



EDP Brasil
BM&FBovespa: ENBR3

3Q17 Results Presentation
(Teleconference on November 01st, 2017)

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3Q17 Operational Highlights



Energetic Risk Protection

**Total energy hedge of 18% (184 average MW)
Impact of +R\$ 278 Million (Hydro+Com.) and +R\$ 29 Million (Pecém)**

Generation

Construction of São Manoel

97.2% of physical work completion and the Operation License granted

Uptime of Pecém

91% (9M17) higher than contracted (90%)

Distribution

Volume increase

Total distributed energy growth of 2.3%, with highlight to EDP SP (+4.4%)

Reduction of Total Losses

-1.12 p.p. at EDP ES and -0.04 p.p. at EDP SP compared to Sep/16 (positive impact of R\$ 25.2 million/year)

Effectiveness in bad debt control

**R\$ 21 million reduction compared to 2Q17
Bad Debt Provision/Gross Revenue of 0.6%, in 3Q17 (vs. 1.4% in 2Q17)**

CAPEX

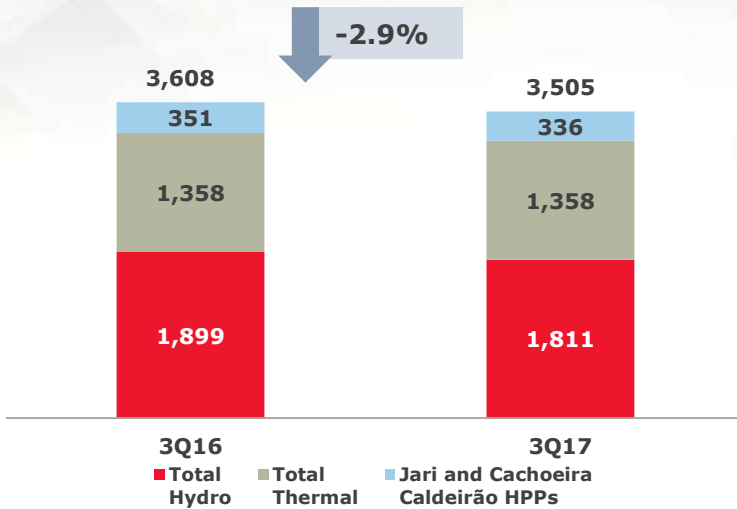
+ 19.3% compared to 9M16

Trans- mission

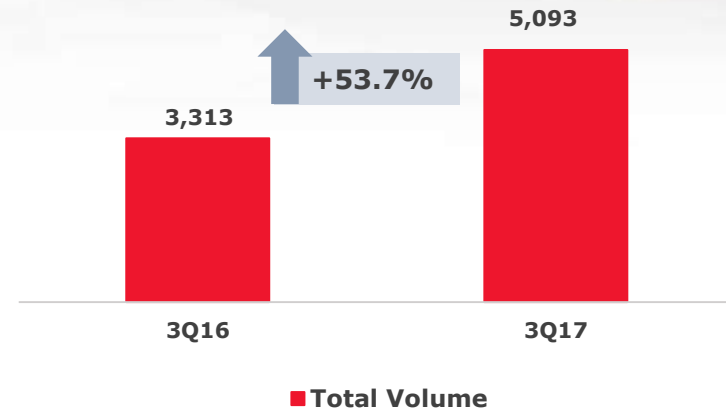
Environmental Licensing

Early delivery of the licensing schedule for Lot 24 (Auction of Oct/16)

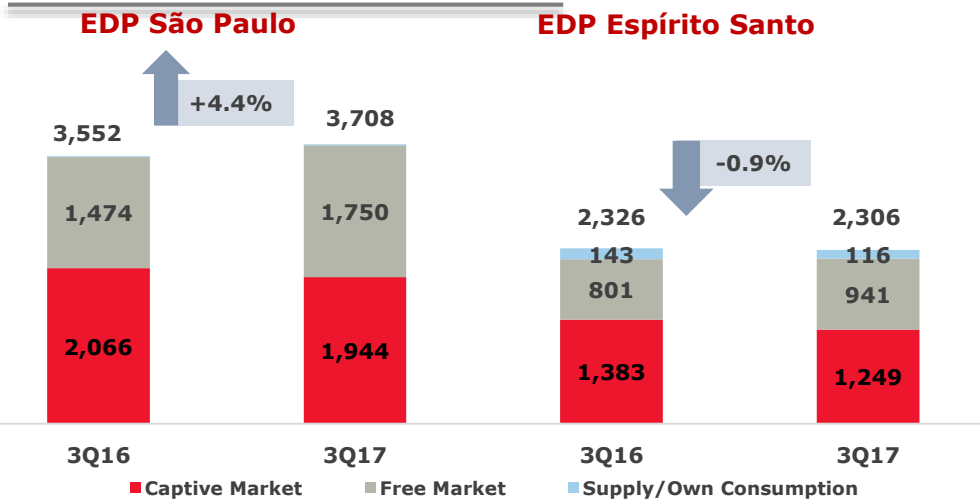
Generation – Volume (GWh)



Commercialization – Volume (GWh)



Distribution – Volume (GWh)



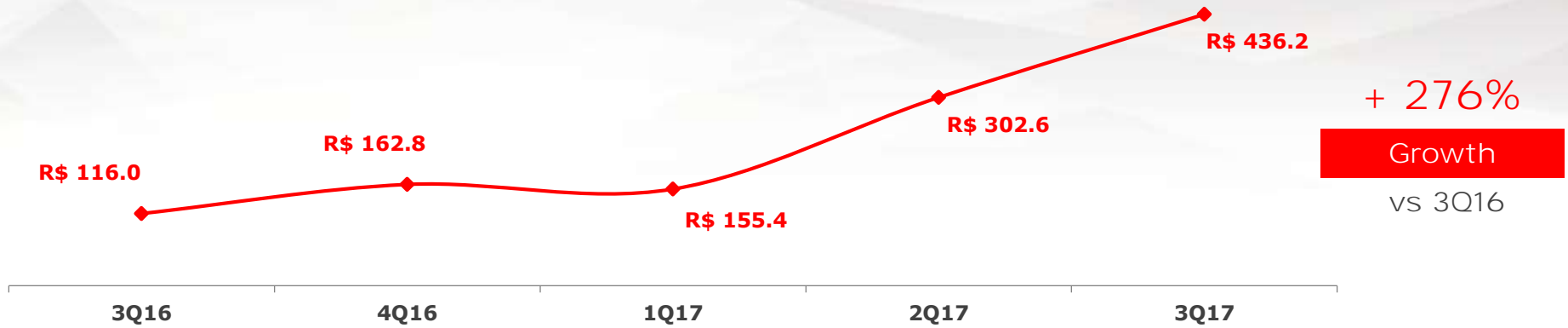
- Increase of 1.5% in industrial production in the state of São Paulo;
 - Extraction industries;
 - Auto-vehicles.

**97.2% of
physical work
completion**

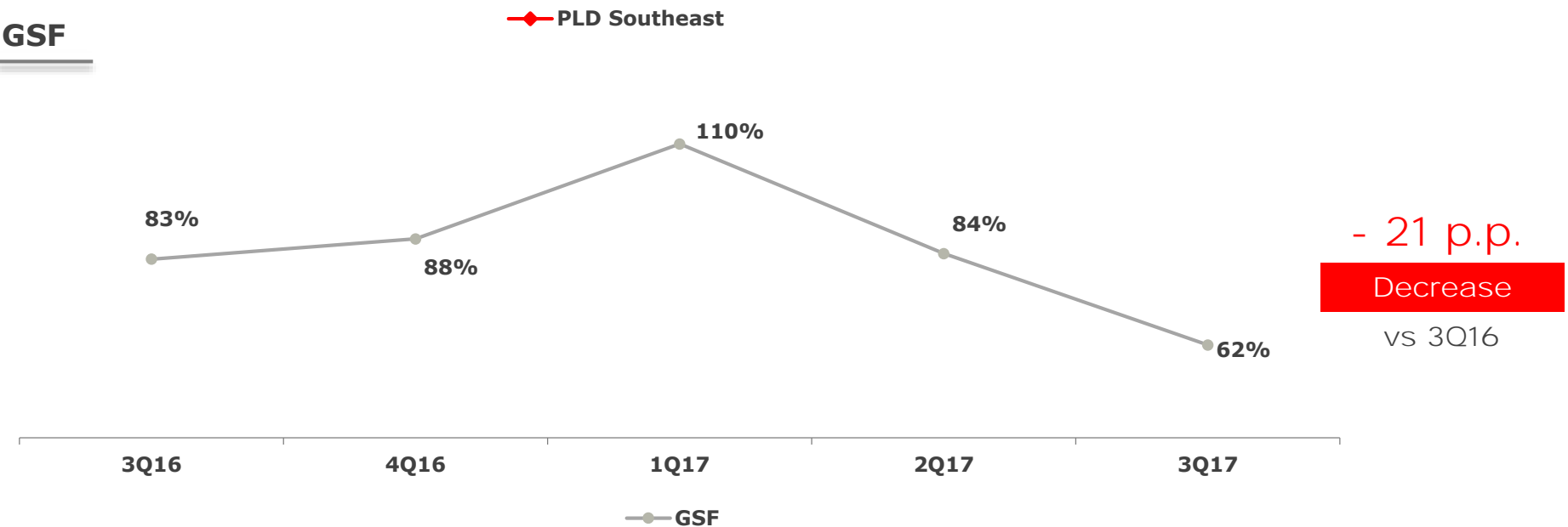
GENERATION



Average PLD¹ - Southeast

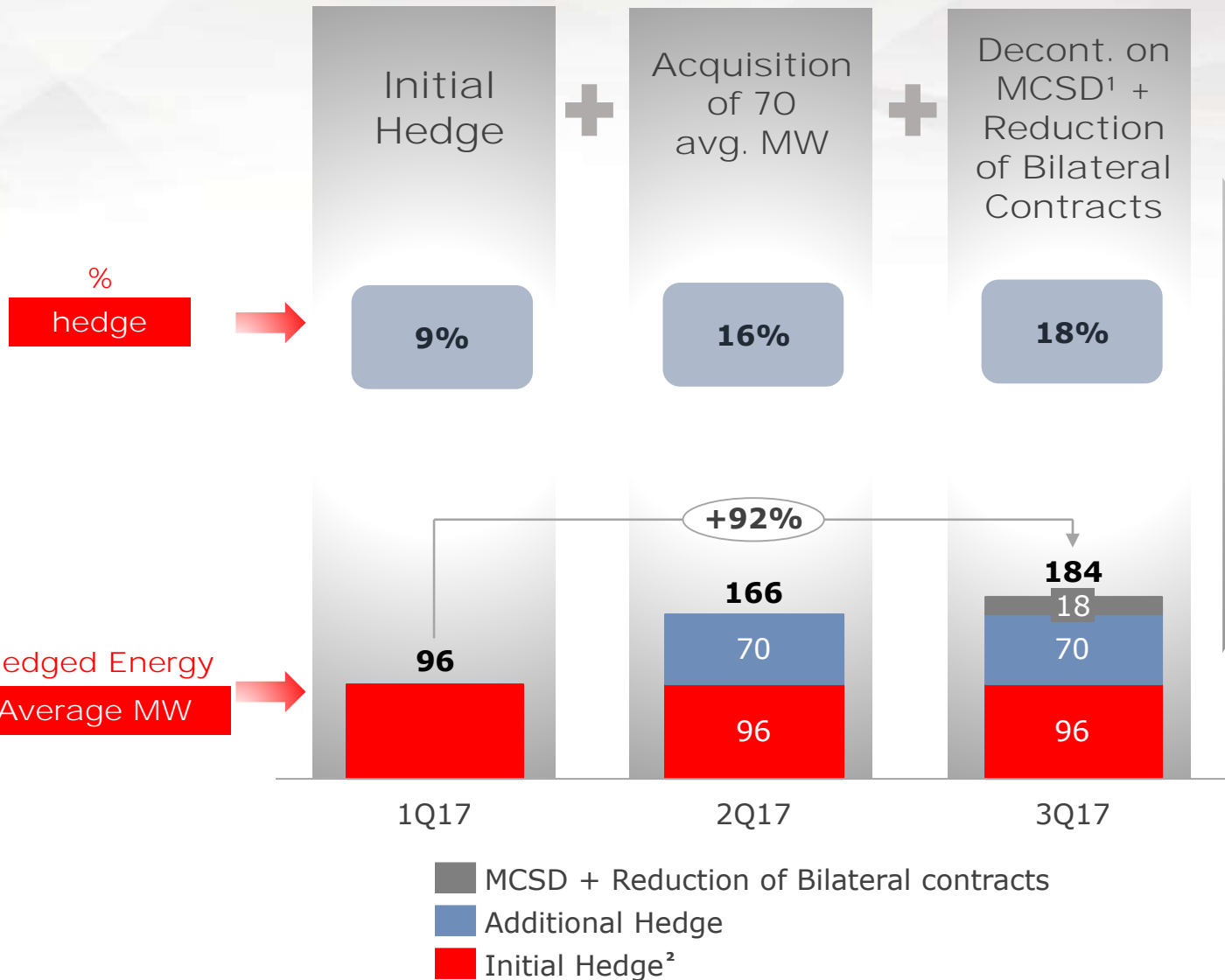


GSF



1) Price of Settlement of Differences – Spot Price

Risk Management of the Generation Portfolio



Optimized long position for hydro and spot prices scenarios risk mitigation

1) Leveraging and Deficit Compensation Mechanism – “MSCD”

2) Considering the proportion in Santo Antonio do Jari (50%) and Cachoeira Caldeirão (50%) HPPs.

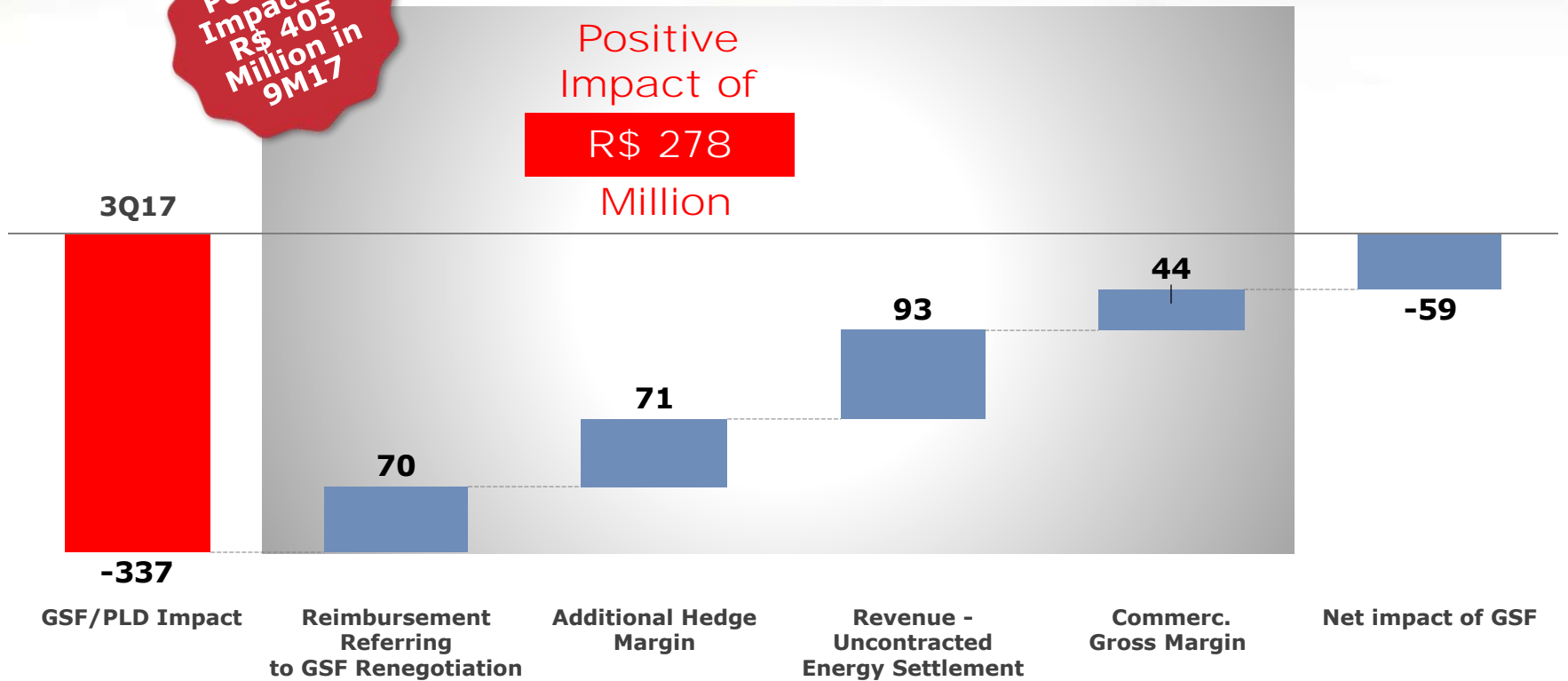
Result of Energy Management in Gross Margin (3Q17)



Hydro and Commercialization (R\$ Million)

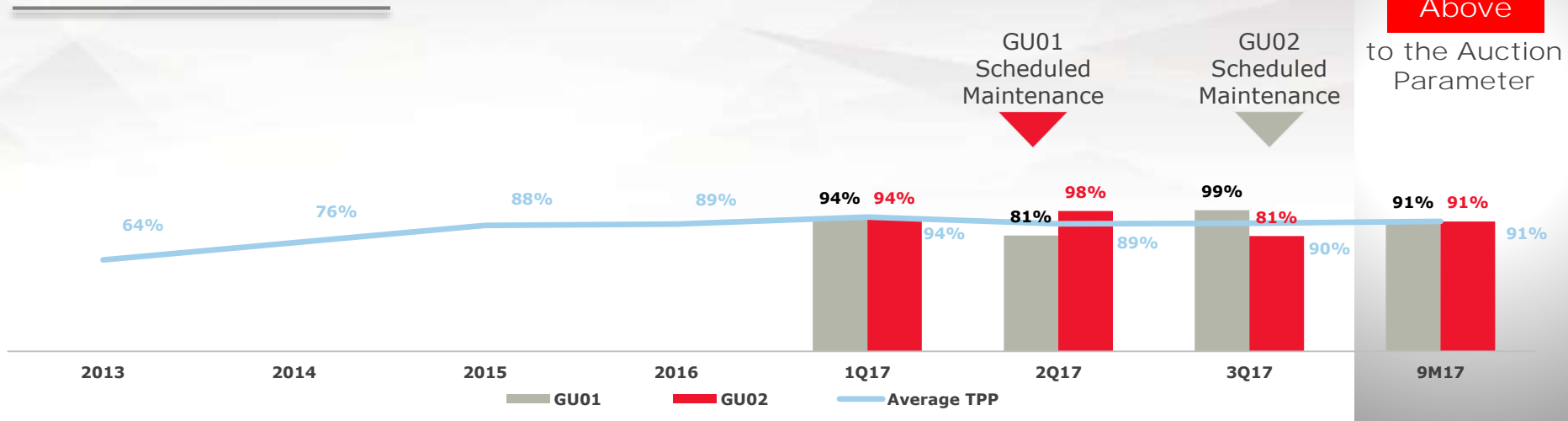
Positive Impact of R\$ 405 Million in 9M17

Positive Impact of R\$ 278 Million

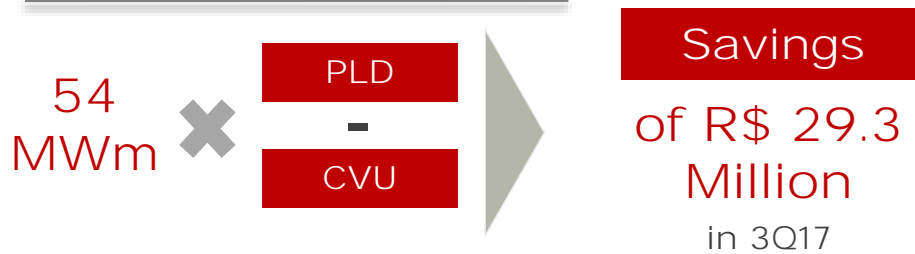


Pecém I TPP

Uptime (%)



ADOMP Hedge 2017

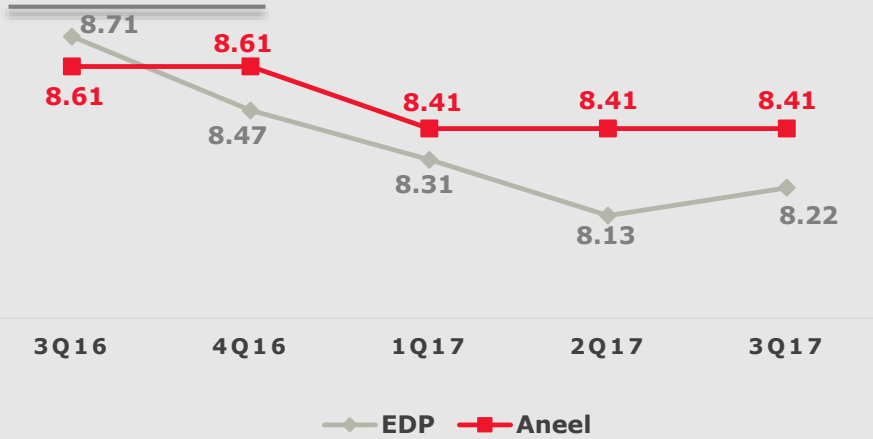




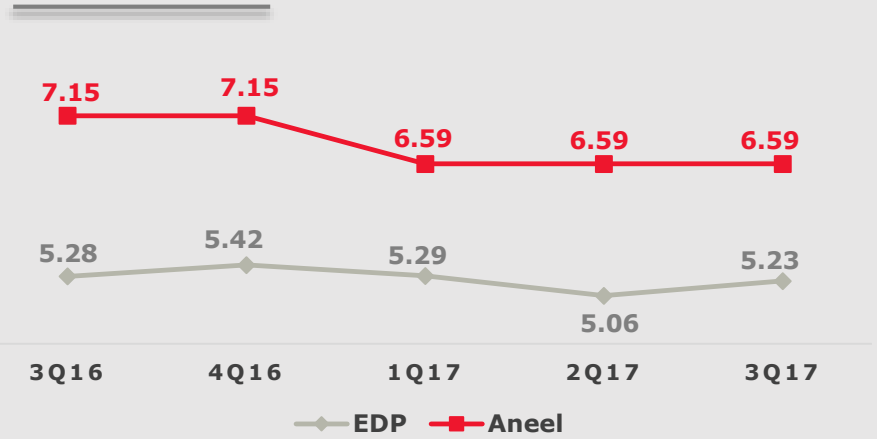
DISTRIBUTION

EDP São Paulo

DEC (hours)

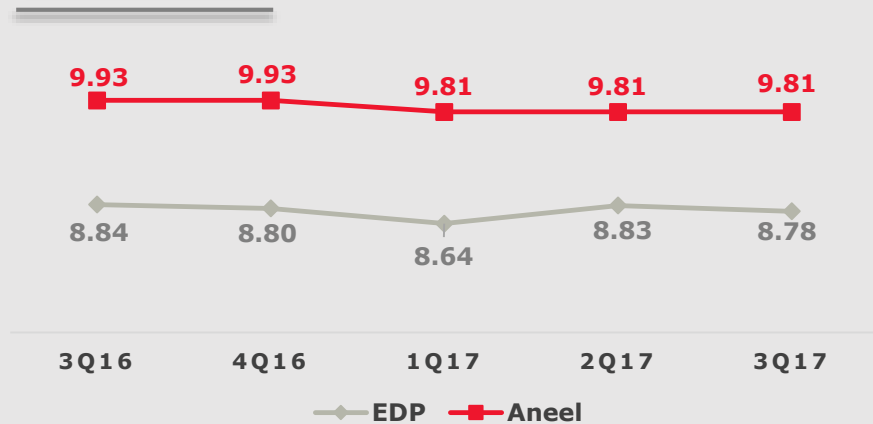


FEC (times)



EDP Espírito Santo

DEC (hours)



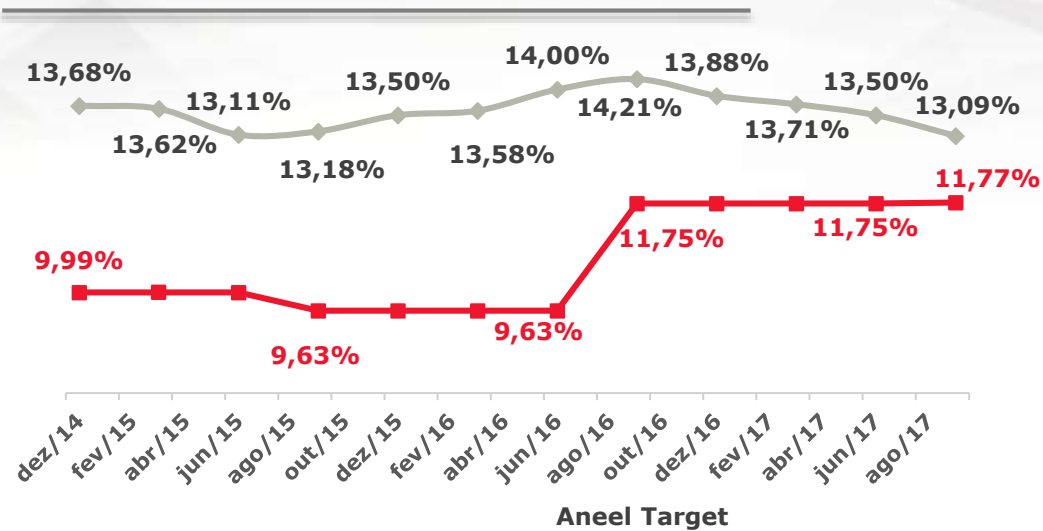
FEC (times)



Reduction of the gap between Real and Regulatory Losses



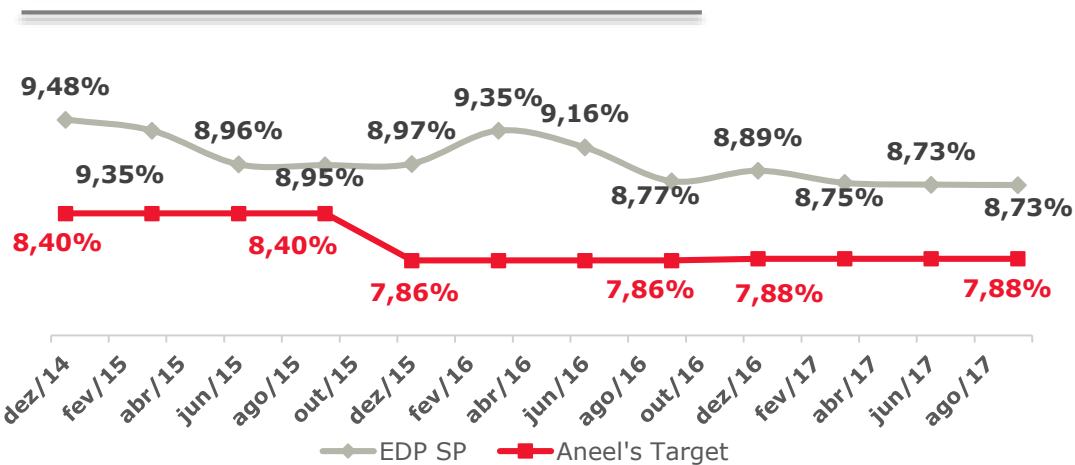
Total Losses – EDP Espírito Santo (%)



Var.
3Q17 vs 3Q16
- 1.12 p.p.

Gain of
+ R\$ 24.0
Million
per year

Total Losses – EDP São Paulo (%)



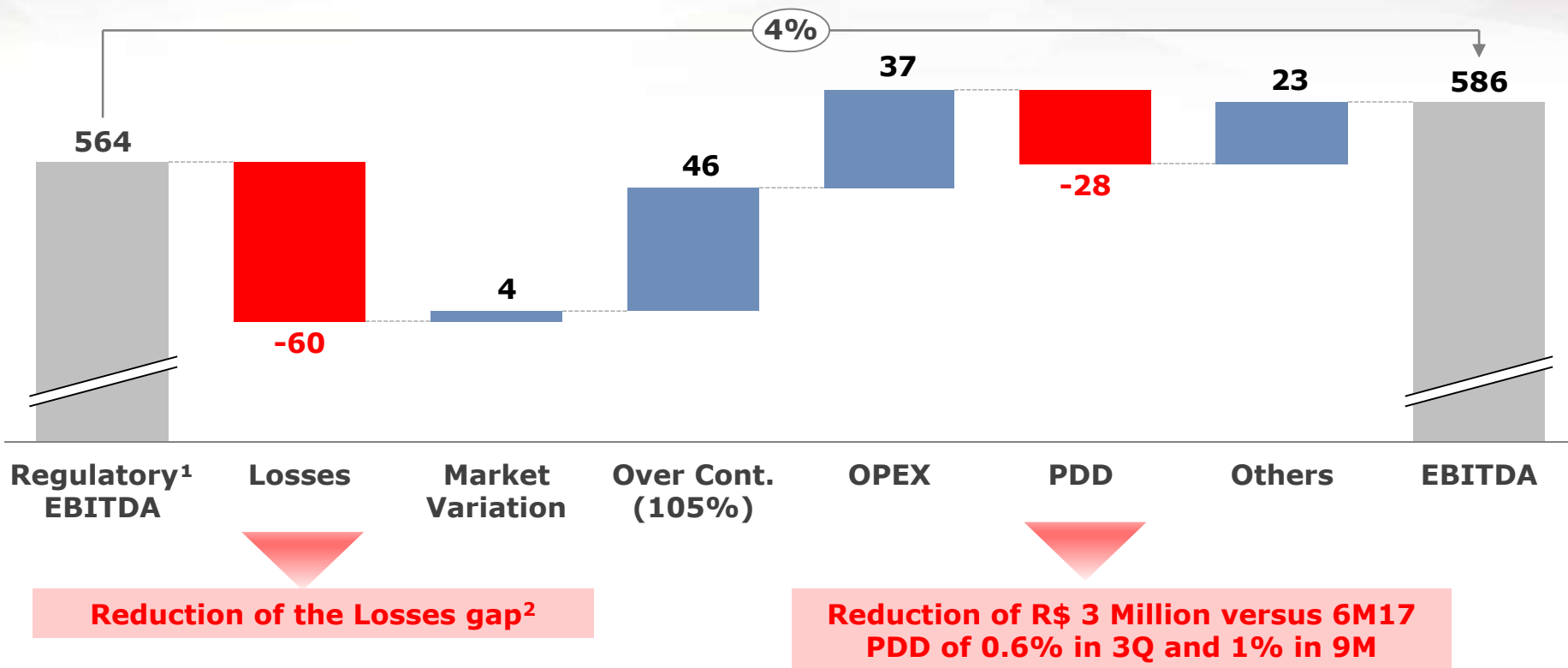
Var.
3Q17 vs 3Q16
- 0.04 p.p.

Gain of
+ R\$ 1.2
Million
per year

EBITDA vs Regulatory EBITDA – 9M17



Consolidated Distribution (R\$ Million)



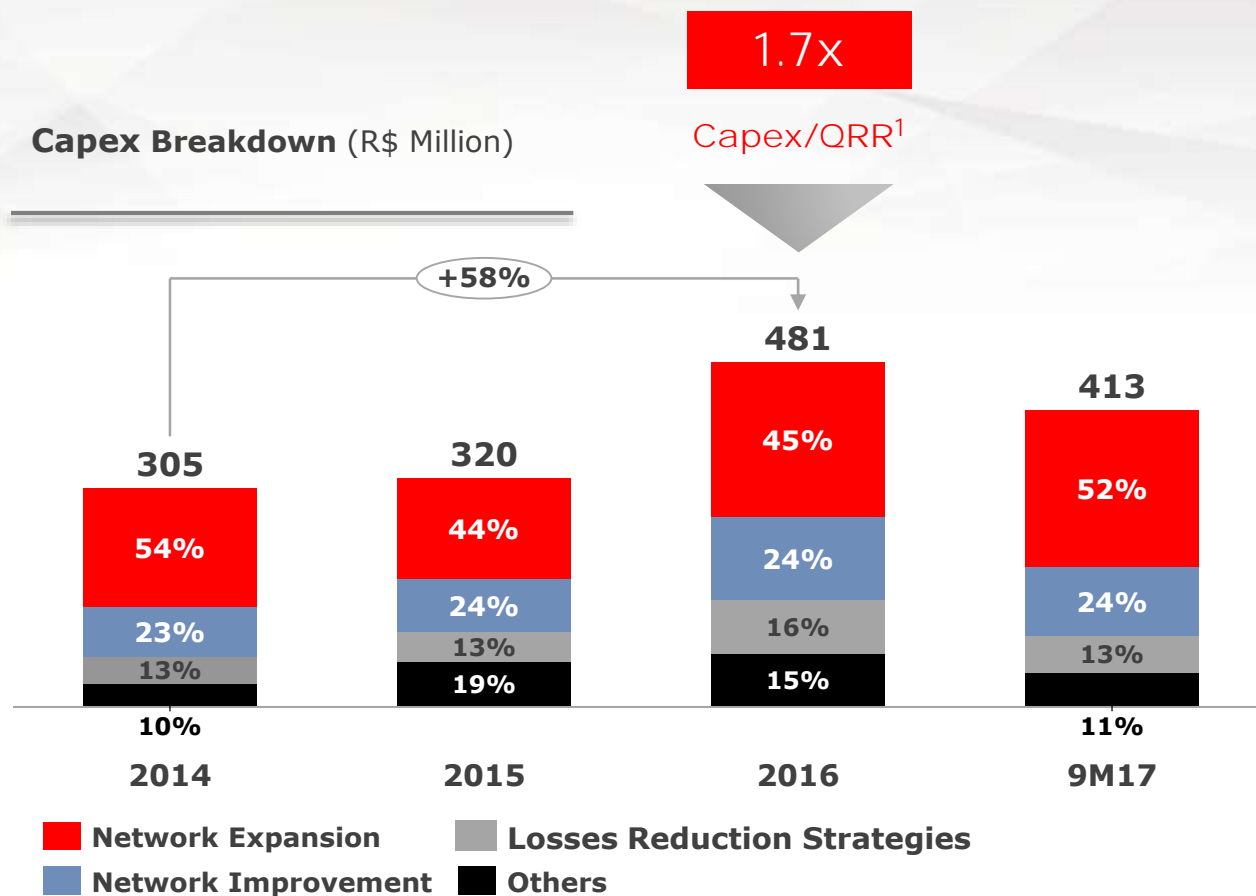
1) Regulatory EBITDA = Remuneration of Capital + Reintegration Quota (QRR)
 Informations from 9M17, consolidated EDP São Paulo and EDP Espírito Santo

2) Total of Losses in 1H17 = R\$ 48 million

Change in Investment Profile



Capex Breakdown (R\$ Million)



Increase in Recurring Investments above Depreciation

1) Consolidated Reintegration Quota (EDP São Paulo and EDP Espírito Santo)



TRANSMISSION



FINANCIAL PERFORMANCE

Cachoeira Caldeirão HPP

3Q17 vs 3Q16 Financial Highlights



Commercialization's Gross Margin of R\$ 43.5 Million

Growth of 264.0% compared to 3Q16

Pecém's Gross Margin of R\$ 176.5 Million

Growth of 74.2% compared to 3Q16

PMTO Evolution Below Inflation

+0.2% compared to 9M16

Adjusted EBITDA¹ of R\$ 535.1 Million

Increase of 14.3% compared to 3Q16

Adjusted Net Income of R\$ 129.2 Million

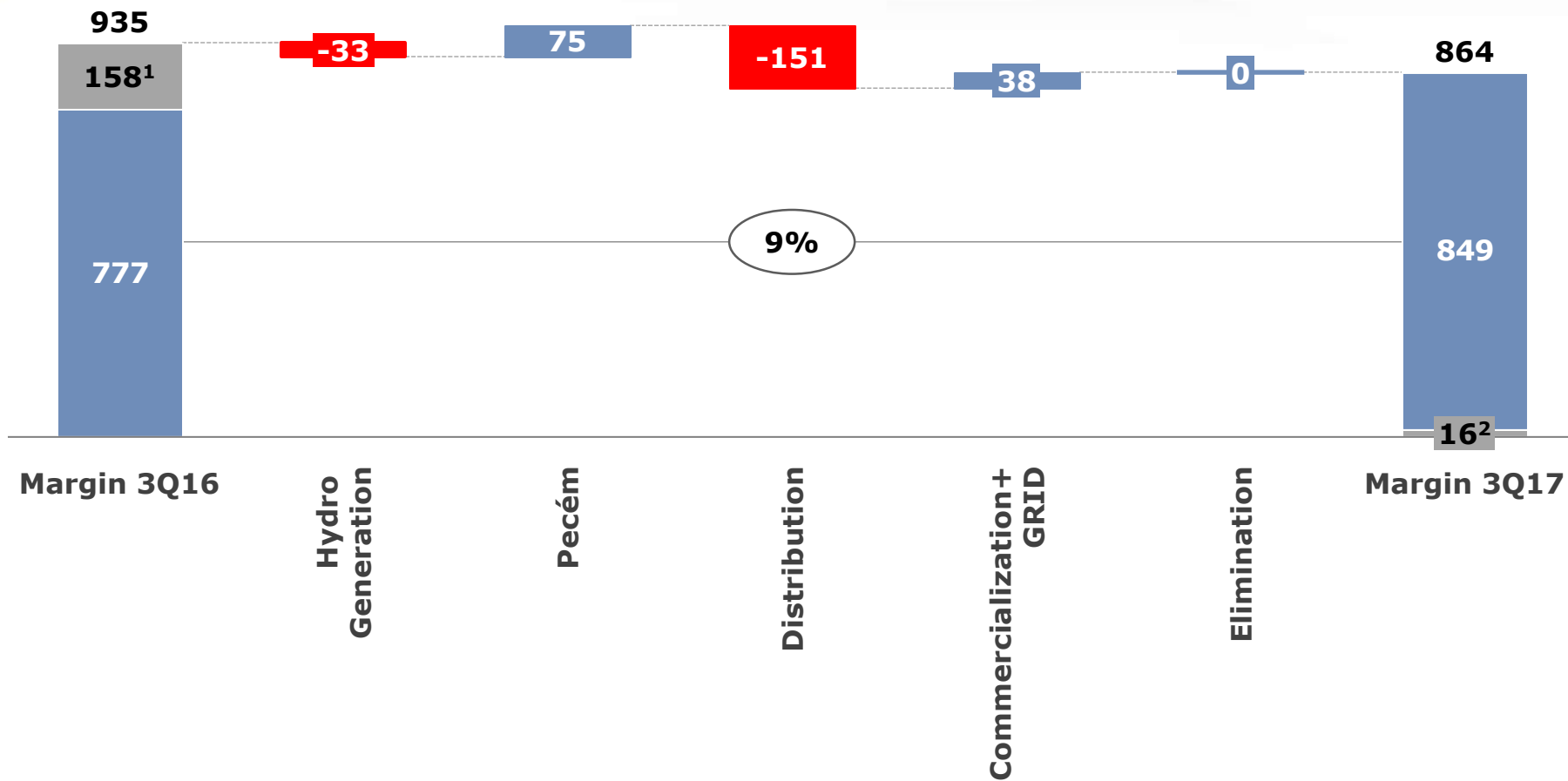
Increase of 2.4% compared to 3Q16

Controlled Leverage

1.9x (Net Debt/EBITDA) in September, 2017

1) Excluding non-recurring effects: Non-indemnified Financial Asset (VNR), Provision for the Reimbursement of the Water Charge, Sale of Pantanal Energética, Insurance Recoveries at Pecém

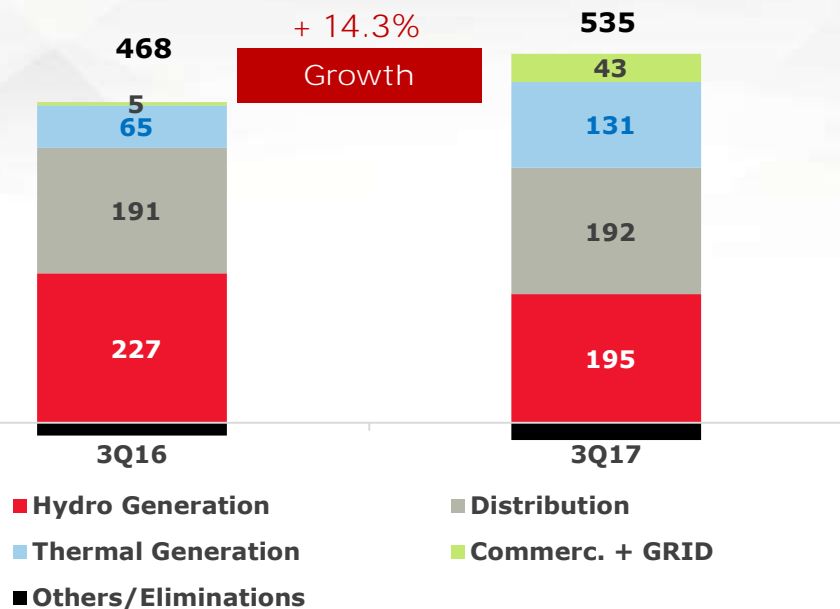
3Q17 Gross Margin Breakdown (R\$ Million)



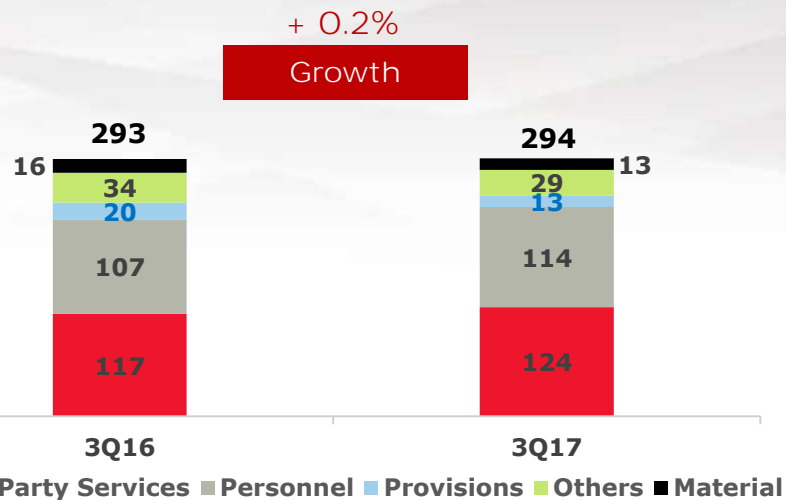
1) R\$ 158 million refers to Non-indemnified Financial Asset (VNR)

2) R\$ 7.4 million refers to Non-indemnified Financial Asset (VNR)

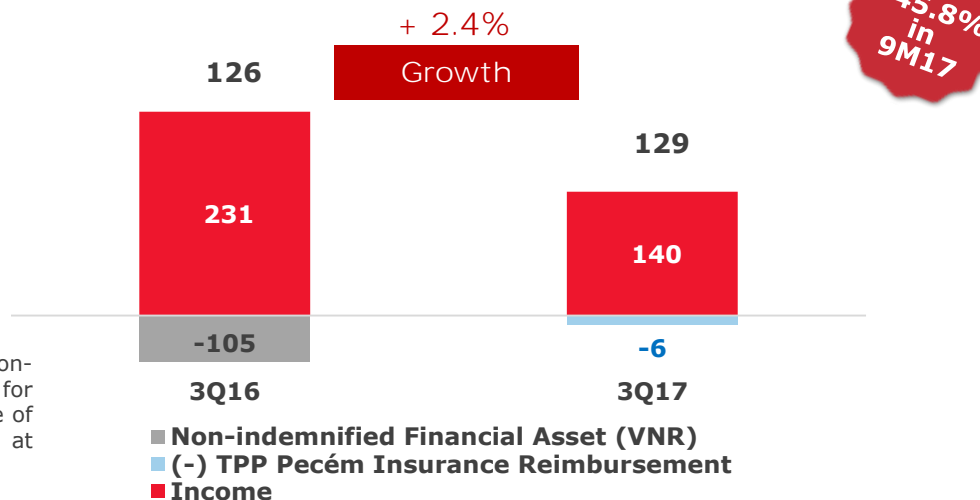
Adjusted EBITDA¹ (R\$ Million)



PMTO (R\$ Million)

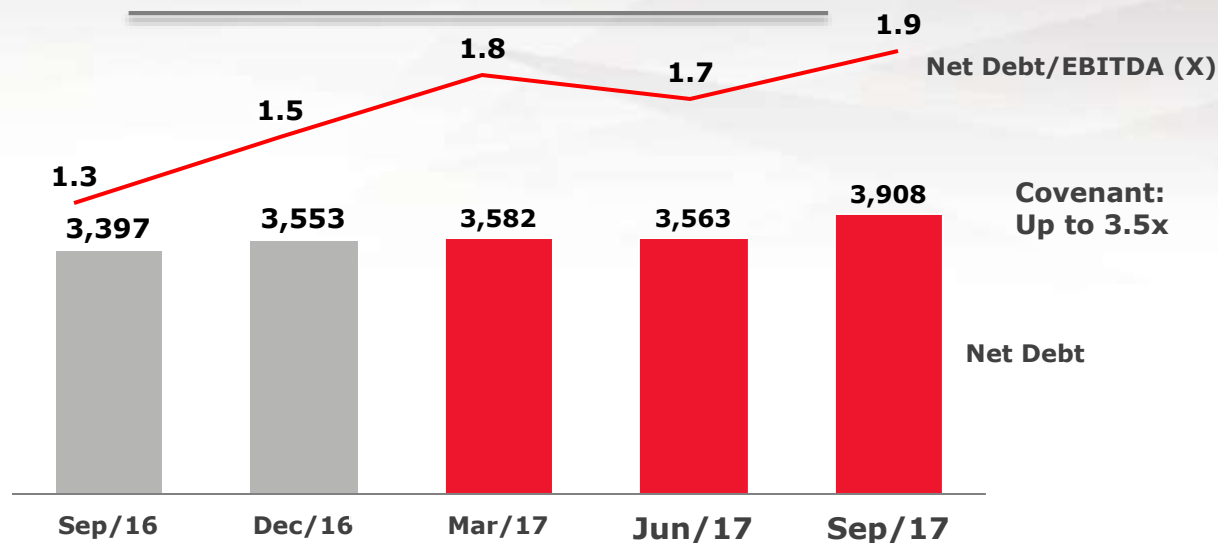


Adjusted Net Income (R\$ Million)

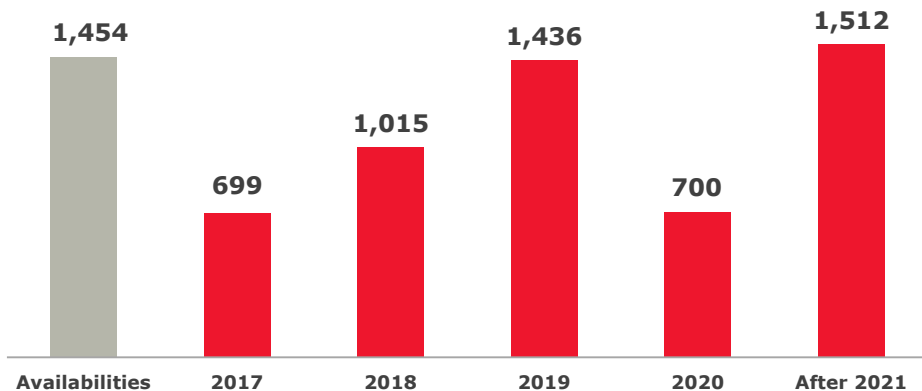


Note 1: Excluding non-recurring effects: Non-indemnified Financial Asset (VNR), Provision for the Reimbursement of the Water Charge, Sale of Pantanal Energética, Insurance Recoveries at Pecém

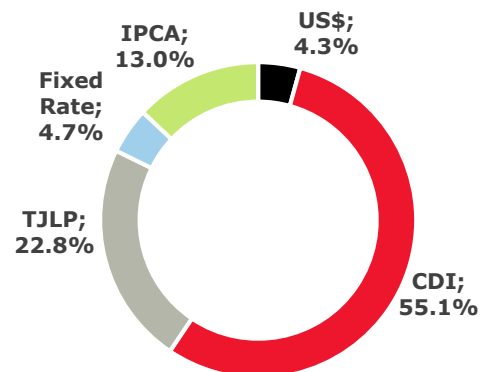
Net Debt/EBITDA (R\$ Million)



Debt Maturity Schedule (R\$ Million)



Gross Debt per Indexer



Generation

- Anticipation of São Manoel Operation
- Active management of energy risk
- Cost with coal logistics reduction

Distribution

- Narrowing the gap for regulatory losses
- Strengthening the Regulatory Remuneration Base

Transmission

- Beginning of Lot 24 construction works (Auction nº 013/2015)
- Obtaining the Installation License for Lots 7,11,18 and 21 (Auction # 05/2016)

Commercialization and Services

- Consistent presentation of Commercialization results
- Expand market participation in Distributed Solar Energy and Efficiency Services

Finance

- Cost Control through the continuity of ZBB*
- Continuity of the digitalization agenda
- Optimization of the Company's Capital Structure
- Fundraising for Transmission (Lots 7,11,18 and 21)



Investor Relations

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