

STORMHARBOUR

StormHarbour Arranges €500 million EDP Tariff Deficit Receivables Securitisation ~ Fourth Volta transaction arranged by StormHarbour for EDP since 2013 ~

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StormHarbour ("The Company"), the leading independent global markets and financial advisory firm, today announces it has acted as Sole Arranger and Joint Lead Manager for EDP - Energias de Portugal - on its €500 million tariff deficit securitisation, "Volta III". It is the third public Volta transaction arranged by StormHarbour on behalf of EDP in the past two years, underlining the growing demand for the asset class amongst international investors.

The deal is structured with a two year weighted average life, fixed rate (ratings of BBB High/BBB/A1, from DBRS/Fitch/Moody's, respectively) offer of senior notes. The issue, which was placed with 35 investors accross 10 geographies, carries a coupon of 1.99% and yields 2%, 100bp inside the level of Volta II. Banco Santander, Deutsche Bank and J. P. Morgan were also joint Lead Managers on the transaction.

This transaction is the fourth tariff deficit held by EDP which StormHarbour has arranged; following the May 2013 €450 million Volta Electricity Receivables Securitisation, which was the largest public securitisation in Portugal since the financial crisis and created the first international public securitisation of electricity receivables in Portugal. In March 2014 StormHarbour announced it had also structured and jointly placed Volta II, valued at €750 million. Earlier this year StormHarbour also acted as Sole Placement Agent Arranger and Lead Manager on the €229 million sale of electricity receivables owned by EDP.

StormHarbour also has a successful track record in arranging securitisations in the wider Portuguese market. The company, which opened a representative office in Lisbon in 2012, and led every securitasion in the Portuguese market that year, has arranged and placed 16 Portuguese primary market transactions in the international markets over the past three years. These include two re-marketings of Portuguese tariff deficit loans for Financial Institutions in October 2014 and February 2015; and the securitisation of non-performing unsecured auto and consumer loans in March this year.

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Paulo Gray, Principal and Managing Director at StormHarbour commented: "As the third tariff deficit public placement in the Portuguese markets for EDP, this transaction demonstrates the value attributed by investors to the asset class. Strong investor demand, which has been a feature of all three issuances, has been driven by an investment in investor education by both EDP and StormHarbour. It is also indicative of EDP's leading position in the sector and marks Portugal's solid return to the capital markets.

"StormHarbour's strong credentials in this asset class are supported by its robust structuring capabilities and the distribution prowess of the firm in the structured finance space. These have ensured a heightened level of interest from real money investors in each of the transactions we have arranged."