



## EDP Transmissão MA II Financing Agreement

**São Paulo, January 3<sup>rd</sup>, 2019** - EDP - Energias do Brasil S.A. (“EDP” or “Company”) (B3: ENBR3) hereby informs its shareholders and the market in general that, it was signed on december 28, the Financing Agreement between its subsidiary EDP Transmissão MA II and Banco do Nordeste do Brasil S.A. (“BNB”), in order to provide a credit facility of R\$ 124,5 million ( one hundred and twenty four million, five hundred and twenty one thousand reais), to be provided with funds from the Fundo Constitucional de Financiamento do Nordeste (“FNE”).

This corresponds to, approximately, 80% of the nominal CAPEX (by August/2018) or approximately 70% of the total CAPEX. The issuance cost is  $IPCA + 2.57\%^1$  and  $IPCA + 2.18\%^1$ , considering the possible bonus of default<sup>2</sup>. In comparison to the return presented in the scope of the auction, the financing structure allows to extrapolate the upper band, bringing gains in IRRa and NPVa.

EDP MA II is responsible for the development, construction and operation of Lot 11 of Transmission Auction No. 05/2016 and had its Previous Environmental License issued on December 14, 2018. It is currently awaiting the approval of the Installation License for the beginning of the construction works.

This operation reinforces the strategy of diversifying competitive sources of financing, aiming to mitigate risks and obtain better returns for its projects and shareholders.

**Miguel Nuno Simões Nunes Ferreira Setas**

*CEO and IR Director*

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<sup>1</sup> This rate doesn't consider the costs related to ancillary obligations.

<sup>2</sup> Solvent customers of the Banco do Nordeste, which manages the FNE, receive a discount of 15% on the fixed-rate portion of the Long-Term Rate (TLP), in the financing paid up-to-date.