PORTUGAL IS A BUSINESS OPPORTUNITY

Why choose Portugal?
Portugal is the European nearest country to the U.S.
3-hour distance between Brazil and Russia.
Same time as UK and Ireland.

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**Strategic location**

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**Attractive Consumer Market**

<table>
<thead>
<tr>
<th>Region</th>
<th>Million Inhabitants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portugal</td>
<td>10,6</td>
</tr>
<tr>
<td>Iberian Market</td>
<td>51</td>
</tr>
<tr>
<td>European Market</td>
<td>494</td>
</tr>
<tr>
<td>Portuguese Speaking countries</td>
<td>220</td>
</tr>
</tbody>
</table>

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Great and privilege economic relations between Portugal and Brazil, Angola and Mozambique.
Daily flights to major European cities.

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**Why choose Portugal?**
Qualified Workforce

- Flexible labour law
- High-standard education
- Wide availability
- Partnerships with world-class US institutions

Portugal has a highly skilled and educated workforce. Portugal ranks on Top within the EU countries in number of PhDs per 1,000 inhabitants.

40% of students in tertiary education are enrolled in engineering, sciences and health. The increase rate in the last 3 years is about 30%.

Portuguese are known for commitment to work which places us below the EU average regarding working days lost per year.

Language skills: English, French and Spanish are the most spoken languages. English is universally taught from 1st grade.
Portugal is still cost competitive according to international recognized sources. There was a decrease of -1.2% in hourly labour costs in 2012 Q1 (Euro 27 rose by +2.0%).

In terms of real estate – industrial space - and within 53 countries/cities worldwide, Portugal/Lisbon is the 8th less expensive location.

Portugal also has one of the lowest monthly minimum wage in Europe (485€).
Technological Infrastructures

Telecommunications have been a major priority in Portugal. The country has now 95% coverage of broadband infrastructures. The net increase in the broadband penetration growth for Portugal is above the OECD average (Dec 2010).

The percentage of fiber connections in total broadband is already 6% for Portugal, ahead of countries such as Netherlands, Finland, France, Spain, Italy, Poland, Austria, Germany or Belgium.

The Internet is also well developed. Portugal is a United Nations case study in terms of e-Government and its availability of public services on-line.
Office Space available

Portugal offers a dynamic real estate market. High quality space, well designed and energy efficiency oriented has boomed and rent prices are competitive comparing the other European countries.

Portugal is ahead of countries such as France and Spain in terms of cost. The figures are shown for Lisbon. If we considered Porto area, prices can lower 25%.
Business friendly environment

MULTI-CULTURAL

Portugal is very open to foreign cultures: the availability of international schools, the safety record and quality of life attract expatriates.

As a result Portugal is ranked #2 in the Migrant Integration Policy Index 2011.

“Portugal is unique in attracting young graduates and executives.” Carlos Brazão, Cisco Portugal

EASE OF DOING BUSINESS

- Major public services are on-line;
- Portugal is considered by the United Nations, a case study in e-Government;
- Average time to set up a firm is less than 1-hour
They chose us

Our decision is a result of the recognition of the hospitality and the commitment of the Portuguese Government, of the multilingual skills of the local population as well as its professionalism and ability, and proven success in innovation areas.”

Chris Dedicoat, Senior Vice-President for Europe, Cisco

One of our main strategic lines was always to shorten distances with the academic world and to bet in strong innovation, investigation and development in Portugal thus taking advantage of the Portuguese engineer’s excellence.

João Picoto, Chairman of Nokia Siemens Networks Portugal

Why choose Portugal?
Renewable Energies In Portugal
NATIONAL ACTION PLAN FOR RENEWABLE ENERGY 2020

1. Free competition, price transparency and fully deregulated energy markets

2. Reduction of the energy consumption by 25% and the Government consumption by 30%

3. Reduction of the greenhouse gases emissions

4. Diversify the energy primary sources: reduce the fluctuations of the commodities' price.

5. Reduce oil dependence: biofuels and public transportation might represent an important impact

6. Support internationalization of enterprises mainly those focused in high-tech renewable sources.

Source: Resolução do Conselho de Ministros nº 20/2013
With a goal of 31%, Portugal has taken on the 5th most ambitious goal in the EU 27 for renewable energy.

In 2013, the Portuguese Government went even further by increasing the targets for renewable energy.

### NEW 2020 TARGETS

<table>
<thead>
<tr>
<th>Weight of Renewable energy</th>
<th>2020 Targets (as defined in 2010)</th>
<th>2020 Targets (new Resolution of Council of Ministers 2013)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In final energy consumption</td>
<td>31% (5th highest in the EU)</td>
<td>34.5%</td>
</tr>
<tr>
<td>In electricity</td>
<td>55.3%</td>
<td>59.6%</td>
</tr>
<tr>
<td>In Climate control</td>
<td>30.6%</td>
<td>35.9%</td>
</tr>
<tr>
<td>In Transportation</td>
<td>10%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>
Renewable Energy for 2020
Targets and Objectives

Electricity Production - Targets

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2012</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portugal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewables</td>
<td>28%</td>
<td>46%</td>
<td>60%</td>
</tr>
<tr>
<td>Fossil fuels</td>
<td>72%</td>
<td>54%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Increase in Production capacity (MW)

<table>
<thead>
<tr>
<th></th>
<th>2004-2012</th>
<th>2012-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>978</td>
<td>3,401</td>
</tr>
<tr>
<td>Wind</td>
<td>3,913</td>
<td>850</td>
</tr>
<tr>
<td>Solar</td>
<td>223</td>
<td>495</td>
</tr>
<tr>
<td>Biomass</td>
<td>157</td>
<td>207</td>
</tr>
</tbody>
</table>

Breakdown per Energy source

Source: Resolução do Conselho de Ministros nº 20/2013
Renewable Energy for 2020
Some Key Drivers

Portugal has achieved an installed capacity from renewable sources of 10.844 MW in February 2013

**THE WIND ENERGY**
- From 500MW in 2004 to 4,587 MW in Dec 2012
- 2 industrial and clusters
- Portugal is TOP 3 in the EU with highest installed capacity per capita
- Target: to reach **5.300 MW** in 2020

**THE WATER ENERGY**
- Optimize current unused hydro potential
- Already achieved **5.337 MW** in 2012
- Implement the 10 hydro projects of the National Hydro Plan + 6 upgrades
- Target: to reach **8.940 MW** in 2020

**THE SOLAR ENERGY**
- Already achieved: **210 MW** in 2012
- Portugal is the 9th European country with the biggest installed capacity
- Target: to reach **720 MW** in 2020

**THE EARTH ENERGY**
- Promote a diversified policy on other RES:
  - **250MW biomass**
  - **250 MW wave**
  - **100MW biogas**
- Biomass 2020 target: **769 MW**

Source: [www.renewable.pt](http://www.renewable.pt) and DGGE
Energy Efficiency

**RESIDENTIAL INDUSTRY**

Set a 20% energy efficiency improvement target by 2020

**TRANSPORT**

Launch one of the 1st worldwide National Electric Mobility Network

**INTELLIGENT NETWORKS**

Portugal's objective is to promote the coverage of the majority of the national territory by intelligent networks, combining it with more efficient management of the existing networks.

With an investment of 1000 million Euros, intelligent networks shall be responsible for creating 3000 jobs and will allow the integration of the charging of the electric vehicle and decentralized micro-production.

Source: [www.renewable.pt](http://www.renewable.pt) and DGGE
Alto Minho wind farm – 120 turbines over 5 smaller farms, 240MW of installed capacity, output of 600 GWh/year, enough to supply 160,000 homes and prevent emissions of 500,000 tn of CO$_2$/year. (1)

(1) Surpassed only in 2009 by the Glasgow farm, with 140 turbines and 322MW of installed capacity
Renewable Energy
Successful projects in place

The world’s largest photovoltaic plant in an urban area

Opened in 2009, the Lisbon Region Supplier Market Plan has 6MW of installed power. With an investment of €31 million, it consists of 11 buildings, 59 inverters, 24 transformers, and 28,000 solar panels – reduction of 7,000 tn/year of CO₂
Portugal pioneered the launch of the National Electric Mobility Grid, an integrated mobility model based on renewable energy: it allows the supply of electric vehicles through a charging card.
Renewable Energy
Successful projects in place

- The INESC – Computers and Systems Engineering Institute is a leader in Mobile Energy Resources for Electricity Grids, the largest EU-backed research project in the field of intelligent grids.
- Évora is a pilot-city for intelligent grids and an international benchmark – by the end of 2010 31,000 of the world heritage city’s clients will be hooked up to the InovGrid.
The Portuguese Pilot Zone (PPZ) includes an area of 320 km². It is a maritime space delimited, under national jurisdiction, in waters whose depths are between 30 and 90 meters.

**Investment opportunity** for foreign investors in the wind and wave energy:
- Commercial Stage – Injection of up to 250 MW
The OWC Pico Power Plant is located in the Pico island, the largest of the Central group of Azores. Pico OWC was built as the European Wave Energy pilot plant, co-funded by the EC, in order to demonstrate the technical viability of wave energy in a small island grid. The site of the OWC plant was chosen due to the high energy levels on the Pico North coast, which in addition offers several "shoreline gully" rocky formations, which have a natural energy concentrating character. A total annual production of 45 MWh was achieved in 1450 hours of operation.
Renewable Energy
Successful projects in place

Betting heavily on wind power: 2 industrial clusters

<table>
<thead>
<tr>
<th>ENEOP Wind Cluster - Viana do Castelo</th>
<th>Ventinvest wind cluster – Aveiro, Viseu and Porto</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial cluster provides “turn-key” wind farm equipments.</td>
<td>Estimated investment: <strong>€ 500 million</strong> including wind farms (400MW).</td>
</tr>
<tr>
<td>Estimated investment: <strong>€ 1.75 billion</strong></td>
<td>Investment in industrial cluster: <strong>€ 66 million</strong> (Portuguese industrial capacity and German technology from Repower Systems).</td>
</tr>
<tr>
<td>Fully operational: <strong>2100 jobs</strong></td>
<td>Fully operational: <strong>1327 jobs</strong></td>
</tr>
<tr>
<td>Exports: <strong>€ 200 million/year</strong></td>
<td>Exports: 60% of output/year.</td>
</tr>
<tr>
<td>CO2 reduction: 1 million tn/year.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Aicep
# Renewable Energy

## Key Players in Portugal

<table>
<thead>
<tr>
<th>BOSCH</th>
<th>EDP RENEWABLES</th>
<th>MARTIFER SOLAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worldwide HQ and Competence Center for thermo-technology division:</td>
<td>• #3 wind player worldwide</td>
<td>• Global player in the PV Sector:</td>
</tr>
<tr>
<td>• Solar;</td>
<td>• #1 hydro developer in Europe</td>
<td>Project &amp; Business Development;</td>
</tr>
<tr>
<td>• Heating;</td>
<td>• Ranked as Best Electric Utility Worldwide in 2010 and 2011</td>
<td>• EPC, via our 360º PV turnkey solution model;</td>
</tr>
<tr>
<td>• Water efficiency.</td>
<td></td>
<td>• Specialized O&amp;M Service business unit;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Distribution, via MPrime Brand.</td>
</tr>
</tbody>
</table>

Source: Aicep
We are a Business Development Agency, focused on the development of a competitive business environment that contributes to the international expansion of the Portuguese Economy.

Increasing the country’s competitiveness, promoting large private investment and fostering the internationalization of Portuguese companies.

**Focus on clients.** We serve our clients in accordance to their requirements through various solutions and long-term relationships.

**Selectiveness.** We direct our activity towards projects and markets that make a better contribution to company competitiveness and the sustainability of the Portuguese economy.

**Excellence.** We seek to exceed expectations by means of a rigorous approach, effectiveness, enthusiasm and a willingness to innovate.
aicep Portugal Global: how can we help you?

1. **Pre-Investment**

2. **Incentives Negotiation**

3. **Settling In**

4. **After Care**

**Single point of contact** in all phases: pre-investment, incentives negotiation, settling in and after care

Promoting a **direct negotiation** with companies, through which a tailored approach to incentives may be applied in order to define a global package that fully satisfies the investor's needs

**Government** business entity, flexible, **free of charges** and streamlined services

**Dynamic approach** focused on the client or investor