



## EDP BRASIL ACQUIRES 14.5% OF CELESC AND WILL LAUNCH BID FOR UP TO 33.6% OF THE COMPANY

**São Paulo, March 21, 2017** - EDP - Energias do Brasil S.A. (“EDP” or “Company”) (B3: ENBR3), pursuant to the provision in Paragraph 4, Article 157 of Law 6.404 of December 15, 1976, as amended (“Corporate Law”) and CVM Instruction 358 of January 3, 2002, as amended, announces to its shareholders and the market in general that today and subsequent to the Material Fact published on December 19, 2017, was concluded the acquisition of 14.5% of the total shares issued by CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A. – CELESC (“CELESC”) (B3: CLSC3; CLSC4; OTC: CEDWY), a publicly held company, registered with the Brazilian Securities and Exchange Commission CVM (“Operation”), the said shares held by CAIXA DE PREVIDÊNCIA DOS FUNCIONÁRIOS DO BANCO DO BRASIL – PREVI, amounting to 5,140,868 (five million, one hundred and forty thousand, eight hundred and sixty-eight) common shares (“ONs”) representative of 33.1% of the ONs issued by CELESC and 437,807 (four hundred and thirty-seven thousand, eight hundred and seven) preferred shares (“PNs”), representing 1.9% of the PNs issued by CELESC. The operation price was R\$244 million.

EDP further informs that it is in the process of obtaining authorization from B3 S.A. – *Brasil, Bolsa, Balcão* (Brazilian Stock Exchange) to execute a Voluntary Public Tender Offer (“Voluntary PTO”), pursuant to the Corporate Law and Article 31 to CVM Instruction 361 March 5, 2002, as amended, at the price of R\$27.00 (twenty-seven reais) per share, for acquiring the quantity of up to 7,374,000 (seven million, three hundred and seventy four thousand) PNs issued by CELESC circulating in the market as free float (“Shares, object of the PTO”), representing 32% of the total PNs issued by CELESC as of the date of this Material Fact.

The Company shall maintain shareholders and the market in general notified of the publication of the Notice of the Voluntary PTO as well as the progress of the same and any other matter of interest to the market.

This transaction integrates a new cycle of growth of the Company, with emphasis on the Distribution and Transmission segments in addition to expanding the investment in the state of Santa Catarina, initiated with the partnership established with CELESC for the construction of Lot 21, for which a bid was made at the Transmission Auction of April 2017.

**Miguel Nuno Simões Nunes Ferreira Setas**

*Chief Executive and Investor Relations Officer*