

São Paulo, July 16, 2018 – EDP Energias do Brasil S.A. ("EDP" or "Company") (B3: ENBR3) announces information on the electric energy market for the second quarter 2018 ("2Q18") and the first half of the year ("1H18") with respect to the Company's business segments.

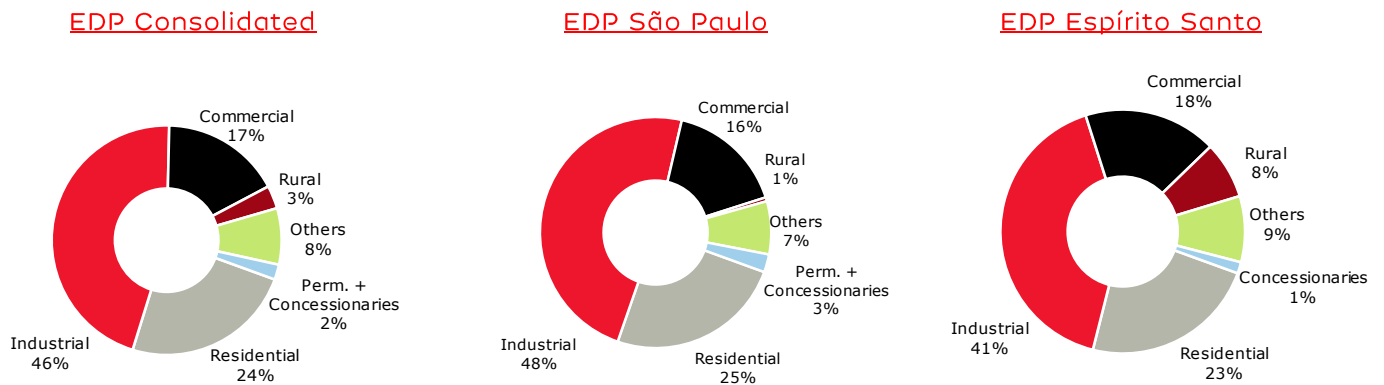
Distribution: The volume of distributed energy increased 3.2% in the quarter, +4.3% at EDP São Paulo and +1.5% at EDP Espírito Santo, highlighting a 4.2% increase in the industrial class. In 1H18, volumes of distributed energy rose 2.8% indicating an improvement in volume in 2Q18 in comparison to 1Q18.

EDP Distribution									
	Volume (MWh)			Volume (MWh)			Consumers (unit)		
	2Q18	2Q17	Var	6M18	6M17	Var	2Q18	2Q17	Var
Residential	1,515,766	1,465,968	3.4%	3,098,856	3,037,690	2.0%	2,905,331	2,852,941	1.8%
Industrial	2,850,560	2,736,438	4.2%	5,516,876	5,322,869	3.6%	24,438	24,223	0.9%
Free	2,368,830	2,208,157	7.3%	4,565,318	4,315,015	5.8%	418	375	11.5%
Captive	481,730	528,281	-8.8%	951,557	1,007,854	-5.6%	24,020	23,848	0.7%
Commercial	1,056,553	1,022,721	3.3%	2,167,141	2,110,052	2.7%	250,740	250,225	0.2%
Free	262,382	235,417	11.5%	524,008	474,833	10.4%	333	273	22.0%
Captive	794,171	787,304	0.9%	1,643,133	1,635,219	0.5%	250,407	249,952	0.2%
Rural	203,149	226,067	-10.1%	421,817	454,732	-7.2%	197,091	192,132	2.6%
Others	496,609	493,611	0.6%	1,002,977	981,196	2.2%	27,516	27,438	0.3%
Permissionary	11,994	11,279	6.3%	24,257	22,877	6.0%	2	2	0.0%
Concessionaries\Generation	120,484	103,243	16.7%	240,483	207,911	15.7%	28	27	3.7%
Total Energy Distributed	6,255,115	6,059,326	3.2%	12,472,405	12,137,327	2.8%	3,405,146	3,346,988	1.7%

EDP São Paulo									
	Volume (MWh)			Volume (MWh)			Consumers (unit)		
	2Q18	2Q17	Var	6M18	6M17	Var	2Q18	2Q17	Var
Residential	953,088	920,915	3.5%	1,886,740	1,840,878	2.5%	1,700,393	1,659,207	2.5%
Industrial	1,859,688	1,785,376	4.2%	3,603,137	3,463,402	4.0%	13,122	12,837	2.2%
Free	1,527,832	1,426,731	7.1%	2,952,624	2,787,293	5.9%	290	262	10.7%
Captive	331,856	358,644	-7.5%	650,514	676,110	-3.8%	12,832	12,575	2.0%
Commercial	631,862	605,704	4.3%	1,274,463	1,227,034	3.9%	127,128	127,147	0.0%
Free	150,694	130,754	15.3%	300,220	266,402	12.7%	177	145	22.1%
Captive	481,168	474,950	1.3%	974,243	960,632	1.4%	126,951	127,002	0.0%
Rural	21,097	20,420	3.3%	42,207	41,170	2.5%	7,944	7,932	0.2%
Others	285,803	285,249	0.2%	564,080	557,303	1.2%	13,781	13,832	-0.4%
Permissionary	11,994	11,279	6.3%	24,257	22,877	6.0%	2	2	0.0%
Concessionaries\Generation	84,518	58,863	43.6%	164,143	117,636	39.5%	8	8	0.0%
Total Energy Distributed	3,848,050	3,687,807	4.3%	7,559,028	7,270,299	4.0%	1,862,378	1,820,965	2.3%

EDP Espírito Santo									
	Volume (MWh)			Volume (MWh)			Consumers (unit)		
	2Q18	2Q17	Var	6M18	6M17	Var	2Q18	2Q17	Var
Residential	562,678	545,053	3.2%	1,212,115	1,196,812	1.3%	1,204,938	1,193,734	0.9%
Industrial	990,872	951,062	4.2%	1,913,738	1,859,467	2.9%	11,316	11,386	-0.6%
Free	840,998	781,426	7.6%	1,612,694	1,527,723	5.6%	128	113	13.3%
Captive	149,874	169,637	-11.6%	301,044	331,744	-9.3%	11,188	11,273	-0.8%
Commercial	424,691	417,017	1.8%	892,677	883,018	1.1%	123,612	123,078	0.4%
Free	111,688	104,664	6.7%	223,788	208,431	7.4%	156	128	21.9%
Captive	313,003	312,353	0.2%	668,890	674,587	-0.8%	123,456	122,950	0.4%
Rural	182,052	205,646	-11.5%	379,610	413,562	-8.2%	189,147	184,200	2.7%
Others	210,805	208,362	1.2%	438,897	423,893	3.5%	13,735	13,606	0.9%
Concessionaries\Generation	35,966	44,379	-19.0%	76,340	90,275	-15.4%	20	19	5.3%
Total Energy Distributed	2,407,065	2,371,519	1.5%	4,913,377	4,867,028	1.0%	1,542,768	1,526,023	1.1%

Consumption per Segment (MWh)



Reported growth reflects continuing low rates of inflation¹, a recovery in economic activity in both states² as well as industrial output³. In the past 12 months, the number of free consumers increased 17.6% (62 consumers at EDP São Paulo and 44 at EDP Espírito Santo) following the migration of captive consumers to the free market. This movement has been decreasing during the course of the quarters due to the PLD (Price for Settlement of Differences) trending higher (PLD for June/18 Southeast/Central-West: R\$472.87 versus R\$124.7 compared with the same period in 2017).

EDP São Paulo: recorded a growth of 4.3% in 2Q18, notably due to increased consumption in the industrial (+4.2%) and commercial (+4.3%) as well as the residential (+3.5%) classes driven by the increase in consumer numbers during the period (+2.5%). In 1H18, growth was 4.0% in the total of energy distributed, this also a reflection of the increased number of consumers in the period and the larger number of billing days (+1 day).

- **Residential:** growth of 3.5% due to higher temperatures (Guarulhos +1.4°C) in addition to more vigorous economic activity and an expansion in the number of consumers in the region. In 1H18, this segment registered growth of 2.5% due to the expansion in consumer numbers.
- **Commercial:** the growth of 4.3% in the quarter and 3.9% in the first half both reflects the recovery in retail trading activity which recorded a 6.3% improvement in sales⁴. The ten-day truckers strike, which began on May 21, 2018 and brought the transportation of cargo and general merchandise to a halt throughout Brazil, also had an impact on this class of activity. Without this event, there would have been a respective 5.4% and 4.4% improvement in 2Q18 and 1H18.
- **Industrial:** reported a growth of 4.2% in the quarter and 4.0% in 1H18 again due to improved industrial operations in the state, which posted an expansion of 7.7%⁵ for the accumulated period to April/2018 driven by stronger motor vehicle production, in addition to the 2.2% expansion in the number of consumers. In the quarter, 18 of the 26 industrial activities with operations in the concession area posted an increase in the consumption of electric energy, most notably in the case of metallurgy (+15.5%), pulp and paper (+17.6%), motor vehicles (+7.8%), and non-metallic minerals (+5.1%). This segment of the company registered an expansion in the number of consumers of +2.2%. Worthy of note in this context is the negative impact of the truckers' stoppage. If this effect is excluded then the increase in energy consumption would have been +6.2% in the quarter and +5.1% for the first six months of 2018.
- **Others (government, public lighting, public utilities and proprietary consumption):** flat growth in the quarter (+0.2%) and an increase of 1.2% in 1H18. Similar to the commercial and industrial segments, this group also was negatively impacted by the truckers' strike. Excluding this effect from the equation, results for the quarter and the first half year would have been +1.2% and +1.7% respectively.

EDP Espírito Santo: reported growth of 1.5% in 2Q18, particularly due to increased consumption in the industrial (+4.2%) and residential (+3.2%) segments - also influenced by the larger number of average billing days (+1.0 day in the case of high voltage

1 The accumulated IPCA for the past twelve months was 2.86%, still below the government target of 4.5%. Source: Brazilian Government Statistics Office - IBGE. National System of Consumer Price Indices IPCA and INPC - May/2018.

2 Source: IBC-Br (Central Bank of Brazil). April/2018.

3 Source: Brazilian Government Statistics Office - IBGE. Monthly Survey of Industry. May/2018.

4 Growth of 6.3% in sales turnover to May/18 compared with the same period in 2017. Source: Serasa Experian. Serasa Experian Trade Activity Index - Brazil. May/2018.

5 Source: Brazilian Government Statistics Office - IBGE. Monthly Survey of Industry - Regional. April/2018.

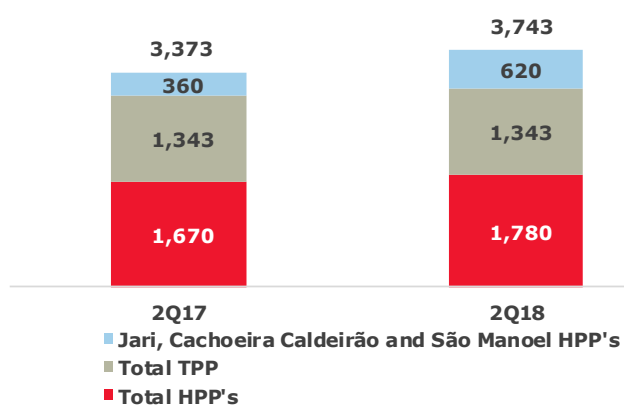
consumers and +0.5 day in the case of low voltage consumers). In 1H18, the increase in distributed energy was 1.0% with particularly strong growth in the industrial class (+2.9%) together with an increase in the average number of billing days (+1.0 day in the case of high voltage consumers and +0.8 day for low voltage consumers).

- **Residential:** in addition to the effects already mentioned, the advance of 3.2% in the quarter and 1.3% in the first half reflects the expansion in consumer numbers during the period (+0.9%). The first half performance would have been better were it not for the negative impact on consumption due to more moderate temperatures (-0.3°C, maximum temperature in Vitória) and high volumes of rainfall (+611.8 mm in Vitória).
- **Commercial:** In addition to the effects already mentioned, growth of 1.8% in 2Q18 and 1.1% in 1H18 reflects the expansion in the number of consumers. Worthy of note is that accumulated consumption, just as in the residential segment, was negatively affected by more moderate temperatures in the state of Espírito Santo early in the year. Similar to EDP São Paulo, the segment's performance was affected by the truckers' strike. If the impact of this is discounted then estimates are that consumption would have been 3.7% and 2.0% higher in the quarter and in the first half of 2018, respectively.
- **Industrial:** recorded a growth of 4.2% in the quarter, particularly notable being consumption of customers in the mining (+3.4%) and metallurgical and metal products (+63.9%) businesses. In 1H18, the industrial segment posted an improvement of 2.9%, reflecting the same influences prevailing in 2Q18. However, the negative contribution from the non-metallic mineral mining sector (which suffered the additional impact of the disconnection of a major consumer) where the impact of the country's economic crisis over the past few years has been particularly acute. The truckers' strike had a negative impact on results for this segment. If we exclude these two events (the closing of consumer and strike action) the rate of growth for 2Q18 and the first six months of 2018 would have been +7.7% and +5.8%, respectively.
- **Rural:** reduction of 11.5% in 2Q18 and -8.2% in 1H18, reflects the negative impact of higher rainfall in the first six months of the year (+323.9 mm in Linhares) contributing to the reduction in electric energy consumption for irrigation purposes despite the increase of 2.7% in the number of consumers in the period.
- **Others (government, public lighting, public utilities and proprietary consumption):** growth of 1.2% in 2Q18 and 3.5% in 1H18, more particularly due to the average number of billing days mentioned above. There was also an increase of 0.9% in consumer numbers in the period.

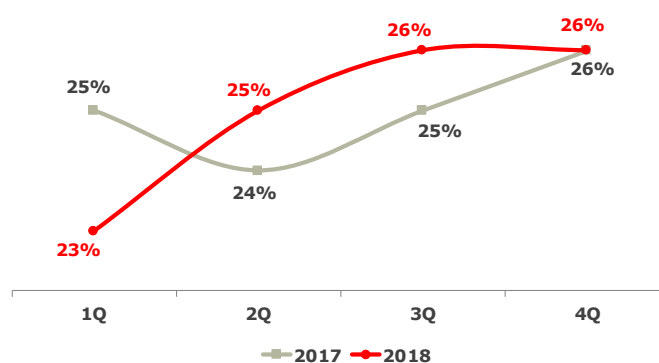
Generation

Since 2017, the Company has been implementing measures to protect its portfolio for minimizing the impacts of GSF and fluctuations in PLD through the management of uncontracted energy and short-term agreements. EDP ended the quarter with 16% of its energy output hedged through to the end of 2018.

Consolidated Generation Sales (GWh)



Hydroelectric Generation: Seasonal Weighting of Consolidated Sale Contracts (%)



- Hydroelectric Generation

On a consolidation criteria basis, energy volumes sold by the hydroelectric plants stood at 1,780 GWh, a growth of 6.6% compared with 2Q17, reflecting larger contracted energy volumes at Energest (+157 GWh) and Enerpeixe (+26 GWh), with respect to short-term agreements, offset by the lower contracted volume at Lajeado (-66 GWh) due to the strategy of seasonal weighting. For the first six months of 2018, energy sales volume from the hydroelectric plants were 3,382 GWh, a decline of 0.8% compared with 1H17, the result of the strategy of seasonal weighting which influenced energy sales volume in the first semester of the year.

In the quarter, average GSF was 85.3%, equivalent to 270.2 GWh⁶ at the average PLD of R\$ 302.7/MWh (SE/C-W submarket). For 1H18, the average GSF was 98.9%, equivalent to 83.3 GWh⁶ at the average PLD of R\$ 249.4/MWh (SE/C-W).

Unconsolidated assets⁷ reported energy sales volume of 620 GWh and 1,188 GWh for 1Q18 and for the first six months respectively, an increase of 72.3% and 60.9% respectively due to the operational startup of the São Manoel generator units.

- Thermal Generation

In the quarter, average plant uptime was 97.6%, exceeding the contractual percentage and confirming the improvement in operating performance. Volume amounted to 1,343 GWh.

Commercialization

Energy volumes sold amounted to 4,397 GWh and 8,482 GWh in 2Q18 and in 1H18, respectively, an increase of 15.2% and 22.1%, due to: (i) market price volatility varying between R\$ 122.0/MWh and R\$ 303.0/MWh combined with high market liquidity, benefiting operations involving long and short positions; (ii) a higher allocation of energy to the first half of the year on the part of market agents, generating increased short term liquidity; (iii) greater energy volume in the market in the light of uncontracted energy from the distributors in 2017 through the Surplus and Deficit Compensation Mechanisms - MCSD – or bilateral agreements for the duration of 2018; (iv) the increase in energy sales volume to new free consumers and the result of the migration of consumers from the captive to the free market; and (v) energy seasonalization used to adjust the Trading Company's energy volume curve.

⁶ Excluding the impact of the Jari, Cachoeira Caldeirão and São Manoel HPPs.

⁷ According to the Company's 50.0% stake in the Jari and Cachoeira Caldeirão HPPs and 33.3% stake in São Manoel HPP.