



M&A – Main Transactions (Jan/Feb-17)

State Grid acquires shareholding control of CPFL Energia (Jan-17)

Chinese group State Grid acquired 54.64% of CPFL Energia for USD 12.4 Billion. It was the largest deal in Central and South America in 2017. CPFL Energia has a total installed capacity of 3.2 GW, including renewable and non-renewable power generation assets.

Actis buys SunEdison PV assets in Latin America (Feb-17)

Actis acquired over 1.5 GW of PV assets from SunEdison for USD 525 M to create a Pan-Latin America renewable energy platform called Atlas Renewable Energy. SunEdison has over 2 GW of solar energy worldwide and over 1 GW of wind energy installed in the US.

China Three Gorges sells Paranapanema shares to Clai Fund (Jan-17)

In Oct 2016, China Three Gorges acquired 99% shares of Duke Energy Paranapanema for USD 970M. In Jan 2017, CTG announced it sold 1/3 of its shares to Clai Fund, a Chinese Investment fund focused on Latin America. Clai Fund paid the same price per share that CTG paid in Oct 2016.

Enel Brasil completes acquisition of Celg (Feb-17)

Enel Brasil acquired for USD 640 M 95% of Celg Distribuição, a Brazilian distributor operating in Goiás state. With the acquisition, Enel's client base in Brazil increased from 7 M to 10 M, and the country is now the third biggest market for the Italian Group in number of clients.

Queiroz Galvão sells small hydro plant to Suzano (Jan-17)

Energy unit of Queiroz Galvão group sold a 19MW small hydro plant in Minas Gerais State to Suzano Papel e Celulose, a paper and cellulose company, for USD 14 M.

Brookfield acquires TerraForm (Feb-17)

Canadian group Brookfield acquired 100% of renewable energy company TerraForm Global for USD 1.3 Billion. TerraForm Global owns and operates 31 solar and wind projects, with over 900 MW of installed capacity in Brazil, India, China, South Africa, Malaysia and Uruguay.

Indices

Energy Prices Indices

	Center-West	Southeast	South	Northeast	North
January PLD* (USD)	76	76	76	77	11
February PLD* (USD)	41	41	41	52	26
Hydro Reservoir Level -Mar/17**	41%	41%	50%	21%	62%

Economic Indices

Brazilian Treasury Bonds – NTN20 2045***	5.13% + IPCA per annum
Brazilian CPI – IPCA – YTD	0.71%
Brazilian CPI – IPCA – 12M	4.76%
Average FX Rate 2017 YTD (R\$/USD)	3.17

PLD*: Spot Market Energy price

Brazilian Treasury Bonds NTN20 2045***: indexed to IPCA (Brazilian CPI)

Hydro Reservoir Level**: used to calculate the PLD and to determine when thermal plants must be turned on to provide security to energy generation

Energy Generation and Consumption

