

São Paulo, January 29th, 2019 – EDP Energias do Brasil S.A. ("EDP" or "Company") (B3: ENBR3) announces information on the electric energy market for the fourth quarter 2018 ("4Q18") and the year 2018 with respect to the Company's business segments.

Distribution: The volume of distributed energy increased 2.6% in the quarter, 0.6% in the case of EDP São Paulo and 5.9% at EDP Espírito Santo. In the year, volumes of distributed energy rose 3.1%, 2.6% at EDP São Paulo and 3.8% at EDP Espírito Santo.

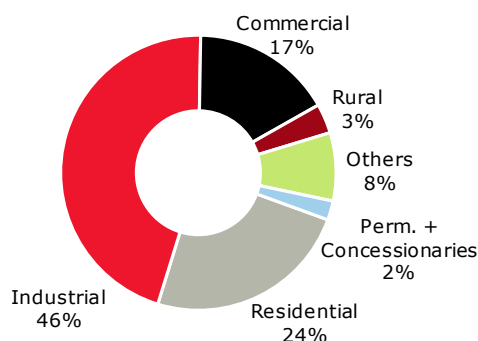
EDP Distribution									
	Volume (MWh)			Volume (MWh)			Consumers (unit)		
	4Q18	4Q17	Var	2018	2017	Var	4Q18	4Q17	Var
Residential	1,542,412	1,466,962	5.1%	6,049,014	5,888,211	2.7%	2,943,635	2,877,686	2.3%
Industrial	2,898,775	2,807,764	3.2%	11,351,659	10,966,425	3.5%	24,628	24,579	0.2%
Free	2,439,723	2,272,225	7.4%	9,461,353	8,906,254	6.2%	454	394	15.2%
Captive	459,051	535,540	-14.3%	1,890,306	2,060,170	-8.2%	24,174	24,185	0.0%
Commercial	1,054,230	1,067,703	-1.3%	4,167,846	4,100,354	1.6%	253,611	251,294	0.9%
Free	219,466	242,129	-9.4%	968,281	936,888	3.4%	373	304	22.7%
Captive	834,764	825,574	1.1%	3,199,565	3,163,466	1.1%	253,238	250,990	0.9%
Rural	221,917	209,983	5.7%	870,476	860,858	1.1%	201,472	195,298	3.2%
Others	510,717	529,986	-3.6%	2,018,888	1,968,564	2.6%	27,665	27,935	-1.0%
Permissionary	19,022	11,907	59.7%	51,326	46,410	10.6%	2	2	0.0%
Concessionaries\Generation	123,940	115,337	7.5%	497,636	432,580	15.0%	27	27	0.0%
Total Energy Distributed	6,371,012	6,209,642	2.6%	25,006,846	24,263,402	3.1%	3,451,040	3,376,821	2.2%

EDP São Paulo									
	Volume (MWh)			Volume (MWh)			Consumers (unit)		
	4Q18	4Q17	Var	2018	2017	Var	4Q18	4Q17	Var
Residential	959,111	927,230	3.4%	3,747,802	3,671,770	2.1%	1,722,917	1,676,680	2.8%
Industrial	1,835,626	1,848,989	-0.7%	7,344,691	7,167,625	2.5%	13,344	13,297	0.4%
Free	1,520,517	1,477,966	2.9%	6,049,179	5,762,917	5.0%	303	275	10.2%
Captive	315,109	371,023	-15.1%	1,295,513	1,404,708	-7.8%	13,041	13,022	0.1%
Commercial	650,224	645,100	0.8%	2,494,812	2,429,933	2.7%	128,604	126,903	1.3%
Free	144,814	135,708	6.7%	576,104	520,616	10.7%	201	166	21.1%
Captive	505,410	509,392	-0.8%	1,918,708	1,909,316	0.5%	128,403	126,737	1.3%
Rural	19,635	21,459	-8.5%	81,684	82,631	-1.1%	7,915	7,904	0.1%
Others	287,939	299,240	-3.8%	1,142,310	1,141,652	0.1%	13,903	14,173	-1.9%
Permissionary	19,022	11,907	59.7%	51,326	46,410	10.6%	2	2	0.0%
Concessionaries\Generation	80,927	77,002	5.1%	329,743	266,270	23.8%	8	8	0.0%
Total Energy Distributed	3,852,484	3,830,928	0.6%	15,192,368	14,806,291	2.6%	1,886,693	1,838,967	2.6%

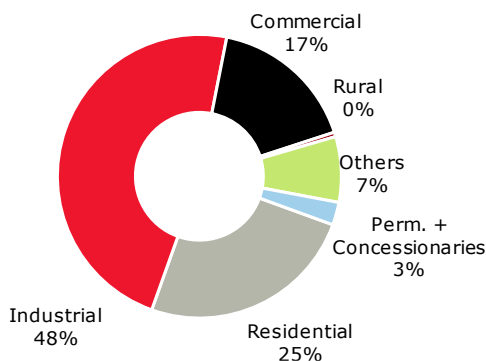
EDP Espírito Santo									
	Volume (MWh)			Volume (MWh)			Consumers (unit)		
	4Q18	4Q17	Var	2018	2017	Var	4Q18	4Q17	Var
Residential	583,301	539,732	8.1%	2,301,212	2,216,441	3.8%	1,220,718	1,201,006	1.6%
Industrial	1,063,149	958,775	10.9%	4,006,968	3,798,799	5.5%	11,284	11,282	0.0%
Free	919,207	794,258	15.7%	3,412,174	3,143,337	8.6%	151	119	26.9%
Captive	143,942	164,517	-12.5%	594,794	655,462	-9.3%	11,133	11,163	-0.3%
Commercial	404,006	422,603	-4.4%	1,673,034	1,670,421	0.2%	125,007	124,391	0.5%
Free	74,651	106,421	-29.9%	392,177	416,271	-5.8%	172	138	24.6%
Captive	329,354	316,182	4.2%	1,280,857	1,254,150	2.1%	124,835	124,253	0.5%
Rural	202,282	188,523	7.3%	788,793	778,227	1.4%	193,557	187,394	3.3%
Others	222,778	230,746	-3.5%	876,577	826,911	6.0%	13,762	13,762	0.0%
Concessionaries\Generation	43,013	38,335	12.2%	167,893	166,310	1.0%	19	19	0.0%
Total Energy Distributed	2,518,529	2,378,714	5.9%	9,814,477	9,457,111	3.8%	1,564,347	1,537,854	1.7%

Consumption per Class (MWh)

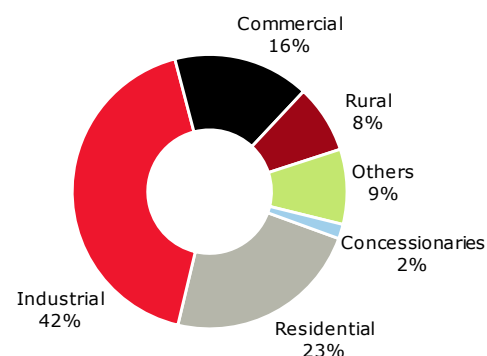
EDP Consolidated



EDP São Paulo



EDP Espírito Santo



The increase of 2.6% in distributed energy volume of the distribution segment in the quarter reflects a 1.5% growth in industrial production¹ in Brazil, an increase in sales revenue due to the proactive drive to reduce losses as well as the increase of 2.2% in the customer base. The number of free customers over the past 12 months increased by 17.6% (63 at EDP São Paulo and 66 at EDP Espírito Santo) in the light of the migration of captive customers to the free market.

During the year, energy volumes increased by 3.1%, resulting from the increase in volume of all consumption classes, the increase in the number of customers, average temperatures at EDP Espírito Santo and positive social indicators, all being decisive to this result.

EDP São Paulo: the improvement of 0.6% in the quarter is a reflection of the increased customer base (+2.6%), as well as a concentrated effort to recover revenue at the end of 2017. During the year, the industrial and commercial classes were largely responsible for the growth of 2.6% in total distributed energy, this again due to positive social indicators and the increase in the number of clients of 0.4% and 1.3%, respectively. There was also a variation between the average billing days (+0.2 day for medium and high voltage and -0.2 day in the case of low voltage customers during the year and with no variation in the quarter).

- **Residential:** growth of 3.4% in the quarter and 2.1% in the year, as a result of the expansion of 2.8% in the number of customers and initiatives to recover revenue. If the latter factor is excluded, the class would have reported an improvement of 0.8% in the quarter and 1.1% in the year.
- **Commercial:** a growth of 0.8% in the quarter and 2.7% for the year as whole is a result of a 1.3% increase in the number of customers, and a recovery in commercial retailing activity, with an increase of 6.7% in sales², partially offset by the truckers strike in May. Without these effects, this class would have seen a growth of 3.4% in the quarter and 3.7%, in the year.
- **Industrial:** a reduction of 0.7% in the quarter and an increase of 2.5% in the year. Just as in the case of the commercial class, the segment was characterized by initiatives for recovering revenue, the actions to reduce losses and the truckers' strike. If these effects are ignored, results for the quarter and year would have been an increase of 0.7% and 3.5%, respectively. Of importance in this result, was the more favorable economic outlook in 2018 with industrial production in the state of São Paulo improving by 1.8% for the accumulated period of 2018 up to October as shown in the figures published by the Brazilian Government Statistics Office - IBGE³.
- **Others (government, public lighting, public utilities and proprietary consumption):** the decrease of 3.8% in the quarter and maintenance of volume during the year (+0.1%) reflect the Company's initiative for recovering revenue at the end

¹ Source: Brazilian Government Statistics Office – Monthly Survey of Industry. November/2018. Jan-Nov/18 accumulated physical output relative to the same period in 2017.

² Growth of 6.7% for accumulated sales turnover to November 2018 compared with the equal period in 2017. Source: Serasa Experian. Serasa Experian Trading Activity Indicator - Brazil. November/2018.

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

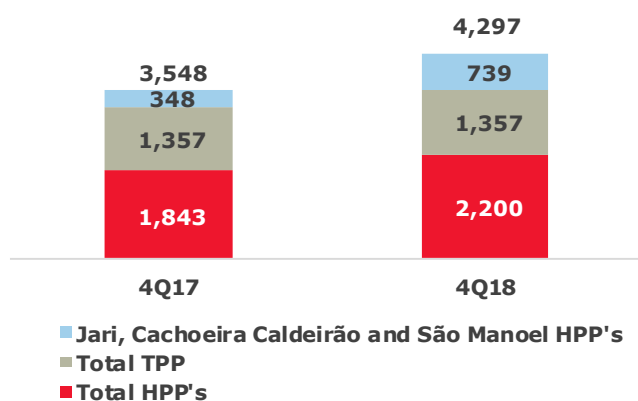
of 2017, mainly due to the registration of the public lighting class. If this factor is excluded, then growth rates would have been +0.7% and +3.5% in the quarter and year, respectively.

EDP Espírito Santo: the growth of 5.9% for the quarter and 3.8% in the year were affected by the increase in the residential and industrial classes due to favorable climatic conditions and expansion in the customer base (+1.7%). During both periods it is important to highlight the positive impact of higher temperatures (+0.5°C in the quarter and +0.9°C in the year, in Vitória) and the variation in average billing days (+0.5 day in the quarter for medium and high voltages and -0.4 day in the quarter and -1.2 day in the year for low voltage customers).

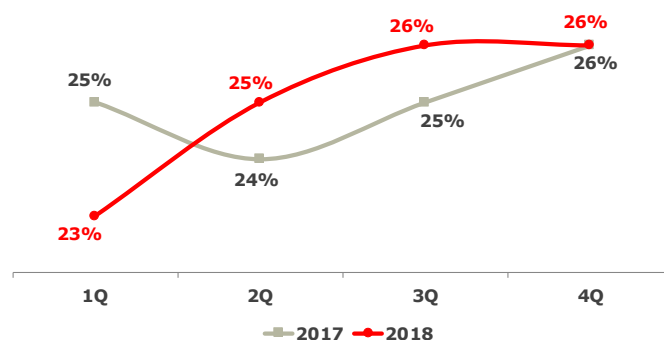
- **Residential:** residential class consumption rose by 8.1% in the quarter and 3.8% in the year due to the positive impact of higher temperatures as well as initiatives for recovering revenue. Without this latter effect, the residential class would have risen 4.2% and 2.8% in the quarter and in the year, respectively.
- **Commercial:** reduction of 4.4% in the quarter, impacted by changes in registration of a major customer – transfer from the commercial to the industrial class. In the year, despite the increase of 0.5% in the number of customers, volumes remained stable (+0.2%), impacted by the truckers’ strike as well as changes in registration already mentioned. Excluding these effects, growth rates would have increased 5.7% in the quarter and 4.1% in the year. Just as in the case of the residential class, it is worth pointing out the positive impact of climatic conditions as well as the recovery in retail commerce⁴ which for the year to October 2018, rose 7.7%.
- **Industrial:** a growth of 10.9% in the quarter, influenced by one-off events involving major customers: (i) a significant increase in the agreement with a customer in the mining segment; (ii) a change in the commercial to industrial class; (iii) disconnection of a customer in the non-metallic mining sector and (iv) variations of self-producing clients. In the year and in addition to the factors already mentioned, a growth of 5.5% reflects the truckers’ strike. Excluding one-off impacts involving these customers and the truckers’ strike, growth rates would have been 3.2% in the quarter and 1.2% in the year.
- **Rural:** Similar to events in the residential class, initiatives to recover revenue had a notable impact in a growth of 7.3% in the quarter and 1.4% in the year. If such events are factored out, class results would have fallen 1.0% in the quarter and 1.2% in the year, reflecting rainfall in the northern region of the state (+130 mm in the quarter and +494 mm in the year), reducing the need for energy consumption for irrigation.
- **Others (government, public lighting, public utilities and proprietary consumption):** reduction of 3.5% in the quarter, reflecting actions of customer re invoicing and rebates for the public lighting and public utility sectors. In the year, a growth of 6.0% reflected the positive influence of the high temperatures (+0.9°C in Vitória) on government and public utilities as well as the favorable impact of initiatives for revenue recovery in public lighting class.

Generation

Consolidated Generation Sales (GWh)



Hydroelectric Generation: seasonal weighting of consolidated sales agreements (%)



⁴ Source: Brazilian Government Statistics Office - IBGE. Monthly Trading Survey. Indicators of Retail Commerce Sales Volume by states in the federation. October/2018.

- Hydroelectric Generation

In the quarter, energy sales from the hydroelectric plants increased 19.4% on a consolidated basis, reflecting greater volumes of contracted energy at Enerpeixe (+65 GWh) and Lajeado (+141 GWh). This is due to bilateral agreements with the trading company, as well as the strategy of seasonal allocation and hedging adopted by the Company. Meanwhile, the variation at Energest (+170 GWh) reflects intercompany bilateral energy agreements. In relation to unconsolidated projects⁵, volumes increased by 21.1% in the quarter, impacted by the startup of São Manoel and the positive variation of +44 GWh and +59 GWh at Jari and Cachoeira Caldeirão, respectively due to intercompany bilateral agreements, partially mitigated by the expiry of short term agreements at Cachoeira Caldeirão.

In the year, energy volumes sold by the hydro plants was 7,403 GWh, an increase of 4.8%, reflecting a new agreement with respect to the protection strategy adopted together with the bilateral agreements at Energest, partially offset by the expiry of an agreement with the trading company, for the exclusion of Costa Rica plant in September, and also the reduction in Santa Fe volumes. With unconsolidated projects, energy volumes increased by 10.8% due to the startup of operations at São Manoel (+1,022 GWh) plus the increase in CCEAR regulatory agreements at Cachoeira Caldeirão (+72 GWh) and Jari (+62 GWh).

In the quarter, average GSF was 80.7%, an exposure equivalent to 359.4 GWh⁶ at an average PLD of R\$ 158.2/MWh (Southeast/ Central Western Submarket). In the year, Average GSF was 81.6%, an exposure equivalent to 1,347.2 GWh⁶ at an average PLD (Price for the Settlement of Differences) of R\$ 287.8/MWh (Southeast/ Central Western Submarket).

Since 2017, the Company has implemented portfolio protection measures for minimizing GSF impacts and oscillations in PLD through the management of uncontracted energy and short-term agreements. EDP closed 2018 with 17%⁷ of its energy hedged.

- Thermal Generation

Average plant uptime was 55.1% in the quarter, reflecting the *major overhauls*⁸ at the generator units. Average uptime in the year was 80.3%. There will be no FID⁹ deficit in 2019.

Volumes were 1,357 GWh in the quarter and 5,387 GWh in the year.

Trading

Power trading volume amounted to 4,534 GWh in the quarter, a reduction of 22.2%, reflecting (i) the lower average PLD for the period of 40% compared with 4Q17 (R\$ 158.2/MWh versus R\$ 398.0/MWh), and (ii) changes in the energy scenario for the outset of the rainy season with meteorological uncertainties and the reduction in forecasted rainfall – this resulting in greater price volatility (varying from R\$ 79.0/MWh to R\$ 271.8/MWh). This associated with the low liquidity, resulted in a decrease in the number of operations.

In the year, traded energy volume amounted to 18,102 GWh, an increase of 1.7%, due to (i) market price volatility (varying between R\$ 79.0/MWh and R\$ 505.2/MWh), associated with high liquidity which benefited the taking long and short-term operation decisions; (ii) greater available power volume in the market from the uncontracting of distributor energy in 2017 through the Surplus and Deficit Mechanisms - MCSD – or bilateral agreements during 2018; (iii) the increase in power volumes sold to new free consumers (resulting from migration); (iv) the seasonal allocation of power adopted by the trading company, used to adjust the energy volume curve for the year; (v) the consumption flexibility agreements revealing gains in the light of market prices; (vi) Generation portfolio management with Hedge operations; and (vii) the strategic positioning in different submarkets due to price divergence.

⁵ Including the impact of the Jari, Cachoeira Caldeirão and São Manoel HPPs.

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

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

⁸ Programmed maintenance stoppages held every five years

⁹ Availability Factor