

The purpose of EDP Renováveis Brasil is to aggregate all the investments in the renewable energy market of Brazil.

As at 31 December 2013, EDP Renováveis and its subsidiaries ("the Group" or the "EDP Renováveis Group") had a fully consolidated installed capacity, as follows :

Installed capacity MW	31 Dec 2013	31 Dec 2012
United States of America	3,637	3,637
Spain	2,310	2,310
Portugal	619	615
Romania	521	350
Poland	370	190
France	322	314
Brazil	84	84
Belgium	71	57
Italy	70	40
Canada	30	-
	8,034	7,597

Additionally, through its interest in ENEOP- Eólicas de Portugal, S.A. is attributable to EDPR - equity consolidated - 455 MW (390 MW as at 31 December 2012).

Regulatory framework for the activities in Spain

On December 2012, by means of Law15/2012 of 27 December, the Spanish Government approved 7% across-the-board tax on electricity generation, as well as new taxes on nuclear and large-scale hydropower, plus a new carbon levy. The tax will be applied from 2013 onwards.

On 4 February 2013, the Spanish Government published in the Official State Gazette the Royal Decree-Law 2/2013 that includes a set of regulatory modifications applicable to the Spanish electricity sector and affecting the wind energy assets.

The main regulatory modifications that Royal Decree-Law presents towards the Royal Decree-Law 661/2007 with impact in EDP Renováveis S.A. (EDPR) effective from 1 January 2013 onwards, are as follows:

- Every energy production facilities operating under the special regime are to be remunerated according to current feed-in tariff schemes for the remaining useful life of the asset;

- Energy production facilities operating under the special regime currently remunerated according to the market option were able to chose, until 15 February 2013 and for the remaining useful life of the asset, a remuneration based on the electricity wholesale market price with no renewable energy premium, and neither cap nor floor prices;

- The index used to annually update all the regulated activities in the electricity sector is the annual inflation excluding energy products and food prices, and any impact of tax changes.

The Spanish government disclosed the Energy Market Reform, which aims to end with the Spanish tariff deficit. The government claims that the reform may eliminate 4.5 billions of Euros/year of the structural deficit by: (i) 2.7 billons of Euros reduction in regulated costs of utilities and renewable energy source companies, and (ii) 0.9 billions of Euros contribution from the Spanish Treasury which will pay throught the Budget 50% of the extra costs of generation in the non-mainland territories.

The complete regulatory package will consist of: (i) a Royal Decree-Law (RD-L 9/2013, published in the Diário Oficial da União on 13 July), (ii) eight Decrees and Orders and (iii) the submission in the Parliament of the Project of Law ("Anteproyecto de Ley").

Until now, RD-L 9/2013 is the only rule approved and published: it outlines the principles that will govern the renewable energy source energy sector but it does not disclose the details of the new remuneration. According to this RD-L, renewable energy source plants will be subject to a new legal and economic framework: previous RD 661 framework will disappear and renewable energy source plants will receive the market price plus a payment per installed MW, so that the return on investment will be equivalent to the Spanish Government 10-year bonds yield plus a spread of 300bp. This Royal Decree-Law also suppresses the renewables remuneration for reactive power (2€/MWh).

On 26 November 2013, the Government submitted to the CNMC ("Comisión Nacional de los Mercados y la Competencia"), a draft decree describing the new remuneration scheme for renewables facilities. This new draft decree did not include the required parameters to calculate the remuneration for the renewables' sector activities, defining that should be retrospectively applied since 14 July. These parameters were released on 3 February 2014 when the CNMC disclosed the draft Ministerial Order containing the needed parameters to calculate the remuneration for each one of the 1,600 different types of renewable installation defined by the government.

According to these parameters, wind farms built in 2004 or earlier are not eligible to receive any incentive while newest farms will receive a flat premium per installed MW untill the end of their regulatory life. The flat premium will be subject of tri-annual modifications due to updates in the forecast of the parameters affecting the profitability of the installations. Overall, the wind sector will receive 1,191 millions of Euros in 2014 which compares to the forecast of 2,000 millions of Euros that would have been received under the old regulation. These cut of approximately 800 millions of Euros in wind sector represents a 45% of the total savings for the whole renewable sector that were estimated in 1,750 millions of Euros in the budget published within the tariff and charges order draft.

Spanish government has cancelled the results of the CESUR ("Contratos de Energía para el Suministro de Último Recurso") auctions dated of 19 December 2013, that would have led to a 26 % increase in the electricity price to be charged to regulated residential customers in the first quarter of 2014. Instead, was an increase of 2,8 % in the electricity cost and a 0,9 % increase in the access tariff. The government has also announced a structural change in the procedure to fix the electricity prices that will be designed and published in the next months.

On 26 December 2013, the Spanish government published a new regulation that will govern the electricity sector (Law 24/ 2013) replacing the existing from 1997 (Law 54 /1997).

The government defines the new law´s objective is to guarantee the supply of electricity and adapt to the consumer need at the lowest possible cost. It refers to the need to finish with the sector´s structural deficit that that has been accumulated during the last decade as the motivation to undertake the reform.

Regarding the renewable sector, the development of new installations will be conditioned to market needs, and their retribution will be based on market price with complementary revenues in order to ensure a reasonable return rate. Details on the renewable remuneration will be disclosed in the next months upon approval of the Royal Decree-Law for renewables and cogeneration activities.

Regulatory framework for the activities in Portugal

The Portuguese legal provisions applicable to the generation of electrical power based on renewable resources are currently established by Decree-Law 189/88 dated 27 May, as amended by Decree-Law 168/99 dated 18 May, Decree-Law 312/2001 dated 10 December , and Decree-Law 339-C/2001 dated 29 December. Also relevant is Decree-Law 33-A/2005, dated 16 February ("DL 33-A/2005"), which establishes the current amounts used in the remuneration formula applicable to energy produced by means of renewable resources and the deadlines for the application of such remuneration formula.

The Portuguese Govermment published on 28 February 2013, the Decree Law 35/2013, that maintains the legal stability of the current contracts (Decree-Law 33-A/2005) and protects the value of the investments made by the wind energy producers in the Portuguese economy. The wind farm producers can voluntarily invest to obtain further remuneration stability, through a new tariff scheme to be applied upon the actual 15 years established by law. The total investment will be used to reduce the overall costs of the Portuguese electricity system. In order to maximise the number of wind developers that voluntarily adheres to the extension of the remuneration framework, the Government proposed four alternative tariff schemes to be elected by each of the wind developers, that include the following conditions: i) alternative cap and floor selling prices; ii) alternative durations to the new scheme beyond the initial 15 years of the current contracts; and consequently iii) alternative levels of investment (on a per MW basis) to adhere a new scheme. EDPR has chosen a 7 year extension of the tariff defined as the average market price of previous twelve months, with a floor of 74€/MWh and a cap of 98€/MWh values updated with inflation from 2021 onwards, in exchange for a payment of 5.800€/MW from 2013 to 2020. This decree also includes the possibility for wind farms under the new regime (i.e. ENEOP) to adhere to a similar sheme, still in negociation.

This Decree-Law modifies the remuneration regime applicable to the production of electricity by mini hydro plants (PCH). Establishes that the PCH that were framed by a remuneration regime prior to Decree-Law 33-A/2005, of 16 February, benefit from that remuneration regime for a period of 25 years from the date they were attributed the exploration license or until the expiration date of their water use license, whichever occurs first. After this 25- year period and as longer as the above mentioned license remains valid, electricity produced by these plants will be sold at market prices.

Regulatory framework for the activities in France

The electricity industry in France is governed primarily by Act 2000-108 (amended by Acts 2004-803 and 2006-1537) ("Act 2000'), passed on 10 February 2000, which governs the modernization and development of public energy services and is the general legislative framework for the operation of wind facilities in France.

Act 2000 provides that, operator of wind facilities may enter into long-term agreements for the purchase and sale of energy with Electricité de France (EDF). The tariffs are set by Order of July 10, 2006 which was repealed in August 2008 due to formal defect in its approval, and then republished without any amendment in December 2008. The tariffs are the following: i) during the first ten years of the EDF Agreement, EDF pays a fixed annual tariff, which is €82 per MWh for applications made during 2006 (tariff is amended annually based, in part, on a inflation-related index); ii) During years 11 to 15 of the EDF Agreement, the tariff is based on the annual average percentage of energy produced during the wind facility' s first ten years. These tariffs are also amended annually, based, in part, on a inflation-related index; iii) Beginning in the year 16, there is no specific support structure and the wind energy generators will sell their electricity at market price.

On March 2012, the legality of the 2008 feed-in tariff ministerial order for wind farm projects was questioned before the French Council of State (Conseil dÉtat) on the basis that the required notification to the European Commission on State Aid was missed. On 15 May, the French Council of State decided to raise the issue for a preliminary ruling before the EU Court of Justice (is expected 12 to 18 months to solve). In the event that the tariff is finally cancelled, the French government has urged the Council of State the postponement of this eventual ruling until 2013 onwards, thus, no retroactive effects are expected.

Regulatory framework for the activities in the United States of America

The United States federal government and various state governments have implemented policies designed to promote the growth of renewable energy, including wind power. The primary federal renewable energy incentive program is the Production Tax Credit (PTC), which was established by the U.S. Congress as part of 1992 EPACT. Additionally, many states have passed legislation, principally in the form of renewable portfolio standards ("RPS"), which require utilities to purchase a certain percentage of their energy supply from renewable sources, similar to the Renewable Energy Directive in the EU.

On 1 January 2013, the US Congress approved "the American Taxpayer Relief Act" that included an extension of the PTC for wind, including the possibility of a 30% Investment Tax Credit instead of the PTC. Congress set a new expiration date of 31 December 2013 and changed the qualification criteria (projects can now qualify as long as they are under construction by year-end 2013). The legislation also includes a depreciation bonus on new equipment placed in service which allows depreciation of a higher percentage of the cost of the project (less 50% of the ITC) in the year that it is placed in service. This bonus depreciation was 100% in 2011 and 50% for 2012.

Regulatory framework for the activities in Poland

The legislation applicable to renewable energy in Poland is primarily contained in an Energy Act passed on 10 April 1997, which has been amended by the Act of 24 July 2002 and the Energy Act of 2 April 2004, which came into effect in January 2005 (together, the "Energy Act").

Pursuant to the Energy Act, power generation from renewable sources is supported. The following are forms of such support introduced in Poland: (i) A system of obligatory purchase of certificates of origin by the generation companies and trading companies selling electricity to the end user interconnected to a grid in Poland. These power companies are obliged to: a) obtain a certificate or origin and submit it to the ERA President for cancellation, or b) pay a substitute fee calculated in accordance with the Energy Act. ii) If the power company does not purchase certificates or origin or does not pay a substitute fee, the ERA President will penalize such company by the financial penalty calculated in accordance with the Energy Act.

On 13 November 2013, the Polish Government disclosed a new renewable act draft introducing a tendering scheme for renewable capacity. Then, the Ministry of Economy published a second version of the law on renewables at 2 January 2014. The law is not expected to be applicable before 1 January 2016 as it will come into force on the first day of the month commencing after the lapse of 12 months following the issuance of a positive decision of the European Commission on the compliance of the state aid regulations. According to this draft, operating plants will be entitled to choose between remaining under the Green Certificate (GC) scheme and participating in tenders. This version has already been referred in the Permanent Committee of the Council of Ministers.

Regulatory framework for the activities in Belgium

The regulatory framework for electricity in Belgium is conditioned by the the division of powers between the federal and the three regional entities: Wallonia, Flanders and Brussels-Capital. The federal regulatory field of competence includes electricity transmission (of transmission levels above 70 kV), generation, tariffs, planning and nuclear energy. The relevant federal legislation is the Electricity Act of 29 April 1999 (as modified) (the "Electricity Act"). The regional regulatory entities are responsible for distribution, renewable energy and cogeneration (with the exception of offshore power plants) and energy efficiency. The relevant regional legislation, respectively, is: (a) for Flanders, the Electricity Decree of 17 July 2000; (b) for Wallonia, the Regional Electricity Market Decree of 12 April 2001; and (c) for Brussels-Capital, the Order of 19 July 2001 on the Organization of the Electricity Market.

The Belgian regulatory system promotes the generation of electricity from renewable sources (and cogeneration) by a system of green certificates (each a "GC"), as described below. The Belgian federal government is responsible for offshore power plants and for imposing obligations on the transmission system operators. The various GC systems are very similar across the three regions and are similar to the GC system for federally-regulated offshore power plants. There are currently differences in terms of quotas, fines and thresholds for granting GCs.

On 21 March 2012, Walloon government approved a decree which fixes the quotas of GC until 2020. The new quotas are: (i) 19.4% in 2013; (ii) 23.1% in 2014; (iii) 26.7% in 2015; (iv) 30.4% in 2016. For the period from 1 January 2017 until 31 December 2019, the yearly quotas will at the latest be fixed in 2014 on the basis of an evaluation carried out beforehand by the energy regulator of Wallonia (CWaPE).

A new tax for wind generators has been approved in Wallonia last July. According to this regulation, all generators earning green certificates shall pay 0,54€/MWh. The energy regulator of Wallonia (CWaPE) will be the beneficiary of this tax, aimed at supporting the costs originated by green certificates management.

Regulatory frameworks for the activities in Romania

The promotion of electricity generated from renewable energy sources in Romania was set with the Electricity Law 318/2003. In 2005 a Green Certificate mechanism was introduced with mandatory quotas for suppliers, in order to comply with their EU renewable requirements.The regulatory authority establishes a fixed quota of electricity produced from RES which suppliers are obliges to buy, and, annually reviews applications form green generators in order to be awarded green certificates. Law 220/2008 of November, introduced some changes in the green certificates system. In particular, it allows wind generators to receive 2GC/MWh until 2015 . From 2016 onwards generators receive 1 green certificate for each MWh . The price of electricity is determined in the electricity market and the price of green certificates is determined on a separate market.

The trading value of green certificates has a floor of 27€ and a cap of 55€, both indexed to Romanian inflation. Law 220/2008 also guarantees the access to the National Grid for the electricity produced from renewable sources.

Law 220/2008 on renewable energy was amended by the Emergency Order 88/2011. A key aspect of this amendment was the overcompensation analysis which must be carried out on a yearly basis. ANRE shall monitor the producers benefiting from the support system and prepare annual reports on this regard. If overcompensation is found, ANRE will propose a reduction of the applicability period of the support scheme or the number of GCs initially granted to the technology. This reduction would be applied only to new plants.

Law 123/2012 of 19 July 2012 on Electricity and Natural Gas eliminates the provision of bilateral contracts not publicly negotiated as a mean to sale electricity. Thus, trading of electricity must be carried out on a centralized market. On 4 September 2012, ANRE published the Order on Balancing Market. The new regulation has an impact for wind generation. On the one side, it states that for the energy reduced, the producer does not have the right to claim compensations for the loss of unproduced green certificates. This loss cannot be recovered. Also, new rules could result on larger balancing costs as the deficit price that wind generators have to face when the production is lower than the forecast may increase.

The Romanian Parliament passed on 17 December 2013, the law for the approval of the Government Emergency Ordinance 57/2013 (the Ordinance). The law brings several amendments to the Ordinance and implicitly to the Renewables Law (i.e. Law 220/2008). However, this law, although formally approved by the Government has not ratified by the president.

Another important provision of the law is the postponement of Green Certificates of operating plants. The postponement will only apply to renewable energy operators accredited by ANRE before 2013. Wind power producers will receive 2 GCs/MWh until 2017 (inclusive) of which 1 GC will be postponed from trading between 1 July 2013 and 31 March 2017. Solar producers will see 2 GCs (out of 6 GCs) postponed from trading from 1 July 2013 and 31 March 2017. The GCs postponed will be gradually recovered until 31 December 2020 (starting on 1 April 2017 for solar PV and 1 January 2018 for wind).

Wind facilities accredited after this date will receive 1,5 GC/MWh until 2017 and 0,75GC/MWh from 2018 onwards. All these GC will be immediately tradable.

Solar facilities will only receive 3 GC from 1 January 2014 onwards.

Regulatory frameworks for the activities in Italy

On 6 July 2012, the Government approved the new renewable regulation by means of the Decree on Renewables (DM FER) based on feed-in-tariff support scheme. The key aspects of the new regulation provided by the DM FER are the following: (i) Wind farms over 5 MW will be remunerated under a feed-in tariff scheme defined by tenders; (ii) capacity to be tendered is set in different technologies' capacity paths (only set until 2015); (iii) the reference tariff for 2013 is 127 €/MWh for onshore wind. Tender participants will bid offering discounts on a reference tariff (in %);(iv) The reference tariff will decrease 2% per year and will be granted for the whole average useful life of the renewable plant - 20 years for onshore wind.

The new system substitutes the previous one based on GCs. Under the previous system producers obtain their revenues from the sale of the electricity in the electricity market and from the sale of GCs. Wind farms built until December 2012 (with some exceptions) will continue to operate under the previous system until 2015 when the GC system will be transformed into a feed-in-premium.

Regulatory frameworks for the activities in Brazil

The Electrical Sector in Brazil is regulated by Federal Law nº 8,987 of 13 February 1995, which generally rules the concession and permission regime of public services; Law nº 9,074 of 7 July 1995, which rules the grant and extension of public services concession or permission contracts; Federal Law nº 10,438 of 26 April 2002, which governs the increase in Emergency Electric Power Supply and creates the 3,300 MW Program of Incentives for Alternative Electricity Sources (PROINFA); Federal Law nº 10,762 of 11 November 2003 and Law nº 10,848 of 15 March 2004, concerning commercial rules for the trade of Electric Power; and, subsequent amendments to the legislation.

The Decree nº 5,025 of 30 March 2004, regulates the Federal Law nº 10,438 and states the "Alternative Energy Sources" economical and legal framework. PROINFA participants have granted a PPA with ELETROBRÁS, and are subject to the regulator (ANEEL) authority. However, the first stage of PROINFA has ended and the second stage is highly uncertain.

After PROINFA program, renewable producers obtain their remuneration by participating in auctions where price is the only criteria. Winners of the auctions obtain a PPA contract at the price bid. Public Electricity Auctions are technically lead by the state "Energy Planning and Research Company" (EPE), who registers, analyses and allows potential participants.

2. ACCOUNTING POLICIES

a) Basis of preparation

The accompanying consolidated annual accounts have been prepared on the basis of the accounting records of EDP Renováveis, S.A. and consolidated entities. The consolidated annual accounts for 2013 and 2012 have been prepared to present fairly the consolidated equity and consolidated financial position of EDP Renováveis, S.A. and subsidiaries at 31 December 2013 and 2012, the consolidated results of operations, consolidated cash flows and changes in consolidated equity for the years then ended.

In accordance with Regulation (EC) no. 1606/2002 of 19 July 2002, from the European Council and Parliament, the Group's consolidated annual accounts are prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union (EU). IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB) and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor bodies.

The Board of Directors approved these consolidated annual accounts on 27 February 2014. These account will be submited for approval of the "Junta General de Accionistas". The annual accounts are presented in thousands of Euros, rounded to the nearest thousand.

The annual accounts have been prepared under the historical cost convention, modified by the application of fair value basis for derivative financial instruments, financial assets and liabilities held for trading and available-for-sale, except those for which a reliable measure of fair value is not available.

The preparation of annual accounts in accordance with the IFRS-EU requires the Board of Directors to make judgments, estimates and assumptions that affect the application of the accounting policies and of the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and other factors considered reasonable in accordance with the circumstances. They form the basis for making judgments regarding the values of the assets and liabilities whose valuation is not apparent from other sources. Actual results may differ from these estimates. The areas involving the highest degree of judgment or complexity, or for which the assumptions and estimates are considered significant, are disclosed in note 3 - Critical accounting estimates and judgments in applying accounting policies.

b) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Jointly controlled entities

Jointly controlled entities, consolidated under the proportionate consolidation method, are entities over whose activities the Group has joint control along with another company, under a contractual agreement. The consolidated financial statements include the Group's proportionate share of the joint ventures' assets, liabilities, revenue and expenses, from the date the joint control begins until it ceases.

Business combination

From 1 January 2010 the Group has applied IFRS 3 Business Combinations (2008) in accounting for business combinations. The change in accounting policy has been applied prospectively and has had no material impact on earnings per share.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions on or after 1 January 2010

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:
• The fair value of the consideration transferred; plus
• The recognised amount of any non-controlling interests in the acquiree; plus
• If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
• The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Some business combinations in the period have been determined provisionally as the Group is currently in the process of measuring the fair value of the net assets acquired. The identifiable net assets have therefore initially been recognised at their provisional value. Adjustments during the measurement period have been recorded as if they had been known at the date of the combination and comparative information for the prior year has been restated where applicable. Adjustments to provisional values only include information relating to events and circumstances existing at the acquisition date and which, had they been known, would have affected the amounts recognised at that date.

After that period, adjustments to initial measurement are only made to correct an error.

In business combinations achieved in stages, any excess of the consideration given, plus the fair value of the interest previously held in the acquiree, and the net assets acquired and net liabilities assumed is recognised as goodwill. Any shortfall, after measuring the consideration given to the previously held interest and identifying and measuring the net assets acquired, is recognised in profit and loss. The Group recognises the difference between the fair value of the interest previously held in the acquiree and its carrying amount in consolidated profit and loss, based on the classification of the interest. The Group also reclassifies amounts deferred in other comprehensive income in relation to the previously held interest to profit and loss or consolidated reserves, based on their nature.

Acquisitions between 1 January 2004 and 1 January 2010

For acquisitions between 1 January 2004 and 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Accounting for acquisitions of non-controlling interests

From 1 January 2010 the Group has applied IAS 27 Consolidated and Separate Financial Statements (2008) in accounting for acquisitions of non-controlling interests. The change in accounting policy has been applied prospectively and has had no impact on earnings per share.

Under the new accounting policy, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Previously, goodwill was recognised on the acquisition of non-controlling interests in a subsidiary, which represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

Investments in foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Euro at exchange rates at the reporting date. The income and expenses of foreign operations, are translated to euro at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income in the translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

Balances and transactions eliminated on consolidation

Inter-company balances and transactions, including any unrealised gains and losses on transactions between group companies, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in those entities.

Common control transactions

The accounting for transactions among entities under common control is excluded from IFRS 3. Consequently, in the absence of specific guidance, within IFRSs, the EDP Renováveis Group has developed an accounting policy for such transactions, as considered appropriate. According to the Group's policy, business combinations among entities under common control are accounted for in the consolidated financial statements using the EDP consolidated book values of the acquired company (subgroup). The difference between the carrying amount of the net assets received and the consideration paid, is recognised in equity.

Put options related to non-controlling interests

EDP Renováveis Group records written put options at the date of acquisition of a business combination or at a subsequent date as an advance acquisition of these interests, recording a financial liability for the present value of the best estimate of the amount payable, irrespective of the estimated probability that the options will be exercised. The difference between this amount and the amount corresponding to the percentage of the interests held in the identifiable net assets acquired is recorded as goodwill.

Until 31 December 2009, in years subsequent to initial recognition, the changes in the liability due to the effect of the financial discount are recognised as a financial expense in the consolidated income statement, and the remaining changes are recognised as an adjustment to the cost of the business combination. Where applicable, dividends paid to minority shareholders up to the date the options are exercised are also recorded as adjustments to the cost of the business combination. In the event that the options are not exercised, the transaction would be recorded as a sale of interests to minority shareholders.

As from January 2010, the Group applies IAS 27 (2008) to new put options related to non-controlling interests and there subsequent changes in the carrying amount of the put liability are recognised in profit or loss.

c) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

d) Derivative financial instruments and hedge accounting

Derivative financial instruments are recognised on the trade date at fair value. Subsequently, the fair value of derivative financial instruments is re-measured on a regular basis, being the gains or losses on re-measurement recognised directly in the income statement, except for derivatives designated as hedging instruments. The recognition of the resulting gains or losses on re-measurement of the derivatives designated as hedging instruments depends on the nature of the risk being hedged and of the hedge model used.

The fair value of derivatives correspond to their quoted market prices as provided by an exchange, or is determined by using net present value techniques, including discounted cash flows models and option pricing models, as appropriate.

Hedge accounting

The Group uses financial instruments to hedge interest and foreign exchange risks resulting from its operational and financing activities. The derivate financial instruments that do not qualify for hedge accounting are recorded as for trading.

The derivatives that are designated as hedging instruments are recorded at fair value, being the gains and losses recognised in accordance with the hedge accounting model adopted by the Group. Hedge accounting is used when:

(i) At the inception of the hedge, the hedge relationship is identified and documented;
(ii) The hedge is expected to be highly effective;
(iii) The effectiveness of the hedge can be reliably measured;
(iv) The hedge is revalued on a on-going basis and is considered to be highly effective over the reporting period; and
(v) The forecast transactions hedged are highly probable and represent a risk to changes in cash flows that could affect the income statement.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Fair value hedge

Changes in the fair value of the derivative financial instruments that are designated as hedging instruments are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the risk being hedged. If the hedge no longer meets the criteria for hedge accounting, the accumulated gains or losses concerning the fair value of the risk being hedged are amortised over the period to maturity.

Cash flow hedge

The effective portion of the changes in the fair value of the derivative financial instruments that are designated as hedging instruments in a cash flow hedge model is recognised in equity. The gains or losses relating to the ineffective portion of the hedging relationship are recognised in the income statement in the moment they occur.

The cumulative gains or losses recognised in equity are also reclassified to the income statement over the periods in which the hedged item will affect the income statement. When the forecast transaction hedge results in the recognition of a non-financial asset, the gains or losses recorded in equity are included in the acquisition cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in equity at that time stays recognised in equity until the hedged transaction also affects the income statement. When the forecasted transaction is no longer expected to occur, the cumulative gains or losses recognized in equity are recorded in the income statement.

Net investment hedge

The net investment hedge is applied on a consolidated basis to investments in subsidiaries in foreign currencies. The exchange differences recorded against exchange differences arising on consolidation are offset by the exchange differences arising from the foreign currency borrowings used for the acquisition of those subsidiaries. If the hedging instrument is a derivative, the gains or losses arising from fair value changes are also recorded against exchange differences arising on consolidation. The ineffective portion of the hedging relation is recognised in the income statement.

e) Other financial assets

The Group classifies its other financial assets at acquisition date in the following categories:

Loans and receivable

Loans and receivable are initially recognised at their fair value and subsequently are measured at amortised cost less impairment losses.

Impairment losses are recorded based on the valuation of estimated losses from non-collection of loans and receivable at the balance sheet date. Impairment losses are recognised in the income statement, and can be reversed if the estimated losses decrease in a later period.

Financial assets at fair value through profit or loss

This category includes: (i) financial assets held for trading, which are those acquired principally for the purpose of being sold in the short term and (ii) financial assets that are designated at fair value through profit or loss at inception.

Available-for-sale investments

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the other categories. The Group’s investments in equity securities are classified as available-for-sale financial assets.

Initial recognition, measurement and derecognition

Purchases and sales of: (i) financial assets at fair value through profit or loss and (ii) available-for-sale investments, are recognised on trade date, the date on which the Group commits to purchase or sell the assets.

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, in which case these transaction costs are directly recognised in the income statement.

Financial assets are derecognised when: (i) the contractual rights to receive their cash flows have expired, (ii) the Group has transferred substantially all risks and rewards of ownership or (iii) although retaining some, but not substantially all of the risks and rewards of ownership, the Group has transferred the control over the assets.

Subsequent measurement

After initial recognition, financial assets at fair value through profit or loss are subsequently carried at fair value and gains and losses arising from changes in their fair value are included in the income statement in the period in which they arise.

Available-for-sale financial assets are also subsequently carried at fair value, however, gains and losses arising from changes in their fair value are recognised directly in equity, until the financial assets are derecognised or impaired, being the cumulative gains or losses previously recognised in equity recognised in the income statement. Foreign exchange differences arising from equity investments classified as available-for-sale are also recognised in equity. Interest calculated using the effective interest rate method and dividends, are recognised in the income statement.

The fair values on quoted investments in active markets are based on current bid prices. For unlisted securities the Group determines the fair value through: (i) valuation techniques, including the use of recent arm's length transactions or discounted cash flow analysis and (ii) valuation assumptions based on market information.

Financial instruments whose fair value cannot be reliably measured are carried at cost.

Reclassifications between categories

The Group does not reclassify, after initial recognition, a financial instrument into or out of the fair value through profit or loss category.

Impairment

At each balance sheet date an assessment is performed as to whether there is objective evidence of impairment, namely those resulting in an adverse effect on estimated future cash flows of the financial asset or group of financial assets, and every time it can be reliably measured.

If there is objective evidence of impairment, the recoverable amount of the financial asset is determined, and the impairment loss is recognised in the income statement.

A financial asset or a group of financial assets is impaired if there is objective evidence of impairment as a result of one or more events that occurred after their initial recognition, such as: (i) in the case of listed securities, a significant or prolonged decline in the listed price of the security, and (ii) in the case of unlisted securities, when that event (or events) has an impact on the estimated amount of the future cash flows of the financial asset or group of financial assets, that can be reliably estimated.

Evaluating the existence of objective evidence of impairment involves judgement, in which case the Group considers, among other factors, price volatility and current economic situation. Thus, when listed securities are concerned, it is considered as continuous a devaluation in the listed price of the security for a period over 24 months and as significant a devaluation of the security's value above 40%.

If there is objective evidence of impairment on available-for-sale investments, the cumulative potential loss recognised in fair values reserves, corresponding to the difference between the acquisition cost and the fair value at the balance sheet date, less any impairment loss on that financial asset previously recognised in the income statement, is transferred to the income statement.

For debt instruments, if in a subsequent period the amount of the impairment loss decreases, the previously recognised impairment loss is reversed to the income statement up to the amount of the acquisition cost, if the increase is objectively related to an event occurring after the impairment loss was recognised. In the case of equity instruments, impairment losses can not be reversed and any subsequent gain in fair value is recognised in equity under fair value reserves.

f) Financial liabilities

An instrument is classified as a financial liability when it contains a contractual obligation to transfer cash or another financial asset, independently from its legal form. These financial liabilities are recognised (i) initially at fair value less transaction costs and (ii) subsequently at amortised cost, using the effective interest rate method.

The Group derecognises the whole or part of a financial liability when the obligations included in the contract have been satisfied or the Group is legally released of the fundamental obligation related to this liability either through a legal process or by the creditor.

The Group considers that the terms are substantially different if the current value of cash flows discounted under the new terms, including any commission paid net of any commission received, and using the original effective interest rate to make the discount, differs by at least 10% of the current discounted value of cash flows remaining from the original financial liability.

If the exchange is recognised as a cancellation of the original financial liability, costs or commissions are taken to the consolidated income statement. Otherwise, costs or commissions adjust the book value of the liability and are amortised following the amortised cost method over the remaining term of the modified liability.

The Group recognises the difference between the carrying amount of a financial liability (or part of a financial liability which has been cancelled or transferred to a third party) and the consideration paid, which includes any asset transferred other than cash or the liability assumed, with a debit or credit to the consolidated income statement.

g) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of assets are capitalised as part of the cost of the assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. To the extent that funds are borrowed generally, the amount of borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on these assets. The capitalisation rate corresponds to the weighted average of the borrowing costs applicable to the borrowings of the enterprise that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing costs incurred during the period.

The capitalisation of borrowing costs commences when expenditures for the asset are being incurred, borrowing costs have been incurred and activities necessary to prepare all or part of the assets for their intended use or sale are in progress. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use or sale are completed. Capitalisation of borrowing costs shall be suspended during extended periods in which active development is interrupted.

h) Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of acquisition includes interest on external financing and personnel costs and other internal expenses directly or indirectly related to work in progress accrued solely during the period of construction. The cost of production is capitalised by charging costs attributable to the asset as own work capitalised under financial expenses and personnel costs and employee benefit expense in the consolidated income statement.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are recognised as separate assets only when it is probable that future economic benefits associated with the item will flow to the Group. All repair and maintenance costs are charged to the income statement during the financial period in which they are incurred.

The Group assesses assets impairment, whenever events or circumstances may indicate that the book value of the asset exceeds its recoverable amount, the impairment being recognised in the income statement.

The recoverable amount is determined by the highest value between the net selling price and its fair value in use, this being calculated by the present value of estimated future cash-flows obtained from the asset and after its disposal at the end of its economic useful life.

Land is not depreciated. Depreciation on the other assets is calculated using the straight-line method over their estimated useful lives, as follows:

	Number of years
Buildings and other constructions	20 to 33
Plant and machinery:	
- Wind farm generation	25
- Hydroelectric generation	20 to 30
- Other plant and machinery	15 to 40
Transport equipment	3 to 10
Office equipment and tools	3 to 10
Other tangible fixed assets	4 to 10

i) Intangible assets

The other intangible assets of the Group are booked at acquisition cost less accumulated amortisation and impairment losses. The Group does not own intangible assets with indefinite lives.

The Group assesses for impairment, whenever events or circumstances may indicate that the book value of the asset exceeds its recoverable amount, the impairment being recognised in the income statement. The recoverable value is determined by the highest amount between its net selling price and its value in use, this being calculated by the present value of the estimated future cash-flows obtained from the asset and sale price at the end of its economic useful life.

Acquisition and development of software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of their expected useful lives.

Costs that are directly associated with the development of identifiable specific software applications by the Group, and that will probably generate economic benefits beyond one year, are recognised as intangible assets. These costs include employee costs directly associated with the development of the referred software and are amortised using the straight-line method during their expected useful lives.

Maintenance costs of software are charged to the income statement when incurred.

Industrial property and other rights

The amortisation of industrial property and other rights is calculated using the straight-line method for an expected useful live expected of less than 6 years.

Green Certificates

As a consequence of the regulatory changes in Romania there's a new category of Green Certificates (GCs) which although granted are restricted for sale until 2017 (solar) and 2018 (wind). These deferred GCs are recognised as intangible assets when generated at fair market value. These GCs will be offset as they will be collected.

Power purchase agreements

Acquired Power Purchase Agreements (PPAs) are booked as intangible assets and amortised using the straight-line method according with the duration of the contract.

j) Impairment of non financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is then estimated. For goodwill the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units which are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in circumstances that caused the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

k) Leases

The Group classifies its lease agreements as finance leases or operating leases taking into consideration the substance of the transaction rather than its legal form. A lease is classified as a finance lease if it transfers to the lessee substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

Operating leases

Lease payments are recognised as an expense and charged to the income statement in the period to which they relate.

l) Inventories

Inventories are stated at the lower of the acquisition cost and net realisable value. The cost of inventories includes purchases, conversion and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated selling costs.

The cost of inventories is assigned by using the weighted average method.

m) Classification of assets and liabilities as current and non-current

The Group classifies assets and liabilities in the consolidated statement of financial position as current and non-current. Current assets and liabilities are determined as follows:

Assets are classified as current when they are expected to be realised or are intended for sale or consumption in the Group’s normal operating cycle, they are held primarily for the purpose of trading, they are expected to be realised within twelve months of the balance sheet date or are cash or a cash equivalent, unless the assets may not be exchanged or used to settle a liability for at least twelve months from the balance sheet date.

Liabilities are classified as current when they are expected to be settled in the Group’s normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within twelve months of the balance sheet date or the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting period, even if the original term was for a period longer than twelve months, and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorised for issue.

n) Employee benefits

Pensions

EDP Renováveis Portugal, one of the portuguese companies of EDP Renováveis Group attribute post-retirement plans to their employees under defined benefit plans and defined contribution plans, namely, pension plans that pay complementary old-age, disability and surviving-relative pension complements, as well as early retirement pensions.

Defined benefit plans

In Portugal, the defined benefits plan is financed through a restricted Pension Fund complemented by a specific provision. This Pension Fund covers liabilities for retirement pension complements as well as liabilities for early retirement.

The pension plans of the Group companies in Portugal are classified as defined benefit plans, since the criteria to determine the pension benefit to be received by employees on retirement is predefined and usually depend on factors such as age, years of service and level of salary at the age of retirement.

The liability of the Group with pensions is calculated annually, at the balance sheet date for each plan individually, by qualified actuaries using the projected unit credit method. The discount rate used in this calculation is determined by reference to interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liabilities.

Actuarial gains and losses determined annually and resulting from (i) the differences between financial and actuarial assumptions used and real values obtained and (ii) changes in the actuarial assumptions are fully recognised against equity, since the transition date on 1 January 2004.

The increase in past service costs arising from early retirements (retirements before the normal age of retirement) or plan amendments are recognised in the income statement when incurred.

The Group recognises as operational expenses, in the income statement, the current and the past service costs. Net interest on the net defined benefit liability (asset) is recognised in financial results.

Defined contribution plans

In Spain, Portugal and United States of America, some Group Companies have social benefit plans of defined contribution that complement those granted by the social welfare system to the companies employees, under which they pay a contribution to these plans each year, calculated in accordance with the rules established in each plan. The cost related to defined contribution plans is recognised in the results in the period in which the contribution is made.

Other benefits

Medical care and other plans

In Portugal some Group companies provide medical care during the period of retirement and early retirement, through complementary benefits to those provided by the Social Welfare System. These medical care plans are classified as defined benefit plans. The present value of the defined benefit obligation at the balance sheet date is recognised as a defined benefit liability. Measurement and recognition of the liability with healthcare benefits is similar to the measurement and recognition of the pension liability for the defined benefit plans, described above.

Variable remuneration to employees

In accordance with the by-laws of certain Group entities, annually the shareholders approve in the annual general meeting a percentage of profits to be paid to the employees (variable remuneration), following a proposal made by the Board of Directors. Payments to employees are recognised in the income statement in the period to which they relate.

o) Provisions

Provisions are recognised when: (i) the Group has a present legal or constructive obligation, (ii) it is probable that settlement will be required in the future and (iii) a reliable estimate of the obligation can be made.

Dismantling and decommissioning provisions

The Group recognises dismantling and decommissioning provisions for property, plant and equipment when a legal or contractual obligation is settled to dismantling and decommissioning those assets at the end of their useful life. Consequently, the Group has booked provisions for property, plant and equipment related with wind turbines, for the expected cost of restoring sites and land to its original condition. The provisions correspond to the present value of the expenditure expected to be required to settle the obligation and are recognised as part of the initial cost or an adjustment to the cost of the respective asset, being depreciated on a straight-line basis over the asset useful life.

The assumptions used are:

	EDPR EU	EDPR NA
Average cost per MW (Euros)	14,000	18,549
Salvage value per MW (Euros)	25,000	17,776
Discount rate	6.33%	5.38%
Inflation rate	2.00%	2.50%
Capitalisation (number of years)	25	25

Decommissioning and dismantling provisions are remeasured on an annual basis based on the best estimate of the settlement amount. The unwinding of the discount at each balance sheet date is charged to the income statement.

p) Recognition of costs and revenue

Costs and revenues are recorded in the year to which they refer regardless of when paid or received, in accordance with the accrual concept. Differences between amounts received and paid and the corresponding revenue and expenditure are recorded under other assets and other liabilities.

Revenue comprises the amounts invoiced on the sale of products or of services rendered, net of value added tax, rebates and discounts, after elimination of intra-group sales.

Revenue from electricity sales is recognised in the period that electricity is generated and transferred to customers.

Engineering revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

Differences between estimated and actual amounts, which are normally not significant, are recorded during the subsequent periods.

Deferred Green Certificates (GCs) are recognised as revenue when they are produced at fair market value.

q) Financial results

Financial results include interest payable on borrowings, interest receivable on funds invested, dividend income, unwinding of the discount of provisions and written put options to non-controlling interests, foreign exchange gains and losses and gains and losses on financial instruments and the accrual of tax equity estimated interest over outstanding liability.

Interest income is recognised in the income statement based on the effective interest rate method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

r) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

s) Earnings per share

Basic earnings per share are calculated by dividing net profit attributable to equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury stock.

t) Non-current assets held for sale and discontinued operations

Non-current assets or disposal groups (groups of assets and related liabilities that include at least a non-current asset) are classified as held for sale when their carrying amounts will be recovered principally through sale and the assets or disposal groups are available for immediate sale and its sale is highly probable.

The Group also classifies as non-current assets held for sale those non-current assets or disposal groups acquired exclusively with a view to its subsequent disposal, that are available for immediate sale and its sale is highly probable.

Immediately before classification as held for sale, the measurement of the non-current assets or all assets and liabilities in a disposal group, is adjusted in accordance with the applicable IFRS. Subsequently, these assets or disposal groups are measured at the lower of their carrying amount at fair value less costs to sell.

u) Cash and cash equivalents

Cash and cash equivalents include balances with maturity of less than three months from the date of acquisition, including cash and deposits in banks. This caption also includes other short-term, highly liquid investments that are readily convertible to known amounts of cash and specific demand deposits in relation to institutional partnerships that are funds required to be held in escrow sufficient to pay the remaining construction related costs of projects in institutional equity partnerships in U.S.A., in the next twelve months.

v) Government grants

Government grants are recognised initially as deferred income under non-current liabilities when there is reasonable assurance that they will be received and that the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised.

w) Environmental issues

The Group takes measures to prevent, reduce or repair the damage caused to the environment by its activities.

Expenses derived from environmental activities are recognised as other operating expenses in the period in which they are incurred.

x) Institutional partnerships in US wind farms

The Group has entered in several partnerships with institutional investors in the United States, through limited liability company operating agreements that apportion the cash flows generated by the wind farms between the investors and the Company and allocates the tax benefits, which include Production Tax Credits (PTCs), Investment Tax Credits (ITC) and accelerated depreciation, largely to the investor.

The institutional investors purchase their minority partnership interests for an upfront cash payment with an agreed targeted internal rate of return over the period that the tax credits are generated. This anticipated return is computed based on the total anticipated benefit that the institutional investors will receive and includes the value of PTC’s / ITC's, allocated taxable income or loss and cash distributions received.

The control and management of these wind farms are a responsibility of EDPR Group and they are fully consolidated in these financial statements.

The upfront cash payment received is recognised under "Liabilities arising from institutional partnerships" and subsequently measured at amortised cost.

This liability is reduced by the value of tax benefits provided and cash distributions made to the institutional investors during the contracted period. The value of the tax benefits delivered, primarily accelerated depreciation and ITC are recognized as Income from institutional partnerships on a pro-rata basis over the 25 year useful life of the underlying projects (see note 7). The value of the PTC's delivered are recorded as generated.

After the Flip Date, the institutional investor retains a small non-controlling interest for the duration of its membership in the structure. The non-controlling interest is entitled to cash distribution and income allocation percentages varying from 2.5% to 6.0%, with the exception of Vento VI in which the institutional investor is allocated 17.0% of income. EDPR NA also has an option to purchase the institutional investor’s residual interest at fair market value on the Flip Date for PTC flip structures and generally, six months after the later of the 5-year anniversary of final turbine commissioning date or the Flip Date, or ten years after the final funding date if the Flip Date has not yet occured. The liability for residual interest is accreted on a straight line basis from the funding date through the Flip Date to reflect the institutional investors’ minority interest position in the EDPR Group at the Flip Date.

The liability with institutional investors is increased by an interest accrual that is based on the outstanding liability balance and the targeted internal rate of return agreed.

z) EDPR Group concession activities (IFRIC 12)

The International Financial Reporting Commitee (IFRIC) issued in July 2007, IFRIC 12 - Service Concession Arrangements. This interpretation was approved by the European Commission on 25 March 2009 and is applicable for the annual periods beginning after that date. IFRIC 12 is applicable to the public-private concession contracts in which the public entity controls or regulates the services rendered through the utilisation of determined infrastructures as well as the price of these services and equally controls any significant residual interest in those infrastructures.

According to IFRIC 12, the infrastructures allocated to concessions are not recognised by the operator as tangible fixed assets or as financial leases, as the operator does not control the assets. These infrastructures are recognised according to one of the following accounting models, depending on the type of remuneration commitment of the operator assumed by the grantor within the terms of the contract:

Financial Asset Model

This model is applicable when the operator has an unconditional right to receive certain monetary amounts regardless of the level of use of the infrastructures within the concession and results in the recognition of a financial asset, booked at amortised cost.

Intangible Asset Model

This model is applicable when the operator, within the concession, is remunerated on the basis of the level of use of the infrastructures (demand risk) and results in the recognition of an intangible asset.

Mixed Model

This model is applicable when the concession includes simultaneously guaranteed remuneration and remuneration based on the level of use of the infrastructure within the concession.

Under the terms of the contracts in place throughout the Group business, the Management of EDPR concluded that IFRIC 12 is not applicable.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The IFRS set forth a range of accounting treatments and require the Board of Directors to apply judgment and make estimates in deciding which treatment is most appropriate.

The main accounting estimates and judgements used in applying the accounting policies are discussed in this note in order to improve the understanding of how their application affects the Group's reported results and disclosures. A broader description of the accounting policies employed by the Group is disclosed in note 2 to the Consolidated Financial Statements.

Although estimates are calculated by the Board of Directors based on the best information available at 31 December 2013 and 31 December 2012, future events may require changes to these estimates in subsequent years. Any effect on the financial statements of adjustments to be made in subsequent years would be recognised prospectively.

Considering that in many cases there are alternatives to the accounting treatment adopted by EDP Renováveis, the Group's reported results could differ if a different treatment was chosen. EDP Renováveis believes that the choices made are appropriate and that the financial statments are presented fairly, in all material respects, the Group's financial position and results. The alternative outcomes discussed below are presented solely to assist the reader in understanding the financial statments and are not intended to suggest that other alternatives or estimates would be more appropriate.

Impairment of available-for-sale investments

The Group determines that available-for-sale investments are impaired when there has been a significant or prolonged decline in the fair value below its cost.

Determination of a significant or prolonged requires judgment. In making this judgment, the Group evaluates among other factors, the normal volatility in share price. In addition, valuations are generally obtained through listed market prices or valuation models that may require assumptions or judgment in making estimates of fair value.

Alternative methodologies and the use of different assumptions and estimates could result in a higher level of impairment losses recognised with a consequent impact in the income statement of the Group.

Fair value of derivatives

Fair values are based on listed market prices, if available, otherwise fair value is determined either by dealer prices (both for that transaction or for similar instruments traded) or by pricing models, based on net present value of estimated future cash flows which take into account market conditions for the underlying instruments, time value, yield curves and volatility factors. These pricing models may require assumptions or judgments in estimating fair values.

Consequently, the use of a different model or of different assumptions or judgments in applying a particular model may have produced different financial results for a particular period.

Review of the useful life of assets related to production

The Group regularly reviews the useful life of its electrical generation installations in order to bring it into line with the technical and economic measurements of the installations, taking into consideration their technological capacity and prevailing regulatory restrictions.

Impairment of non financial assets

Impairment test are performed whenever there is an indication that the recoverable amount of property, plant, equipment and intangible assets is less than the corresponding net book value of assets.

On an annual basis, the Group reviews the assumptions used to assess the existence of impairment in goodwill resulting from acquisitions of shares in subsidiaries. The assumptions used are sensitive to changes in macroeconomic indicators and business assumptions used by management. The goodwill in associates is reviewed when circumstances indicate the existence of impairment.

Considering that estimated recoverable amounts related to property, plant and equipment, intangible assets and goodwill are based on the best information available, changes in the estimates and judgments could change the impairment test results which could affects the Group's reported results.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant interpretations and estimates are required in determining the global amount for income taxes.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Different interpretations and estimates would result in a different level of income taxes, current and deferred, recognised in the period.

Tax Authorities are entitled to review the EDP Renováveis, and its subsidiaries' determination of its annual taxable earnings, for a determined period that may be extended in case there are tax losses carried forward. Therefore, it is possible that some additional taxes may be assessed, mainly as a result of differences in interpretation of the tax law. However, EDP Renováveis and its subsidiaries, are confident that there will be no material tax assessments within the context of the financial statements.

Dismantling and decommissioning provisions

The Board of Directors considers that Group has contractual obligations with the dismantling and decommissioning of property, plant and equipment related to wind electricity generation. For these responsibilities the Group has recorded provisions for the expected cost of restoring sites and land to its original condition. The provisions correspond to the present value of the expenditure expected to be required to settle the obligation.

The use of different assumptions in estimates and judgments referred may have produced different results from those that have been considered.

Regulatory changes occurred in Spain

As a consequence of the recent regulatory mesures in Spain related with wind farm remuneration (see note 1), EDPR Group estimated and booked the impact of this measure: a decrease in electricity sales of 16,6 millions of Euros (net of 7% tax on electricity sales) and an impairment of 16 millions of Euros (see note 12).

Green Certificates

As a consequence of the regulatory changes in Romenia related to Green Certificates (GCs), the Group has the following assumptions:

(i) For estimating the price of GCs, the model is based on current regulation including the latest developments published in the last months and estimations on renewable capacity to be added in the following years;

(ii) Our GC model determines whether there will be excess or deficit of GCs to evaluate the price to apply;
In order to determine whether there will be excess or deficit of GCs, we compare demand with supply of GCs. Demand of GCs is calculated by multiplying gross electricity demand and quotas of renewable electricity. Electricity demand growth is based on ANRE's estimates. EDPR has made sensitivity analyses to the quotas and has assumed a conservative scenario that considers the latest regulatory changes. Regarding supply of GCs, starting from year-end 2013 renewables installed capacity, EDPR assumes capacity additions in line with latest market view on renewables development in the country.

4. FINANCIAL RISK MANAGEMENT POLICIES

The businesses of EDP Renováveis Group are exposed to a variety of financial risks, including the effects of changes in market prices, foreign exchange and interest rates. The main financial risks lie essentially in its debt portfolio, arising from interest-rate and the exchange-rate exposures. The unpredictability of the financial markets is analysed on an on-going basis in accordance with the EDPR's risk management policy. Financial instruments are used to minimize potential adverse effects resulting from the interest rates and foreign exchange rates risks on EDP Renováveis financial performance.

The Board of Directors of EDP Renováveis is responsible for the definition of general risk-management principles and the establishment of exposure limits. The management of financial risks of EDP Renováveis Group is outsourced to the Finance Department of EDP - Energias de Portugal, S.A., in accordance with the policies approved by the Board of Directors. The outsourcing service includes identification and evaluation of hedging mechanisms appropriate to each exposure.

All transactions undertaken using derivative financial instruments require the prior approval of the Board of Directors, which defines the parameters of each transaction and approves the formal documents describing their objectives.

Exchange-rate risk management

EDP Group's Financial Department is responsible for managing the foreign exchange exposure of the Group, seeking to mitigate the impact of exchange rate fluctuations on the net assets and net profits of the Group, using foreign exchange derivatives, foreign exchange debt and/or other hedging structures with symmetrical exposure characteristics to those of the hedged item. The effectiveness of these hedges is reassessed and monitored throughout their lives.

EDPR operates internationally and is exposed to the exchange-rate risk resulting from investments in foreign subsidiaries. With the objective of minimizing the impact of exchange rates fluctuations, EDP Renováveis general policy is to fund each project in the currency of the operating cash flows generated by the project.

Currently, the main currency exposure is the US Dollar, resulting from the shareholding in EDPR NA. With the increasing capacity in other geographies, EDPR is also becoming exposed to other currencies (Brazilian Real, Zloty, New Romanian Leu and Canadian Dollar).

To hedge the risk originated with net investment in EDPR NA, EDP Renováveis entered into a CIRS in USD/EUR with EDP Branch and also uses financial debt expressed in USD. Following the same strategy adopted to hedge these investments in USA, EDP Renováveis has also entered into two CIRS in BRL/EUR and two in PLN/EUR to hedge the investments in Brazil and Poland (see note 36).

Sensitivity analysis - Foreign exchange rate

As a consequence a depreciation/appreciation of 10% in the foreign currency exchange rate, with reference to 31 December 2013 and 2012, would originate an increase/(decrease) in EDP Renováveis Group income statement and equity before taxes, as follows:

	31 Dec 2013			
	Profit or loss		Equity	
Thousands of Euros	+10%	-10%	+10%	-10%
USD / EUR	3,778	-4,617	-	-
PLN / EUR	20,883	-25,524	-	-
RON / EUR	1,019	-1,246	-	-
	25,680	-31,387	-	-

	31 Dec 2012			
	Profit or loss		Equity	
Thousands of Euros	+10%	-10%	+10%	-10%
USD / EUR	6,202	-7,581	-	-
PLN / EUR	11,628	-14,213	-	-
RON / EUR	5,957	-7,280	-	-
	23,787	-29,074	-	-

This analysis assumes that all other variables, namely interest rates, remain unchanged.

Interest rate risk management

The Group's operating cash flows are substantially independent from the fluctuation in interest-rate markets.

The purpose of the interest-rate risk management policies is to reduce the exposure of debt cash flows to market fluctuations. As such, whenever considered necessary and in accordance to the Group's policy, the Group contracts derivative financial instruments to hedge interest rate risks.

In the floating-rate financing context, the Group contracts interest-rate derivative financial instruments to hedge cash flows associated with future interest payments, which have the effect of converting floating rate loans into fixed rate loans.

All these hedges are undertaken on liabilities in the Group's debt portfolio and are mainly perfect hedges with a high correlation between changes in fair value of the hedging instrument and changes in fair value of the interest-rate risk or upcoming cash flows.

The EDP Renováveis Group has a portfolio of interest-rate derivatives with maturities up to 13 years. The Financial Department of EDP Group undertakes sensitivity analyses of the fair value of financial instruments to interest-rate fluctuations or upcoming cash flows.

About 87% of EDP Renováveis Group financial debt bear interest at fixed rates, considering operations of hedge accounting with financial instruments.

Sensitivity analysis - Interest rates

The management of interest rate risk associated to activities developed by the Group is outsourced to the Financial Department of EDP Group, contracting derivative financial instruments to mitigate this risk.

Based on the debt portfolio of the EDPR EU Group and the related derivative financial instruments used to hedge associated interest rate risk, as well as on the shareholder loans received by EDP Renováveis, a change of 50 basis points in the interest rates with reference to 31 December 2013 and 2012 would increase/(decrease) in EDP Renováveis Group income statement and equity before taxes, as follows:

	31 Dec 2013			
	Profit or loss		Equity	
Thousands of Euros	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp
Cash flow hedge derivatives	-	-	19,674	-21,050
Unhedged debt (variable interest rates)	-687	687	-	-
	-687	687	19,674	-21,050

	31 Dec 2012			
	Profit or loss		Equity	
Thousands of Euros	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp
Cash flow hedge derivatives	-	-	22,203	-24,375
Unhedged debt (variable interest rates)	-667	667	-	-
	-667	667	22,203	-24,375

This analysis assumes that all other variables, namely foreign exchange rates, remain unchanged.

Counter-party credit-rate risk management in financial transactions

The EDP Renováveis Group policy in terms of the counterparty risk on financial transactions with companies outside EDP Group is managed by an analysis of the technical capacity, competitiveness, credit rating and exposure to each counter-party. Counterparties in derivatives and financial transactions are restricted to high-quality credit institutions or to the EDP Group.

The EDP Renováveis Group documents financial operations according to international standards. Most derivative financial instruments contracted with credit institutions are engaged under ISDA Master Agreements.

In the specific case of the EDPR EU Group, credit risk is not significant due to the limited average collection period for customer balances and the quality of its debtors. The Group's main customers are operators and distributors in the energy market of their respective countries (OMEL and MEFF in the case of the Spanish market).

In the specific case of EDPR NA Group, credit risk is not significant due to the limited average collection period for customer balances and the quality of its debtors. The Group's main customers are regulated utility companies and regional market agents in the U.S.

EDP Renováveis believes that the amount that best represents the Group's exposure to credit risk corresponds to the carrying amount of Trade receivables and Other debtors, net of the impairment losses recognised. The Group believes that the credit quality of these receivables is adequate and that no significant impaired credits exist that have not been recognised as such and provided for.

Liquidity risk

Liquidity risk is the possibility that the Group will not be able to meet its financial obligations as they fall due. The Group strategy to manage liquidity is to ensure, as far as possible, that it will always have significant liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The liquidity policy followed ensures compliance with payment obligations acquired, through maintaining sufficient credit facilities and having access to the EDP Group facilities.

The EDP Renováveis Group undertakes management of liquidity risk through the engagement and maintenance of credit lines and financing facilities with its main shareholder, as well as directly in the market with national and international financial institutions, assuring the necessary funds to perform its activities.

Market price risk

As at 31 December 2013, market price risk affecting the EDP Renovavéis Group is not significant. In the case of EDPR NA, the great majority of the plants are under power purchase agreements, with fixed or escalating prices. In the case of EDPR EU, the electricity is sold in Spain through regulated tariffs. In the remaining countries, prices are mainly determined through regulated tariffs except for Romania and Poland, where most plants are under power purchase agreements with fixed prices or floors.

For the small share of energy generated with market exposure, this risk is managed through electricity sales swaps. EDPR EU and EDPR NA have electricity sales swaps that qualify for hedge accounting (cash flow hedge) that are related to electricity sales for the years 2014 to 2018 (see note 36). The purpose of EDP Renováveis Group is to hedge a volume of energy generated to reduce its exposure to the energy price volatility.

Capital management

The Group's goal in managing equity, in accordance with the policies established by its main shareholder, is to safeguard the Group's capacity to continue operating as a going concern, grow steadily to meet established growth targets and maintain an optimum equity structure to reduce equity cost.

In conformity with other sector groups, the Group controls its financing structure based on the leverage ratio. This ratio is calculated as net financial borrowings divided by total equity and net borrowings. Net financial borrowings are determined as the sum of financial debt, institutional equity liabilities corrected for non-current deferred revenues, less cash and cash equivalents.

5. CONSOLIDATION PERIMETER

During the year ended in 31 December 2013, the changes in the consolidation perimeter of the EDP Renováveis Group were:

Companies acquired:
- EDP Renewables, SGPS, S.A. acquired 100% of the share capital of Gravitangle - Fotovoltaica Unipessoal, Lda. (see note 17);
- South África Wind & Solar Power, S.L. (which was incorporated in March 2013) acquired 42.5% of the share capital of Modderfontein Wind Energy Project, Ltd., 100% of the share capital of Dejann Trading and Investments Proprietary Ltd., 100% of the share capital of EDP Renewables South Africa, Proprietary Ltd. and 100% of the share capital of Jouren Trading and Investments Pty Ltd. (see note 17);
- EDP Renewables North America L.L.C. acquired 100% of the share capital of Lone Valley Solar Park I L.L.C. (ex-EDPR Agincourt L.L.C.), 100% of the share capital of Lone Valley Solar Park II L.L.C. (ex- EDPR Marathon L.L.C.) and 100% of the share capital of Rising Tree Wind Farm III (see note 17);
- EDP Renewables Polska, S.P. ZO.O acquired 65,07% of the share capital of Molen Wind II S.P. ZO.O. (see note 17).

Companies sold and liquidated:
- A 49% share interest in EDP Renováveis Portugal, S.A. was sold by 257.954 thousands of Euros, as part of a transaction totalling 368.483 thousands of Euros deducted of loans totalling 110.529 thousands of Euros, with a subsequent loss of share interest in Eólica da Alagoa, S.A., Eólica de Montenegrelo, S.A., Eólica da Serra das Alturas, S.A. and Malhadizes, S.A.
  This transaction was treated as a disposal of non-controlling interests not resulting in a loss of control and therefore the positive difference between the book value and the fair value of the non-controlling interests sold, totalling 148.334 thousands of Euros, was booked against reserves under the corresponding accounting policy.
- A 49% share interest in Wheat Field Holding, L.L.C. (which was incorpored in September 2013) was sold by 34,977 thousands of Euros (corresponding to a sale price of 48,400 thousands of US Dollar deducted of capital contributions, transaction fees and tax effect), with a subsequent loss of share interest in Wheat Field Wind Power Project, L.L.C.;
  This transaction was treated as a disposal of non-controlling interests not resulting in a loss of control and therefore the negative difference between the book value and the fair value of the non-controlling interests sold, totalling -1,274 thousands of Euros, was booked against reserves under the corresponding accounting policy.
- EDPR Renovables España, S.L. liquidated Parc Eolic Molinars S.L.

Companies incorporated:
- South África Wind & Solar Power, S.L.;
- Sustaining Power Solutions, L.L.C.;
- Green Power Offsets, L.L.C.;
- Bourbriac II, S.A.S.;
- EDPR France Holding, S.A.S.;
- Parc Eolien de Montagne Fayel, S.A.S.;
- Arbuckle Mountain;
- Rising Tree Wind Farm II *;
- Wheat Field Holding, L.L.C.;
- Les Eoliennes en Mer de Dieppe - Le Tréport, S.A.S.;
- Les Eoliennes en Mer de Vendée, S.A.S.;

* EDP Renováveis Group holds, through its subsidiary EDPR NA and EDPR Canada, a set of subsidiaries in the United States and Canada legally incorporated without share capital and that as at 31 December 2013 do not have any assets, liabilities, or operating activity.

Other changes:
- EDP Renewables Europe, S.L. increased its shareholding to 100% in the share capital of Greenwind, S.A.;
- EDP Renewables Europe, S.L. increased its shareholding to 100% in the share capital of Relax Wind Park I, S.P. ZO.O through its subsidiary EDP Renewables Polska, S.P. ZO.O.

During the year ended in 31 December 2012, the changes in the consolidation perimeter of the EDP Renováveis Group were:

Companies acquired:

- EDP Renewables Europe, S.L. acquired 100% of the share capital of Pietragalla Eolico S.R.L. (see note 17) and 85% of the share capital of Sibioara Wind Farm, S.R.L.;
- EDP Renewables Canada, Ltd. acquired 100% of the share capital of the following companies:
  - 0867242 BC Ltd.;
  - Eolia Renewable Energy Canada Ltd.;
  - South Branch Wind Farm Inc.
- EDPR-RO-PV, S.R.L. (incorporated during the year 2012) acquired 100% of the share capital of the following companies (see note 17):
  - Cujmir Solar S.R.L.;
  - Foton Delta S.R.L.;
  - Foton Epsilon S.R.L..
  - Potelu Solar S.R.L.;
  - Studina Solar S.R.L.;
  - Vanju Mare Solar S.R.L..
- EDP Renewables Polska SP. ZO.O acquired 60% of the share capital of J&Z Wind Farms SP. ZO.O. and 100% of the share capital of Korsze Wind Farm SP. ZO.O.

Companies sold and liquidated:

- EDP Renewables North America, L.L.C. liquidated Horizon Wind Energy International, L.L.C.;
- EDPR Renovables España, S.L. liquidated Parque Eólico Plana de Artajona, SLU, Parque Eólico Montes de Castelón, S.L., Siesa Renovables Canarias, S.L.; Compañía Eléctrica de Energías Renovables Alternativas, SAL and Corporación Empresarial de Renovables Alternativas, SLU;
- Generaciones Especiales I, S.L. sold by 5,531 thousands of Euros all of its interests in the following companies which generated a gain of 2,857 thousands of Euros recognised against Gains/Losses on disposal of financial assets:
  - 25% interest in Hidroastur S.A. (see note 18);
  - 80% interest in Hidroeléctrica del Rumblar S.L. (see note 15);
  - 100% interest in Hidroeléctrica Fuentermosa S.L. (see note 15);
  - 75% in interest in Hidroeléctrica Gormaz S.A. (see note 15).
- A 49% share interest in 2007 Vento II, L.L.C. was sold by 175,687 thousands of Euros (225,721 thousands of US Dollar corresponding to a sale price of 230,000 thousands of US Dollar deducted of capital contributions and transaction fees amounting 2,800 and 1,478 thousands of US Dollar, respectively) with the subsequent loss of 49% share interest in the following companies (see note 29):
  - Telocaset Wind Power Partners, L.L.C.;
  - Post Oak Wind, L.L.C.;
  - High Prairie Wind Farm II, L.L.C.;
  - Old Trail Wind Farm, L.L.C.

Companies merged:

- The following companies were merged into Desarrollos Eólicos Promoción S.A.U., which then changed its designation to EDP Renovables España, S. L.:
  - Agrupación Eólica S.L.U.;
  - Desarrollos Eólicos, S.A.;
  - Ceasa Promociones Eólicas S.L.U.;
  - Generaciones Especiales I, S.L.;
  - Neo Catalunya S.L.;
  - Santa Quiteria Energia, S.L.U.;
  - Sinae Inversiones Eólicas S.A..

Companies incorporated:
- 2012 Vento XI, L.L.C. * ;
- Casellaneta Wind S.R.L.;
- Central Eólica Aventura, S.A.;
- Central Eólica Baixa do Feijão I, S.A.;
- Central Eólica Baixa do Feijão II, S.A.;
- Central Eólica Baixa do Feijão III, S.A.;
- Central Eólica Baixa do Feijão IV, S.A.;
- EDP Renewables SGPS, S.A.;
- EDP Renewables Belgium, S.A.;
- EDP Renewables Canada GP Ltd. * ;
- EDP Renewables Canada LP Ltd.;
- EDP Renováveis Servicios Financieros, S.L.;
- EDPR PT - Promoção e Operação, S.A.;
- EDPR Wind Ventures XI, L.L.C. * ;
- EDPR-RO-PV, S.R.L.;
- Laterza Wind S.R.L..;
- MFW Gryf SP. ZO.O.;
- MFW Neptun SP. ZO.O.;
- MFW Pomorze SP. ;
- Monts de la Madeleine Energie, S.A.S.;
- Monts du Forez Energie, S.A.S.;
- SBWFI GP Inc. * ;
- South Dundas Wind Farm LP * ;
- Verde Wind Power L.L.C. * ;

* EDP Renováveis Group holds, through its subsidiary EDPR NA and EDPR Canada, a set of subsidiaries in the United States and Canada legally incorporated without share capital and that as at 31 December 2012 do not have any assets, liabilities, or operating activity.

6. REVENUES

Revenues are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Revenues by business and geography		
Electricity in Europe	838,415	773,070
Electricity in United States of America	362,903	355,508
Electricity, other	24,250	24,754
	1,225,568	1,153,332
Other revenues	2,225	6,850
	1,227,793	1,160,182
Services rendered	4,772	4,961
Changes in inventories and cost of raw material and consumables used		
Cost of consumables used	20	-292
Changes in inventories	-1,622	-7,055
	-1,602	-7,347
Total Revenues	1,230,963	1,157,796

7. INCOME FROM INSTITUTIONAL PARTNERSHIPS IN US WIND FARMS

Income from institutional partnership in US Wind Farms in the amount of 125,101 thousands of Euros (31 December 2012: 127,350 thousands of Euros), includes revenue recognition related to production tax credits (PTC), investments tax credits (ITC) and other tax benefits, mostly from accelerated tax depreciation related to projects Vento I, II, III, IV, V, VI, VII, VIII, IX and X (see note 32).

8. OTHER OPERATING INCOME

Other operating income is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Gain related with business combinations	3,477	32,393
Amortisation of deferred income related to power purchase agreements	8,362	9,888
Contract and Insurance compensations	21,935	8,788
Other income	7,952	12,047
	41,726	63,116

During 2013, EDP Renewables Polska carried out the purchase price allocation of the identificable assets acquired and liabilities of Molen Wind II, S.P. ZO.O., which originated an operating income of 3,477 thousands of Euros, booked under the caption Gain related with business combinations (see note 17).

The power purchase agreements between EDPR NA and its customers which were valued based on market assumptions, at the acquisition date, using discounted cash flow models. At that date, these agreements were valued at approximately 190,400 thousands of USD and recorded as a non-current liability (see note 33). This liability is amortised over the period of the agreements against Other operating income. As at 31 December 2013, the amortisation for the period amounts to 8,362 thousands of Euros (31 December 2012: 9,888 thousands of Euros).

As at 31 December 2013, Contract and insurance compensations include 13,779 thousands of Euros related with the indemnity received following an amendment of the power purchase agreement between Mesquite Wind, L.L.C. (subsidiary of Wind I, L.L.C) and its client.

In 2012, EDPR Group carried out the purchase price allocation of several companies acquired which originated the recognition of an operating income of 29,754 thousands of Euros in EDPR Romania and 2,639 thousands of Euros in EDPR Italia (see note 17). These occasional advantageous acquisitions were possible to execute mainly due to bargaining power of EDPR, ability to access funding and liquidity and, to a certain extend, the still developing nature of Romanian solar market which enables opportunistic favorable transactions.

9. SUPPLIES AND SERVICES

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Rents and leases	42,979	40,670
Maintenance and repairs	148,147	143,250
Specialised works:		
- IT Services, legal and advisory fees	17,493	16,599
- Shared services	7,807	11,866
- Other services	11,769	12,225
Other supplies and services	34,600	37,200
	262,795	261,810

10. PERSONNEL COSTS AND EMPLOYEE BENEFITS

Personnel costs and employee benefits is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Personnel costs		
Board remuneration	539	945
Remunerations	53,300	52,320
Social charges on remunerations	8,911	7,582
Employee's variable remuneration	9,512	8,937
Other costs	1,347	971
Own work capitalised	-13,913	-15,339
	59,696	55,416
Employee benefits		
Costs with pension plans	2,572	2,825
Costs with medical care plans and other benefits	2,981	3,320
Other	1,305	1,098
	6,858	7,243
	66,554	62,659

As at 31 December 2013, Costs with pension plans relates to defined contribution plans (2,566 thousands of Euros) and defined benefit plans (6 thousands of Euros).

The average breakdown by management positions and professional category of the permanent staff as of 31 December 2013 and 2012 is as follows:

	31 Dec 2013	31 Dec 2012
Board members	17	14
	17	14
Senior management / Senior officers	69	68
Middle management	532	504
Highly-skilled and skilled employees	213	221
Other employees	61	64
	875	857
	892	871

In 2013 and 2012, the companies of EDPR Group consolidated under the proportional consolidation method do not have contributed with employee.

11. OTHER OPERATING EXPENSES

Other operating expenses are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Direct and indirect taxes	72,512	41,939
Losses on fixed assets	12,591	17,035
Other costs and losses	36,211	27,238
	121,314	86,212

The caption Direct and indirect taxes, on 31 December 2013, includes the amount of 32.5 millions of Euros related with the approval made by Spanish Government of a new Royal Decree. This law establish an additional tax for energy generators, affecting all the wind farms in operation, amounting to 7% of revenues for each wind farm.

12. DEPRECIATION, AMORTISATION EXPENSE AND IMPAIRMENT

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Property, plant and equipment		
Buildings and other constructions	1,398	1,801
Plant and machinery	457,347	433,534
Other	11,007	12,115
Impairment loss	19,763	53,401
	489,515	500,851
Intangible assets		
Industrial property, other rights and other intangibles	1,643	1,858
Amortisation of deferred income (Government grants)	-18,472	-15,231
	472,686	487,478

EDPR Group booked an impairment loss of 19,763 thousands of Euros referring to 16,046 and 3,717 thousands of Euros in EDPR EU and in EDPR NA, respectively. The impairment loss booked in EDPR EU results from regulatory changes issued in Spain (see note 1), and in EDPR NA results from the write-off of work in progress recognised during the second quarter of 2013 (see note 15).

13. FINANCIAL INCOME AND FINANCIAL EXPENSES

Financial income and financial expenses are analysed as follows:

	31 Dec 2013	31 Dec 2012
Financial income		
Interest income	20,677	16,770
Derivative financial instruments:		
Interest	1,498	5,483
Fair value	68,167	24,321
Foreign exchange gains	17,388	27,010
Other financial income	681	604
	108,411	74,188
Financial expenses		
Interest expense	197,807	215,987
Derivative financial instruments:		
Interest	30,635	21,152
Fair value	70,400	35,136
Own work capitalised	-15,579	-15,697
Unwinding	65,069	72,824
Other financial expenses	23,294	22,402
	371,626	351,804
Financial income / (expenses)	-263,215	-277,616

Derivative financial instruments includes interest liquidations on the derivative financial instrument established between EDP Renováveis and EDP Branch (see notes 36 and 38).

In accordance with the accounting policy described on note 2g), the borrowing costs (interest) capitalised in tangible fixed assets in progress as at 31 December 2013 amounted to 15,579 thousands of Euros (31 December 2012: 15,697 thousands of Euros) (see note 15), and are included under Own work capitalised (financial interest). The interest rates used for this capitalisation vary in accordance with the related loans, between 1.69% and 11.27% (31 December 2012: 1.81% and 10.25%).

Interest expense refers to interest on loans bearing interest at contracted and market rates.

Unwinding expenses refers essentially to the financial update of provisions for dismantling and decommissioning of wind farms 3,660 thousands of Euros (31 December 2012: 3,366 thousands of Euros) (see note 31) and the implied return in institutional partnerships in US wind farms 60,840 thousands of Euros (31 December 2012: 68,431 thousands of Euros) (see note 32).

14. INCOME TAX EXPENSE

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities during subsequent periods. In Portugal and Spain the period is 4 years and in Brazil it is 5 years, being the last year considered settled by the tax administration the year of 2008. In the United States of America the general Statute of Limitations for the IRS to issue additional income tax assessments for an entity is 3 years from the date that the income tax return is filed by the taxpayer.

Tax losses generated in each year, which are also subject to inspection and adjustment, can be deducted from taxable income during subsequent periods (5 years in Portugal since 2012, 18 years in Spain, 20 years in the United States, without an expiry date in Belgium and France and without an expiry date in Brazil, although in Brazil it is limited to 30% of the taxable income of each period). The EDP Group companies are taxed, whenever possible, on a consolidated basis as allowed by the tax legislation of the respective countries.

EDP Renewables Europe, S.L. and its subsidiary companies file individual tax declarations in accordance with prevailing tax legislation. Nevertheless, the main Group companies pay income tax following the specific principles of the Special Tax Consolidation Regime, contained in articles 64 and 82 of Royal Legislative Decree 4/2004 whereby the revised corporate income tax law was approved. The companies of EDPR Group in Spain are included in the Tax consolidation perimeter of EDP, S.A. - Sucursal en España (EDP Branch).

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Current tax	-93,083	-85,225
Deferred tax	36,365	39,186
	-56,718	-46,039

The effective income tax rate as at 31 December 2013 and 2012 is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Profit before tax	225,842	182,089
Income tax expense	-56,718	-46,039
Effective Income Tax Rate	25.11%	25.28%

The reconciliation between the nominal and the effective income tax rate for the Group during the years ended 31 December 2013 and 2012 is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Profit before taxes	225,842	182,089
Nominal income tax rate	30.00%	30.00%
Expected income taxes	-67,753	-54,627
Income taxes for the year	-56,718	-46,039
Difference	11,035	8,588
Accounting revaluations, amortizations, depreciations and provisions	7,922	5,403
Tax losses and tax credits	-3,938	-4,547
Financial investments in associates	4,896	1,692
Effect of tax rates in foreign jurisdictions	-3,933	4,847
Tax benefits	4,124	4,196
Other	1,964	-3,003
	11,035	8,588

Accounting revaluations, amortizations, depreciations and provisions include the fiscal revaluation of EDPR assets in Spain in accordance with Law 16/2012 of 27 December, which does not have accounting impact but led to an increase of the assets' tax basis in 50.3 millions of Euros. Therefore, the Group recognised deferred tax assets of 14.2 millions of Euros benefiting from a tax credit for the period ended 31 December 2013, net of an upfront fee ("gravamen único") that amounted to 2.4 millions of Euros, corresponding to 5% of the revaluation reserves.

15. PROPERTY, PLANT AND EQUIPMENT

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Cost		
Land and natural resources	33,637	24,601
Buildings and other constructions	16,095	16,700
Plant and machinery:		
- Renewables generation	11,826,264	11,572,839
- Other plant and machinery	6,692	6,484
Other	75,458	76,537
Assets under construction	1,058,748	1,080,675
	13,016,894	12,777,836
Accumulated depreciation and impairment losses		
Depreciation charge	-469,752	-447,450
Accumulated depreciation in previous years	-2,129,010	-1,735,706
Impairment losses	-19,763	-53,401
Impairment losses in previous years	-39,644	-4,372
	-2,658,169	-2,240,929
Carrying amount	10,358,725	10,536,907

The movement in Property, plant and equipment during 2013, is analysed as follows:

Thousands of Euros	Balance at 01 Jan	Additions	Disposals/ Write-offs	Transfers	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Cost							
Land and natural resources	24,601	8,209	-677	2,070	-585	19	33,637
Buildings and other constructions	16,700	28	-	-	-633	-	16,095
Plant and machinery	11,579,323	6,826	-1,435	523,974	-281,885	6,153	11,832,956
Other	76,537	2,352	-5,521	10,111	-1,466	-6,555	75,458
Assets under construction	1,080,675	566,254	-8,181	-536,155	-30,164	-13,681	1,058,748
	12,777,836	583,669	-15,814	-	-314,733	-14,064	13,016,894

Thousands of Euros	Balance at 01 Jan	Charge for the period	Impairment Losses/ Reverses	Disposals/ Write-offs	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Accumulated depreciation and impairment losses							
Buildings and other constructions	7,187	1,398	-	-	-252	-	8,333
Plant and machinery	2,196,605	457,347	19,763	-291	-53,065	-16,174	2,604,185
Other	37,137	11,007	-	-43	-934	-1,516	45,651
	2,240,929	469,752	19,763	-334	-54,251	-17,690	2,658,169

Plant and machinery includes the cost of the wind farms under operation.

Transfers from assets under construction into operation in 2013, refer mainly to wind farms of EDP Renováveis that become operational.

The caption Changes in perimeter/Other includes mainly the effect of the aquisition of Lone Valley Solar Park I L.L.C. (ex-EDPR Agincourt L.L.C.) and Lone Valley Solar Park II L.L.C. (ex-EDPR Marathon L.L.C.) by EDP Renewables NA, and the liquidation Parc Eolic Molinars S.L. by EDPR Renovables España, S.L (see note 5).

The movement in Property, plant and equipment during 2012, is analysed as follows:

Thousands of Euros	Balance at 01 Jan	Additions	Disposals/ Write-offs	Transfers	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Cost							
Land and natural resources	21,389	3,942	-82	-	-417	-231	24,601
Buildings and other constructions	16,053	954	-	-	-366	59	16,700
Plant and machinery	10,914,817	9,610	-647	771,535	-114,251	-1,741	11,579,323
Other	62,428	12,836	-14,099	16,053	-755	74	76,537
Assets under construction	1,203,445	662,760	-4,862	-787,588	6,674	246	1,080,675
	12,218,132	690,102	-19,690	-	-109,115	-1,593	12,777,836

Thousands of Euros	Balance at 01 Jan	Charge for the period	Impairment Losses / Reverses	Disposals/ Write-offs	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Accumulated depreciation and impairment losses							
Buildings and other constructions	5,487	1,801	-	-	-105	4	7,187
Plant and machinery	1,731,794	433,534	52,977	-311	-19,663	-1,726	2,196,605
Other	26,230	12,115	424	-1,221	-394	-17	37,137
	1,763,511	447,450	53,401	-1,532	-20,162	-1,739	2,240,929

The caption Changes in perimeter/Other includes mainly the effect of the aquisition of J&Z Wind Farms SP. ZO.O., Pietragalla Eolico S.R.L. and solar photovoltaic companies acquired by EDPR-RO-PV, S.R.L and the sale of the companies holders of the mini-hydrics previously held in Spain.

Assets under construction as at 31 December 2013 and 2012 are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
EDPR EU Group	675,580	842,278
EDPR NA Group	302,244	212,783
Other	80,924	25,614
	1,058,748	1,080,675

Assets under construction as at 31 December 2013 and 2012 are essentially related to wind farms and solar plants under construction and development in EDPR EU and EDPR NA.

Financial interests capitalised amount to 15,579 thousands of Euros as at 31 December 2013 (31 December 2012: 15,697 thousands of Euros) (see note 13).

Personnel costs capitalised amount to 13,913 thousands of Euros as at 31 December 2013 (31 December 2012: 15,339 thousands of Euros) (see note 10).

The EDP Renováveis Group has lease and purchase obligations disclosed in Note 37 - Commitments.

16. INTANGIBLE ASSETS

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Cost		
Industrial property, other rights and other intangible assets	108,498	47,221
Intangible assets under development	4,862	4
	113,360	47,225
Accumulated depreciation		
Depreciation charge	-1,643	-1,858
Accumulated depreciation in previous years	-21,921	-20,452
	-23,564	-22,310
Carrying amount	89,796	24,915

Industrial property, other rights and other intangible assets include 78,837 thousands of Euros and 14,035 thousands of Euros related to wind generation licenses of EDPR NA Group (31 December 2012: 30,186 thousands of Euros) and EDPR Portugal (31 December 2012: 14,035 thousands of Euros), respectively, and 12,791 thousands of Euros related with green certificates in Romania (see note 2 i).

The movement in Intangible assets during 2013, is analysed as follows:

Thousands of Euros	Balance at 01 Jan	Additions	Disposals / Write-offs	Transfers	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Cost							
Industrial property, other rights and other intangible assets	47,221	63,967	-	-	-3,547	857	108,498
Intangible assets under development	4	4,481	-76	-	-188	641	4,862
	47,225	68,448	-76	-	-3,735	1,498	113,360

Thousands of Euros	Balance at 01 Jan	Charge for the year	Impairment	Disposals / Write-offs	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Accumulated amortisation							
Industrial property, other rights and other intangible assets	22,310	1,643	-	-	-389	-	23,564
	22,310	1,643	-	-	-389	-	23,564

Additions include the power purchase agreements of Rising Tree (see note 2 i) and 17) in the amount of 47,297 thousands of Euros and the recognition of the deferred portion of green certificates rights in Romania in the amount of 12,941 thousands of Euros.

The movement in Intangible assets during 2012, is analysed as follows:

Thousands of Euros	Balance at 01 Jan	Additions	Disposals / Write-offs	Transfers	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Cost							
Industrial property, other rights and other intangible assets	42,462	24	-	-	-601	5,336	47,221
Intangible assets under development	4	-	-	-	-	-	4
	42,466	24	-	-	-601	5,336	47,225

Thousands of Euros	Balance at 01 Jan	Charge for the year	Impairment	Disposals / Write-offs	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
Accumulated amortisation							
Industrial property, other rights and other intangible assets	20,647	1,858	-	-	-154	-41	22,310
	20,647	1,858	-	-	-154	-41	22,310

17. GOODWILL

For the Group, the breakdown of Goodwill resulting from the difference between the cost of the investments and the corresponding share of the fair value of the net assets acquired, is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Goodwill booked in EDPR EU Group:	679,256	700,234
- EDPR Spain Group	534,438	534,610
- EDPR France Group	64,047	65,752
- EDPR Portugal Group	42,915	42,588
- Other	37,856	57,284
Goodwill booked in EDPR NA Group	574,867	600,302
Other	1,602	1,394
	1,255,725	1,301,930

The movements in Goodwill, by subgroup, during 2013 are analysed as follows:

Thousands of Euros	Balance at 01 Jan	Increases	Decreases	Impair-ment	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
EDPR EU Group:							
- EDPR Spain Group	534,610	-	-172	-	-	-	534,438
- EDPR France Group	65,752	-	-1,705	-	-	-	64,047
- EDPR Portugal Group	42,588	327	-	-	-	-	42,915
- Other	57,284	348	-19,173	-	-603	-	37,856
EDPR NA Group	600,302	-	-	-	-25,435	-	574,867
Other	1,394	477	-	-	-269	-	1,602
	1,301,930	1,152	-21,050	-	-26,307	-	1,255,725

The movements in Goodwill, by subgroup, during 2012 are analysed as follows:

Thousands of Euros	Balance at 01 Jan	Increases	Decreases	Impair-ment	Exchange Differences	Changes in perimeter / Other	Balance at 31 Dec
EDPR EU Group:							
- EDPR Spain Group	534,642	-	-32	-	-	-	534,610
- EDPR France Group	65,752	-	-	-	-	-	65,752
- EDPR Portugal Group	42,588	-	-	-	-	-	42,588
- Other	55,421	164	-	-	1,699	-	57,284
EDPR NA Group	611,882	-	-	-	-11,580	-	600,302
Other	1,560	-	-	-	-166	-	1,394
	1,311,845	164	-32	-	-10,047	-	1,301,930

EDPR EU Group

The goodwill movement in EDPR EU Group in 2013 includes essentially a decrease in the amount of 19,173 thousands of Euros related to the contingent prices revision of some purchase agreements signed before 1 january 2010, date of the adoption of the revised IFRS 3 (as described in accounting policy 2b) (see note 5 and 34).

Other information for purchase price allocation and business combinations included in 2013

EDPR EU - Other

During 2013 the EDP Renewables Polska, S.P. ZO.O acquired 65,07% of the share capital of the company Molen Wind II, S.P. ZO.O. (see note 5) and has carried out the purchase price allocation that originates the recognition of an operating income of 3,477 thousands of Euros (nota 8).

Thousands of Euros	Book value	PPA	Assets Liabilities at fair value
Property, plant and equipment	1,691	10,739	12,430
Other assets (including licenses)	10,112	-	10,112
Total assets	11,803	10,739	22,542
Deferred tax liabilities	-	2,040	2,040
Current liabilities	1,868	-	1,868
Total liabilities	1,868	2,040	3,908
Net assets	9,935	8,699	18,634
Non-controlling interests	-3,470	-3,039	-6,509
Net assets acquired	6,465	5,660	12,125
Consideration transferred	8,648		8,648
Badwill			-3,477

During 2013 the EDPR Group has paid an amount of 46,728 thousands of Euros (31 December 2012: 30,279 thousands of Euros) for business combinations and success fees related to acquisition of the companies of EDPR Belgium Group (14,149 thousands of Euros), EDPR Poland Group (10,802 thousands of Euros), EDPR Solar Romania (9,443 thousands of Euros), EDPR Italia Group (8,440 thousands of Euros), EDPR NA Group (3,860 thousands of Euros) and Other (34 thousands of Euros).

Other business combinations

During 2013, EDPR Group acquire 100% of the following companies: Gravitangle - Fotovoltaica Unipessoal, Lda., Dejann Trading and Investments Proprietary Ltd., Renewables South Africa, Proprietary Ltd. and Jouren Trading and Investments Pty Ltd. (see note 5), with the following agreggated impacts:

Thousands of Euros	**Assets Liabilities at fair value**
Property, plant and equipment	9,885
Other assets (including licenses)	29,722
Total assets	39,607
Deferred tax liabilities	-
Current liabilities	-
Total liabilities	2,105
Net assets	37,502
Non-controlling interests	-
Net assets acquired	37,502
Consideration transferred	38,308
Goodwill	806

Other information for purchase price allocation and business combinations included in 2012

EDPR Italia Group

During 2012 the EDPR Group acquired 100% of the share capital of the company Pietragalla Eolico S.R.L. and has carried out the purchase price allocation that originates the recognition of an operating income of 2,639 thousands of Euros.

Thousands of Euros	**Book value**	**PPA**	**Assets Liabilities at fair value**
Property, plant and equipment	1,227	10,300	11,527
Other assets (including licenses)	-	-	-
Total assets	1,227	10,300	11,527
Deferred tax liabilities	-	2,833	2,833
Current liabilities	1,035	-	1,035
Total liabilities	1,035	2,833	3,868
Net assets acquired	192	7,467	7,659
Consideration transferred	5,020		5,020
Badwill			-2,639

Other

During 2012 the EDPR Solar Romania acquired 99.99% of the share capital of the companies Cujmir Solar S.R.L., Foton Delta S.R.L., Foton Epsilon S.R.L., Potelu Solar S.R.L., Studina Solar S.R.L. and Vanju Mare Solar S.R.L. and has carried out the purchase price allocation that originates the recognition of an operating income of 29,754 thousands of Euros.

Thousands of Euros	**Book value**	**PPA**	**Assets Liabilities at fair value**
Property, plant and equipment	26	43,305	43,331
Other assets (including licenses)	500	14,167	14,667
Total assets	526	57,472	57,998
Deferred tax liabilities	-	9,195	9,195
Current liabilities	513	-	513
Total liabilities	513	9,195	9,708
Net assets acquired	13	48,277	48,290
Consideration transferred	18,536		18,536
Badwill			-29,754

Goodwill impairment tests - EDPR Group

The goodwill of the EDPR Group is tested for impairment each year with basis of September. In the case of operational wind farms, it is performed by determining the recoverable value through the value in use. Goodwill is allocated to each country where EDPR Group performs its activity, so the EDPR Group aggregate all the CGUs cash flows in each country in order to calculate the recoverable amount of goodwill allocated.

To perform this analysis, a Discounted Cash Flow (DCF) method was used. This method is based on the principle that the estimated value of an entity or business is defined by its capacity to generate financial resources in the future, assuming these can be removed from the business and distributed among the company's shareholders, without compromising the maintenance of the activity.

Therefore, for the businesses developed by EDPR's CGUs, the valuation was based on free cash flows generated by the business, discounted at appropriate discount rates.

The future cash flows projection period used is the useful life of the assets (25 years) which is consistent with the current depreciation method. The cash flows also incorporate the long-term off-take contract in place and long-term estimates of power prices, whenever the asset holds merchant exposure.

The main assumptions used for the impairment tests are as follows:

- Power produced: net capacity factors used for each CGU utilize the wind studies carried out, which takes into account the long-term predictability of wind output and that wind generation is supported in nearly all countries by regulatory mechanisms that allow for production and priority dispatching whenever weather conditions permit;

- Electricity remuneration: regulated or contracted remuneration has been applied where available, as for the CGUs that benefit from regulated remuneration or that have signed contracts to sell their output during all or part of their useful life; where this is not available, prices were derived using price curves projected by the company based on its experience, internal models and using external data references;

- New capacity: tests were based on the best information available on the wind farms expected to be built in coming years, adjusted by probability of success and by the growth prospects of the company based on the Business Plan Targets, its historical growth and market size projections. The tests considered the contracted and expected prices to buy turbines from various suppliers;

- Operating costs: established contracts for land leases and maintenance agreements were used; other operating costs were projected consistent with the company's experience and internal models;

- Terminal value: considered as a 15% of the initial investment in each wind farm, considering inflation;

- Discount rate: the discount rates used are post-tax, reflect EDPR Group's best estimate of the risks specific to each CGU and range as follows:

	2013	**2012**
Portugal and Spain	5.3% - 6.5%	7.0% - 7.1%
United States	6.0% - 7.3%	5.5% - 6.8%
Brazil	8.6% - 9.9%	7.6% - 8.8%
Rest of Europe	4.8% - 7.6%	5.9% - 8.2%

Impairment tests done have taken into account the regulation changes in each country, as disclosed in note 1.

EDPR has performed a series of sensitivity analyses of the results of impairment tests to reasonable changes in some of the key variables, such as:
- EDPR NA, decrease in the Net Capacity Factors;
- EDPR NA, 5% and 10% reduction of Merchant Prices.

Furthermore, EDPR Group has done an additional sensitivity analysis increasing 100 basis points the discount rate used in case base for EDPR NA and EDPR EU CGU's. These sensitivity analyses performed for each assumption independently would not suppose any impairment for the goodwill allocated to each country.

18. INVESTMENTS IN ASSOCIATES

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Investments in associates		
Equity holdings in associates	64,660	47,473
Carrying amount	64,660	47,473

For the purpose of the consolidated financial statements presentation, goodwill arising from the acquisition of associated companies is presented in this caption, included in the total amount of Equity holdings in associates.

The breakdown of Investments in associates, is analysed as follows:

	31 Dec 2013	
Thousands of Euros	Investment	Impairment
Associated companies:		
Seaenergy Renewables Inch Cape Limited	13,827	-
Desarrollos Eólicos de Canárias, S.A.	8,806	-
ENEOP - Éolicas de Portugal, S.A.	26,876	-
Other	15,151	-
	64,660	-

	31 Dec 2012	
Thousands of Euros	Investment	Impairment
Associated companies:		
Seaenergy Renewables Inch Cape Limited	14,498	-
Desarrollos Eólicos de Canárias, S.A.	9,933	-
ENEOP - Éolicas de Portugal, S.A.	9,908	-
Other	13,134	-
	47,473	-

The movement in Investments in associates, is analysed as follows:

Thousands of Euros	2013	2012
Balance as at 1 January	47,473	51,381
Disposals	-	-2,389
Share of profits of associates	15,909	6,833
Dividends received	-1,461	-3,512
Others	2,739	-4,840
Balance as at 31 December	64,660	47,473

In 2012, Disposals are related with the sale of Hidroastur, S.A. ,included in the caption Others investments in associates, by Generaciones Especiales I, S.L.

19. AVAILABLE FOR SALE FINANCIAL ASSETS

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Parque Eólico Montes de las Navas, S.L.	6,662	8,636
Other	772	771
	7,434	9,407

The assumptions used in the valuation models of available-for-sale financial assets are as the same used to the impairment tests.

The interest in share capital, voting rights, net assets and net income of the last approved financial statements of the investments classified as available-for-sale financial assets are analysed as follows:

	Head office	% of share capital	Voting rights	Net assets	Net income
Parque Eólico Montes de las Navas, S.L.	Madrid	17.00%	17.00%	24,865	8,299

20. DEFERRED TAX ASSETS AND LIABILITIES

The EDP Renováveis Group records the tax effect arising from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis, which are analysed as follows:

	Deferred tax assets		Deferred tax liabilities	
Thousands of Euros	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Tax losses brought forward	684,286	632,050	-	-
Provisions	21,399	11,497	4,265	4,896
Derivative financial instruments	11,729	15,720	625	361
Property, plant and equipment	48,467	24,662	338,481	315,013
Allocation of fair value to assets and liabilities from business combinations	-	-	416,076	418,434
Income from institutional partnerships in US wind farms	-	-	299,403	251,786
Non-deductible financial expenses	21,113	16,230	-	-
Netting of deferred tax assets and liabilities	-676,449	-611,281	-676,449	-611,281
Other	510	500	928	1,383
	111,055	89,378	383,329	380,592

Deferred tax assets and liabilities is mainly related to Europe and United States of America, as follows:

	Deferred tax assets		Deferred tax liabilities	
Thousands of Euros	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Europe:				
Tax losses brought forward	17,579	24,541	-	-
Provisions	15,422	8,821	4,265	4,896
Derivative financial instruments	9,723	15,953	500	361
Property, plant and equipment	45,529	22,316	25,064	15,142
Non-deductible financial expenses	21,113	16,230	-	-
Allocation of fair value to assets and liabilities from business combinations	-	-	318,268	331,673
Other	510	500	830	1,342
	109,876	88,361	348,927	353,414
United States of America:				
Tax losses brought forward	665,054	606,550	-	-
Provisions	5,761	2,356	-	-
Derivative financial instruments	2,007	-233	-	-
Property, plant and equipment	2,937	2,346	313,029	299,803
Allocation of fair value to assets and liabilities from business combinations	-	-	93,090	81,288
Income from institutional partnerships in US wind farms	-	-	299,403	251,786
Netting of deferred tax assets and liabilities	-675,759	-611,019	-675,759	-611,019
	-	-	29,763	21,858

The movements in net deferred tax assets and liabilities during the year are analysed as follows:

	Deferred tax assets		Deferred tax liabilities	
Thousands of Euros	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Balance as at 1 January	89,378	55,558	-380,592	-381,468
Charges to the profit and loss account	40,236	27,257	-3,871	11,928
Charges against reserves	-5,464	8,621	-320	1,173
Exchange differences and other variations	-13,095	-2,058	1,454	-12,225
Balance as at 31 December	111,055	89,378	-383,329	-380,592

The Group tax losses carried forward are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Expiration date:		
2013	-	249
2014	259	264
2015	107	108
2016	1,523	1,505
2017	3,597	3,649
2018	33,923	7,645
2019 to 2033	1,755,934	1,651,714
Without expiration date	229,144	268,983
	2,024,487	1,934,117

21. INVENTORIES

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Advances on account of purchases	2,951	5,547
Finished and intermediate products	2,248	3,469
Raw and subsidiary materials and consumables	10,290	7,193
	15,489	16,209

22. TRADE RECEIVABLES

Trade receivables are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Trade receivables - Current		
Europe:		
- Spain	71,765	67,141
- Romania	40,464	26,467
- Poland	19,237	13,356
- Rest of Europe	33,022	28,008
	164,488	134,972
United States of America	41,328	42,575
Other	2,715	4,054
	208,531	181,601
Impairment losses	-1,342	-1,342
	207,189	180,259

23. DEBTORS AND OTHER ASSETS FROM COMMERCIAL ACTIVITIES

Debtors and other assets from commercial activities are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Debtors and other assets from commercial activities - Non-current		
Deferred costs	41,771	42,809
Sundry debtors and other operations	11,389	12,344
	53,160	55,153
Debtors and other assets from commercial activities - Current		
Prepaid turbine maintenance	7,125	7,140
Services rendered	12,266	10,648
Advances to suppliers	1,709	49,516
Sundry debtors and other operations	24,668	36,861
	45,768	104,165
	98,928	159,318

Deferred costs - non-current mainly includes up-front rents and surface rights paid to land owners and up-front network rents paid to EDP Distribuição. These costs are deferred on the balance sheet and recognised on a straight line basis over the estimated useful life of the assets.

24. OTHER DEBTORS AND OTHER ASSETS

Other debtors and other assets are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Other debtors and other assets - Non-current		
Loans to related parties	300,054	236,196
Derivative financial instruments	14,148	5,145
Sundry debtors and other operations	6,238	9,879
	320,440	251,220
Other debtors and other assets - Current		
Loans to related parties	95,324	302,214
Derivative financial instruments	11,154	7,323
Sundry debtors and other operations	26,616	24,953
	133,094	334,490
	453,534	585,710

Loans to related parties - Non-current mainly includes 286,520 thousands of Euros of loans to ENEOP - Eólicas de Portugal, S.A. Group (31 December 2012: 232,200 thousands of Euros) maturing in 2015.

Loans to related parties - Current mainly includes 63,775 thousands of Euros of short term loans to EDP Servicios Financieros España, S.A. (31 December 2012: 62,138 thousands of Euros). As at 31 December 2012 this caption also includes 189,114 thousands of Euros of short term loans to EDP S.A. - Sucursal en España.

25. CURRENT TAX ASSETS

Current tax assets is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Income tax	18,751	16,243
Value added tax (VAT)	78,737	33,610
Other taxes	6,164	5,236
	103,652	55,089

26. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Cash		
Cash in hand	-	2
Bank deposits		
Current deposits	214,536	240,667
Specific demand deposits in relation to institutional partnerships	62	65
Other deposits	50,631	5,103
	265,229	245,835
Cash and cash equivalents	265,229	245,837

The caption Other deposits includes very short term investments promptly convertible into cash.

27. CAPITAL

At 31 December 2013 and 2012, the share capital of the Company is represented by 872,308,162 shares of Euros 5 par value each, all fully paid. The shares are in book-entry bearer form, the company is entitled to request the listing of its shares and all the shareholders are registered in the relevant book-entry records. These shares have the same voting

EDP Renováveis, S.A. shareholder's structure as at 31 December 2013 and 2012 is analysed as follows:

	No. of Shares	% Capital	% Voting rights
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	541,027,156	62.02%	62.02%
Hidroeléctrica del Cantábrico, S.A.	135,256,700	15.51%	15.51%
Other(*)	196,024,306	22.47%	22.47%
	872,308,162	**100.00%**	**100.00%**

(*) Shares quoted on the Lisbon stock exchange

In 2007 and 2008, the Company carried out various share capital increases, which were subscribed through non-monetary contributions comprising 100% of the shares in EDPR NA and EDPR EU.

The contributions are applicable to the special tax treatment for mergers, spin-offs, transfers of assets and conversion of securities foreseen in Chapter VIII of Section VII of Royal Decree 4 dated 5 March 2004 which approved the revised Spanish tax law. The disclosures required by prevailing legislation were included in the annual accounts for 2007 and 2008.

Earning per share attributable to the shareholders of EDPR are analysed as follows:

	31 Dec 2013	31 Dec 2012
Profit attributable to the equity holders of the parent (in thousands of Euros)	135,116	126,266
Profit from continuing operations attributable to the equity holders of the parent (in thousands of Euros)	135,116	126,266
Weighted average number of ordinary shares outstanding	872,308,162	872,308,162
Weighted average number of diluted ordinary shares outstanding	872,308,162	872,308,162
Earnings per share (basic) attributable to equity holders of the parent (in Euros)	0.15	0.14
Earnings per share (diluted) attributable to equity holders of the parent (in Euros)	0.15	0.14
Earnings per share (basic) from continuing operations attributable to the equity holders of the parent (in Euros)	0.15	0.14
Earnings per share (diluted) from continuing operations attributable to the equity holders of the parent (in Euros)	0.15	0.14

The EDPR Group calculates its basic and diluted earnings per share attributable to equity holders of the parent using the weighted average number of ordinary shares outstanding during the period.

The company does not hold any treasury stock as at 31 December 2013 and 2012.

The average number of shares was determined as follows:

	31 Dec 2013	31 Dec 2012
Ordinary shares issued at the beginning of the period	872,308,162	872,308,162
Effect of shares issued during the period	-	-
Average number of realised shares	872,308,162	872,308,162
Average number of shares during the period	872,308,162	872,308,162
Diluted average number of shares during the period	872,308,162	872,308,162

28. RESERVES AND RETAINED EARNINGS

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Reserves		
Fair value reserve (cash flow hedge)	-29,114	-46,185
Fair value reserve (available-for-sale financial assets)	3,242	4,446
Exchange differences arising on consolidation	-43,733	-32,646
	-69,605	-74,385
Other reserves and retained earnings		
Retained earnings and other reserves	601,838	372,944
Additional paid in capital	60,666	60,666
Legal reserve	29,675	24,592
	692,179	458,202
	622,574	383,817

Additional paid in capital

The accounting for transactions among entities under common control is excluded from IFRS 3. Consequently, in the absence of specific guidance, within IFRSs, the Group EDPR has adopted an accounting policy for such transactions, judged appropriate. According to the Group's policy, business combinations among entities under common control are accounted for in the consolidated financial statements using the book values of the acquired company (subgroup) in the EDPR consolidated financial statements. The difference between the carrying amount of the net assets received and the consideration paid is recognised in equity.

Legal reserve

The legal reserve has been appropriated in accordance with Article 274 of the Spanish Companies Act whereby companies are obliged to transfer 10% of the profits for the year to a legal reserve until such reserve reaches an amount equal to 20% of the share capital. This reserve is not distributable to shareholders and may only be used to offset losses, if no other reserves are available, or to increase the share capital.

Profit distribution (parent company)

The EDP Renováveis, S.A. proposal for 2013 profits distribution to be presented in the Annual General Meeting is as follows:

	Euros
Profit for the period	56,998,823.86
Distribution:	
Legal reserve	5,699,882.39
Dividends	34,892,326.48
Retained earnings	16,406,614.99
	56,998,823.86

The EDP Renováveis, S.A. proposal for 2012 profits distribution to be presented in the Annual General Meeting is as follows:

	Euros
Profit for the period	50,838,439.82
Distribution	
Legal reserve	5,083,843.98
Dividends	34,892,326.48
Retained earnings	10,862,269.36
	50,838,439.82

Fair value reserve (cash flow hedge)

The Fair value reserve (cash flow hedge) comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments.

Fair value reserve (available-for-sale financial assets)

This reserve includes the cumulative net change in the fair value of available-for-sale financial assets as at the balance sheet date.

Thousands of Euros	
Balance as at 1 January 2012	4,575
Parque Eólico Montes de las Navas, S.L.	-129
Balance as at 31 December 2012	4,446
Parque Eólico Montes de las Navas, S.L.	-1,204
Balance as at 31 December 2013	3,242

Exchange differences arising on consolidation

This caption reflects the amount arising on the translation of the financial statments of subsidiaries and associated companies from their functional currency into Euros. The exchange rates used in the preparation of the consolidated financial statements are as follows:

		Exchange rates as at 31 December		Exchange rates as at 31 December	
Currency		**Closing Rate**	**Average Rate**	**Closing Rate**	**Average Rate**
US Dollar	USD	1.379	1.328	1.319	1.285
Zloty	PLN	4.154	4.197	4.074	4.185
Brazilian Real	BRL	3.258	2.868	2.704	2.508
New Leu	RON	4.471	4.419	4.445	4.459
Pound Sterling	GBP	0.834	0.849	0.816	0.811
Canadian Dollar	CAD	1.467	1.368	1.314	1.284

29. NON-CONTROLLING INTERESTS

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Non-controlling interests in income statement	34,008	9,784
Non-controlling interests in share capital and reserves	384,222	315,384
	418,230	325,168

Non-controlling interests, by subgroup, are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
EDPR NA Group	198,348	176,825
EDPR EU Group	192,414	115,389
EDPR BR Group	27,468	32,954
	418,230	325,168

The movement in non-controlling interests of EDP Renováveis Group is mainly related to: (i) profits of the year attributable to non-controlling interests of 34,008 thousands of Euros; (ii) sale without loss of control of EDPR Portugal attributable to non-controlling interests of 77,714 thousands of Euros (see note 5); (iii) sale without loss of control of Wheat Field (EDPR NA group) attributable to non-controlling interests of 36,251 thousands of Euros (see note 5); (iv) acquisitions of Relax Wind Park I and Greenwind without change of control attributable to non-controlling interests with a negative impact of 10,823 thousands of Euros (see note 5); (v) equity decreases in EDPR NA group attributable to non-controlling interests of 24,851 thousands of Euros; (vi) share capital increases from non-controlling interests if EDPR EU group of 10,337 thousands of Euros; (vii) dividends attributable to non-controlling interests in EDPR EU group of 16,719 thousands of Euros; (viii) and a negative effect due to exchange differences arising on consolidation attributable to non-controlling interests of 14,507 thousands of Euros.

30. FINANCIAL DEBT

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Financial debt - Non-current		
Bank loans:		
- EDPR EU Group	665,873	718,681
- EDPR BR Group	53,833	73,501
Non convertible bonds:		
- EDPR BR Group	29,102	-
Loans from shareholders of group entities:		
- EDP Renováveis, S.A.	324,417	2,843,114
- EDP Renováveis Servicios Financieros, S.L.	2,458,436	-
Other loans:		
- EDPR EU Group	11,363	20,521
- EDPR NA Group	-	1,266
Interest payable	781	-
Total Debt and borrowings - Non-current	3,543,805	3,657,083
Collateral Deposits - Non-current (*)		
Collateral Deposit - Project Finance and others	-74,172	-48,433
Total Collateral Deposits - Non-current	-74,172	-48,433

Thousands of Euros	31 Dec 2013	31 Dec 2012
Financial debt - Current		
Bank loans:		
- EDPR EU Group	83,928	77,777
- EDPR BR Group	7,160	17,709
Commercial Paper:		
- EDPR BR Group	6,139	-
Loans from shareholders of group entities:		
- EDP Renováveis, S.A.	34,262	113,644
Other loans:		
- EDPR EU Group	9,716	1,763
- EDPR NA Group	1,208	1,122
Interest payable	5,718	5,222
Total Debt and borrowings - Current	148,131	217,237
Collateral Deposits - Current (*)		
Collateral Deposit - Project Finance and others	-6,054	-719
Total Collateral Deposits - Current	-6,054	-719
	3,611,710	3,825,168

(*) Collateral Deposits informative note
Collateral Deposits refer mainly to amounts held in bank accounts to comply with obligations under project finance agreements entered into by certain EDP Renewable subsidiaries.

Financial debt Non-current for EDP Renováveis, mainly refers to a set of loans granted by EDP Finance BV (2,782,853 thousands of Euros). These loans have an average maturity of 5 years and bear interest at fixed market rates.

The Group has project finance financings that include the usual guarantees on this type of financings, namely the pledge or a promise of pledge of bank accounts and assets of the related projects. As at 31 December 2013, these financings amount to 805,443 thousands of Euros (31 December 2012: 815,562 thousands of Euros), which are included in the total debt of the Group.

The breakdown of Financial debt by maturity, is as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Bank loans		
Up to 1 year	95,996	100,270
1 to 5 years	323,960	319,176
Over 5 years	395,746	473,006
	815,702	892,452
Non convertible bonds		
1 to 5 years	29,883	-
	29,883	-
Loans from shareholders of group entities		
Up to 1 year	35,072	114,082
1 to 5 years	2,199,205	241,000
Over 5 years	583,648	2,602,114
	2,817,925	2,957,196
Commercial Paper		
Up to 1 year	6,139	-
	6,139	-
Other loans		
Up to 1 year	10,924	2,885
1 to 5 years	11,363	21,787
	22,287	24,672
	3,691,936	3,874,320

The fair value of EDP Renováveis Group's debt is analysed as follows:

	31 Dec 2013		31 Dec 2012	
Thousands of Euros	Carrying Value	Market Value	Carrying Value	Market Value
Financial debt - Non-current	3,543,805	3,512,894	3,657,083	3,468,395
Financial debt - Current	148,131	148,131	217,237	217,237
	3,691,936	3,661,025	3,874,320	3,685,632

The market value of the medium/long-term (non-current) debt and borrowings that bear a fixed interest rate is calculated based on the discounted cash flows at the rates ruling at the balance sheet date. The market value of debt and borrowing that bear a floating interest rate is considered not to differ from its book value as these loans bear interest at a rate indexed to Euribor. The book value of the short-term (current) debt and borrowings is considered to be the market value.

As at 31 December 2013, the scheduled repayments of Group's debt are as follows:

Thousands of Euros	Total	2014	2015	2016	2017	2018	Subsequent years
Debt and borrowings - Non-current	3,543,805	-	114,995	331,491	82,893	2,035,032	979,394
Debt and borrowings - Current	148,131	148,131	-	-	-	-	-
	3,691,936	148,131	114,995	331,491	82,893	2,035,032	979,394

The breakdown of guarantees is presented in note 37 to the financial statments accounts.

The breakdown of Financial debt, by currency, is as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Loans denominated in EUR	2,134,579	2,173,786
Loans denominated in USD	1,333,401	1,508,329
Loans denominated in other currencies	223,956	192,205
	3,691,936	3,874,320

31. PROVISIONS

Provisions are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Dismantling and decommission provisions	66,468	63,336
Provision for other liabilities and charges	1,873	267
Employee benefits	198	222
	68,539	63,825

Dismantling and decommission provisions refer to the costs to be incurred with dismantling wind farms and restoring sites and land to their original condition, in accordance with the accounting policy described in note 2 o). The above amount respects mainly to 37,960 thousands of Euros for wind farms in the United States of America (31 December 2012: 37,652 thousands of Euros) and 27,715 thousands of Euros for wind farms in Europe (31 December 2012: 24,810 thousands of Euros).

EDP Renováveis believes that the provisions booked on the consolidated statement of financial position adequately cover the foreseeable obligations described in this note. Therefore, it is not expected that they will give rise to liabilities in addition to those recorded.

As at 31 December 2013 and 2012, the EDP Renováveis Group does not have any significant tax-related contingent liabilities or contingent assets related to unresolved disputes with the tax authorities.

The movements in Provisions for dismantling and decommission provisions are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Balance at the beginning of the year	63,336	57,694
Capitalised amount for the year	1,362	3,092
Unwinding	3,660	3,366
Other and exchange differences	-1,890	-816
Balance at the end of the year	66,468	63,336

Capitalised amount for the year and other includes the impact of the update of dismantling provisions assumptions.

The movements in Provision for other liabilities and charges are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Balance at the beginning of the year	267	288
Charge for the year	1,290	-
Write back for the year	-	-3
Other and exchange differences	316	-18
Balance at the end of the year	1,873	267

32. INSTITUTIONAL PARTNERSHIPS IN US WIND FARMS

This caption is analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Deferred income related to benefits provided	672,154	737,598
Liabilities arising from institutional partnerships in US wind farms	836,341	942,155
	1,508,495	1,679,753

The movements in Institutional partnerships in US wind farms are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Balance at the beginning of the year	1,679,753	1,783,861
Cash paid to institutional investors	-35,579	-14,983
Income (see note 7)	-125,101	-127,350
Unwinding (see note 13)	60,840	68,431
Exchange differences	-68,930	-32,601
Others	-2,488	2,395
Balance at the end of the year	1,508,495	1,679,753

The Group has entered in several partnerships with institutional investors in the United States, through limited liability companies operating agreements that apportions the cash flows generated by the wind farms between the investors and the Company and allocates the tax benefits, which include Production Tax Credits (PTC), Investment Tax Credits (ITC) and accelerated depreciation, largely to the investor.

33. TRADE AND OTHER PAYABLES FROM COMMERCIAL ACTIVITIES

Trade and other payables from commercial activities are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Trade and other payables from commercial activities - Non-current		
Government grants / subsidies for investments in fixed assets	379,975	323,763
Electricity sale contracts - EDPR NA	35,750	49,449
Other creditors and sundry operations	2,415	3,291
	418,140	376,503
Trade and other payables from commercial activities - Current		
Suppliers	69,852	78,341
Property and equipment suppliers	330,274	579,540
Other creditors and sundry operations	78,727	46,729
	478,853	704,610
	896,993	1,081,113

Government grants for investments in fixed assets are essentially related to grants received by EDPR NA subgroup under the American Recovery and Reinvestment Act promoted by the United States of America Government (see note 1).

At the moment of the EDPR North America acquisition, the contracts signed between this subsidiary and its customers, determined under the terms of the Purchase Price Allocation, were valued through discounted cash flow models and market assumptions at 190,400 thousands of USD, being booked as a non-current liability under Electricity sale contracts - EDPR NA, which is depreciated over the useful life of the contracts under Other operational income (see note 8).

34. OTHER LIABILITIES AND OTHER PAYABLES

Other liabilities and other payables are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Other liabilities and other payables - Non-current		
Success fees payable for the acquisition of subsidiaries	14,172	39,496
Loans from non-controlling interests	125,693	30,864
Derivative financial instruments	98,655	182,318
Other creditors and sundry operations	1,250	6,146
	239,770	258,824
Other liabilities and other payables - Current		
Success fees payable for the acquisition of subsidiaries	-	11,663
Derivative financial instruments	37,105	63,079
Loans from non-controlling interests	49,571	37,700
Other creditors and sundry operations	47,835	45,434
	134,511	157,876
	374,281	416,700

Success fees payable for the acquisition of subsidiaries non-current includes mainly the amounts related to the contingent prices of several European and Brazilian projects. The reduction occurred in this caption is related with the contingent price revision associated with the acquisitions of Polish wind farms in the amount of 17,423 thousands of Euros and Greenwind in the amount of 1,750 thousands of Euros, and the revision of the contingent price associated to several French due to projects cancellation in the amount of 1,705 thousands of Euros. Additionally, also includes the exercise of the remaining put option of 6.48% over EDPR Italia share capital in the amount of 2,894 thousands of Euros (see note 17).

The variation in the caption Success fees payable for the acquisition of subsidiaries current includes mainly the payment of the success fees of the solar photovoltaic companies held by EDPR-RO-PV, S.R.L. in the amount of 9,444 thousands of Euros and of Feijão in the amount of 1,842 thousands of Euros.

Derivative financial instruments current and non-current includes 62,874 and 19,898 thousands of Euros respectively (31 December 2012: 128,493 and 41,369 thousands of Euros respectively) related to a hedge instrument of USD and EUR with EDP Branch, which was formalised in order to hedge the foreign exchange risk of the net investment held in EDPR NA, expressed in USD (see note 36).

The variation in the caption Loans from non-controlling interests Current and Non-Current is mainly related to EDPR Portugal loan formerly due to EDPR-EU in the second quarter of 2013 in the amount of 110,529 thousands of Euros that following the sale process of 49% of its shareholding in EDPR Portugal to CTG, shareholder of EDP Group, were also acquired by CTG. The maturity date of this loan is December 2022, bearing interest at a fixed rate of 5.5% and the interests are paid half-yearly. At 31 December 2013, this loan amounts to 99,414 thousands of Euros.

Other creditors and sundry operations - current include 30,915 thousands of Euros (31 December 2012: 35,220 thousands of Euros) related with the estimated corporate income tax due to EDP Energias de Portugal, S.A. Sucursal en España.

According to Spanish law 15/2010 of 5 July the Group disclose the details of payments made from Spanish companies to suppliers during the year 2013 (distinguishing those who have exceeded the legal limits of postponement), the average payments period, the outstanding balances that at 31 December 2013 and 2012 with an overdue greater than the legal period, are the following:

	Payments and outstandig payments at year end			
	31 Dec 2013		**31 Dec 2012**	
Thousands of Euros	**Value**	**%**	**Value**	**%**
Within the legal deadline	123,871	70.51%	197,375	82.28%
Rest	51,813	29.49%	42,503	17.72%
Total payments for the year	175,684	100.00%	239,878	100.00%
Average payment period (days)	146.95		66.55	
Outstanding balances with an overdue greater than the legal period	5,890		16,212	

At 31 December 2013, the outstanding balances with an overdue greater then the legal period includes 2,672 thousands of Euros regarding group companies (31 December 2012: 10,560 thousands of Euros).

This law stipulates a maximum legal payment period of 60 days in 2013 and 75 days in 2012. The Company has applied this criterion when preparing the information required by the Spanish Accounting and Auditing Institute (ICAC) resolution of 29 December 2010 on disclosures in notes to financial statements of late payments to suppliers in commercial transactions, and as such the information for 2013 and 2012 is not directly comparable.

35. CURRENT TAX LIABILITIES

This caption is analysed as follows:

Thousands of Euros	**31 Dec 2013**	**31 Dec 2012**
Income tax	53,302	17,283
Withholding tax	16,884	18,193
Value added tax (VAT)	16,225	17,877
Other taxes	12,238	3,490
	98,649	56,843

36. DERIVATIVE FINANCIAL INSTRUMENTS

In accordance with IAS 39, the Group classifies the derivative financial instruments as a fair value hedge of an asset or liability recognised, as a cash flow hedge of recorded liabilities and forecast transactions considered highly probable or net investment hedge in foreign operations.

As of 31 December 2013, the fair value and maturity of derivatives is analysed as follows:

	Fair Value		Notional			
Thousands of Euros	Assets	Liabilities	Until 1 year	From 1 to 5 years	More than 5 years	Total
Net investment hedge						
Cross currency rate swaps	12,438	-82,772	438,827	1,509,759	-	1,948,586
Currency forwards	2,360	-	33,305	-	-	33,305
	14,798	-82,772	472,132	1,509,759	-	1,981,891
Cash flow hedge						
Power price swaps	4,164	-5,378	55,769	61,578	-	117,347
Interest rate swaps	-	-33,263	47,342	214,592	269,229	531,163
Currency forwards	169	-	2,749	-	-	2,749
	4,333	-38,641	105,860	276,170	269,229	651,259
Trading						
Power price swaps	5,046	-7,863	30,965	46,818	-	77,783
Interest rate swaps	-	-110	470	1,881	-	2,351
Cross currency rate swaps	486	-86	-	69,750	-	69,750
Currency forwards	639	-6,288	539,199	-	-	539,199
	6,171	-14,347	570,634	118,449	-	689,083
	25,302	-135,760	1,148,626	1,904,378	269,229	3,322,233

As of 31 December 2012, the fair value and maturity of derivatives is analysed as follows:

	Fair Value		Notional			
Thousands of Euros	Assets	Liabilities	Until 1 year	1 to 5 years	More than 5 years	Total
Net investment hedge						
Cross currency rate swaps	3,646	-170,296	1,132,501	122,412	693,674	1,948,587
	3,646	-170,296	1,132,501	122,412	693,674	1,948,587
Cash flow hedge						
Power price swaps	5,589	-3,316	230,797	98,354	-	329,151
Interest rate swaps	-	-54,288	120,888	187,975	270,335	579,198
	5,589	-57,604	351,685	286,329	270,335	908,349
Trading						
Power price swaps	3,233	-3,324	19,012	898	-	19,910
Interest rate swaps	-	-172	470	1,881	470	2,821
Cross currency rate swaps	-	-1,045	-	57,000	-	57,000
Currency forwards	-	-12,956	428,744	9,290	-	438,034
	3,233	-17,497	448,226	69,069	470	517,765
	12,468	-245,397	1,932,412	477,810	964,479	3,374,701

The fair value of derivative financial instruments is recorded under Other debtors and other assets (note 24) or Other liabilities and other payables (note 34), if the fair value is positive or negative, respectively.

The net investment derivatives are related to the Group CIRS in USD and EUR with EDP Branch as referred in the notes 38 and 39. The net investment derivatives also include Currency forwards in CAD and CIRS in PLN and BRL with EDP with the purpose of hedging EDP Renováveis Group's operations in Canada, Poland and Brazil.

Interest rate swaps are related to the project finances and have been formalised to convert variable to fixed interest rates.

Cash flow hedge power price swaps are related to the hedging of the sales price. EDPR NA has entered into a power price swap to hedge the variability in the spot market prices received for a portion of the production of Maple Ridge I project. Additionally, both EDPR NA and EDPR EU have entered in short term hedges to hedge the short term volatility of certain un-contracted generation of its wind farms.

In certain US power markets, EDPR NA is exposed to congestion and line loss risks which typically have a negative impact on the price received for power generated in these markets. To economically hedge these risk exposures, EDPR NA entered into Financial Transmission Rights ("FTR") and a three year fixed for floating Locational Marginal Price (LMP) swap.

The trading derivative financial instruments are derivatives contracted for economic hedging that are not eligible for hedge accounting.

Fair value of derivative financial instruments is based on quotes indicated by external entities. These entities use discount cash flows techniques usually accepted and data from public markets. As such, according to IFRS13 requirements, the fair value of the derivative financial instruments is classified as of Level 2 (note 39).

The changes in the fair value of hedging instruments and risks being hedged are as follows:

Thousands of Euros	Hedging instrument	Hedged item	31 Dec 2013 Changes in fair value Instrument	31 Dec 2013 Changes in fair value Risk	31 Dec 2012 Changes in fair value Instrument	31 Dec 2012 Changes in fair value Risk
Net Investment hedge	Cross currency rate swaps	Subsidiary accounts in USD, PLN and BRL	96,316	-95,793	34,014	-33,410
Net Investment hedge	Currency forward	Subsidiary accounts in CAD	2,360	-2,360	-	-
Cashflow hedge	Interest rate swap	Interest rate	21,025	-	-33,953	-
Cashflow hedge	Power price swaps	Power price	-3,487	-	-3,670	-
Cashflow hedge	Currency forward	Exchange rate	169	-	-	-
			116,383	-98,153	-3,609	-33,410

During 2013 and 2012 the following market inputs were considered for the fair value calculation:

Instrument	Market input
Cross currency interest rate swaps	Fair value indexed to the following interest rates: Euribor 3M, Euribor 6M, daily brazilian CDI, Wibor 3M; and exchange rates: EUR/BRL, EUR/PLN e EUR/USD.
Interest rate swaps	Fair value indexed to the following interest rates: Euribor 3M, Euribor 6M and Wibor 6M.
Foreign exchange forwards	Fair value indexed to the following exchange rates: USD/EUR, EUR/RON, EUR/PLN, CAD/DKK, CAD/USD and EUR/CAD.
Power price swaps	Fair value indexed to the price of electricity.

The movements in cash flow hedge reserve have been as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Balance at the beginning of the year	-64,400	-24,458
Fair value changes	24,430	-43,595
Transfers to results	3,072	-2,249
Non-controlling interests included in fair value changes	-3,372	7,375
Effect of the acquisition of 3% of Relax Wind Park I, S.P. ZO.O and 30% of Greenwind, S.A.	-534	-1,473
Balance at the end of the year	-40,804	-64,400

EDPR has adopted cashflow hedge accounting in order to hedge exchange rate risk in the future sell of green certificates granted to Cernavoda, Pestera and VS windfarms in Roménia. The sell price is indexed to EUR/RON exchange rate for which EDPR elected as hedging instrument the project finance loans contracted in EUR for those projects.

The gains and losses on the financial instruments portfolio booked in the income statement are as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Net investment hedge - inefectiveness	523	604
Cash-flow hedge		
Transfer to results from hedging of financial liabilities	2,711	944
Transfer to results from hedging of commodity prices	-5,783	1,305
Ineffectiveness	-	-
Non eligible for hedge accounting derivatives	-5,467	-12,363
	-8,016	-9,510

The amount from transfers to results from hedging of commodity prices is registered in Revenues while the remaining gains and losses are registered in Financial income and Financial expense, respectively (see note 13).

The effective interest rates for derivative financial instruments associated with financing operations during 2013, were as follows:

	EDP Renováveis Group		
	Currency	Pays	Receives
Interest rate contracts			
Interest rate swaps	EUR	[1,36% - 4,95%]	[0,33% - 0,39%]
Interest rate swaps	PLN	[3,30% - 5,41%]	[2,70% - 0,33%]
Currency and interest rate contracts			
CIRS (currency interest rate swaps)	EUR/USD	[1,35% - 4,25%]	[1,19% - 4,19%]
CIRS (currency interest rate swaps)	EUR/BRL	[7,62% - 7,91%]	[0,22% - 0,29%]
CIRS (currency interest rate swaps)	EUR/PLN	[1,73% - 2,55%]	[0,25% - 0,29%]

The effective interest rates for derivative financial instruments associated with financing operations during 2012, were as follows:

	EDP Renováveis Group		
	Currency	Pays	Receives
Interest rate contracts			
Interest rate swaps	EUR	[1,36% - 5,01%]	[0,18% - 0,75%]
Interest rate swaps	PLN	5.41%	4.22%
Currency and interest rate contracts			
CIRS (currency interest rate swaps)	EUR/USD	[0,35% - 4,00%]	[0,20% - 3,90%]
CIRS (currency interest rate swaps)	EUR/BRL	[5,38% - 5,65%]	[0,19% - 0,22%]
CIRS (currency interest rate swaps)	EUR/PLN	[3,16% - 3,84%]	0.19%

37. COMMITMENTS

As at 31 December 2013 and 2012, the financial commitments not included in the statement of financial position in respect of financial, operational and real guarantees provided, are analysed as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
Guarantees of financial nature		
EDPR NA Group	3,263	3,411
	3,263	3,411
Guarantees of operational nature		
EDP Renováveis, S.A.	314,979	762,197
EDPR NA Group	499,612	368,113
EDPR EU Group	44,646	69,285
EDPR BR Group	8,609	9,215
	867,846	1,208,810
Total	871,109	1,212,221
Real guarantees	16,166	14,065

As at 31 December 2013 and 31 December 2012, EDPR has operational guarantees regarding its commercial activity, in the amount of 303,182 thousands of Euros and 494,327 thousands of Euros, already reflected in liabilities.

Regarding the information disclosed above:

i) The Group has project finance financings that include the usual guarantees on this type of financings, namely the pledge or a promise of pledge of bank accounts and assets of the related projects. As at 31 December 2013, these financings amount to 805,443 thousands of Euros (31 December 2012: 815,562 thousands of Euros), which are included in the total debt of the Group;

ii) EDPR NA is providing its tax equity investors with standard corporate guarantees typical of these agreements to indemnify them against costs they may incur as a result of fraud, willful misconduct or a breach of EDPR NA of any operational obligation under the tax equity agreements. As at 31 December 2013 and 2012, EDPR's obligations under the tax equity agreements, in the amount of 803,006 thousands of Euros and 901,301 thousands of Euros, respectively are reflected in the statement of financial position under the caption Institutional Partnerships in US Wind farms.

The EDPR Group financial debt, lease and purchase obligations by maturity date are as follows:

	31 Dec 2013				
	Debt capital by period				
Thousands of Euros	**Total**	**Up to 1 year**	**1 to 3 years**	**3 to 5 years**	**More than 5 years**
Financial debt (including interests)	4,622,605	318,906	787,291	458,163	3,058,245
Operating lease rents not yet due	753,253	31,023	59,615	58,827	603,788
Purchase obligations	735,746	473,681	95,682	47,323	119,060
	6,111,604	823,610	942,588	564,313	3,781,093

	31 Dec 2012				
	Debt capital by period				
Thousands of Euros	**Total**	**Up to 1 year**	**1 to 3 years**	**3 to 5 years**	**More than 5 years**
Financial debt (including interests)	4,881,982	278,215	537,579	735,867	3,330,321
Operating lease rents not yet due	978,488	37,759	77,249	76,600	786,880
Purchase obligations	686,894	369,037	144,244	43,511	130,102
	6,547,364	685,011	759,072	855,978	4,247,303

Purchase obligations include debts related with long-term agreements of product and services supply related to the Group operational activity. When prices are defined under forward contracts, these are used in estimating the amounts of the contractual commitments.

The Operating lease rents not yet due are essentially related with the land where the wind farms are built. Usually the leasing period cover the useful life of the wind farms.

As at 31 December 2013 the Group has the following contingent liabilities/rights related with call and put options on investments:

- EDP Renováveis, through its subsidiary EDPR EU, holds a call option over Cajastur for all the shares held by Cajastur on company "Quinze Mines" (51% of share capital). Cajastur holds an equivalent put option on these shares over EDPR EU. The price of exercising these options will be determined under an independent investment bank valuation process. This options can be exercised between 17 July 2014 and 17 July 2016, inclusively;

- EDP Renováveis, through its subsidiary EDPR EU, holds a call option over Cajastur for 51% of interest held by Cajastur in the companies Sauvageons, Le Mee and Petite Pièce. Cajastur holds an equivalent put option on these shares over EDPR EU. The price of exercising these options will be determined under an independent investment bank valuation process. This options can be exercised between 1 January 2013 and 31 December 2014, inclusively;

- EDP Renováveis, through its subsidiary EDPR EU, holds a call option over the remaining shareholders of Re Plus (WPG, Galilea and Gant Partners) for 10% of its share capital. The price of exercising these options is 7,500 thousands of Euros. The options can be exercised (i) if a change occur in the shareholding structure of the remaining shareholders of Re Plus and (ii) always before the last project starts in operation;

- EDP Renováveis, through its subsidiary EDPR EU, holds a put option of 15% of the share capital of Rowy, over the other shareholders. The exercise price is 80% of equity value with a cap of 5,000 thousands of Euros. The exercise period is the earlier of (i) two years following the beginning of construction date or (ii) 31 December 2019;

- EDP Renováveis holds, through its subsidiary EDPR EU, a call option of the remaining 40% of the share capital of J&Z Wind Farms SP. ZO.O., whose exercise price corresponds to 90% of the market value of this participation. This option can be exercised between 3 and 5 years after the start of construction works of the first park;

- EDP Renováveis holds, through its subsidiary South África Wind & Solar Power, S.L., a call option of an additional 42,5% of the share capital of Modderfontein Wind Energy Project, Ltd., whose exercise price corresponds to the amounts contributed by the other partner to Modderfontein project development. This option can be exercised from the date of the agreement until 45 calendar days before the deadline for submission of tenders for the next auction of energy;

- EDP Renováveis holds, through its subsidiary EDPR EU, a call option of the remaining 35% of the share capital of Molen Wind II, S.P. ZO.O., whose exercise price corresponds to 90% of the market value of this participation. This option can be exercised until 2 years after the maturity of financial debt for the park construction.

38. RELATED PARTIES

The number of shares held by company officers as at 31 December 2013 and 2012 are as follows:

	31 Dec 2013 No. of shares	31 Dec 2012 No. of shares
Executive Board of Directors		
António Luís Guerra Nunes Mexia	4,200	4,200
Nuno Maria Pestana de Almeida Alves	5,000	5,000
Rui Manuel Rodrigues Lopes Teixeira	12,370	12,370
Acácio Jaime Liberado Mota Piloto	300	-
António do Pranto Nogueira Leite	400	-
Gabriel Alonso Imaz	26,503	26,503
João José Belard da Fonseca Lopes Raimundo	840	840
João Manuel de Mello Franco	380	380
João Manuel Veríssimo Marques da Cruz	1,200	1,200
João Paulo Nogueira Sousa Costeira	3,000	3,000
Jorge Manuel Azevedo Henriques dos Santos	200	200
José António Ferreira Machado	630	-
José Fernando Maia de Araújo e Silva	80	80
	55,103	**53,773**

According to Article 229º of "Ley de Sociedades de Capital" (Spanish Companies Law), the members of the Board of Directors of EDP Renováveis have not communicated, or the parent company has knowledge, of any conflict of interests or incompatablity that could affect the performance of their duties.

The board members of the parent company, complying with the article 229º of the Spanish Companies Law, declared that they and their related parties do not exercise positions of responsibility in companies with the same, similar or complementary activity of EDP Renováveis Group parent company, and they do not have exercised by their own or through third entities any activity in companies with the same, similar or complementary activity of EDP Renováveis Group parent company, with the following exceptions:

Board Member **Company**	**Position**
António Luís Guerra Nunes Mexia	
EDP - Energias de Portugal, S.A.	Chairperson of the Executive Board of Directors
EDP - Energias do Brasil, S.A.	Chairperson of the Board of Directors
EDP Finance BV	Representative
EDP - Energias de Portugal Sociedade Anónima, Sucursal en España	Permanent Representative
João Manuel Manso Neto:	
Naturgás Energia, S.A.	Member of the Board
EDP - Energias de Portugal, S.A.	Member of the Board
EDP Finance BV	Representative
EDP - Energias de Portugal Sociedade Anónima, Sucursal en España	Permanent Representative
EDP Energia Ibérica S.A.	Member of the Board
EDP Energía Gas SL	Member of the Board
EDP Gás.com - Comércio de Gás Natural, S.A.	Chairperson of the Board of Directors
EDP Renewables Europe, S.L.	Chairperson of the Board of Directors
EDP Renováveis Brasil, S.A.	Chairperson of the Board of Directors
Hidroeléctrica del Cantábrico, S.A.	Member of the Board
ENEOP - Eólicas de Portugal, S.A.	Chairperson of the Board of Directors
EDP Energia Ibérica S.A.	Member of the Board

Board Member **Company**	**Position**
Nuno Maria Pestana de Almeida Alves:	
EDP - Energias de Portugal, S.A.	Member of the Board
EDP - Energias do Brasil, S.A.	Member of the Board
EDP - Energias de Portugal Sociedade Anónima, Sucursal en España	Permanent Representative
EDP Finance BV	Representative
EDP - Estudos e Consultoria, S.A.	Chairperson of the Board of Directors
EDP - Imobiliária e Participacões, S.A.	Chairperson of the Board of Directors
Energia RE, S.A.	Chairperson of the Board of Directors
SCS - Serviços Complementares de Saúde, S.A.	Chairperson of the Board of Directors
Sãvida - Medicina Apoiada, S.A.	Chairperson of the Board of Directors
Hidroeléctrica del Cantábrico, S.A.	Member of the Board
Balwerk - Consultadoria Económica e Participacões, Soc.Unip.Lda	Manager
João Manuel Veríssimo Marques da Cruz:	
EDP - Energias de Portugal, S.A.	Member of the Board
EDP – Ásia Investimentos e Consultoria, Lda.	Chairperson of the Board of Directors
EDP – Ásia Soluções Energéticas Lda.	Chairperson of the Board of Directors
EDP Valor - Gestão Integrada de Servicos, S.A.	Chairperson of the Board of Directors
EDP Finance BV	Representative
Companhia de Electricidade de Macau - CEM, S.A.	Chairperson of the Board of Directors
Manuel Menéndez Menéndez:	
Naturgás Energía, S.A.	Chairperson of the Board of Directors
Hidroeléctrica del Cantábrico, S.A.	Chairperson of the Board of Directors
Rui Manuel Rodrigues Lopes Teixeira:	
EDP Renewables Europe, S.L.	Member of the Board
South Africa Wind & Solar Power SLU	Member of the Board
EDP Renewables SGPS, S.A.	Member of the Board
EDPR PT - Promocão e Operacão, S.A.	Member of the Board
EDP Renováveis Portugal, S.A.	Member of the Board
Malhadizes – Energia Eólica, S.A.	Member of the Board
EDP Renewables Canada LP Ltd.	Member of the Board
EDPR Renewables Canada GP Ltd.	Member of the Board
SBWF GP Inc.	Member of the Board
South Branch Wind Farm Inc.	Member of the Board
Eolia Renewable Energy Canada Inc.	Member of the Board
0867242 B.C. Ltd.	Member of the Board
EDP Renewables Canada, Ltd	Member of the Board
Relax Wind Park I SP. Z O.O.	Member of the Supervisory Board
Relax Wind Park II SP. Z O.O.	Member of the Supervisory Board
Relax Wind Park III SP. Z O.O.	Member of the Supervisory Board
Relax Wind Park IV SP. Z O.O.	Member of the Supervisory Board
EDP Renewables Polska SP. Z O.O	Member of the Board
Elektrownia Wiatrowa Kresy I SP. Z O.O.	Member of the Board
Masovia Wind Farm I SP. Z O.O.	Member of the Board
Farma Wiatrowa Starozreby SP. Z O.O.	Member of the Board
Karpacka Mala Energetyka SP. Z O.O	Member of the Board
EDPR UK, Ltd	Member of the Board
Maccoll Offshore Windfarm, Ltd	Member of the Board
Stevenson Offshore Windfarm, Ltd	Member of the Board
Telford Offshore Windfarm, Ltd	Member of the Board
Moray Offshore Renewables, Ltd	Member of the Board
EDP Renováveis Servicios Financieros S.L.U	Member of the Board
EDP Renováveis Brasil, S.A.	Member of the Board

Board Member Company	Position
João Paulo Nogueira Sousa Costeira:	
EDP Renewables Europe, S.L.	Member of the Board
EDP Renováveis Portugal, S.A.	Chairperson of the Board of Directors
EDP Renováveis Brasil, S.A.	Member of the Board
EDP Renewables South Africa, Proprietary Limited	Chairperson of the Board of Directors
South Africa Wind & Solar Power SLU	Chairperson of the Board of Directors
EDP Renováveis Servicios Financieros, S.L.U	Member of the Board
Malhadizes - Energia Eólica, S.A.	Chairperson of the Board of Directors
ENEOP 2 - Exploração de Parques Eolicos, S.A.	Chairperson of the Board of Directors
EDP Renewables Romania, Srl	Member of the Board
Cernavoda Power, Srl	Member of the Board
Greenwind, S.A.	Chairperson of the Board of Directors
EDP Renewables France, S.A.	Chairperson of the Board of Directors
Centrale Eolienne Neo Truc de l'Homme, SAS	Chairperson of the Board of Directors
Parc Eolien des Vatines	Chairperson of the Board of Directors
Parc Eolien du Clos Bataille	Chairperson of the Board of Directors
Parc Eolien de Varimpre	Chairperson of the Board of Directors
Parc Eolien des Bocages	Joint Director
Parc Eolien des Longs Champs	Joint Director
Socpe de la Mardelle	Joint Director
Socpe de la Vallée du Moulin	Joint Director
Socpe de Sauvageons	Joint Director
Socpe des Quinze Mines	Joint Director
Socpe Le Mée	Joint Director
Socpe Petite Pièce	Joint Director
CE Canet Pont de Salars SAS	Chairperson of the Board of Directors
CE Gueltas Noyal Pontivy	Chairperson of the Board of Directors
CE Patay SAS	Chairperson of the Board of Directors
CE Saint Barnabé SAS	Chairperson of the Board of Directors
CE Segur SAS	Chairperson of the Board of Directors
Monts de la Madeleine Energie SAS	Chairperson of the Board of Directors
Monts du Forez Energie SAS	Chairperson of the Board of Directors
Eolienne de Callengeville, SAS	Chairperson of the Board of Directors
Neo Plouvien, SAS	Chairperson of the Board of Directors
Parc Eolien de la Hetroye, SAS	Chairperson of the Board of Directors
Eolienne de Saugueuse, SARL	Joint Director
Eolienne des Bocages, SARL	Joint Director
Eolienne d'Etalondes, SARL	Joint Director
Parc Eolien d'Ardennes, SARL	Joint Director
Parc Eolien de Mancheville, SARL	Joint Director
Parc Eolien de Roman, SARL	Joint Director
EDP Renewables Polska SP. Z O.O	Member of the Board
Elektrownia Wiatrowa Kresy I SP. Z O.O.	Member of the Board
Masovia Wind Farm I SP. Z O.O.	Member of the Board
Farma Wiatrowa Starozreby SP. Z O.O.	Member of the Board
Karpacka Mala Energetyka SP. Z O.O	Member of the Board
Relax Wind Park I SP. Z O.O	Member of the Supervisory Board
Relax Wind Park III SP. Z O.O	Member of the Supervisory Board
EDPR UK, Ltd	Member of the Board
Moray Offshore Renewables, Ltd	Member of the Board
Maccoll Offshore Windfarm, Ltd	Member of the Board
Stevenson Offshore Windfarm, Ltd	Member of the Board
Telford Offshore Windfarm, Ltd	Member of the Board
EDP Renewables Italia, Srl	Member of the Board
Operação e Manuntenção Industrial, S.A.	Member of the Board
EDP Renewables SGPS S.A.	Chairperson of the Board of Directors
EDPR PT - Promoção e Operação S.A.	Chairperson of the Board of Directors

Board Member / **Company**	**Position**
Gabriel Alonso Imaz:	
EDP Renewables Canada, Ltd.	Chief Executive Officer
EDP Renewables North America, LLC and subsidiaries (see annex I)	Chief Executive Officer
American Wind Energy Association	Chair and Executive Board Member

Additionally the board members have comunicated that they do not own any interest in the share capital of any other company with the same, similar or complementary activity of EDP Renováveis Group, with the following exceptions:

Board Member / **Company**	**Number of shares**
António Luís Guerra Nunes Mexia:	
EDP - Energias de Portugal, S.A.	41,000
EDP - Energias do Brasil, S.A.	1
João Manuel Manso Neto:	
EDP - Energias de Portugal, S.A.	1,268
Nuno Maria Pestana de Almeida Alves:	
EDP - Energias de Portugal, S.A.	125,000
EDP - Energias do Brasil, S.A.	1
João Manuel Veríssimo Marques da Cruz:	
EDP - Energias de Portugal, S.A.	3,878
Gabriel Alonso Imaz:	
Gamesa Corp. Tec. S.A.	7,880
Iberdrola	27
Teresa Sancho, related person of Gabriel Alonso Imaz:	
Gamesa Corp. Tec. S.A.	12,880
Iberdrola	27
Rui Manuel Rodrigues Lopes Teixeira:	
EDP - Energias de Portugal, S.A.	19,843
Lina Dantas Martins, related person of Rui Manuel Rodrigues Lopes	
EDP - Energias de Portugal, S.A.	4,340
Acácio Jaime Liberado Mota Piloto	
EDP - Energias de Portugal, S.A.	15,000
João Manuel de Mello Franco:	
EDP - Energias de Portugal, S.A.	4,550
REN - Redes Energéticas Nacionais, S.G.P.S., S.A.	980
Jorge Manuel Azevedo Henriques dos Santos:	
EDP - Energias de Portugal, S.A.	2,379

Remuneration of company officers

In accordance with the Company's by-laws, the remuneration of the members of the Board of Directors is proposed by the Nominations and Remunerations Committee to the Board of Directors on the basis of the overall amount of remuneration authorized by the General Meeting of Shareholders. The Board of Directors approves the distribution and exact amount paid to each Director on the basis of this proposal.

The remuneration paid to the members of the Executive Board of Directors in 2013 and 2012 were as follows:

Thousands of Euros	31 Dec 2013	31 Dec 2012
CEO	-	567
Board members	539	397
	539	**964**

EDPR signed an Executive Management Services Agreement with EDP, under which EDP bears the cost for the services render by its Executive Directors.This corporate governance practice of remuneration is in line with the model adopted by the EDP Group, in which the executive Directors of EDP do not receive any remuneration directly from the group companies on whose governing bodies they serve, but rather through EDP.

Under this contract, EDP Renováveis is due to pay an amount of 994 thousands of Euros (variable and fixed remuneration) for management services rendered by EDP through 2013 (1,295 thousands of Euros in 2012).

Additionally, in 2013 the remuneration of the members of the Executive Committee that are also Officers and received their remuneration as EDPR employees, excluding the Chief Executive Officer and Gabriel Alonso Imaz (that received his remuneration through EDPR North America as mentioned below) was 611 thousands of Euros (31 December 2012: 1,231 thousands of Euros). Due to the termination of the expatriation conditions of three Officers (CFO, COO EU and COO NA), new employment contracts were signed with other group companies, as follows:
- Gabriel Alonso with EDP Renewables North America LLC on 31 December 2012;
- João Paulo Costeira with EDP Energias de Portugal, S.A. Sucursal en España on 30 November 2013; and
- Rui Teixeira with EDP Energias de Portugal, S.A. Sucursal en España on 31 October 2013.

The total remuneration paid in 2013 from the moment they became employees of the previous mentioned companies was 415 thousands of Euros.

The retirement savings plan for the members of the Executive Committee not including the Chief Executive Officer range betweeen 3% to 6% of their annual salary.

As at 31 December 2013 and 2012 there are no outstanding loans and advances with company officers and key management.

The Company has no pension or life insurance obligations with its former or current Board members in 2013 or 2012.

Relevant balances and transactions with subsidiaries and associates of China Three Gorges Group

With the sale of 49% of EDPR Portugal equity shareholding to CTG through CITIC CWEI Renewables S.C.A, the EDPR Group has loans of CTG in the amount of 99 millions of Euros (9 millions of Euros as current and 90 millions of Euros as non-current).

Balances and transactions with EDP Group companies

As at 31 December 2013, assets and liabilities with related parties, are analysed as follows:

	Assets		
Thousands of Euros	Loans and interests to receive	Others	Total
EDP Energias de Portugal, S.A.	-	20,456	20,456
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	9,771	9,771
Hidrocantábrico Group companies (electric sector)	1	48,285	48,286
Associated companies	331,583	1,484	333,067
Other EDP Group companies	63,778	42,895	106,673
	395,362	122,891	518,253

Thousands of Euros	Liabilities		
	Loans and interests to pay	Others	Total
EDP Energias de Portugal, S.A.	-	10,040	10,040
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	119,528	119,528
Hidrocantábrico Group companies (electric sector)	24	1,904	1,928
Associated companies	-	48	48
Other EDP Group companies	2,817,125	9,989	2,827,114
	2,817,149	141,509	2,958,658

As at 31 December 2012, assets and liabilities with related parties, are analysed as follows:

Thousands of Euros	Assets		
	Loans and interests to receive	Others	Total
EDP Energias de Portugal, S.A.	-	7,027	7,027
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	217,358	7,951	225,309
Hidrocantábrico Group companies (electric sector)	2	49,873	49,875
Associated companies	255,316	1,037	256,353
Other EDP Group companies	65,404	41,902	107,306
	538,080	107,790	645,870

Thousands of Euros	Liabilities		
	Loans and interests to pay	Others	Total
EDP Energias de Portugal, S.A.	-	14,500	14,500
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	218,464	218,464
Hidrocantábrico Group companies (electric sector)	18	1,550	1,568
Associated companies	-	-	-
Other EDP Group companies	2,962,732	9,713	2,972,445
	2,962,750	244,227	3,206,977

Liabilities includes essentially loans obtained by EDP Renováveis from EDP Finance BV in the amount of 2,782,853 thousands of Euros (31 December 2012: 2,956,758 thousands of Euros)

With the purpose of hedging the foreign exchange risk of EDP Renováveis and EDP Branch, the EDP Group establishing a Cross-Currency Interest Rate Swap (CIRS) in USD and EUR between EDP Branch and EDP Renováveis. At each reporting date, this CIRS is revalued to its market value, which corresponds to a spot foreign exchange revaluation, resulting in a perfect hedge (revaluation of the investment in EPDR NA and of the USD external financing). As at 31 December 2013, the amount payable by EDP Renováveis to EDP Branch related to this CIRS amounts to 82,772 thousands of Euros (31 December 2012: 169,862 thousands of Euros) (see notes 34 and 36).

Transactions with related parties for the year ended 31 December 2013 are analysed as follows:

Thousands of Euros	Operating income	Financial income	Operating expenses	Financial expenses
EDP Energias de Portugal, S.A.	-	45,179	-1,955	-45,548
EDP Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	333	-8,236	-9,371
Hidrocantábrico Group companies (electric sector)	454,859	-	-4,236	-1,075
Associated companies	2,453	16,700	-278	-2,531
Other EDP Group companies	159,207	22,376	-6,243	-179,217
	616,519	84,588	-20,948	-237,742

Operating income includes mainly the electricty sales to suppliers of last resource in Portugal due to regulatory legislation and electricity sales to HC Group that act as a commercial agent of subsidiaries of EDPR Group in Spain. Hidroeléctrica del Cantábrico (HC Energia) is the parent company of an industrial group that operates in the electricity and gas sectors in Spain. In the electricity sector, HC Energia generates, distributes and supplies electricity.

Financial income and Financial expenses with EDP, S.A. are mainly related to derivative financial instruments, namely to a dequalification from cash flow hegde accounting of EDPR-Europe power swaps due to new regulation and to changes in market fair value.

Transactions with related parties for the year ended 31 December 2012 are analysed as follows:

Thousands of Euros	Operating income	Financial income	Operating expenses	Financial expenses
EDP Energias de Portugal, S.A.	10,595	1,479	-3,310	-16,268
EDP Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	2,878	-12,196	-6,489
Hidrocantábrico Group companies (electric sector)	403,965	-	-4,470	-890
Associated companies	912	10,999	-	-1
Other EDP Group companies	149,877	19,458	-5,826	-186,361
	565,349	34,814	-25,802	-210,009

As part of its operational activities, the EDP Renováveis Group must present guarantees in favour of certain suppliers and in connection with renewable energy contracts. Usually, these guarantees are granted by EDP, S.A., through EDP Branch. As at 31 December 2013, EDP, S.A. and Hidrocantábrico granted financial (45,235 thousands of Euros, 31 December 2012: 45,467 thousands of Euros) and operational (243,580 thousands of Euros, 31 December 2012: 375,772 thousands of Euros) guarantees to suppliers in favour of EDPR EU and EDPR NA. The operational guarantees are issued following the commitments assumed by EDPR EU and EDPR NA in relation to the acquisition of property, plant and equipment, supply agreements, turbines and energy contracts (power purchase agreements) (see note 37).

In the normal course of its activity, EDP Renováveis performs business transactions and operations with its related parties based on normal market conditions.

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value of financial instruments is based, whenever available, on quoted market prices. Otherwise, fair value is determined through internal models, which are based on generally accepted cash flow discounting techniques and option valuation models or through quotations supplied by third parties.

Non-standard instruments may require alternative techniques, which consider their characteristics and the generally accepted market practices applicable to such instruments. These models are developed considering the market variables that affect the underlying instrument, namely yield curves, exchange rates and volatility factors.

Market data is obtained from generally accepted suppliers of financial data (Bloomberg and Reuters).

As at 31 December 2013 and 2012, the following table presents the interest rate curves of the major currencies to which the Group is exposed. These interest rates were used as the base for the fair value calculations made through internal models referred above:

	31 Dec 2013 Currencies			31 Dec 2012 Currencies		
	EUR	USD	BRL	EUR	USD	BRL
3 months	0.29%	0.25%	10.50%	0.19%	0.31%	7.06%
6 months	0.39%	0.35%	10.79%	0.32%	0.51%	7.09%
9 months	0.49%	0.55%	10.94%	0.43%	0.69%	7.08%
1 year	0.56%	0.58%	11.06%	0.54%	0.84%	7.14%
2 years	0.52%	0.48%	11.93%	0.38%	0.39%	7.71%
3 years	0.73%	0.86%	12.49%	0.44%	0.48%	8.19%
5 years	1.25%	1.75%	12.91%	0.77%	0.83%	8.64%
7 years	1.68%	2.43%	13.07%	1.12%	1.27%	9.00%
10 years	2.15%	3.03%	13.20%	1.57%	1.81%	9.33%

Non-listed equity instruments, for which a reliable and consistent fair value estimate is not available either by internal models or external providers, are recognized at their historical cost.

Available-for-sale financial instruments and financial assets at fair value through profit or loss

Listed financial instruments are recognized at fair value based on market prices. The financial instruments for which reliable fair value estimates are not available, are recorded in the statement of financial position at their cost (note 19).

Cash and cash equivalents, trade receivables and suppliers

These financial instruments include mainly short term financial assets and liabilities. Given their short term nature at the reporting date, their book values are not significantly different from their fair values.

Financial debt

The fair value of the financial debt is estimated through internal models, which are based on generally accepted cash flow discounting techniques. At the reporting date, the carrying amount of floating rate loans is approximately their fair value. In case of fixed rate loans, mainly the intercompany loans granted by EDP Group, their fair value is obtained through internal models based on generally accepted discounting techniques.

Derivative financial instruments

All derivatives are accounted at their fair value. For those which are quoted in organized markets, the respective market price is used. For over-the-counter derivatives, fair value is estimated through the use of internal models based on cash flow discounting techniques and option valuation models generally accepted by the market, or by dealer price quotations.

CIRS with EDP Branch (note 36)

With the purpose of hedging the foreign exchange risk resulting from the net investment in EDPR NA, the Group entered into a CIRS in USD and EUR with EDP Branch. This financial derivative is presented in the statement of financial position at its fair value, which is estimated by discounting the projected USD and EUR cash flows. The discount rates and forward interest rates were based on the interest rate curves referred to above and the USD/EUR exchange rate is disclosed on note 28. See also notes 13 and 24.

The fair values of assets and liabilities as at 31 December 2013 and 2012 are analysed as follows:

	31 December 2013			31 December 2012		
Thousands of Euros	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Financial assets						
Available-for-sale investments	7,434	7,434	-	9,407	9,407	-
Trade receivables	207,189	207,189	-	180,259	180,259	-
Debtors and other assets from commercial activities	98,928	98,928	-	159,318	159,318	-
Other debtors and other assets	428,232	428,232	-	573,242	573,242	-
Derivative financial instruments	25,302	25,302	-	12,468	12,468	-
Financial assets at fair value through profit or loss	76	76	-	389	389	-
Cash and cash equivalents	265,229	265,229	-	245,837	245,837	-
	1,032,390	1,032,390	-	1,180,920	1,180,920	-
Financial liabilities						
Financial debt	3,691,936	3,661,025	-30,911	3,874,320	3,685,632	-188,688
Suppliers	400,126	400,126	-	657,881	657,881	-
Institutional partnerships in US wind farms	1,508,495	1,508,495	-	1,679,753	1,679,753	-
Trade and other payables from commercial activities	116,892	116,892	-	99,469	99,469	-
Other liabilities and other payables	238,521	238,521	-	171,303	171,303	-
Derivative financial instruments	135,760	135,760	-	245,397	245,397	-
	6,091,730	6,060,819	-30,911	6,728,123	6,539,435	-188,688

The fair value levels used to valuate EDP Renováveis Group financial assets and liabilities are defined as follows:
- Level 1 - Quoted prices (unadjusted) in active market for identical assets and liabilities;
- Level 2 - Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices);
- Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Thousands of Euros	31 December 2013 Level 1	31 December 2013 Level 2	31 December 2013 Level 3	31 December 2012 Level 1	31 December 2012 Level 2	31 December 2012 Level 3
Financial assets						
Available-for-sale investments	-	-	7,434	-	-	9,407
Derivative financial instruments	-	25,302	-	-	12,468	-
Financial assets at fair value through profit or loss	-	76	-	-	389	-
	-	25,378	7,434	-	12,857	9,407
Financial liabilities						
Liabilities arising from options with non-controlling interests	-	-	16,987	-	-	7,785
Derivative financial instruments	-	135,760	-	-	245,397	-
	-	135,760	16,987	-	245,397	7,785

The remaining assets and liabilities are valuated within Level 1. In 2013, does not have transfers between levels.

The movement in 2013 and 2012 of the financial assets and liabilities within Level 3 are analysed was as follows:

Thousands of Euros	Available for sale investments 31 Dec 2013	Available for sale investments 31 Dec 2012	Trade and other payables 31 Dec 2013	Trade and other payables 31 Dec 2012
Balance at the begining of the year	9,407	9,618	7,785	4,112
Gains / (Losses) in other comprehensive income	-1,973	-211	-	-
Purchases	-	-	12,650	3,572
Fair value changes/Payments	-	-	74	101
Disposals	-	-	-3,522	-
Balance at the end of the year	7,434	9,407	16,987	7,785

The Trade and other payables within level 3 are related with Liabilities arising from options with non-controlling interests.

The movements in 2013 and 2012 of the derivative financial instruments are presented in note 36.

40. RELEVANT SUBSEQUENT EVENTS

EDP Renováveis executes project finance for its first project in Canada

On 16 January 2014, EDP Renováveis, S.A. (EDPR) has executed a project finance structure agreement for its first wind farm in Canada. The South Branch project located in Ontario with an installed capacity of 30 MW has secured a 20 year Feed-in Tariff awarded by the Ontario Power Authority.

The long-term contracted debt facility amounts to 49 millions of Canadian dollars and the funding is expected to occur during the first quarter of 2014. EDPR financing strategy is to contract long-term debt in local currency at competitive prices in order to mitigate the refinancing risk and to reduce the foreign exchange risk by having a natural hedge between revenues and costs.

With the successful execution of its first wind project in Canada, EDPR adds to its portfolio a market with a low risk profile and attractive wind resource and extends its geographical diversification to 11 markets around the world (US, Spain, Portugal, France, Belgium, Poland, Romania, UK, Italy, Brazil and Canada).

Closing of asset rotation transaction in France

On 14 October, EDP Renováveis S.A. has reached an agreement with Axpo Power AG and Centralschweizerische Kraftwerke AG, both subsidiaries of Axpo Group, to sell a 49% equity shareholding and outstanding shareholders loans in a wind farm portfolio of 100 MW located in France, which currently benefit from a feedin tariff regime. Based on the transaction price, the total implied enterprise value for 100% of the assets amounts to 126 millions of Euros. The closing of this transaction occurred in February 2014.

41. RECENT ACCOUNTING STANDARDS AND INTERPRETATIONS USED

The new standards and interpretations that have been issued and are already effective and that the Group has applied on its consolidated financial statements are the following:

IFRS 7 (Amendment) - Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities

The International Accounting Standards Board (IASB), issued in December 2011, amendments to IFRS 7 – Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities, with effective date of mandatory application of 1 January 2013, being early adoption allowed.

With this change, the disclosures of financial instruments include information that will evaluate the effect or potential effect of the compensation arrangements, including the countervailing duties recognised as assets and financial liabilities in the statement of financial position.

No significant impact on the financial statement disclosures in the Group, resulted from the adoption of this amendment.

IFRS 13 - Fair Value Measurement

The International Accounting Standards Board (IASB) issued in May 2011, IFRS 13 - Fair Value Measurement, with effective date of mandatory application for periods beginning on or after 1 January 2013, being allowed its early adoption.

This standard presents a revised concept of fair value and determines new disclosures requirements. The main aspects considered are as follows: (i) principles of fair value, (ii) appropriate valuations techniques and fair value hierarchy and (iii) additional disclosure requirements.

No significant impact in the Group resulted from the adoption of this standard.

IAS 1 (Amended) - Presentation of Financial Statements

The International Accounting Standards Board (IASB) issued in June 2011, IAS 1 (Amended) - Presentation of Financial Statements: Presentation of items of other comprehensive income, with effective date of mandatory application for periods beginning on or after 1 July 2012, being allowed its early adoption.

The principal changes are the following:
- the amendments retain the option to present profit or loss and other comprehensive income in either a single continuous statement or in two separate but consecutive statements;
- items of other comprehensive income, and the respective tax effect, are required to be grouped into those that will and will not subsequently be reclassified to profit or loss.

No significant impact in the Group resulted from the adoption of this amendment.

Annual Improvement Project (2009-2011)

- Amendment to IAS 1 - Presentation of Financial Statements. This change clarifies the difference between voluntary additional comparative information and the minimum required comparative information in cases of retrospective statements, reclassifications and changes in accounting policies. Generally, the minimum required comparative information is the previous period.

  No significant impact in the Group resulted from the adoption of this amendment.

- Amendment to IAS 16 - Property, Plant and Equipment. This amendment clarifies that if spare parts and servicing equipment meet with the definition of property, plant and equipment are not inventory.

  No significant impact in the Group resulted from the adoption of this amendment.

- Amendment to IAS 32 - Financial Instruments: Presentation. The amendment clarifies that income taxes arising from distributions to equity holders are accounted in accordance with IAS 12 Income taxes.

  No significant impact in the Group resulted from the adoption of this amendment.

- Amendment to IAS 34 - Interim Financial Reporting. The amendments aligns the disclosures requirement for total segment assets with total liabilities in interim financial statements, ensuring that interim disclosures are aligned with annual disclosures in relation to the changes of profit and losses account and other comprehensive income.

  No significant impact in the Group resulted from the adoption of this amendment.

Standards, amendments and interpretations issued but not yet effective for the Group

IFRS 10 - Consolidated Financial Statements

The International Accounting Standards Board (IASB) issued in May 2011, IFRS 10 - Consolidated Financial Statements, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

This standard introduces a new approach in determining which investments should be consolidated, replacing IAS 27 - Consolidated and Separate Financial Statements and SIC 12 - Consolidation SPE. This standard establishes a single model to be applied in assessing the existence of control over subsidiaries, where an investor has control over a subsidiary when it is exposed, or has the right, to variable returns arising from its involvement in the subsidiary and has the ability to influence these returns because of the power over it. Additionally, was introduced the concept of "de facto control".

Therefore, the companies presented at 31 December 2013 by the full consolidation method and that will be considered into the equity method, is as follows:

Company	Total Assets Euro'000	Total Liabilities Euro'000	Total Equity Euro'000	Total Incomes Euro'000	Total Costs Euro'000	Net Results Euro'000
Ceprastur AIE-2	419	19	400	-	-4	-4

IFRS 11 - Joint Arrangements

The International Accounting Standards Board (IASB) issued in May 2011, IFRS 11 - Joint Arrangements, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

This standard superseded IAS 31 - Interests in Joint Ventures and introduces several changes for accounting jointly controlled investments, the main aspect is the elimination of the option to consolidate joint ventures by the proportional method, being the equity method mandatory.

The structure of a joint agreement ceases to be the main factor in determining the accounting model to adopt. The classification of a joint agreement requires the identification and evaluation of the structure, legal form of the contractual agreement and other facts and circumstances.

Therefore, the companies presented at 31 December 2013 by the proportional consolidation method and that will be considered into the equity method, are as follows:

Company	Total Assets Euro'000	Total Liabilities Euro'000	Total Equity Euro'000	Total Incomes Euro'000	Total Costs Euro'000	Net Results Euro'000
Compañía Eólica Aragonesa, S.A.	47,884	9,167	38,717	15,848	-10,473	5,375
Desarrollos Energeticos Canarios S.A.	–	–	–	–	–	–
Evolución 2000, S.L.	24,175	17,703	6,472	5,874	-3,784	2,090
Flat Rock Windpower, L.L.C.	137,055	1,389	135,666	12,327	-13,536	-1,209
Flat Rock Windpower II, L.L.C.	54,539	556	53,983	2,970	-4,845	-1,875
Tebar Eólica, S.A.	14,463	10,649	3,814	4,299	-3,679	620

IFRS 12 - Disclosure of Interests in Other Entities

The International Accounting Standards Board (IASB) issued in May 2011, IFRS 12 - Disclosure of Interests in Other Entities, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

The information disclosed has to help users of the financial statements evaluate the nature and risks associated with its interests in other entities and the effects of those interests on the financial statements. The main issues considered are as follows:

- for the interests in subsidiaries, should be disclosed: (i) the composition of the group;(ii) non-controlling interests; (iii) significant restrictions on the parent's ability to access or use the assets and settle the liabilities of its subsidiaries; (iv) the nature of, and changes in, the risks associated with interests in consolidated structured entities; and (v) changes in its ownership interest that did or did not result in a loss of control during the reporting period;

- for the interests in joint arrangements and associates, it should be disclosed: (i) the nature, extent and financial effects of its interests in joint arrangements and associates, including information about contractual relationships with other parties; and (ii) the nature of, and the changes in, the associated risks with its interests in joint ventures and associates;

- for the interests in unconsolidated structured entities, should be disclose: (i) the nature and the extent of its interests in unconsolidated structured entities; and (ii) the evaluation of the nature and changes in the risks associated with the interests in unconsolidated structured entities.

The Group is evaluating the impact of adopting this standard.

IAS 28 (Amended) - Investments in Associates and Joint Ventures

The International Accounting Standards Board (IASB) issued in May 2011, IAS 28 (Amended) - Investments in Associates and Joint Ventures, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

This amendment to IAS 28 (2003) describes the accounting treatment to be adopted by the investor in associates and joint ventures, defining the accounting requirements for applying the equity method for both associates and joint ventures.

No significant impact in the Group is expected from the adoption of this amendment.

IAS 32 (Amended) - Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities

The International Accounting Standards Board (IASB) issued in December 2011, IAS 32 (Amended) - Financial Statements: Presentation - Offsetting Financial Assets and Financial Liabilities, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

This amendment clarifies the required conditions to be met in order to present the net position of the financial assets and liabilities in the financial position of an entity, as follows: (i) the entity currently has a legally enforceable right to set off the recognized amounts, and (ii) the entity has the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

No significant impact in the Group is expected from the adoption of this amendment.

IAS 36 (Amended) - Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets

The International Accounting Standards Board (IASB) issued in May 2013, IAS 36 (Amended) Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

This amendment remove the requirement to disclose recoverable amounts when there was been no impairment or reversal of impairment. When an impairment is recognised or reversed and recoverable amount is based on fair value less costs of disposal, should be disclosed the following:

- the level of the IFRS 13 fair value hierarchy within which the fair value measurement of the asset or cash-generating unit has been determined;

- for fair value measurements at level 2 or 3 of the fair value hierarchy: (ii) a description of the valuation techniques used and any changes in that valuation technique; and (ii) key assumptions used in the measurement of fair value, including the discount rate(s) used in the current measurement and previous measure if fair value less costs of disposal is measured using a present value technique.

No significant impact in the Group is expected from the adoption of this amendment.

IAS 39 (Amended) -Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting

The International Accounting Standards Board (IASB) issued in June 2013, IAS 39 (Amended) -Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption.

This amendment clarifies that the novation of a hedging instrument should not be considered an expiration or termination resulting of the discontinuation of hedge accounting when is novated:

- as a consequence of laws and regulations, or the introduction of laws and regulations, one or more clearing counterparties replace the original counterparty; and

- and any changes in terms of the novated derivative are limited to those necessary to effect the replacement of the counterparty (for example: changes in all collateral requirements, rights to offset receivables and payables balances and charges levied).

Any changes to the derivative's fair value arising from the novation wold be reflected in its measurement and therefore in the measurement and assessment of hedge effectiveness.

No significant impact in the Group is expected from the adoption of this amendment.

Investment Entities - Amendments to IFRS 10, IFRS 12 and IAS 27

The International Accounting Standards Board (IASB), issued in October 2012, Investment Entities - Amendments to IFRS 10, IFRS 12 and IAS 27, with effective date of mandatory application for periods beginning on or after 1 January 2014, being allowed its early adoption. These amendments, have not yet been adopted by the European Union.

IASB defines the term "investment entity" as an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both, and must evaluate the performance of its investments on a fair value basis.

The amendments provide an exception to the consolidation requirements in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or losses, rather than consolidate them these amendments also set out the disclosure requirements for investment entities.

No significant impact in the Group is expected from the adoption of these amendments.

IFRS 9 - Financial Instruments

The International Accounting Standards Board (IASB) issued in November 2009, IFRS 9 - Financial instruments part I: Classification and measurement, with effective date of mandatory application for periods beginning on or after 1 January 2015, being allowed its early adoption. This standard, changed in October 2010, has not yet been adopted by the European Union.

This standard is included in phase I of the IASB's comprehensive project to replace IAS 39 and relates to issues of classification and measurement of financial assets. The main issues considered are as follows:

- the financial assets can be classified in two categories: at amortised cost or at fair value. This decision will be made upon the initial recognition of the financial assets. Its classification depends on how the entity presents these financial assets and the contractual cash flows associated to each financial asset in the business;

- debt instruments model can be measured at amortised cost when the contractual cash-flows represent only principal and interest payments, which means that it contains only basic loan features, and for which an entity holds the asset to collect the contractual cash flows. All the other debt instruments are recognised at fair value;

- equity instruments issued by third parties are recognised at fair value with subsequent changes recognised in the profit and loss. However an entity could irrevocably elect equity instruments at initial recognition for which fair value changes and the realised gain or loss are recognised in fair value reserves. Gains and losses recognised in fair value reserves cannot be recycled to profit and loss. This is a discretionary decision, and does not imply that all the equity instruments should be treated on this basis. The dividends received are recognised as income for the year;

- there is no exemption that allows unquoted equity investments and related derivatives to measure at cost, under IAS 39, is not allowed in IFRS 9;

- changes in fair value attributable to own credit risk of financial liabilities classified as fair value through profit or loss, shall be recognised in Other comprehensive income. The remaining fair value changes related to these financial liabilities shall be recognised through profit or loss. The amounts recognised in Other comprehensive income shall not be reclassified/transferred to profit and loss.

The Group is evaluating the impact of adopting this standard.

Annual Improvement Project (2010-2012)

In December 2013, IASB published the Annual Improvement Project that implied changes to the standards. However, the effective date of the referred changes is 1 July 2014, being early adoption allowed. This project has not yet been adopted by the European Union.

• Amendment to IFRS 2 - Share-based Payments. The definition of vesting conditions and market condition were amended. Additionally defines the definitions of performance condition and service condition (which were previously part of the definition of vesting condition).

No significant impact in the Group is expected from the adoption of this amendment.

• Amendment to IFRS 3 - Business Combinations. This amendment clarifies that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss.

No significant impact in the Group is expected from the adoption of this amendment.

• Amendment to IFRS 8 - Operating Segments. The amendments requires that an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments and clarifies that an entity shall only provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are presented to the chief operation decision-maker.

No significant impact in the Group is expected from the adoption of this amendment.

• Amendment to IFRS 13 - Fair Value Measurement. This amendment clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial.

No impact in the Group from the adoption of this amendment.

• Amendment to IAS 16 - Property, Plant and Equipment. This amendment clarifies that when an item of property, plant and equipment is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

No significant impact in the Group is expected from the adoption of this amendment.

• Amendment to IAS 24 - Related Party: Disclosures. The amendment clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.

No significant impact on the financial statement disclosures in the Group, is expected from the adoption of this amendment.

• Amendment to IAS 38 - Intangible Assets. This amendment clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

No significant impact in the Group is expected from the adoption of this amendment.

Annual Improvement Project (2011-2013)

In December 2013, IASB published the Annual Improvement Project that implied changes to the standards. However, the effective date of the referred changes is 1 July 2014, being early adoption allowed. This project has not yet been adopted by the European Union.

• Amendment to IFRS 1 - First-time Adoption of International Financial Reporting Standards. This amendment clarifies that an entity, in its first IFRS financial statements, has the choice between applying an existing and currently effective IFRS or applying early a new or revised IFRS that is not yet mandatorily effective, provided that the new or revised IFRS permits early application. An entity is required to apply the same version of the IFRS throughout the periods covered by those first IFRS financial statements.

No impact in the Group from the adoption of this amendment.

• Amendment to IFRS 3 - Business Combinations. This amendment clarifies that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

No significant impact in the Group is expected from the adoption of this amendment.

• Amendment to IFRS 13 - Fair Value Measurement. This amendment clarifies that the scope of the portfolio exception includes all contracts accounted for within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32.

No significant impact in the Group is expected from the adoption of this amendment.

• Amendment to IAS 40 - Investment Property. This amendment clarifies that this standard and IFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether: (i) the property meets the definition of investment property in IAS 40; and (ii) the transaction meets the definition of a business combination under IFRS 3.

No significant impact in the Group is expected from the adoption of this amendment.

42. ENVIRONMENT ISSUES

Expenses of environmental nature are the expenses that were identified and incurred to avoid, reduce or repair damages of an environmental nature that result from the Group's normal activity.

These expenses are booked in the income statement of the year, except if they qualify to be recognised as an asset, according to IAS 16.

During the year, the environmental expenses recognised in the income statement in the amount of 2,813 thousands of Euros (31 December 2012: 3,174 thousands of Euros) refer to costs with the environmental management plan.

As referred in accounting policy 2o), the Group has established provisions for dismantling and decommissioning of property, plant and equipment when a legal or contractual obligation exists to dismantle and decommission those assets at the end of their useful lifes. Consequently, the Group has booked provisions for property, plant and equipment related to electricity wind generation for the responsibilities of restoring sites and land to its original condition, in the amount of 66,468 thousands of Euros as at 31 December 2013 (31 December 2012: 63,336 thousands of Euros) (see note 31).

43. SEGMENTAL REPORTING

The Group generates energy from renewable resources and has three reportable segments which are the Group's business platforms, Europe, North America and Brazil. The strategic business units have operations in different geographic zones and are managed separately because their characteristics are quite different. For each of the strategic business units, the Group's CEO reviews internal management reports on at least a quarterly basis.

The accounting policies of the reportable segments are the same as described in note 3. Information regarding the results of each reportable segment is included in Annex 1. Performance is based on segment operating profit measures, as included in the internal management reports that are reviewed by the Management. Segment operating profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

A business segment is an identifiable component of the Group, aimed at providing a single product or service, or a group of related products or services, and it is subject to risks and returns that can be distinguished from those of other business segments.

The Group generates energy from renewable sources in several locations and its activity is managed based on the following business segments:

- Europe: refers to EDPR EU Group companies operating in Spain, Portugal, Belgium, France, Italy, Netherlands, Poland, Romania and United Kingdom;
- North America: refers to EDPR NA and EDPR Canada Group companies that operate in United Stares of America and Canada, respectively;
- Brazil: refers to EDPR Brasil Group companies that operate in this country.

Segment definition

The amounts reported in each business segment result from the aggregation of the subsidiaries and business units defined in each segment perimeter, including the intra-segment eliminations, without any inter-segment allocation adjustment.

The financial information disclosed by each business segment is determined based on the amounts booked directly in the subsidiaries that compose the segment, including the intra-segment eliminations, without any inter-segment allocation adjustment.

In December 2013, the EDPR Group changed the reportable segments, as well as the information disclosed in the Segmental Reporting, according to mentioned above criteria. To be comparable, the information reported as at 31 December 2012 has been restated to reflect these changes.

44. AUDIT AND NON AUDIT FEES

KPMG has audited the consolidated annual accounts of EDP Renováveis Group for 2013 and 2012. This company and the other related entities and persons in accordance with Law 19/1988 of 12 July, have invoiced for the year ended in 31 December 2013 and 2012, fees and expenses for professional services, according to the following detail:

	31 December 2013					
Thousands of Euros	**Portugal**	**Spain**	**Brasil**	**United States of America**	**Other**	**Total**
Audit and statutory audit of accounts	194	667	118	798	543	2,320
Other audit services	180	68	-	104	34	386
	374	**735**	**118**	**902**	**577**	**2,706**
Tax consultancy services	-	90	-	-	-	90
Other services	-	42	-	12	-	54
	-	**132**	**-**	**12**	**-**	**144**
Total	**374**	**867**	**118**	**914**	**577**	**2,850**

	31 December 2012					
Thousands of Euros	**Portugal**	**Spain**	**Brasil**	**United States of America**	**Other**	**Total**
Audit and statutory audit of accounts	177	634	68	791	411	2,081
Other audit services	40	54	-	31	12	137
	217	**688**	**68**	**822**	**423**	**2,218**
Tax consultancy services	-	164	-	32	-	196
Other services	10	30	-	-	40	80
	10	**194**	**-**	**32**	**40**	**276**
Total	**227**	**882**	**68**	**854**	**463**	**2,494**

ANNEX 1

The Subsidiary Companies consolidated under the full consolidated method, as at 31 December 2013 and 2012, are as follows:

Company	Head Office	Auditor	2013 % of capital	2013 % of voting rights	2012 % of capital	2012 % of voting rights
Group's parent holding company and Related Activities:						
EDP Renováveis, S.A. (Group's parent holding company)	Oviedo	KPMG	100.00%	100.00%	100.00%	100.00%
EDP Renováveis Servicios Financieros, S.L.	Oviedo	n.a.	100.00%	100.00%	100.00%	100.00%
Europe Geography / Platform:						
Spain:						
EDP Renewables Europe, S.L. (Europe Parent Company)	Oviedo	KPMG	100.00%	100.00%	100.00%	100.00%
Acampo Arias,S.L.	Zaragoza	KPMG	98.19%	98.19%	98.19%	98.19%
Aplicaciones Industriales de Energías Limpias, S.L.	Zaragoza	n.a.	61.50%	61.50%	61.50%	61.50%
Aprofitament D'Energies Renovables de la Terra Alta, S.A.	Barcelona	n.a.	48.70%	60.63%	48.70%	60.63%
Bon Vent de Corbera, S.L.	Barcelona	KPMG	100.00%	100.00%	100.00%	100.00%
Bon Vent de L'Ebre, S.L.	Barcelona	KPMG	100.00%	100.00%	100.00%	100.00%
Bon Vent de Vilalba, S.L.	Barcelona	KPMG	100.00%	100.00%	100.00%	100.00%
Ceprastur, A.I.E.	Oviedo	n.a.	56.76%	56.76%	56.76%	56.76%
Compañía Eólica Campo de Borja, S.A.	Zaragoza	KPMG	75.83%	75.83%	75.83%	75.83%
Desarrollo Eólico Almarchal, S.A.U.	Cádiz	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollo Eólico Buenavista, S.A.U.	Cádiz	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollo Eólico de Corme, S.A.	La Coruña	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollo Eólico de Lugo, S.A.U.	Lugo	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollo Eólico de Tarifa, S.A.U.	Cádiz	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollo Eólico Dumbria, S.A.U.	La Coruña	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollo Eólico Rabosera, S.A.	Huesca	KPMG	95.08%	95.08%	95.08%	95.08%
Desarrollo Eólico Santa Quiteria, S.L.	Huesca	KPMG	83.96%	100.00%	83.96%	100.00%
Desarrollos Catalanes Del Viento, S.L.	Barcelona	KPMG	60.00%	60.00%	60.00%	60.00%
Desarrollos Eólicos de Galicia, S.A.	La Coruña	KPMG	100.00%	100.00%	100.00%	100.00%
Desarrollos Eólicos de Teruel, S.L.	Zaragoza	n.a.	51.00%	51.00%	51.00%	51.00%
EDP Renováveis Cantábria, S.L.	Madrid	n.a.	100.00%	100.00%	100.00%	100.00%
Energías Eólicas La Manchuela, S.L.U.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
EDPR España Promoción y Operación, S.L.U. (former Eneroliva, S.A.)	Sevilla	n.a.	100.00%	100.00%	100.00%	100.00%
Eólica Alfoz, S.L.	Madrid	KPMG	83.73%	83.73%	83.73%	83.73%
Eólica Arlanzón, S.A.	Madrid	KPMG	77.50%	77.50%	77.50%	77.50%
Eólica Campollano, S.A.	Madrid	KPMG	75.00%	75.00%	75.00%	75.00%
Eólica Curiscao Pumar, S.A.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica de Radona, S.L.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica Don Quijote, S.L.	Albacete	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica Dulcinea, S.L.	Albacete	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica Fontesilva, S.L.	La Coruña	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica Garcimuñoz, S.L.	Madrid	n.a.	100.00%	100.00%	100.00%	100.00%
Eólica Guadalteba, S.L.	Sevilla	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica La Brújula, S.A. (former Sierra de la Peña, S.A.)	Madrid	KPMG	84.90%	84.90%	84.90%	84.90%
Eólica La Janda, S.L.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica La Navica, S.L.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica Sierra de Avila, S.L.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
EDP Renovables España, S. L.	Madrid	KPMG	100.00%	100.00%	100.00%	100.00%
Iberia Aprovechamientos Eólicos, S.A.U.	Zaragoza	KPMG	100.00%	100.00%	100.00%	100.00%
Industrias Medioambientales Río Carrión, S.A.	Madrid	n.a.	90.00%	90.00%	90.00%	90.00%
Investigación y Desarrollo de Energías Renovables, S.L.	León	KPMG	59.59%	59.59%	59.59%	59.59%
Molino de Caragüeyes, S.L	Zaragoza	KPMG	80.00%	80.00%	80.00%	80.00%
Eólica Muxía, S.L.	La Coruña	n.a.	100.00%	100.00%	100.00%	100.00%
NEO Energia Aragón, S.L.	Madrid	n.a.	100.00%	100.00%	100.00%	100.00%

Company	Head Office	Auditor	2013 % of capital	2013 % of voting rights	2012 % of capital	2012 % of voting rights
Parc Eòlic Coll de la Garganta, S.L.	Barcelona	KPMG	100.00%	100.00%	100.00%	100.00%
Parc Eòlic de Coll de Moro, S.L.	Barcelona	KPMG	60.00%	100.00%	60.00%	100.00%
Parc Eòlic de Torre Madrina, S.L.	Barcelona	KPMG	60.00%	100.00%	60.00%	100.00%
Parc Eòlic de Vilalba dels Arcs, S.L.	Barcelona	KPMG	60.00%	100.00%	60.00%	100.00%
Parc Eòlic Serra Voltorera, S.L.	Barcelona	KPMG	100.00%	100.00%	100.00%	100.00%
Parque Eólico Altos del Voltoya, S.A.	Madrid	KPMG	61.00%	61.00%	61.00%	61.00%
Parque Eólico Belchite, S.L.	Zaragoza	KPMG	100.00%	100.00%	100.00%	100.00%
Parque Eólico La Sotonera, S.L.	Zaragoza	KPMG	64.84%	64.84%	64.84%	64.84%
Parque Eólico Los Cantales, S.L.U.	Zaragoza	KPMG	100.00%	100.00%	100.00%	100.00%
Parques de Generación Eólica, S.L.	Burgos	KPMG	60.00%	60.00%	60.00%	60.00%
Parques Eólicos del Cantábrico, S.A.	Oviedo	KPMG	100.00%	100.00%	100.00%	100.00%
Rasacal Cogeneración S.A.	Madrid	n.a.	60.00%	60.00%	60.00%	60.00%
Renovables Castilla La Mancha, S.A.	Albacete	KPMG	90.00%	90.00%	90.00%	90.00%
Sotromal, S.A.	Soria	n.a.	90.00%	90.00%	90.00%	90.00%
South África Wind & Solar Power, S.L.	Oviedo	n/a	100.00%	100.00%	-	-
Tratamientos Medioambientales del Norte, S.A.	Madrid	n.a.	80.00%	80.00%	80.00%	80.00%
Portugal:						
EDP Renováveis Portugal, S.A.	Porto	KPMG	51.00%	51.00%	100.00%	100.00%
EDP Renewables, SGPS, S.A.	Porto	KPMG	100.00%	100.00%	100.00%	100.00%
EDPR PT - Promoção e Operação, S.A.	Porto	KPMG	100.00%	100.00%	100.00%	100.00%
Eólica da Alagoa, S.A.	Arcos de Valdevez	KPMG	30.60%	60.00%	60.00%	60.00%
Eólica da Serra das Alturas, S.A.	Boticas	KPMG	25.55%	50.10%	50.10%	50.10%
Eólica de Montenegrelo, Lda	Vila Pouca de Aguiar	KPMG	25.55%	50.10%	50.10%	50.10%
Gravitangle - Fotovoltaica Unipessoal, Lda	Porto	KPMG	100.00%	100.00%	-	-
Malhadizes - Energia Eólica, S.A.	Porto	KPMG	51.00%	100.00%	100.00%	100.00%
France:						
EDP Renewables France, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
EDPR France Holding, S.A.S.	Paris	KPMG	100.00%	100.00%	-	-
Bourbriac II, S.A.S.	Paris	KPMG	100.00%	100.00%	-	-
C.E. Canet-Pont de Salars, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
C.E. Gueltas Noyal-Pontivy, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
C.E. NEO Truc L'homme, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
C.E. Patay, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
C.E. Saint Barnabe, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
C.E. Segur, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
Eolienne de Callengeville, S.A.S.	Elbeuf	EXCO	100.00%	100.00%	100.00%	100.00%
Eolienne de Saugueuse, S.A.R.L.	Elbeuf	KPMG	100.00%	100.00%	100.00%	100.00%
Eolienne des Bocages, S.A.R.L.	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Eolienne D'Etalondes, S.A.R.L.	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Le Mee, S.A. R.L.	Toulouse	KPMG	100.00%	49.00%	100.00%	49.00%
Mardelle, S.A.R.L.	Toulouse	KPMG	100.00%	100.00%	100.00%	100.00%
Monts du Forez Energie, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
Parc Eolien D'Ardennes	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Parc Eolien de La Hetroye, S.A.S.	Elbeuf	KPMG	100.00%	100.00%	100.00%	100.00%
Parc Eolien de Mancheville, S.A.R.L.	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Parc Eolien de Montagne Fayel, S.A.S.	Paris	KPMG	100.00%	100.00%	-	-
Parc Eolien de Roman, S.A.R.L.	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Parc Eolien de Varimpre, S.A.S.	Elbeuf	KPMG	100.00%	100.00%	100.00%	100.00%
Parc Eolien des Bocages, S.A.R.L.	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Parc Eolien des Longs Champs, S.A.R.L.	Elbeuf	n.a.	100.00%	100.00%	100.00%	100.00%
Parc Eolien des Vatines, S.A.S.	Elbeuf	KPMG	100.00%	100.00%	100.00%	100.00%
Parc Eolien du Clos Bataille, S.A.S.	Elbeuf	KPMG	100.00%	100.00%	100.00%	100.00%
Petite Piece, S.A.R.L.	Toulouse	KPMG	100.00%	49.00%	100.00%	49.00%
Plouvien Breiz, S.A.S.	Carhaix	KPMG	100.00%	100.00%	100.00%	100.00%
Quinze Mines, S.A.R.L.	Toulouse	KPMG	100.00%	49.00%	100.00%	49.00%
Sauvageons, S.A.R.L.	Toulouse	KPMG	100.00%	49.00%	100.00%	49.00%
Vallée du Moulin, S.A.R.L.	Toulouse	KPMG	100.00%	100.00%	100.00%	100.00%
Poland:						
EDP Renewables Polska, SP. ZO.O	Warsaw	KPMG	100.00%	100.00%	100.00%	100.00%
Elektrownia Wiatrowa Kresy I, SP. ZO.O	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Farma Wiatrowa Starozreby, SP. ZO.O.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
J&Z Wind Farms SP. ZO.O.	Warsaw	KPMG	60.00%	60.00%	60.00%	60.00%
Karpacka Mala Energetyka, SP. ZO.O.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%

Company	Head Office	Auditor	2013 % of capital	2013 % of voting rights	2012 % of capital	2012 % of voting rights
Korsze Wind Farm SP. ZO.O.	Warsaw	KPMG	100.00%	100.00%	100.00%	100.00%
Masovia Wind Farm I, SP. ZO.O	Warsaw	KPMG	100.00%	100.00%	100.00%	100.00%
MFW Gryf SP. ZO.O.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
MFW Neptun SP. ZO.O.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
MFW Pomorze SP. ZO.O.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Molen Wind II, S.P. ZO.O.	Warsaw	n.a.	65.07%	65.07%	-	-
Relax Wind Park I, SP. ZO.O	Warsaw	KPMG	100.00%	100.00%	96.43%	96.43%
Relax Wind Park II, SP. ZO.O	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Relax Wind Park III, SP. ZO.O	Warsaw	KPMG	100.00%	100.00%	100.00%	100.00%
Relax Wind Park IV, SP. ZO.O	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Romania:						
EDP Renewables Romania, S.R.L.	Bucharest	KPMG	85.00%	85.00%	85.00%	85.00%
Cernavoda Power, S.R.L.	Bucharest	KPMG	85.00%	85.00%	85.00%	85.00%
Cujmir Solar, S.R.L.	Bucharest	KPMG	100.00%	100.00%	100.00%	100.00%
EDPR-RO-PV, S.R.L.	Bucharest	n.a.	100.00%	100.00%	100.00%	100.00%
Foton Delta, S.R.L.	Bucharest	KPMG	100.00%	100.00%	100.00%	100.00%
Foton Epsilon, S.R.L.	Bucharest	KPMG	100.00%	100.00%	100.00%	100.00%
Pestera Wind Farm, S.A.	Bucharest	KPMG	85.00%	85.00%	85.00%	85.00%
VS Wind Farm, S.A.	Bucharest	KPMG	85.00%	85.00%	85.00%	85.00%
Potelu Solar, S.R.L.	Bucharest	KPMG	100.00%	100.00%	100.00%	100.00%
S.C. Ialomita Power, S.R.L.	Bucharest	n.a.	85.00%	85.00%	85.00%	85.00%
Sibioara Wind Farm, S.R.L.	Bucharest	n.a.	85.00%	85.00%	85.00%	85.00%
Studina Solar, S.R.L.	Bucharest	KPMG	100.00%	100.00%	100.00%	100.00%
Vanju Mare Solar, S.R.L.	Bucharest	KPMG	100.00%	100.00%	100.00%	100.00%
Great Britain:						
EDPR UK Limited	Cardiff	KPMG	100.00%	100.00%	100.00%	100.00%
MacColl Offshore Windfarm Limited	Cardiff	n.a.	66.64%	100.00%	66.64%	100.00%
Moray Offshore Renewables Limited	Cardiff	KPMG	66.64%	66.64%	66.64%	66.64%
Stevenson Offshore Windfarm Limited	Cardiff	n.a.	66.64%	100.00%	66.64%	100.00%
Telford Offshore Windfarm Limited	Cardiff	n.a.	66.64%	100.00%	66.64%	100.00%
Italy:						
EDP Renewables Italia, S.R.L.	Milano	KPMG	100.00%	100.00%	100.00%	100.00%
Castellaneta Wind, S.R.L.	Milano	n.a.	100.00%	100.00%	100.00%	100.00%
Laterza Wind, S.R.L.	Milano	n.a.	100.00%	100.00%	100.00%	100.00%
Monts de la Madeleine Energie, S.A.S.	Paris	KPMG	100.00%	100.00%	100.00%	100.00%
Pietragalla Eolico, S.R.L.	Milano	KPMG	100.00%	100.00%	100.00%	100.00%
Re Plus - S.R.L.	Milano	n.a.	80.00%	80.00%	80.00%	80.00%
Repano Wind S.R.L.	Milano	n.a.	100.00%	100.00%	100.00%	100.00%
Villa Castelli Wind, S.R.L.	Milano	KPMG	100.00%	100.00%	100.00%	100.00%
Belgium:						
EDP Renewables Belgium	Brussels	KPMG	100.00%	100.00%	100.00%	100.00%
Greenwind, S.A.	Louvain-la-Neuve	KPMG	100.00%	100.00%	70.00%	70.00%
Holland:						
Tarcan, BV	Amsterdam	KPMG	100.00%	100.00%	100.00%	100.00%
North America Geography / Platform:						
USA:						
EDP Renewables North America, L.L.C. (USA Parent Company)	Texas, USA	KPMG	100.00%	100.00%	100.00%	100.00%
17th Star Wind Farm, L.L.C.	Ohio	n.a.	100.00%	100.00%	100.00%	100.00%
2007 Vento I, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2007 Vento II, L.L.C.	Texas	KPMG	51.00%	100.00%	51.00%	100.00%
2008 Vento III, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2009 Vento IV, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2009 Vento V, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2009 Vento VI, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2010 Vento VII, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2010 Vento VIII, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2011 Vento IX, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2011 Vento X, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
2012 Vento XI, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Alabama Ledge Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Antelope Ridge Wind Power Project, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Arbuckle Mountain, L.L.C.	Oklahoma	n.a.	100.00%	100.00%	-	-
Arkwright Summit Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Arlington Wind Power Project, L.L.C.	Oregon	KPMG	100.00%	100.00%	100.00%	100.00%

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Aroostook Wind Energy, L.L.C.	Maine	n.a.	100.00%	100.00%	100.00%	100.00%
Ashford Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Athena-Weston Wind Power Project II, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Athena-Weston Wind Power Project, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
AZ Solar, L.L.C.	Arizona	n.a.	100.00%	100.00%	100.00%	100.00%
BC2 Maple Ridge Holdings, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
BC2 Maple Ridge Wind, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
Black Prairie Wind Farm II, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Black Prairie Wind Farm III, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Black Prairie Wind Farm, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Blackstone Wind Farm II, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Blackstone Wind Farm III, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Blackstone Wind Farm IV, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Blackstone Wind Farm V, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Blackstone Wind Farm, L.L.C.	Illionois	n.a.	100.00%	100.00%	100.00%	100.00%
Blue Canyon Wind Power VII, L.L.C.	Oklahoma	n.a.	100.00%	100.00%	100.00%	100.00%
Blue Canyon Windpower II, L.L.C.	Oklahoma	KPMG	100.00%	100.00%	100.00%	100.00%
Blue Canyon Windpower III, L.L.C.	Oklahoma	n.a.	100.00%	100.00%	100.00%	100.00%
Blue Canyon Windpower IV, L.L.C.	Oklahoma	n.a.	100.00%	100.00%	100.00%	100.00%
Blue Canyon Windpower V, L.L.C.	Oklahoma	KPMG	100.00%	100.00%	100.00%	100.00%
Blue Canyon Windpower VI, L.L.C.	Oklahoma	KPMG	100.00%	100.00%	100.00%	100.00%
Broadlands Wind Farm II, L.L.C.	Illionois	n.a.	100.00%	100.00%	100.00%	100.00%
Broadlands Wind Farm III, L.L.C.	Illionois	n.a.	100.00%	100.00%	100.00%	100.00%
Broadlands Wind Farm, L.L.C.	Illionois	n.a.	100.00%	100.00%	100.00%	100.00%
Buffalo Bluff Wind Farm, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Chateaugay River Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Clinton County Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Cloud County Wind Farm, L.L.C.	Kansas	KPMG	100.00%	100.00%	100.00%	100.00%
Cloud West Wind Project, L.L.C.	Kansas	n.a.	100.00%	100.00%	100.00%	100.00%
Coos Curry Wind Power Project, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Cropsey Ridge Wind Farm, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Crossing Trails Wind, Power Project, L.L.C.	Colorado	n.a.	100.00%	100.00%	100.00%	100.00%
Dairy Hills Wind Farm, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Diamond Power Partners, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
East Klickitat Wind Power Project, L.L.C.	Washington	n.a.	100.00%	100.00%	100.00%	100.00%
Eastern Nebraska Wind Farm, L.L.C.	Nebraska	n.a.	100.00%	100.00%	100.00%	100.00%
EDPR Wind Ventures X, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
EDPR Wind Ventures XI, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Five-Spot, L.L.C.	California	n.a.	100.00%	100.00%	100.00%	100.00%
Ford Wind Farm, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Franklin Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Green Power Offsets, L.L.C.	Texas	n.a.	100.00%	100.00%	-	-
Gulf Coast Windpower Management Company, L.L.C.	Indiana	n.a.	100.00%	100.00%	100.00%	100.00%
Headwaters Wind Farm, L.L.C.	Indiana	n.a.	100.00%	100.00%	100.00%	100.00%
Hidalgo Wind Farm, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
High Prairie Wind Farm II, L.L.C.	Minnesota	KPMG	51.00%	100.00%	51.00%	100.00%
High Trail Wind Farm, L.L.C.	Illionois	KPMG	100.00%	100.00%	100.00%	100.00%
Horizon Wind Chocolate Bayou I, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Midwest IX, L.L.C.	Kansas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Northwest I, L.L.C.	Washington	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Northwest IV, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Northwest VII, L.L.C.	Washington	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Northwest X, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Northwest XI, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Panhandle I, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Southwest I, L.L.C.	New Mexico	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Southwest II, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Southwest III, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Southwest IV, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Energy Valley I, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind MREC Iowa Partners, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures I, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures IB, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures IC, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures II, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%

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Horizon Wind Ventures III, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures IX, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures VI, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures VII, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind Ventures VIII, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wind, Freeport Windpower I, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Horizon Wyoming Transmission, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Jericho Rise Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Juniper Wind Power Partners, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Lexington Chenoa Wind Farm II, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Lexington Chenoa Wind Farm III, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Lexington Chenoa Wind Farm, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Lone Valley Sollar Park I, L.L.C.	California	n.a.	100.00%	100.00%	-	-
Lone Valley Sollar Park II, L.L.C.	California	n.a.	100.00%	100.00%	-	-
Lost Lakes Wind Farm, L.L.C.	Iowa	KPMG	100.00%	100.00%	100.00%	100.00%
Machias Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Madison Windpower, L.L.C.	New York	KPMG	100.00%	100.00%	100.00%	100.00%
Marble River, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Martinsdale Wind Farm, L.L.C.	Colorado	n.a.	100.00%	100.00%	100.00%	100.00%
Meadow Lake Wind Farm II, L.L.C.	Indiana	KPMG	100.00%	100.00%	100.00%	100.00%
Meadow Lake Wind Farm IV, L.L.C.	Indiana	n.a.	100.00%	100.00%	100.00%	100.00%
Meadow Lake Wind Farm V, L.L.C.	Indiana	n.a.	100.00%	100.00%	100.00%	100.00%
Meadow Lake Wind Farm, L.L.C.	Indiana	n.a.	100.00%	100.00%	100.00%	100.00%
Meadow Lake Windfarm III, L.L.C.	Indiana	n.a.	100.00%	100.00%	100.00%	100.00%
Mesquite Wind, L.L.C.	Texas	KPMG	100.00%	100.00%	100.00%	100.00%
New Trail Wind Farm, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
North Slope Wind Farm, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Number Nine Wind Farm, L.L.C.	Maine	n.a.	100.00%	100.00%	100.00%	100.00%
Old Trail Wind Farm, L.L.C.	Illinois	KPMG	51.00%	100.00%	51.00%	100.00%
OPQ Property, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Pacific Southwest Wind Farm, L.L.C.	Arizona	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm II, L.L.C.	Ohio	KPMG	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm III, L.L.C.	Ohio	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm IV, L.L.C	Ohio	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm, L.L.C.	Ohio	n.a.	100.00%	100.00%	100.00%	100.00%
Peterson Power Partners, L.L.C.	California	n.a.	100.00%	100.00%	100.00%	100.00%
Pioneer Prairie Interconnection, L.L.C.	Iowa	n.a.	100.00%	100.00%	100.00%	100.00%
Pioneer Prairie Wind Farm I, L.L.C.	Iowa	KPMG	100.00%	100.00%	100.00%	100.00%
Pioneer Prairie Wind Farm II, L.L.C.	Iowa	n.a.	100.00%	100.00%	100.00%	100.00%
Post Oak Wind, L.L.C.	Texas	KPMG	51.00%	100.00%	51.00%	100.00%
Quilt Block Wind Farm, L.L.C.	Wisconsin	n.a.	100.00%	100.00%	100.00%	100.00%
Rail Splitter, L.L.C.	Illinois	KPMG	100.00%	100.00%	100.00%	100.00%
Rio Blanco Wind Farm, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Rising Tree Wind Farm II, L.L.C.	California	n.a.	100.00%	100.00%	-	-
Rising Tree Wind Farm III, L.L.C.	California	n.a.	100.00%	100.00%	-	-
Rising Tree Wind Farm, L.L.C.	California	n.a.	100.00%	100.00%	100.00%	100.00%
Rush County Wind Farm, L.L.C	Kansas	n.a.	100.00%	100.00%	100.00%	100.00%
Saddleback Wind Power Project, L.L.C.	Washington	n.a.	100.00%	100.00%	100.00%	100.00%
Sagebrush Power Partners, L.L.C.	Washington	KPMG	100.00%	100.00%	100.00%	100.00%
Sardinia Windpower, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Signal Hill Wind Power Project, L.L.C.	Colorado	n.a.	100.00%	100.00%	100.00%	100.00%
Simpson Ridge Wind Farm II, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Simpson Ridge Wind Farm III, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Simpson Ridge Wind Farm IV, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Simpson Ridge Wind Farm V, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Simpson Ridge Wind Farm, L.L.C.	Wyoming	n.a.	100.00%	100.00%	100.00%	100.00%
Stinson Mills Wind Farm, L.L.C.	Colorado	n.a.	100.00%	100.00%	100.00%	100.00%
Stone Wind Power, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Sustaining Power Solutions, L.L.C.	Texas	n.a.	100.00%	100.00%	-	-
Telocaset Wind Power Partners, L.L.C.	Oregon	KPMG	51.00%	51.00%	51.00%	51.00%
The Nook Wind Power Project, L.L.C.	Oregon	n.a.	100.00%	100.00%	100.00%	100.00%
Tug Hill Windpower, L.L.C.	New York	n.a.	100.00%	100.00%	100.00%	100.00%
Tumbleweed Wind Power Project, L.L.C.	Colorado	n.a.	100.00%	100.00%	100.00%	100.00%
Turtle Creek Wind Farm, L.L.C.	Iowa	n.a.	100.00%	100.00%	100.00%	100.00%
Verde Wind Power, L.L.C.	Texas	n.a.	100.00%	100.00%	100.00%	100.00%
Waverly Wind Farm, L.L.C.	Kansas	n.a.	100.00%	100.00%	100.00%	100.00%

Company	Head Office	Auditor	2013 % of capital	2013 % of voting rights	2012 % of capital	2012 % of voting rights
Western Trail Wind Project I, L.L.C.	Kansas	n.a.	100.00%	100.00%	100.00%	100.00%
Wheatfield Holding, L.L.C.	Oregon	KPMG	51.00%	51.00%	-	-
Wheatfield Wind Power Project, L.L.C.	Oregon	KPMG	100.00%	100.00%	100.00%	100.00%
Whiskey Ridge Power Partners, L.L.C.	Washington	n.a.	100.00%	100.00%	100.00%	100.00%
Whistling Wind WI Energy Center, L.L.C.	Wisconsin	n.a.	100.00%	100.00%	100.00%	100.00%
Whitestone Wind Purchasing, L.L.C.	Illinois	n.a.	100.00%	100.00%	100.00%	100.00%
Wilson Creek Power Partners, L.L.C.	Nevada	n.a.	100.00%	100.00%	100.00%	100.00%
Wind Turbine Prometheus, L.P.	California	n.a.	100.00%	100.00%	100.00%	100.00%
WTP Management Company, L.L.C.	California	n.a.	100.00%	100.00%	100.00%	100.00%
Canada:						
EDP Renewables Canada, Ltd	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
0867242 BC, Ltd.	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
EDP Renewables Canada GP, Ltd.	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
EDP Renewables Canada LP, Ltd.	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
Eolia Renewable Energy Canada, Ltd.	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
SBWFI GP, Inc.	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
South Branch Wind Farm, Inc.	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
South Dundas Wind Farm LP	Ontario	n.a.	100.00%	100.00%	100.00%	100.00%
South America Geography / Platform:						
Brazil:						
EDP Renováveis Brasil, S.A.	São Paulo	KPMG	55.00%	55.00%	55.00%	55.00%
Central Eólica Aventura, S.A.	São Paulo	KPMG	55.00%	100.00%	55.00%	100.00%
Central Eólica Baixa do Feijão I, S.A.	São Paulo	KPMG	55.00%	100.00%	55.00%	100.00%
Central Eólica Baixa do Feijão II, S.A.	São Paulo	KPMG	55.00%	100.00%	55.00%	100.00%
Central Eólica Baixa do Feijão III, S.A.	São Paulo	KPMG	55.00%	100.00%	55.00%	100.00%
Central Eólica Baixa do Feijão IV, S.A.	São Paulo	KPMG	55.00%	100.00%	55.00%	100.00%
Central Nacional de Energia Eólica, S.A.	Santa Catarina	KPMG	55.00%	100.00%	55.00%	100.00%
Elebrás Projectos, Ltda	Rio Grande do Sul	KPMG	55.00%	100.00%	55.00%	100.00%
South Africa Geography / Platform:						
South Africa:						
EDP Renewables South Africa, Proprietary, Ltd	Cape Town	Mazars Inc.	100.00%	100.00%	-	-
Dejann Trading and Investments Proprietary, Ltd	Cape Town	Mazars Inc.	100.00%	100.00%	-	-
Jouren Trading and Investments Pty, Ltd	Cape Town	Mazars Inc.	100.00%	100.00%	-	-

The main financial indicators of the jointly controlled companies included in the consolidation under the proportionate consolidation method as at 31 December 2013, are as follows:

Company	Share Capital	Head Office	Auditor	% of capital	% of voting rights
Compañía Eólica Aragonesa, S.A.	£6,701,165	Zaragosa	Deloitte	50.00%	50.00%
Desarrollos Energeticos Canarios S.A.	£15,025	Las Palmas	n.a.	49.90%	49.90%
Evolución 2000, S.L.	£117,994	Albacete	Hispa-control	49.15%	49.15%
Flat Rock Windpower, L.L.C.	$522,818,885	New York	E&Y	50.00%	50.00%
Flat Rock Windpower II, L.L.C.	$207,447,187	New York	E&Y	50.00%	50.00%
Tebar Eólica, S.A.	£4,720,400	Cuenca	Abante	50.00%	50.00%

Company	Non Current Assets Euro'000	Current Assets Euro'000	Non Current Liabilities Euro'000	Current Liabilities Euro'000	Total Equity Euro'000	Total Incomes Euro'000	Total Costs Euro'000	Net Results Euro'000
Compañía Eólica Aragonesa, S.A.	41,520	6,364	4,237	4,930	38,717	15,848	-10,473	5,375
Desarrollos Energeticos Canarios S.A.	-	-	-	-	-	-	-	-
Evolución 2000, S.L.	21,105	3,070	15,616	2,087	6,472	5,874	-3,784	2,090
Flat Rock Windpower, L.L.C.	133,811	3,244	1,318	71	135,666	12,327	-13,536	-1,209
Flat Rock Windpower II, L.L.C.	53,806	733	508	48	53,983	2,970	-4,845	-1,875
Tebar Eólica, S.A.	11,976	2,487	8,358	2,291	3,814	4,299	-3,679	620

The main financial indicators of the jointly controlled companies included in the consolidation under the proportionate consolidation method as at 31 December 2012, are as follows:

Company	Share Capital	Head Office	Auditor	% of capital	% of voting rights
Compañía Eólica Aragonesa, S.A.	£6,701,165	Zaragosa	Deloitte	50.00%	50.00%
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Evolución 2000, S.L.	£117,994	Albacete	Hispa-control	49.15%	49.15%
Flat Rock Windpower, L.L.C.	$522,818,885	New York	E&Y	50.00%	50.00%
Flat Rock Windpower II, L.L.C.	$207,447,187	New York	E&Y	50.00%	50.00%
Tebar Eólica, S.A.	£4,720,400	Cuenca	Abante	50.00%	50.00%

Company	Non Current Euro'000	Current Assets Euro'000	Non Current Liabilities Euro'000	Current Liabilities Euro'000	Total Equity Euro'000	Total Incomes Euro'000	Total Costs Euro'000	Net Results Euro'000
Compañía Eólica Aragonesa, S.A.	43,999	9,885	11,605	6,815	35,464	17,995	-10,119	7,876
Desarrollos Energeticos Canarios S.A.	-	4	-	9	-5	-	-	-
Evolución 2000, S.L.	22,304	3,230	17,489	1,934	6,111	5,568	-3,570	1,998
Flat Rock Windpower, L.L.C.	147,901	2,304	1,308	130	148,767	11,170	-14,062	-2,892
Flat Rock Windpower II, L.L.C.	59,348	568	504	34	59,378	2,388	-4,966	-2,578
Tebar Eólica, S.A.	12,872	6,349	11,141	2,498	5,582	4,398	-3,482	916

The Associated Companies included in the consolidation under the equity method as at 31 December 2013, are as follows:

Company	Share Capital	Head Office	Auditor	% of capital	% of voting rights
Aprofitament D'Energies Renovables de L'Ebre, S.A.	3,869,020 £	Barcelona	n.a.	18.97%	38.96%
Biomasas del Pirineo, S.A.	454,896 £	Huesca	PWC	30.00%	30.00%
Blue Canyon Wind Power I, L.L.C.	$47,835,419	Oklahoma	n.a.	25.00%	25.00%
Cultivos Energéticos de Castilla, S.A.	300,000 £	Burgos	n.a.	30.00%	30.00%
Desarollos Eolicos de Canárias, S.A.	3,191,580 £	Gran Canaria	KPMG	44.75%	44.75%
ENEOP - Éolicas de Portugal, S.A.	25,247,525 £	Lisboa	Mazars	35.96%	35.96%
Les Eoliennes en Mer de Dieppe - Le Tréport, SAS	40,000 £	Bois Guillaume	E&Y	50.00%	50.00%
Les Eoliennes en Mer de Vendée, SAS	40,000 £	Nantes	E&Y	50.00%	50.00%
Modderfontein Wind Energy Project, Ltd.		Cape Town	n.a.	42.50%	42.50%
Parque Eólico Belmonte, S.A.	120,400 £	Asturias	KPMG	29.90%	29.90%
Parque Eólico Sierra del Madero, S.A.	7,194,021 £	Soria	n.a.	42.00%	42.00%
SeaEnergy Renewables Inch Cape Limited	£1	Edimburg	Deloitte	49.00%	49.00%
Solar Siglo XXI, S.A.	80,000 £	Ciudad Real	KPMG	25.00%	25.00%

Company	Assets	Liabilities	Equity	Total Income	Net Profit / (Loss)
Aprofitament D'Energies Renovables de L'Ebre,	28,785	25,802	2,983	395	-65
Biomasas del Pirineo, S.A.	238	-	238	-	-
Blue Canyon Wind Power I, L.L.C.	31,721	1,952	29,769	4,362	-1,209
Cultivos Energéticos de Castilla, S.A.	137	-115	252	-	-
Desarollos Eolicos de Canárias, S.A.	6,441	1,241	5,200	3,413	1,150
ENEOP - Éolicas de Portugal, S.A.	1,467,365	1,392,627	74,739	194,859	37,220
Les Eoliennes en Mer de Dieppe - Le Tréport,	40	-	40	-	40
Les Eoliennes en Mer de Vendée, SAS	40	-	40	-	40
Modderfontein Wind Energy Project, Ltd.	-	-	-	-	-
Parque Eólico Belmonte, S.A.	27,812	23,565	4,247	5,221	1,334
Parque Eólico Sierra del Madero, S.A.	63,626	42,107	21,519	14,147	4,749
SeaEnergy Renewables Inch Cape Limited	20,811	22,664	-1,854	260	-731
Solar Siglo XXI, S.A.	62	-	62	-	-

The Associated Companies included in the consolidation under the equity method as at 31 December 2012, are as follows:

Company	Share Capital	Head Office	Auditor	% of capital	% of voting rights
Aprofitament D'Energies Renovables de L'Ebre, S.A.	£3,869,020	Barcelona	n.a.	18.97%	38.96%
Biomasas del Pirineo, S.A.	£454,896	Huesca	PWC	30.00%	30.00%
Blue Canyon Wind Power I, L.L.C.	$50,417,419	Oklahoma	n.a.	25.00%	25.00%
Cultivos Energéticos de Castilla, S.A.	£300,000	Burgos	n.a.	30.00%	30.00%
Desarollos Eolicos de Canárias, S.A.	£4,291,140	Gran Canaria	KPMG	44.75%	44.75%
ENEOP - Éolicas de Portugal, S.A.	£25,247,525	Lisboa	Mazars	35.96%	35.96%
Parque Eólico Belmonte, S.A.	£120,400	Asturias	KPMG	29.90%	29.90%
Parque Eólico Sierra del Madero, S.A.	£7,194,021	Soria	n.a.	42.00%	42.00%
SeaEnergy Renewables Inch Cape Limited	£1	Edimburg	Deloitte	49.00%	49.00%
Solar Siglo XXI, S.A.	£80,000	Ciudad Real	KPMG	25.00%	25.00%

Company	Assets	Liabilities	Equity	Total Income	Net Profit / (Loss)
Aprofitament D'Energies Renovables de L'Ebre,	28,135	25,087	3,048	130	-103
Biomasas del Pirineo, S.A.	238	-	238	-	-
Blue Canyon Wind Power I, L.L.C.	35,927	1,597	34,330	5,112	-912
Cultivos Energéticos de Castilla, S.A.	137	-115	252	-	-
Desarollos Eolicos de Canárias, S.A.	8,412	692	7,720	4,248	2,123
ENEOP - Éolicas de Portugal, S.A.	1,318,686	1,288,975	29,711	1,190	11,315
Parque Eólico Belmonte, S.A.	30,045	26,092	3,953	2,949	1,195
Parque Eólico Sierra del Madero, S.A.	60,235	43,466	16,770	12,332	4,770
SeaEnergy Renewables Inch Cape Limited	12,263	13,187	-924	-	-880
Solar Siglo XXI, S.A.	62	-	62	-	-

ANNEX 2

EDP Renováveis, S.A.

Group Activity by Operating Segment
Operating Segment Information for the year ended 31 December 2013

Thousands of Euros	EUROPE	NORTH AMERICA	BRAZIL	SEGMENTS TOTAL
Revenues	844,494	362,916	24,290	1,231,700
Income from institutional partnerships in US wind farms	-	125,101		125,101
	844,494	488,017	24,290	1,356,801
Other operating income	12,187	29,863	-	42,050
Supplies and services	-141,943	-111,772	-7,829	-261,544
Personnel costs and Employee benefits expenses	-25,537	-28,858	-1,142	-55,537
Other operating expenses	-80,433	-39,649	-869	-120,951
	-235,726	-150,416	-9,840	-395,982
Gross operating profit	608,768	337,601	14,450	960,819
Provisions	-97	-1,167	-25	-1,289
Depreciation and amortisation expense	-251,191	-227,901	-6,417	-485,509
Amortisation of deferred income / Government grants	1,096	17,376	-	18,472
Operating profit	358,576	125,909	8,008	492,493
Share of profit of associates	28,401	-	-	28,401
Assets	6,340,043	5,390,932	142,438	11,873,413
Liabilities	355,048	2,115,669	2,525	2,473,242
Operating Investment	387,259	121,867	24,902	534,028

Note: The Segment "Europe" includes: i) revenues in the amount of 467,613 thousands of Euros from Spanish companies, of which 4,830 thousands of Euros generated outside of Spain; ii) assets from spanish companies in the amount of 2,560,723 thousands of Euros.

Reconciliation between the Segment Information and the Financial Statements

Thousands of Euros	
Revenues of the Reported Segments	**1,231,700**
Revenues of Other Segments	12,418
Elimination of intra-segment transactions	(13,155)
Revenues of the EDPR Group	**1,244,118**
Gross operating profit of the Reported Segments	**960,819**
Gross operating profit of Other Segments	(13,694)
Elimination of intra-segment transactions	2
Gross operating profit of the EDPR Group	**947,125**
Operating profit of the Reported Segments	**492,493**
Operating profit of Other Segments	(14,906)
Elimination of intra-segment transactions	(4,436)
Operating profit of the EDPR Group	**477,587**
Assets of the Reported Segments	**11,873,413**
Not Allocated Assets	**2,094,526**
Financial Assets	545,082
Tax assets	191,779
Debtors and other assets	1,357,665
Assets of Other Segments	9,845,345
Elimination of intra-segment transactions	(10,701,566)
Assets of the EDPR Group	**13,111,718**
Liabilities of the Reported Segments	**2,473,242**
Not Allocated Liabilities	5,180,276
Financial Liabilities	874,011
Tax liabilities	438,830
Payables and other liablities	3,867,435
Liabilities of Other Segments	4,177,846
Elimination of intra-segment transactions	(4,809,142)
Liabilities of the EDPR Group	**7,022,222**
Operating Investment of the Reported Segments	**534,028**
Operating Investment of Other Segments	2,437
Operating Investment of the EDPR Group	**536,465**

	Total of the Reported Segments	Other Segments	Elimination of intra-segment transactions	Total of the EDPR Group
Other operating income	**42,050**	81	(405)	**41,726**
Supplies and services	**(261,544)**	(14,737)	13,486	**(262,795)**
Personnel costs and Employee benefits expenses	**(55,537)**	(11,017)	-	**(66,554)**
Other operating expenses	**(120,951)**	(439)	76	**(121,314)**
Provisions	**(1,289)**	-	(1)	**(1,290)**
Depreciation and amortisation expense	**(485,509)**	(1,212)	(4,437)	**(491,158)**
Amortisation of deferred income / Government grants	**18,472**	-	-	**18,472**
Share of profit of associates	**28,401**	(33)	(12,459)	**15,909**

EDP Renováveis, S.A.

Group Activity by Operating Segment
Operating Segment Information for the year ended 31 December 2012

Thousands of Euros	EUROPE	NORTH AMERICA	BRAZIL	SEGMENTS TOTAL
Revenues	777,538	355,504	24,754	1,157,796
Income from institutional partnerships in US wind farms	-	127,350		127,350
	777,538	482,854	24,754	1,285,146
Other operating income	46,540	19,439	-	65,979
Supplies and services	-125,096	-116,317	-6,177	-247,590
Personnel costs and Employee benefits expenses	-24,542	-29,260	-1,217	-55,019
Other operating expenses	-41,002	-41,290	-804	-83,096
	-144,100	-167,428	-8,198	-319,726
Gross operating profit	633,438	315,427	16,556	965,421
Provisions	3	-	-	3
Depreciation and amortisation expense	-260,140	-233,564	-6,323	-500,027
Amortisation of deferred income / Government grants	1,119	14,112		15,231
Operating profit	374,420	95,975	10,233	480,628
Share of profit of associates	6,833	-	-	6,833
Assets	6,193,866	5,655,698	153,362	12,002,926
Liabilities	474,592	2,334,745	3,376	2,812,713
Operating Investment	423,328	171,176	9,149	603,653

Note: The Segment "Europe" includes: i) revenues in the amount of 434,424 thousands of Euros from Spanish companies, of which 38,165 thousands of Euros generated outside of Spain; ii) assets from spanish companies in the amount of 2,829,924 thousands of Euros.

Reconciliation between the Segment Information and the Financial Statements

Thousands of Euros	
Revenues of the Reported Segments	**1,157,796**
Revenues of Other Segments	(107)
Elimination of intra-segment transactions	107
Revenues of the EDPR Group	**1,157,796**
Gross operating profit of the Reported Segments	**965,421**
Gross operating profit of Other Segments	(28,050)
Elimination of intra-segment transactions	210
Gross operating profit of the EDPR Group	**937,581**
Operating profit of the Reported Segments	**480,628**
Operating profit of Other Segments	(29,167)
Elimination of intra-segment transactions	(1,355)
Operating profit of the EDPR Group	**450,106**
Assets of the Reported Segments	**12,002,926**
Not Allocated Assets	**1,121,956**
Financial Assets	349,094
Tax assets	127,195
Debtors and other assets	645,667
Assets of Other Segments	8,593,954
Elimination of intra-segment transactions	(8,416,863)
Assets of the EDPR Group	**13,301,973**
Liabilities of the Reported Segments	**2,812,713**
Not Allocated Liabilities	6,369,141
Financial Liabilities	917,112
Tax liabilities	394,108
Payables and other liablities	5,057,921
Liabilities of Other Segments	3,383,580
Elimination of intra-segment transactions	(5,012,288)
Liabilities of the EDPR Group	**7,553,146**
Operating Investment of the Reported Segments	**603,653**
Operating Investment of Other Segments	2,831
Operating Investment of the EDPR Group	**606,484**

	Total of the Reported Segments	Other Segments	Elimination of intra-segment transactions	Total of the EDPR Group
Other operating income	**65,979**	140	(3,003)	**63,116**
Supplies and services	**(247,590)**	(16,883)	2,663	**(261,810)**
Personnel costs and Employee benefits expenses	**(55,019)**	(8,247)	607	**(62,659)**
Other operating expenses	**(83,096)**	(2,952)	(164)	**(86,212)**
Provisions	**3**	-	-	**3**
Depreciation and amortisation expense	**(500,027)**	(1,118)	(1,564)	**(502,709)**
Amortisation of deferred income / Government grants	**15,231**	-	-	**15,231**
Share of profit of associates	**6,833**	**-**	**-**	**6,833**

KPMG Auditores S.L.
Ventura Rodríguez, 2
33004 Oviedo

Audit report on the system of internal control over financial reporting

To the Board of Directors
EDP Renováveis, S.A.

Further to your request and to our engagement letter dated 20 June 2013, we have audited the system of internal control over financial reporting of EDP Renováveis, S.A. (the Company) and subsidiaries (the Group) at 31 December 2013, based on the criteria established in the Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in relation with global business and control procedures, and with the COBIT Framework for IT Governance and Control. The Board of Directors of the Company and senior Group management are responsible for adopting the measures required to reasonably guarantee the implementation, maintenance and supervision of an adequate system of internal control over financial reporting, assess its efficiency and make improvements to the system, as set forth in the report drawn up by Group management on the internal control over financial reporting system enclosed. Our responsibility is to express an opinion on the effectiveness of the Group's internal control over financial reporting system based on our audit.

An organisation's system of internal control over financial reporting is designed to provide reasonable assurance that its annual financial reporting complies with the applicable financial reporting framework. It includes policies and procedures that are aimed at: (i) verifying the existence and maintenance of records that present fairly and in reasonable detail the Group's transactions and assets; (ii) providing reasonable assurance that transactions are adequately recorded so as to allow the Group to draw up consolidated annual accounts in accordance with the applicable financial reporting framework; and (iii) providing reasonable assurance regarding the timely prevention or detection of asset additions or disposals or unauthorised use of Group assets that might have a material effect on the consolidated annual accounts. Due to the limitations inherent in any form of internal control system, irrespective of the quality of the design and operation of the internal control system adopted for annual financial reporting, this system can only provide reasonable but not absolute assurance as to the objectives sought.

We have performed our audit in accordance with ISAE 3000 (International Standard on Assurance Engagements 3000). This standard requires that we plan and perform our audit to obtain reasonable assurance about whether the Group system of internal control over financial reporting is effective in all material aspects. Our audit included our gaining an understanding of the Group's internal control over the financial reporting system, verifying and evaluating, on a selective test basis, the design and operating efficiency of the system, and performing other procedures that we considered necessary under the circumstances. We believe that our audit provides a reasonable basis for our opinion.

KPMG Auditores S.L., a limited liability Spanish company, is a subsidiary of KPMG Europe LLP and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

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Due to the limitations inherent in any form of internal control system, there is always the possibility that internal control over financial reporting may not prevent or detect the errors or irregularities that might arise, whether due to errors in judgement, human error, fraud or malpractice. Extrapolating the effectiveness assessment to future years entails a risk that controls may cease to be adequate due to changing conditions or erosion in the levels of compliance with policies and procedures.

In our opinion, the Group's system of internal control for financial reporting at 31 December 2013 is effective in all material aspects, according to the criteria established in the Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in relation with global business and control procedures and the COBIT Framework for IT Governance and Control.

On 26 February 2014, in accordance with prevailing accounting legislation in Spain, we issued our audit report on the consolidated annual accounts of the Group for 2013, expressing an unqualified opinion thereon.

This report has been issued in accordance with your request. We accept no liability to any third parties other than the intended recipients of this report.

KPMG Auditores, S.L.

Ana Fernández Poderós

26 February 2014

edp renováveis

Report from Management concerning responsibility for

the System of Internal Control over Financial Reporting

The board of directors and management are responsible for establishing and maintaining an adequate System of Internal Control over Financial Reporting (SCIRF).

The SCIRF of EDP Renováveis Group is a set of processes designed to provide reasonable assurance as to the reliability of the financial information and the preparation of the consolidated annual accounts for external purposes, in accordance with the applicable financial information reporting framework.

Due to the limitations inherent to all internal control systems, it is possible that the system of internal control over financial reporting does not prevent or detect all errors that could occur and may only provide reasonable assurance with respect to the presentation and preparation of the consolidated annual accounts. Furthermore, extrapolating the effectiveness assessment to future years entails a risk that controls may cease to be adequate due to changing conditions or erosion in the level of compliance with policies and procedures.

Management has assessed the effectiveness of the SCIRF at 31 December 2013 based on the criteria established in the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

As a result of this assessment, and based on the aforementioned criteria, management concludes that at 31 December 2013 EDP Renováveis Group had an effective system of internal control over financial reporting.

The SCIRF of EDP Renováveis Group at 31 December 2013 has been audited by the independent auditors KPMG Auditores, S.L., as indicated in their report included in the Annual Corporate Governance Report.

Chief Executive Officer

Chief Financial Officer

26 February 2014

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Inscrito en registro mercantil de Asturias, Tomo 3671, Folio 177
Hoja nº AS-37669, Inscripción 1º C.I.F. A-74219304

Members of the Board of Directors of the Company EDP Renováveis, S.A.

DECLARE

To the extent of our knowledge, the information referred to in sub-paragraph a) of paragraph 1 of Article 245 of Decree-Law no. 357-A/2007 of October 31 and other documents relating to the submission of accounts required by current regulations have been prepared in accordance with applicable accounting standards, reflecting a true and fair view of the assets, liabilities, financial position and results of EDP Renováveis, S.A. and the companies included in its scope of consolidation and the management report fairly presents the evolution of business performance and position of EDP Renováveis, S.A. and the companies included in its scope of consolidation, containing a description of the principal risks and uncertainties that they face.

Lisbon, February 26, 2013.

António Luís Guerra Nunes Mexia	João Manuel Manso Neto
Nuno Maria Pestana de Almeida Alves	João Manuel Veríssimo Marques da Cruz
Rui Manuel Rodrigues Lopes Teixeira	João Paulo Nogueira da Sousa Costeira
Gabriel Alonso Imaz	Manuel Menéndez Menéndez
José Fernando Maia de Araújo e Silva	João Manuel de Mello Franco
João José Belard da Fonseca Lopes Raimundo	Jorge Manuel Azevedo Henriques dos Santos
Rafael Caldeira de Castel-Branco Valverde	Gilles August