



M&A – Main Transactions (Nov/Dec-17)

Casa dos Ventos sells operational wind farm for over BRL 1.8Bi (Dec-17)

Casa dos Ventos sold a large operational wind farm to Votorantim Energia and Canada Pension Plan Investment Board (CPPIB). The transaction value was not disclosed, but it will be over the total value invested by the wind developer (BRL 1.8Bi). The wind farm has 360 MW of installed capacity and started operation in November of 2016.

Cemig raises its stake in Rio Minas Energia to 75% for BRL 1Bi (Nov-17)

Cemig acquired all shares of Luce Empreendimentos and all preferential shares of Rio Minas Energia owned by BB Banco de Investimento, BV Financeira and Santander Brasil for BRL 1.0Bi, raising its share in the company from 66.27% to 75%.

Engie Brasil Energia acquires Umburanas wind farm for BRL 17M (Nov-17)

Engie Brasil Energia has acquired the wind project Umburanas from Renova Energia for BRL 17M. The project will have 605MW of installed capacity, with 257MW destined to the free market and 102MW to the regulated market. The remaining capacity will be developed by the company in the future.

Petrobras sells its shares in Campo de Azulão to Eneva for USD 55M (Nov-17)

Petrobras signed a deal with Eneva selling all its shares in Campo Azulão, a field with natural gas located in Amazonas in the North Region of Brazil. The deal is part of Petrobras' disinvestment program, which aims to invest in scalable assets with higher returns in short term.

Shanghai Electric signs a deal with Eletrobras for a transmission line (Nov-17)

Shanghai Electric signed a deal with Eletrobras for the construction of transmission lines in the state of Rio Grande do Sul. According to Eletrobras, the investment needed is around BRL 4.0Bi. The deal will also include the Chinese Clai Fund. After the investment, the Chinese companies will own 69% of the shares and Eletrobras 31%.

Renova Energia's board accepts the acquisition proposal from Brookfield (Nov-17)

The board of Renova Energia approved Brookfield's offer of acquisition. The offer consists of an initial capital contribution of BRL 1.4Bi, at the price of BRL 6 per unit, plus the option of an additional BRL 1 per unit in case of a price adjustment in Alto Serrão II project.

Indices

Energy Price Indices

	Center-West	Southeast	South	Northeast	North
October PLD* (USD/MWh)	161	161	161	161	161
November PLD* (USD/MWh)	128	128	128	128	128
Hydro Reservoir Level - December/17**	20%	20%	55%	8%	16%

Economic Indices

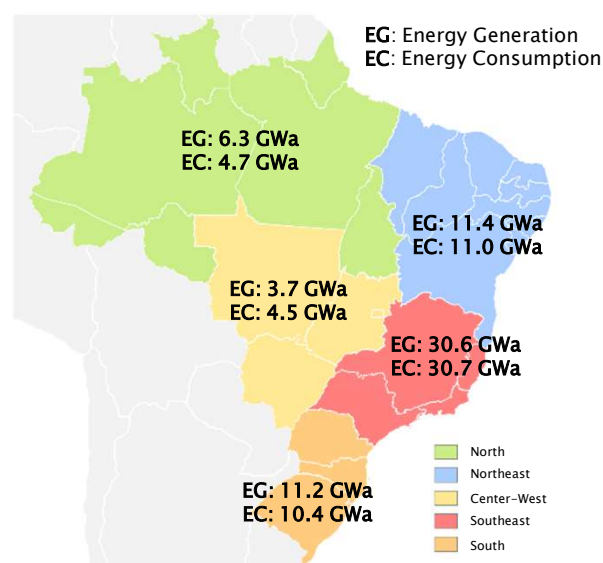
Brazilian Treasury Bonds – NTN20 2045***	5.48% + IPCA per annum
Brazilian CPI – IPCA – YTD	2.50%
Brazilian CPI – IPCA – 12M	2.80%
Average FX Rate 2017 YTD (R\$/USD)	3.30

* PLD: Average Spot Market Energy price

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

*** Brazilian Treasury Bonds NTN20 2045: indexed to IPCA (Brazilian CPI – Central Bank inflation guidance)

Energy Generation and Consumption



Sources: ANEEL, ONS, EPE, CCEE, Valor, Exame, Reuters, Financial News, DCI.

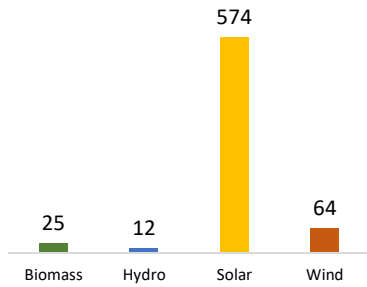
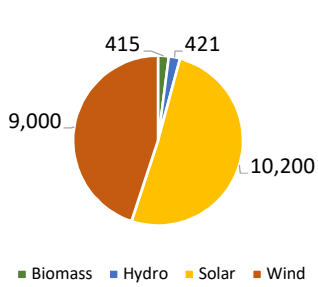


Outlook: Brazilian Energy Auction Results

A-4 Auction Results

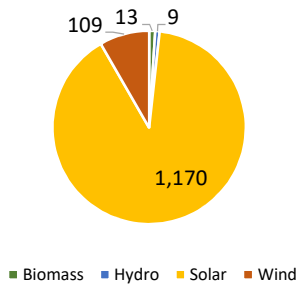
▪ MW Registered Pre Bid Bond

▪ MW Sold

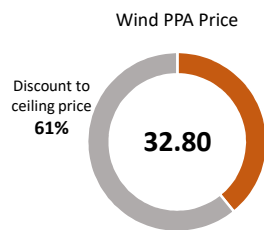
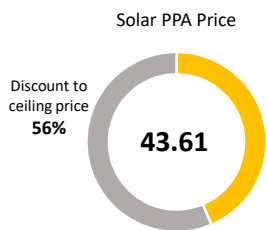
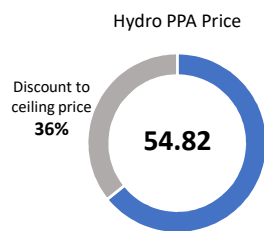
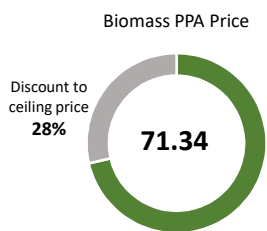


▪ Investments (USD M)

▪ Location



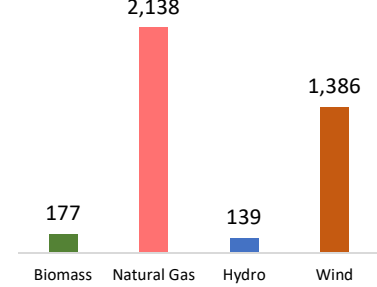
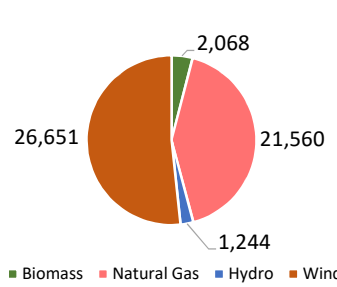
▪ Average PPA Price (All prices are in USD/MWh)



A-6 Auction Results

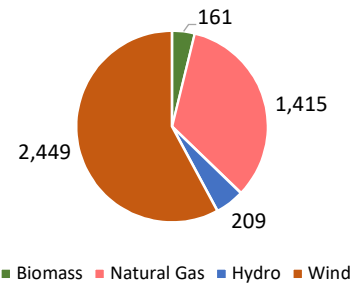
▪ MW Registered Pre Bid Bond

▪ MW Sold

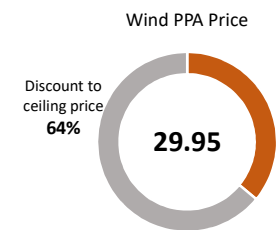
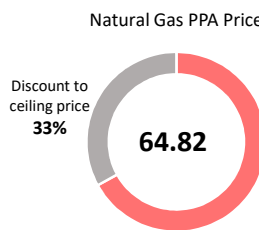
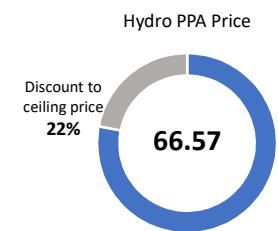
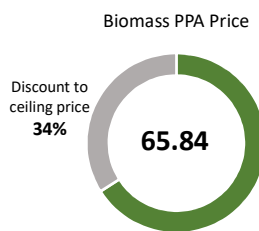


▪ Investments (USD M)

▪ Location



▪ Average PPA Price (All prices are in USD/MWh)



Sources: CCEE, EPE, Canal Energia.