



**ANNUAL GENERAL  
SHAREHOLDERS' MEETING**

April 17<sup>th</sup>, 2012

**PROPOSAL OF ITEM 5 OF THE AGENDA  
Grant authorization to the Executive Board of Directors for the acquisition  
and sale of own bonds by EDP and subsidiaries of EDP**

**Considering that:**

- A) The Articles of Association allow, according to number 1 of article 6, to carry out transactions legally permitted by law involving its own bonds or other securities issued by EDP;
- B) It is deemed appropriate from the Company's and Group EDP point of view, that EDP holds an authorization to acquire or to sell own bonds;

**The Executive Board of Directors proposes to the General Shareholders' Meeting the approval of the following resolution:**

To approve the granting of the authorization to allow EDP's Executive Board of Directors to buy or to sell own bonds or, independently of the applicable jurisdiction, other securities or documents representatives of debt of EDP or of its current or future subsidiaries, for a period of 18 months and under any business condition, either out of the Stock Exchange or within national or international regulated markets, applying or not to a financial trustee, through direct transaction or by means of derivative instruments, as well as in accordance with further condition and the following restraints;

**Acquisition**

- a) **Maximum number of bonds to buy:** the total number of bonds of each issuance;
- b) **Minimum and maximum consideration of the acquisition:**

- the maximum and minimum buying price will be, respectively, 120% and 80% of the weighted average of the prices published in the last 5 negotiation sessions prior to the date of acquisition;
  - the maximum and minimum buying price concerning issuances not listed in the NYSE Euronext Lisbon, irrespective of being listed or not in other markets, its average buying and selling price published by an entity internationally well known in the bond market;
  - for issuances not complying with the previous paragraph, the limit price is the value indicated by an independent and qualified consultant or by a financial trustee appointed by the Executive Board of Directors;
  - in the case where a transaction results from or has to do with contractual conditions contemplated in another bond issuance, the price will be the value that results from the said contractual conditions;
- c) **Moment of acquisition:** the Executive Board of Directors shall determine the timing of each transaction and acquisition may take place one or more times depending on what the Board deems more appropriate from the Company's point of view.

## **Selling**

- a) **Maximum number of bonds to sell:** the total number of bonds held;
- b) **Minimum consideration of the sale:**
- the minimum selling price will be 80% of the weighted average of the prices published in the last 5 negotiation sessions prior to the date of selling;
  - for issuances not listed in the NYSE Euronext Lisbon, irrespective of being listed or not in other markets, the limit price is the average buying and selling price published by an entity internationally well known in the bond market;
  - for issuances not complying with the previous paragraph, the limit price is the value indicated by an independent and qualified consultant or by a financial trustee appointed by the Executive Board of Directors;

- in the case where a transaction results from or has to do with contractual conditions contemplated in another bond issuance, the price will be the value that results from the said contractual conditions;
- c) **Moment of selling:** the Executive Board of Directors shall determine the timing of each transaction and selling may take place one or more times depending on what the Board deems more appropriate from the Company's point of view.

Lisbon, March 8<sup>th</sup>, 2012

**EDP – Energias de Portugal, S.A.**

**The Executive Board of Directors**

**António Mexia**

**Miguel Stilwell de Andrade**