



OPEN LETTER

Board of Directors
EDP Renováveis, S.A.
Place de la Gesra
No. 2 Oviedo
SPAIN

29 June 2018

Dear Sirs, Mesdames

RE: COMPETING TENDER OFFERS

Massachusetts Financial Services Company and its investment management subsidiaries (collectively "**MFS**") are a global investment manager that make investments on behalf of clients. MFS is invested in EDP Renováveis, S.A. ("**EDPR**") on behalf of its clients and controls 34,373,383 million shares, which represent 22.7% of the floated share base, 3.940% of the total shares outstanding and 3.915% of the total voting rights (as of 28 June 2018).

MFS is writing this open letter following the separate tender offers announced by China Three Gorges (Europe), S.A. ("**CTG**") for the shares of EDP - Energias de Portugal, S.A. (the "**EDP Offer**") and EDPR (the "**EDPR Offer**") dated 11 May 2018.

In the EDPR preliminary announcement document dated 11 May 2018 (as amended on 16 May 2018), paragraphs 13(b) and 13(c) provide that the launching of the EDPR Offer is subject to a number of conditions including:

- (b) (i) the launch of a public tender offer over shares representing the share capital of EDP – Energias de Portugal, S.A. (...) following the disclosure of the preliminary announcement disclosed on the date hereof (the "**Public Tender Offer**"), and (ii) to all the conditions of the Public Tender Offer being verified, including the acquisition by the Offeror [CTG], up to the term of such offer's period and within such offer, of a number of shares of EDP that added to those held by the Offeror [CTG] or by companies under a control or group relation (relação de domínio ou de grupo) represent, at least, 50% (fifty per cent.) of voting rights in EDP, plus 1 (one) voting right (or the waiver by the Offeror [CTG] of such condition to the Public Tender Offer's success, provided that, in case such condition is waived and upon the successful completion of that offer, the Offeror [CTG] is subject to the duty to launch a tender offer over the Shares of the Target Company [EDP] pursuant to article 187, no. 1, of the Portuguese Securities Code);*
- (c) the granting of all approvals and administrative authorisations that are required in accordance with Portuguese law or an applicable foreign law, for the acquisition of the target Shares and, indirectly, of the shares held by the Target Company and of the shares and/or of the assets held by the Target Company's subsidiaries (...)*

MFS is concerned that these pre-conditions to the launching of the EDPR Offer could result in prolonged uncertainty surrounding the EDPR Offer calendar that may hinder or discourage the launch of potential competing offers for EDPR.

We believe that such prolonged uncertainty is not in the interest of the minority shareholders in EDPR and that the EDPR Board of Directors should consider clarifying as a matter of urgency **whether a competing offer for EDPR can be registered and launched prior to the launch of the EDPR Offer by CTG.**

This clarification is necessary for MFS to properly assess its investment horizon for our underlying clients invested in EDPR. MFS is committed to acting in the best interest of our clients for whom we act as investment manager. We also believe other minority shareholders and the market more generally would similarly benefit from such a clarification.

Yours faithfully,

Maura Shaughnessy
MFS Portfolio Manager

Claud Davis
MFS Portfolio Manager

Scott Walker
MFS Portfolio Manager