



## **Case Study “EDP”**

### **Company valuation**

#### **Academic year 2025/2026**

EDP is a multinational utility company with headquarters in Lisbon, Portugal. With more than 40 years of history, it has been building a relevant presence in the world energy scene, being present in 29 markets throughout 3 continents.

With more than 12.000 employees worldwide, EDP is present in all aspects of the electricity value chain, either in power generation, distribution or supply to final customers, and in the gas commercialization activity, serving more than 9 million customers. In terms of power generation, EDP is the fourth largest wind energy production company in the world and around 75% of their energy is generated from renewable resources.

EDP Group is listed on Euronext Lisbon since 1997 and in 2024 registered more than 14 billion euros in revenues, somewhat lower than in 2023.

#### **Some additional historical facts about EDP**

EDP was founded as *Electricidade de Portugal, E.P.* by the Portuguese government through the Decreto-lei nº 502/76 published on June 30, 1976, merging 14 former energy companies that had been nationalized by 1975 in the aftermath of the regime change in 1974, of which the most significant had been the *Companhias Reunidas de Gás e Electricidade* (CRGE). The Portuguese state privatized the company in several phases, from 1996 to 2011.

In March 2007 the group made a US\$3 billion takeover of Horizon Wind Energy, the Texas-based wind power producer. At the time, it was the largest renewable energy deal to date and made EDP the fourth largest wind power producer in the world. The firm's renewables operations (including Horizon) are now contained within its majority-owned subsidiary EDP Renováveis.

China Three Gorges Corporation, won in December 2011 the bidding for the Portuguese government's 21.35% interest in the company.

In late 2018 EDP's largest shareholder, China Three Gorges Corporation, proposed a hostile takeover of EDP. This was ultimately rejected at the shareholders meeting on April 24, 2019.

In 2020, EDP agreed to buy Viesgo, more than doubling its presence in Spain's electricity distribution market.

In 2023 and 2024, EDP continued to consolidate its leadership in the renewable energy sector. The company advanced the execution of its 2023-2026 Strategic Plan, with a strong focus on decarbonization and digitalization, allocating around €25 billion of gross investment, of which 85% is dedicated to renewables. By the end of 2023, renewables accounted for nearly 87% of total electricity generation, reinforcing EDP's trajectory towards its 2030 target of 100% renewable production. In 2024, EDP reported revenues exceeding €14 billion, slightly lower than the previous year, reflecting challenging energy market conditions. Despite this, the group maintained solid international

diversification, with more than half of its net sales generated outside Portugal, and continued to advance projects to phase out coal generation by 2025, strengthen its position in Iberia, Brazil, and the U.S., and align its operations with its Net Zero 2040 roadmap

Net sales are distributed geographically as follows: Portugal (53,3%), Brazil (20,6%), Spain (14,7%), USA (5,4%) and Others (6%). (Source: Cofisem – Last update: 12 Aug 2025).

<https://live.euronext.com/pt/product/equities/PTEDP0AM0009-XLIS/company-information>

## COMPANY PROFILE

EDP – Energias de Portugal, S.A. is one of the leading producers and distributors in Portugal. The activity is organized around 4 sectors:

- production, sales and distribution of electricity: hydroelectric, thermoelectric, wind, co-generated, and biomass-based;
- supply of energy services: primarily engineering and consulting services for the construction and installation of thermoelectric and hydroelectric units;
- sales and distribution of gas (No. 2 in Portugal);
- other: steam production, supply of computer services, etc.

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Source: Cofisem – Last Update: 12 Aug 2025

### Key Executives

|                                  |                                     |
|----------------------------------|-------------------------------------|
| Chairman of the Management Board | Miguel Stilwell Andrade             |
| Member of the Management Board   | Ana Paula Marques                   |
| Member of the Management Board   | Vera Pinto Pereira                  |
| Member of the Management Board   | Rui Manuel Rodrigues Lopes Teixeira |
| Chief Financial Officer          | Rui Manuel Rodrigues Lopes Teixeira |
| Member of the Management Board   | Pedro Vasconcelos                   |

## ADDRESS

### EDP – Energias de Portugal, S.A.

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PT-1249-300 Lisboa  
Portugal

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<https://www.edp.com/en/investors>

Source: Cofisem – Last Update: 12 Aug 2025

## CONTACT

### Miguel Viana

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[ir@edp.com](mailto:ir@edp.com)

Source: EDP – Energias de Portugal, S.A. – Last Update: 12 Aug 2025

<https://live.euronext.com/pt/product/equities/PTEDPOAM0009-XLIS/company-information>



Name, ISIN, Ticker, Index



Source: Cofisem - Last Update: 12 Aug 2025

#### Key figures

| MILLENIUM                                         | 2024            | 2023            | 2022            | 2021            | 2020            |
|---------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net sales                                         | 14.965.762      | 16.202.308      | 20.650.764      | 14.982.909      | 12.448.205      |
| Income from ordinary activities                   | 14.965.762      | 16.202.308      | 20.650.764      | 14.982.909      | 12.448.205      |
| Operating income                                  | 2.261.983       | 2.798.170       | 2.529.993       | 1.930.785       | 2.206.038       |
| Cost of financial indebtedness net                | 773.475         | 764.884         | 697.447         | 542.908         | 454.602         |
| Equity-accounted companies contribution to income |                 |                 |                 |                 |                 |
| Net profit from discontinued activities           | -47.748         | -49.365         | -51.534         | -53.314         | -65.109         |
| Net income                                        | 825.390         | 1.331.390       | 1.169.749       | 1.104.646       | 1.161.193       |
| Net income (Group share)                          | 800.980         | 952.348         | 679.001         | 656.717         | 800.692         |
| Fiscal year end                                   | 2024-12-31      | 2023-12-31      | 2022-12-31      | 2021-12-31      | 2020-12-31      |
| Length of fiscal year (month)                     | 12              | 12              | 12              | 12              | 12              |
| Currency & Unit                                   | EUR - thousands | EUR - thousands | EUR - thousands | EUR - thousands | EUR - thousands |
| Account Standards                                 | IFRS            | IFRS            | IFRS            | IFRS            | IFRS            |

Source: Cofisem - Last Update: 12 Aug 2025

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Shareholder information 2025:

Shareholder information

|                                      |         |
|--------------------------------------|---------|
| Other shareholders                   | 54,74 % |
| China Three Gorges Corporation       | 21,08 % |
| Oppidum Capital, S.L.                | 6,82 %  |
| BlackRock, Inc.                      | 6,33 %  |
| Canada Pension Plan Investment Board | 5,47 %  |
| Norges Bank                          | 5,07 %  |
| Treasury shares                      | 0,48 %  |

Source: Cofisem - Last Update: 12 Aug 2025

Shareholder information 2024:

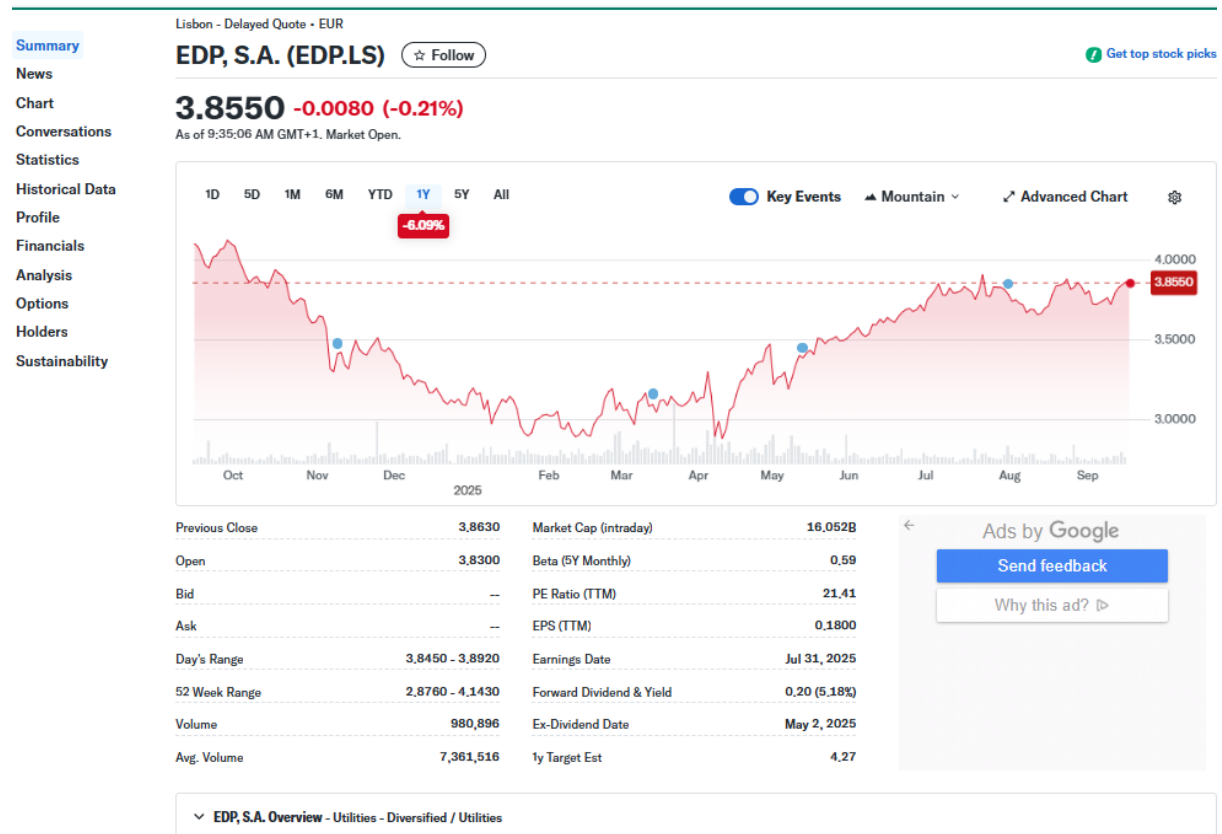
Shareholder information

|                                      |         |
|--------------------------------------|---------|
| Group-owned stock                    | 0.48 %  |
| Other shareholders                   | 54.74 % |
| BlackRock, Inc.                      | 6.33 %  |
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| China Three Gorges Corporation       | 21.08 % |
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| Oppidum Capital, S.L.                | 6.82 %  |

Source: Cofisem - Last Update: 29 Aug 2024

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## Market Information



### a) Requests

1. Estimate the **Enterprise Value** and **Equity Value** of EDP based on the accounts of the company (consolidated accounts). The reference valuation date should be **31<sup>st</sup> December 2024**.
2. Detail and explain your calculations concerning the **discount rate** that you considered for determining the Enterprise Value and Equity Value of EDP.
3. Compare the value per share that you reached with the listed price at the end of December 2024 on the EURONEXT Lisbon stock exchange. What investment recommendation would you give?

### b) Notes

- a) For the company valuation you should detail all the assumptions that you consider relevant.
- b) You may use different valuation methods, but the **Discounted Cash Flow Method (DCF)** and the **Market Multiples / Relative Valuation** should be considered in your assignment.

### c) Schedule for the delivery of the assignment

1. The assignment should be delivered until **Sunday, 16<sup>th</sup> of November 2025 at 16:30.**
2. Presentations on class will be done on **17<sup>th</sup> of November 2025.**
3. Files should be sent **simultaneously** to the emails: [tfv@iseg.ulisboa.pt](mailto:tfv@iseg.ulisboa.pt); [Telmo.fv@gmail.com](mailto:Telmo.fv@gmail.com).
4. **Files also need to be uploaded** on MS Teams of the subject.
5. A written report with the company valuation should be delivered. In terms of structure for the report you can use **TEGOVA** (The European Group of Valuers' Associations) guidelines in terms of report presentation.
6. The excel file used for the calculations should also be submitted.

**d) Presentation of the company valuation at the class**

1. All groups need to make a presentation in class.
2. The time for the presentation cannot exceed **15 minutes per group**.
3. Questions can be made by the professor after the presentation to clarify aspects.

The professor

Telmo Francisco Vieira

ISEG-Universidade de Lisboa, 16th September 2025