ENGIE Brasil Energia S.A.
Results Presentation
3Q16

October 27, 2016

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01

Highlights, Shareholding Structure, Market Share, Assets and Sales

HIGHLIGHTS

Main financial and operational indexes:

(in R$ million)	3Q16	3Q15	Chg.	9M16	9M15	Chg.
Net Revenue from Sales (NRS)	1,602.8	1,640.0	-2.3%	4,776.2	4,802.8	-0.6%
Results from Operations (EBIT)	649.0	618.7	4.9%	1,881.6	1,698.7	10.8%
Ebitda [1]	807.1	771.7	4.6%	2,351.5	2,147.6	9.5%
Ebitda / NRS - (%) [1]	50.4	47.1	3.3 p.p.	49.2	44.7	4.5 p.p.
Net Income	396.9	347.6	14.2%	1,072.7	901.6	19.0%
Net Debt [2]	765.0	1,682.7	-54.5%	765.0	1,682.7	-54.5%
Power Production (avg MW) [3]	5,104	5,590	-8.7%	5,172	5,279	-2.0%
Energy Sold (avg MW)	3,933	4,016	-2.1%	3,960	4,115	-3.8%
Average Net Sales Price (R$/MWh) [4]	181.23	172.82	4.9%	179.57	170.06	5.6%
Number of Employees	1,169	1,176	-0.6%	1,169	1,176	-0.6%

Notes:
[1] Ebitda represents: net income + income tax and social contribution + financial results + depreciation and amortization.
[2] Adjusted amount, net of gains from hedge operations.
[3] Total electricity output from the plants operated by ENGIE Brasil Energia.
[4] Net of taxes and exports.

HIGHLIGHTS
(cont'd)

The first wind farm in the Santa Mônica Wind Complex, the Santa Mônica Wind Farm with an installed capacity of 18.9 MW, has begun operations on a test basis. The phasing in of commercial operations began in October 2016.

ENGIE Brasil Energia's Photovoltaic Solar Energy R&D project was among 27 others to receive the 23rd edition of the Expressão de Ecologia Award's Onda Verde Trophy at the State of Santa Catarina Industries Federation's (Fiesc) Sustainable Management Forum. IBAMA, the Federal Government's Environmental Protection Agency, ranks this award as the most pertinent in the Southern Region of Brazil.

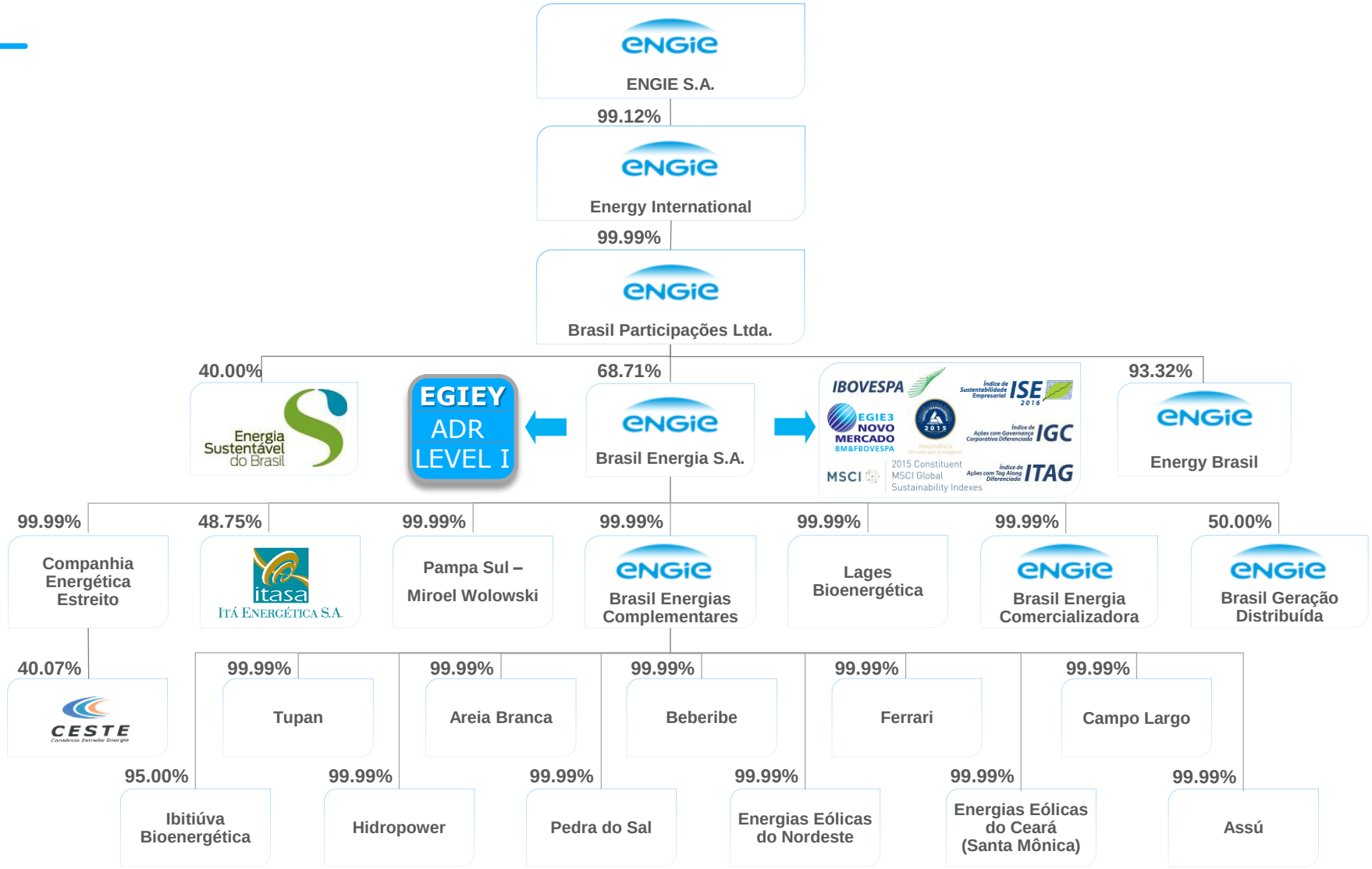
HIGHLIGHTS
(cont'd)

The credit of R$ 432.5 million (R$ 0.6626 per share) as interest on shareholders equity with respect to the period from January 1 to December 31, 2016 was approved. The shares will become ex-interest on shareholders' equity as from November 11, 2016.

The Board of Directors has appointed Carlos Freitas as the Company's Chief Financial and Investor Relations Officer, Mr. Freitas to assume his position as from January 2017.

In October, the Generation Operations Center (COG), installed at the Company's head office in Florianopolis (SC) began the remote operations of UHPP and the Rondonópolis and José Gelázio SHPs.

SHAREHOLDING STRUCTURE

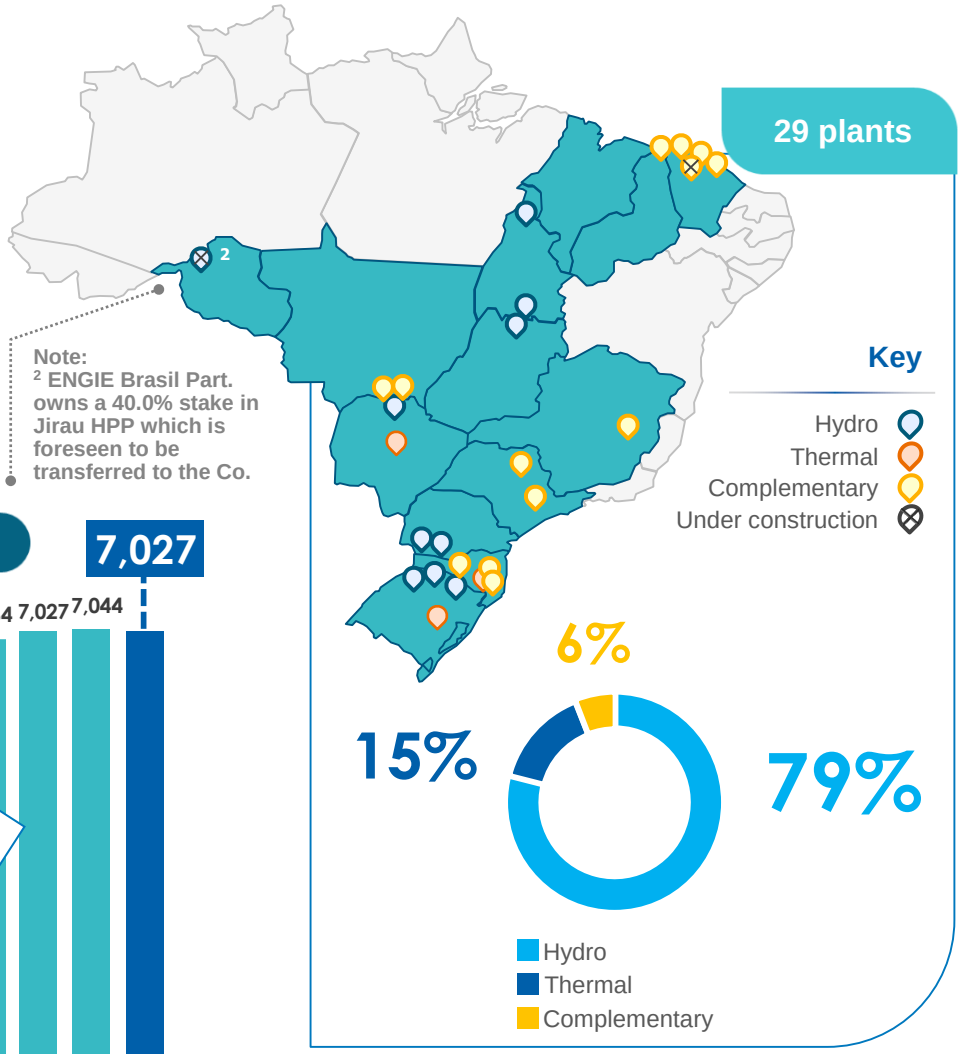


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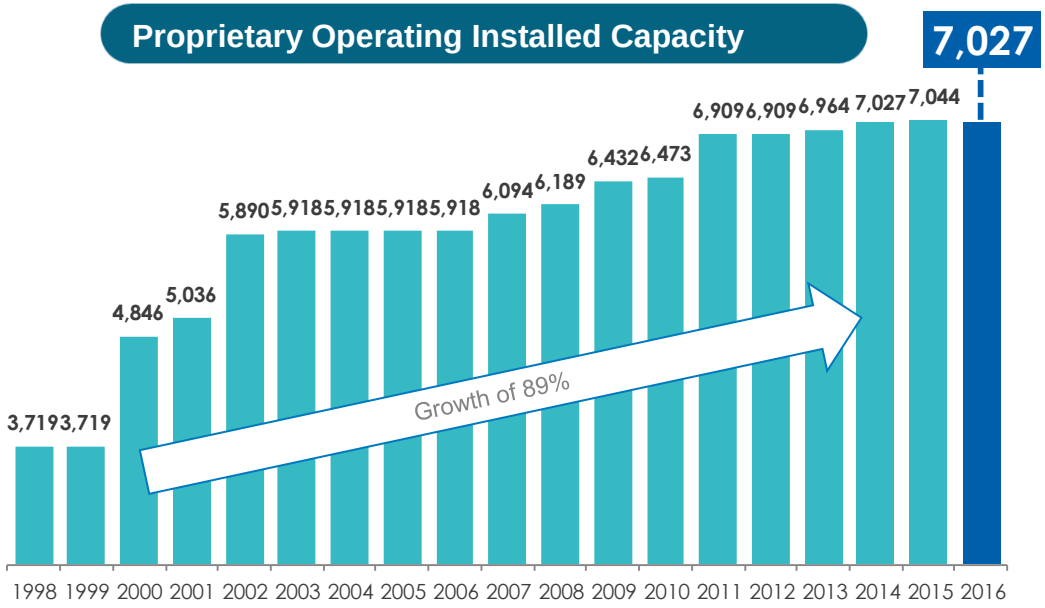
DIVERSIFIED PORTFOLIO OF ASSETS
with strategic location

Own installed capacity of
7,027.2[1] MW
from 29 plants
operated by the Company

Note:
[1] Considering the start of commercial operation of the Santa Mônica Wind Power Plant from October, 2016 on.



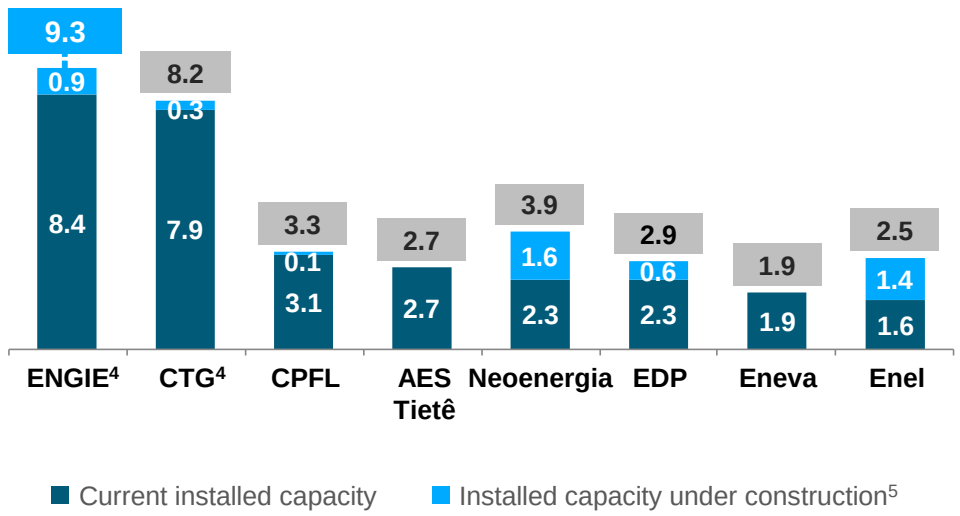
Note:
[2] ENGIE Brasil Part. owns a 40.0% stake in Jirau HPP which is foreseen to be transferred to the Co.



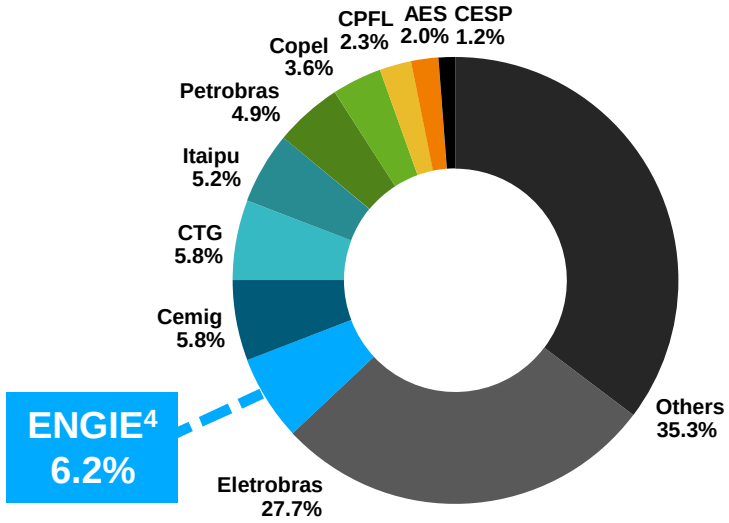
RELEVANT POSITION
among the private power producers

ENGIE Brasil Energia is part of the largest independent power producer in the country and is well positioned to capture business opportunities.

Private Sector – Installed Capacity[1] (GW)



Brazil – Existing Installed Capacity[2,3]

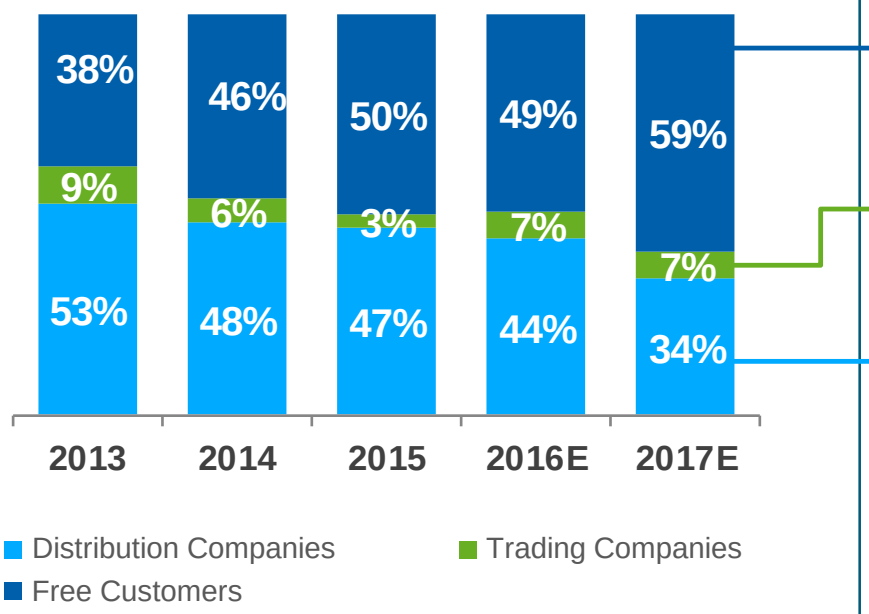


Source: Aneel, Companies' websites and in-house studies.

Notes:
1 Apparent sum-related errors are a result from rounding of addends.
2 Amount corresponding to SIN – National Interlinked System.
3 Includes only the Brazilian part of Itaipu.
4 Considering the consolidated installed capacity of the groups.
5 Based on information from Aneel, ONS and internal study.

DIVERSIFIED PORTFOLIO
among distribution, free customers and trading companies

Client Breakdown (based on contracted energy)



First to consistently serve the free market…

- Flexibility (prices, terms and conditions) → Maximizes portfolio's efficiency
- Opportunistic contracts (purchase/sale) → Product assembly
- Largest consumer market
- Regulated and unregulated contracts

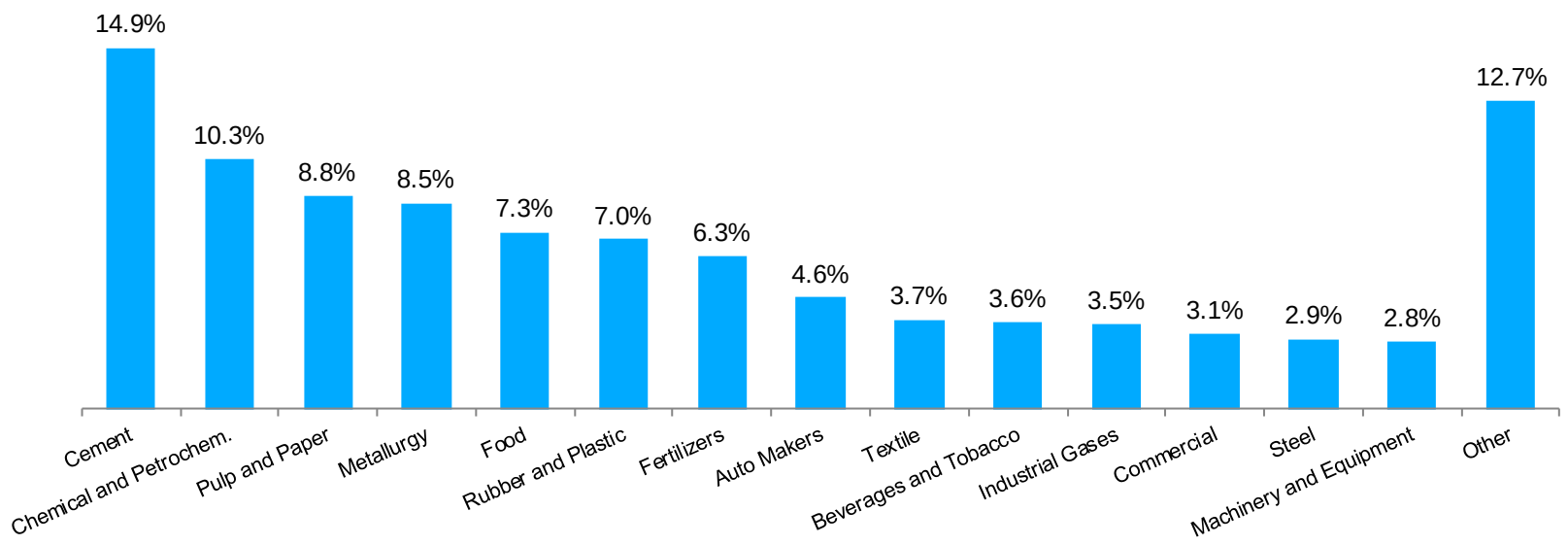
→ Long-term cash flow predictability

…to minimize risks and to maximize portfolio`s efficiency.

DIVERSIFICATION
also within the free customers portfolio

Free customer industry diversification and a strict credit assessment policy allow for a zero default reality.

Free customers total sales volume for 2016: 1,991 average MW



Source: Internal study based on IBGE`s classification.



02

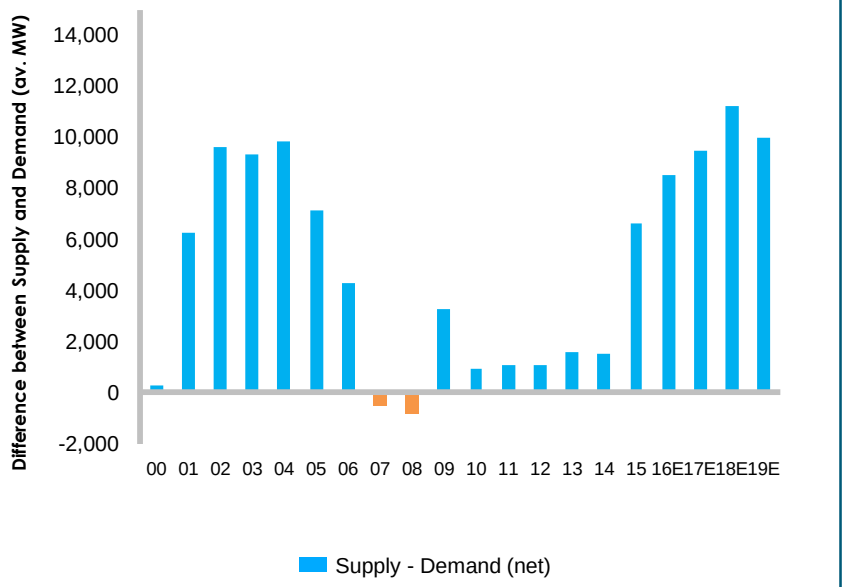
Energy Market in Brazil

REVISION OF DEMAND

reduce theoretical surplus in the short term energy balance

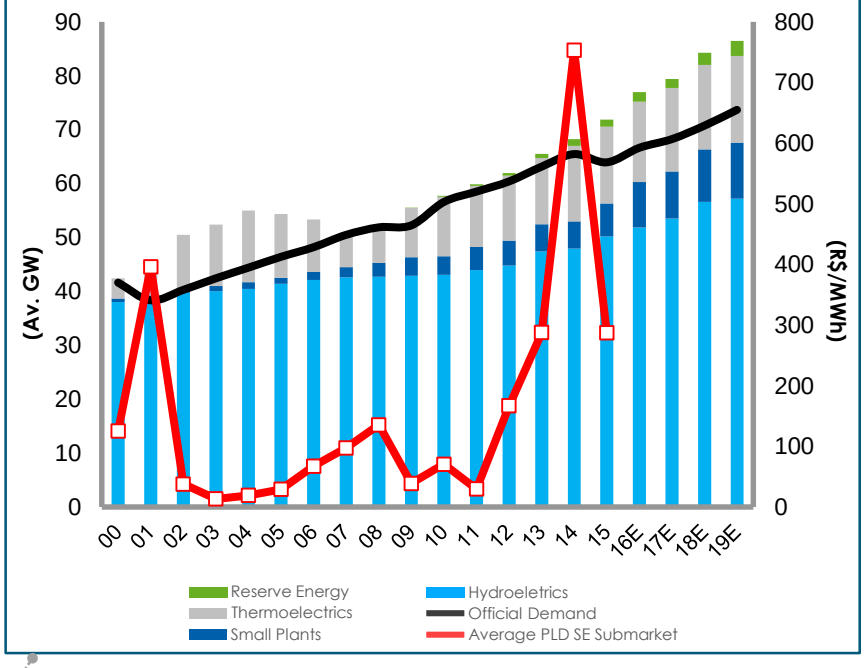
Surplus structural generation associated with expensive thermal operations, run-of-river reservoirs and the presence of intermittent energy sources tend to create short-term price volatility and risks to uncontracted consumers.

Energy Market



Source: ENGIE Brasil Energia internal study based on the Monthly Operations Plan (PMO) for September 2016.

Distribution of Supply by Source



Source: Internal study based on Aneel and ONS data.



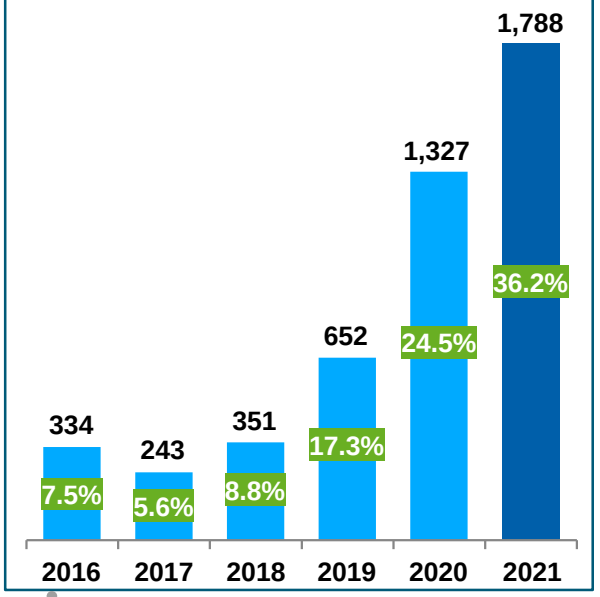
03

Sales Strategy

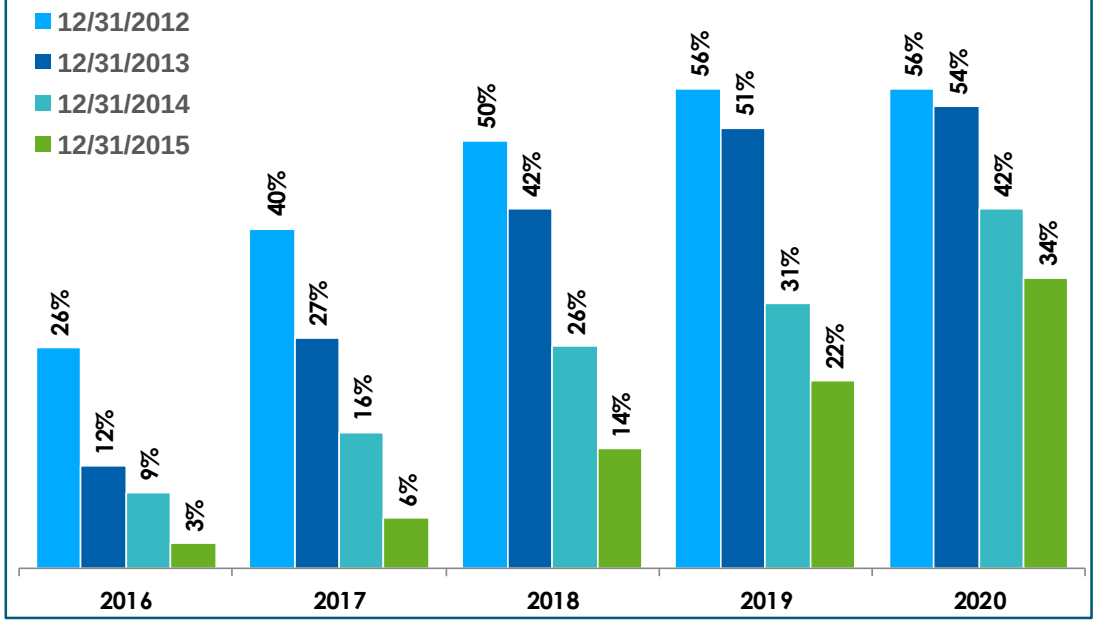
COMMERCIAL STRATEGY
considers the gradual sale of future availability

ENGIE Brasil Energia uncontracted energy[1]

(average MW)



ENGIE Brasil Energia: uncontracted energy compared to the availability of a given year



Note:
[1] Percentage of total resources.

ENERGY BALANCE

As of September 30, 2016

(in average MW)	2016	2017	2018	2019	2020	2021	Auction **Gross** Price (R$/MWh)	Reference Date	**Gross** Price Adjusted (R$/MWh)
Own Resources	3,520	3,516	3,536	3,962	3,989	3,998			
+ Purchases for Resale	888	1,026	898	701	413	314			
= Total Resources (A)	**4,408**	**4,542**	**4,434**	**4,663**	**4,402**	**4,312**			
Government Auction Sales[1]	1,663	1,312	1,360	1,754	1,612	1,612			
2005-EE-2009-08	343	-	-	-	-	-	94.0	Oct-05	173.6
2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	209.3
2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	230.0
2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	239.5
2007-NE-2012-30	256	256	256	256	256	256	126.6	Oct-07	215.2
2014-EE-2014-06	142	139	139	139	-	-	270.7	May-14	320.0
Proinfa	44	44	44	44	44	44	147.8	Jun-04	311.0
1st Reserve Energy Auction	14	14	14	14	14	14	158.1	Aug-08	254.3
Auction Mix (New Energy / Reserve / DG)	18	18	18	17	14	14	-	-	241.0
2014-NE-2019-25	-	-	-	295	295	295	183.5	Mar-14	225.2
2014-NE-2019-25	-	-	-	10	10	10	206.2	Nov-14	243.9
2014-NE-2019-20	-	-	-	83	83	83	139.3	Nov-14	164.8
2015-EE-2016-01	5	-	-	-	-	-	169.4	Dec-15	169.4
2015-NE-2018-20	-	-	46	46	46	46	188.5	Aug-15	206.0
8th Reserve Energy Auction	-	-	2	9	9	9	303.0	Nov-15	322.7
+ Bilateral Sales	2,411	2,987	2,723	2,257	1,463	912			
= Total Sales (B)	**4,074**	**4,299**	**4,083**	**4,011**	**3,075**	**2,524**			
Balance (A - B)	**334**	**243**	**351**	**652**	**1,327**	**1,788**			
Sales Average Price (R$/MWh) **(Net)**[2]:	179.8	173.5	172.0						
Purchases Average Price (R$/MWh) **(Net)**[3]:	206.1	166.2	171.9						

[1] XXXX-YY-WWWW-ZZ, where:
XXXX -> year of auction
YY -> EE = existing energy or NE = new energy
WWWW -> year of delivery start
ZZ -> supply contract duration (in years)

[2] Sales price is net of ICMS and taxes over revenue (PIS/Cofins, R&D), i.e. future inflation is not considered.
[3] Purchase net price, considering benefits from PIS/Cofins credits, i.e. future inflation is not considered.

Notes:
- The balance refers to the settlement point.
- The average prices are considered simply estimates and are based on financial planning revisions, not capturing volume changes, which are updated quarterly.
- Aneel agreed to the renegotiation of the hydrological risk with respect to the Company`s agreements negotiated through the Regulated Contracting Environment (ACR). Additional information can be found in the financial statements of 2015.



04

Expansion

HYDRO PROJECT UNDER CONSTRUCTION:
Jirau | project update

3,750 MW project, out of which 40.0% held by ENGIE

- assured energy: 2,205 aMW

72.2% contracted under 30-year PPAs A-5 and A-3 Auctions, with protection against hydro generation deficit higher than 8% and 10%, respectively.

0.8% contracted under 3-year PPAs

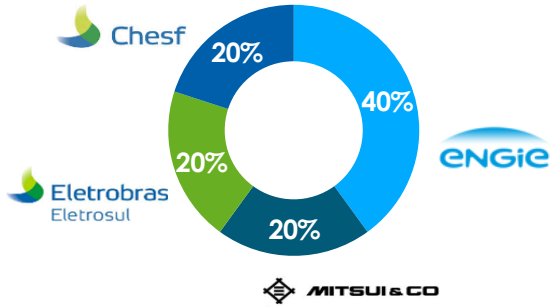
Balance of energy available to be sold by shareholders

Force majeure lawsuit - legal decision issued in the First Instance, recognizing 535 days. Analysis processing in the Second Instance

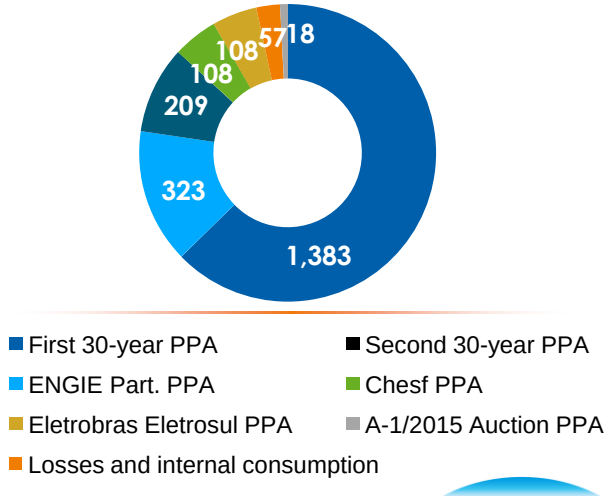
Financing conditions

- BNDES total financing: R$ 9.5 billion (initial R$ 7.2 billion + R$ 2.3 billion):
  - interest rate: TJLP + spread
  - amortization: 20 years
- spread: from 2.25% to 2.65%
- 100% of the debt is financed by BNDES, from which 50% is indirectly financed through a syndicate of banks

ESBR shareholders



ESBR PPA's portfolio - 2017 view (aMW)



HYDRO PROJECT UNDER CONSTRUCTION:
Jirau | project update

Project status

- 3,375 MW in commercial operation (45 units installed to date)
- 225 MW synchronized and operating under test (3 units)
- 150 MW under commissioning (2 units)
- full assured energy achieved in 2Q15 with the COD of the 33rd unit
- In 3Q16, total production was 415 aMW while uptime operating factor achieved 99.6%
- 1.7 million carbon credits generated, in September 2016
- full COD foreseen for 4Q16

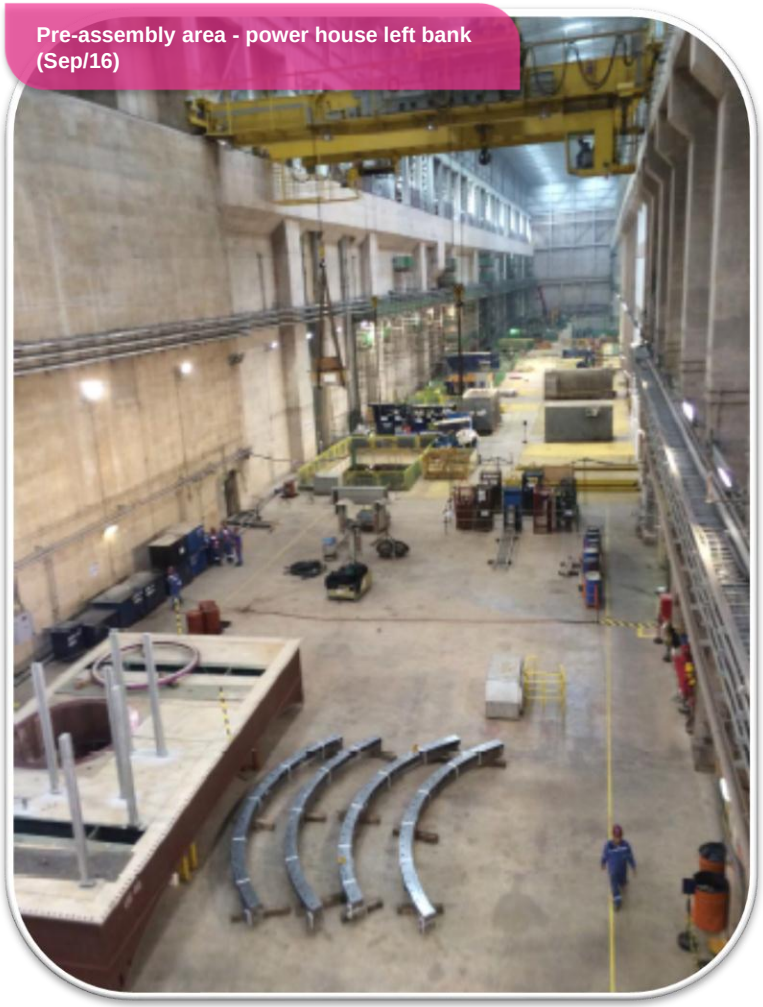
Options to create additional value

- additional assured energy through the operation of reservoir at constant levels
- additional long term tax incentives in the region

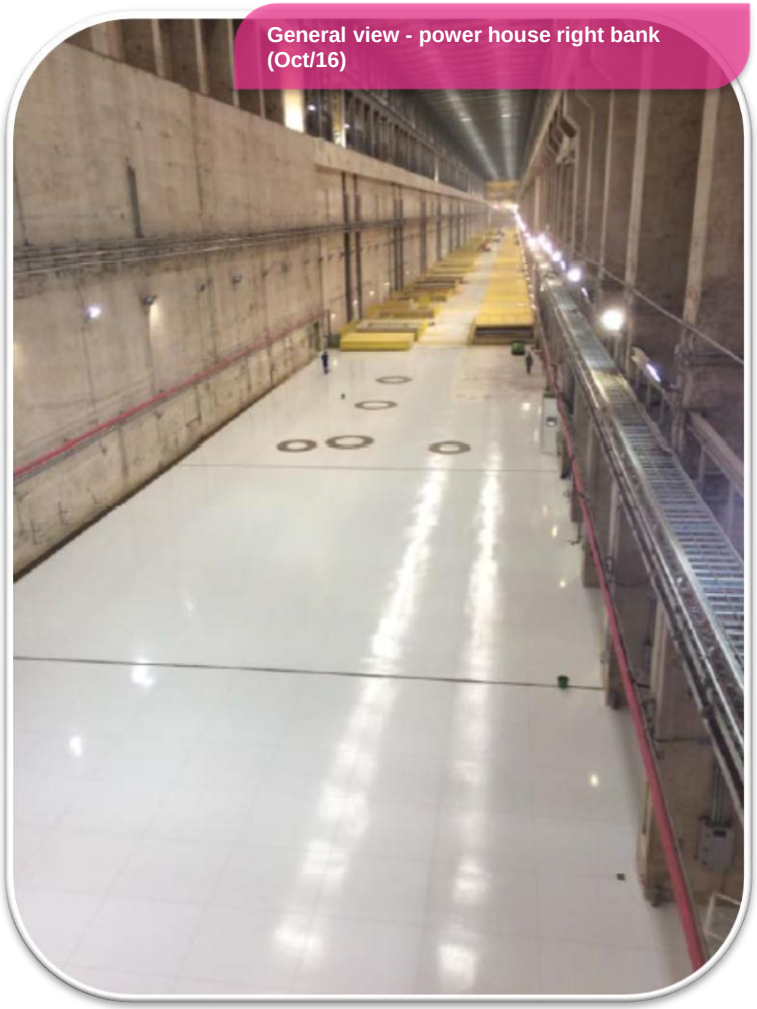

Aerial view of Jirau HPP (Sep/2016)

HYDRO PROJECT UNDER CONSTRUCTION:
Jirau | project update

Pre-assembly area - power house left bank (Sep/16)



General view - power house right bank (Oct/16)



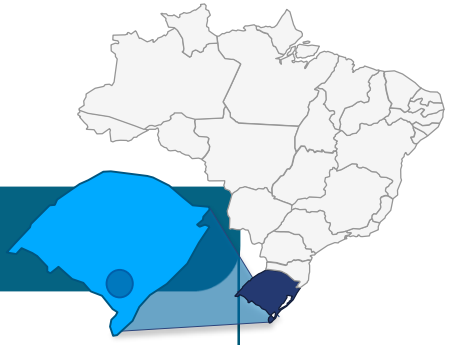
THERMAL PROJECT UNDER CONSTRUCTION:
Pampa Sul TPP

Project description

The project, under construction in Candiota (RS), sold 294.5 avg. MW at total price of R$ 201.98/MWh in an A-5 Auction, occurred in November 2014. The facility will fire thermal coal from reserves also located in Candiota.



Pampa Sul TPP under construction – overview of the site.



Pampa Sul TPP - RS

Installed Capacity: 340.0 MW
Commercial Capacity: 294.5 aMW
Contracted Price[1]: R$ 201.98/MWh
Contract Term: 25 years (as from Jan/2019)
Investment (R$mm)[2]: 1,800
Start of construction: 2015
Start of operation: 2H18
Installation License: June 19, 2015
Annual Fixed Revenue (R$mm)[2]: 473.3

Note:
[1] Value as of March 2014.
[2] Value as of November 2014.

WIND PROJECT UNDER CONSTRUCTION:
Campo Largo Wind Complex (phase I)

Total 11 plants

Project description

The first phase of the Campo Largo Wind Complex will consist of 11 wind farms with a commercial capacity of 157.8 aMW. Of this total, six wind farms amounting to 178.2 MW of capacity sold 82.6 aMW at a total average price of R$ 139.29/MWh at an A-5 Auction held in November 2014.

Additionally, a further five wind farms are to be built and representing 148.5 MW (75.2 aMW) of capacity, the Company's generator complex thus totaling an overall capacity of 326.7 MW (157.8 aMW).

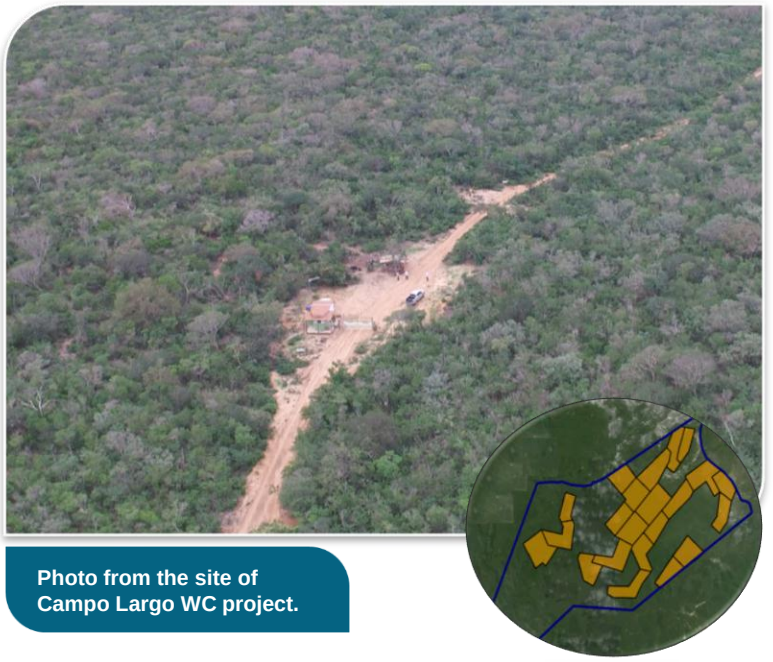
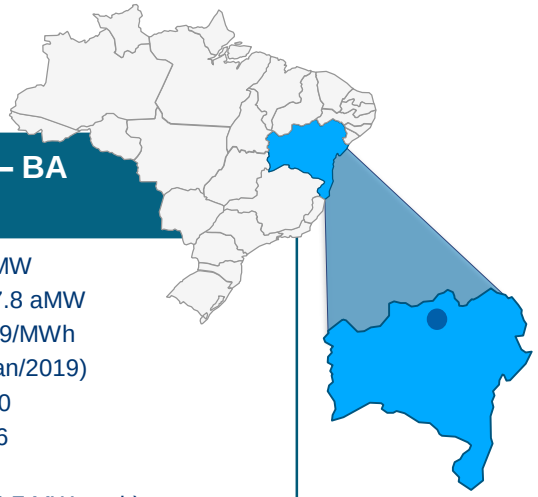


Photo from the site of Campo Largo WC project.



Campo Largo WC – BA (phase I)

Installed Capacity: 326.7 MW
Commercial Capacity: 157.8 aMW
Average Price[1,2]: R$ 139.29/MWh
Term[1]: 20 years (as from Jan/2019)
Investment (R$mm)[3]: 1,700
Start of construction: 2016
Start of operation: 2018
Nº of wind turbines: 121 (2.7 MW each)
Annual Fixed Revenue (R$mm)[1,2]: 100.8

Notes:
[1] With respect to the portion allocated to the Regulated Contracting Environment (ACR).
[2] Value as of November 2014.
[3] Value as of June 2014.

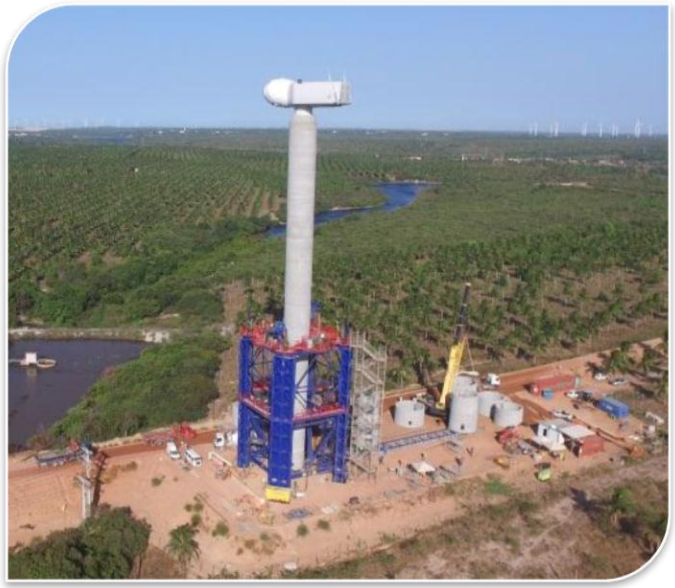
WIND PROJECT UNDER CONSTRUCTION:
Santa Mônica Wind Complex

Total 4 plants

Project description

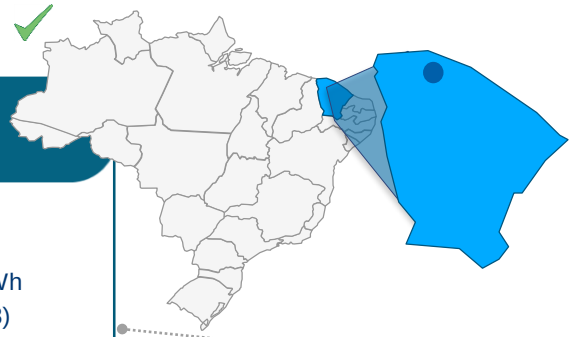
Santa Monica Wind Complex, located alongside Trairi Wind Complex, has sold 46.0 aMW in an A-3 auction in August 2015 at an average total price of R$ 188.45/MWh.

In October 2016, the first wind farm of the Complex, Santa Mônica Wind Power Plant, gradually started its commercial operation.



Ouro Verde WC under construction – Eolift assembly.

Estrela (29.7 MW)	11 wind turbines
Ouro Verde (29.7 MW)	11 wind turbines
Cacimbas (18.9 MW)	7 wind turbines
Santa Mônica (18.9 MW)	7 wind turbines



Santa Mônica WC - CE

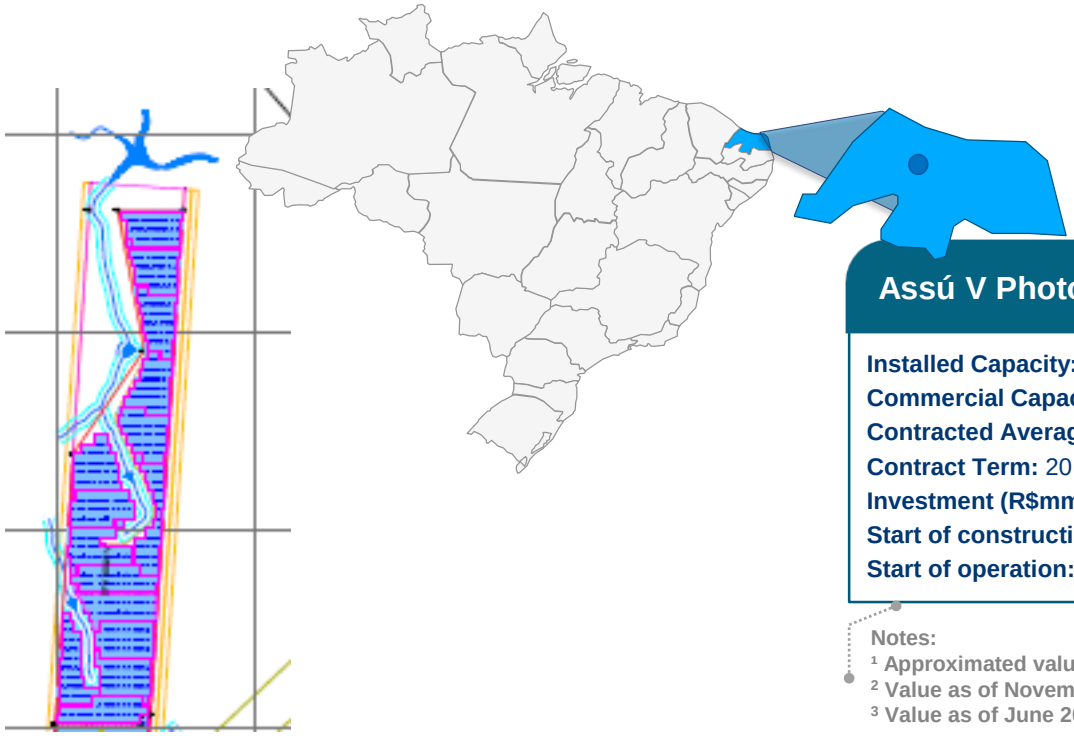
Installed Capacity: 97.2 MW
Commercial Capacity[1]: 47.4 aMW
Contracted Average Price[2]: R$ 188.45/MWh
Contract Term: 20 years (as from Jan/2018)
Investment (R$mm)[3]: 460.0
Start of construction: 2014
Start of operation: 2016
Annual Fixed Revenue (R$mm)[2]: 75.9

Notes:
[1] Approximated value.
[2] Value as of August 2015.
[3] Value as of March 2014.

SOLAR PROJECT UNDER CONSTRUCTION:
Assú V Photovoltaic Central

Project description

Assú V Photovoltaic Central commercialized 9.2 average MW in a reserve auction held in November 2015, at an average total price of R$ 302.99/MWh.



Assú V Photovoltaic Central - RN

Installed Capacity: 36.7 MWp
Commercial Capacity[1]: 9.2 aMW
Contracted Average Price[2]: R$ 302.99/MWh
Contract Term: 20 years (as from Nov/2018)
Investment (R$mm)[3]: 220.0
Start of construction: 2017
Start of operation: 2018

Notes:
[1] Approximated value.
[2] Value as of November 2015.
[3] Value as of June 2015.

PROJECT UNDER DEVELOPMENT:
distributed solar generation

Project description

In 2016, EBE entered in the segment of distributed photovoltaic generation by acquiring 50% of the now denominated ENGIE Geração Solar Distribuída S.A., which is part of the Araxá Group, one of the leaders of the Brazilian market for solar distributed generation.

Total investment could amount to as high as R$ 24.3 million (as of April, 2016).

In the quarter under review, the Company made progress in negotiations for sales to the commercial segment and in the structuring of the marketing campaign in the light of similarly growth prospects in the residential segment.

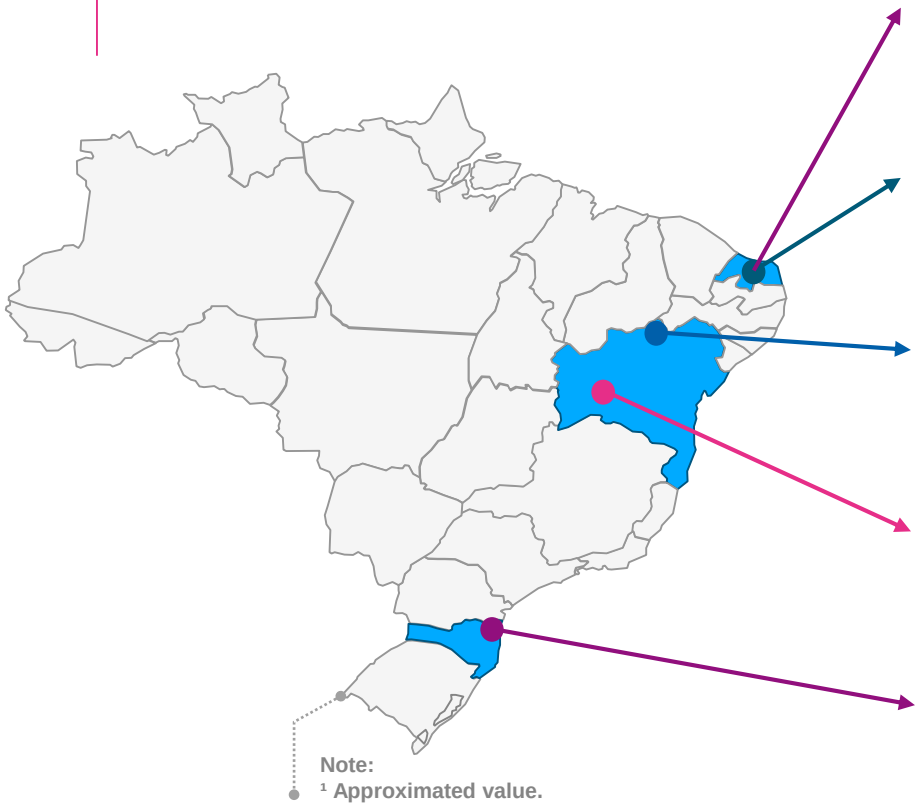




PROJECTS UNDER DEVELOPMENT

ENGIE Brasil Energia has some projects in its portfolio which are currently under development. Some of them are presented below.

Projects descriptions



Note:
[1] Approximated value.

Assú I, II, III and IV Photovoltaic Centrals - RN

Installed Capacity[1]: 146.8 MWp

Sto. Agostinho WC - RN

Installed Capacity: 600 MW
Commercial Capacity[1]: 300 aMW

Campo Largo WC - BA (Fase II)

Installed Capacity[1]: 330.0 MW
Commercial Capacity: ~ 160.0 aMW

Alvorada Photovoltaic Complex - BA

Installed Capacity[1]: 90 MW

Norte Catarinense TPP - SC

Installed Capacity: 600 MW
Commercial Capacity[1]: 400 aMW
Fuel: natural gas



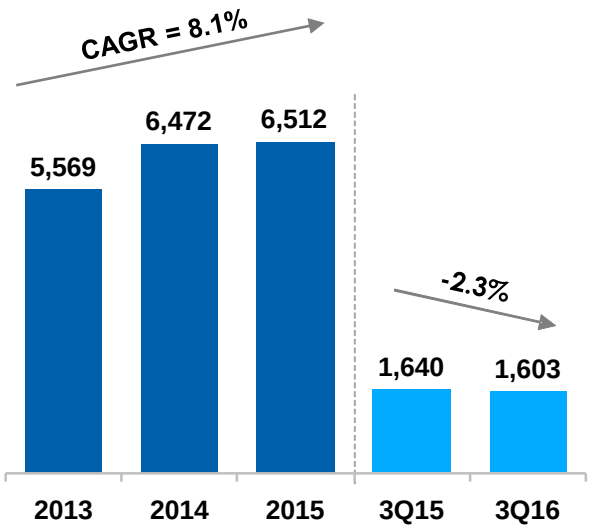
05

Financial Performance

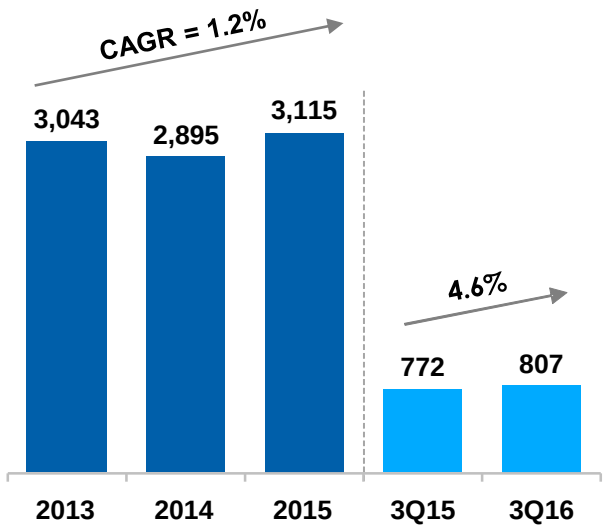
SOLID FINANCIAL PERFORMANCE

Efficiency in the management of the client portfolio and the focus on contracting strategies has enabled the Company to report stability in revenue generation, Ebitda and net income despite recent instability that affected the electricity sector and the Brazilian economy as a whole.

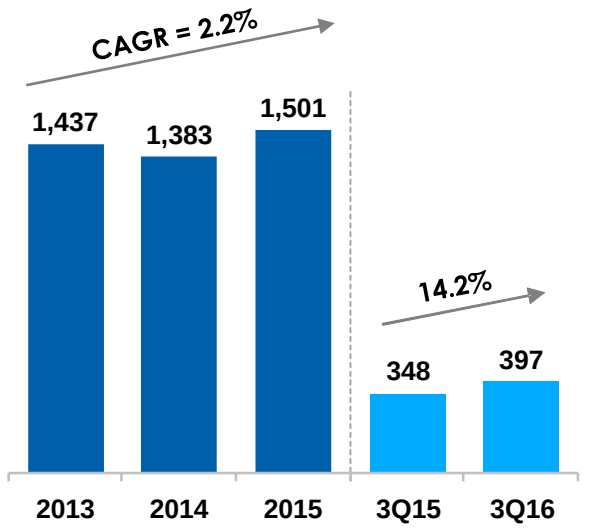
Net Revenue (R$ million)



Ebitda (R$ million)

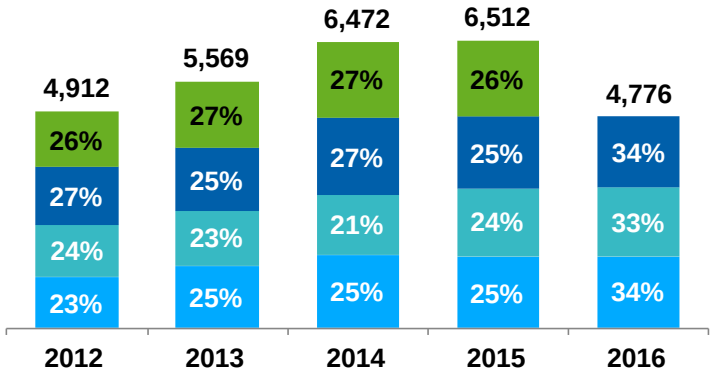


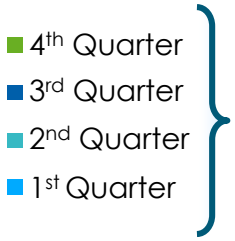
Net Income (R$ million)



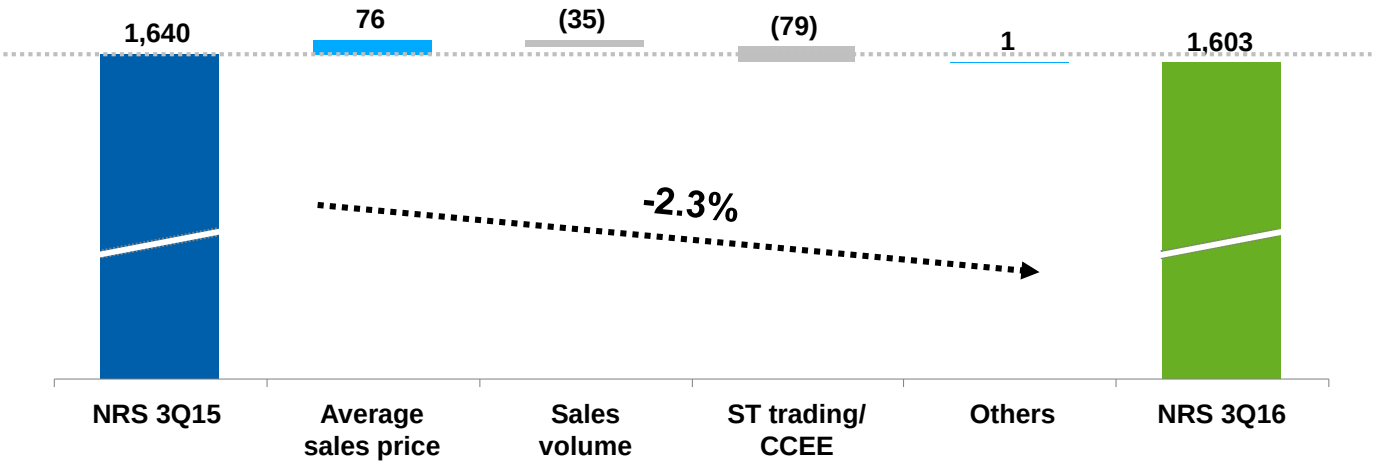
NET REVENUE FROM SALES CHANGE

Net revenue from sales change (R$ million)



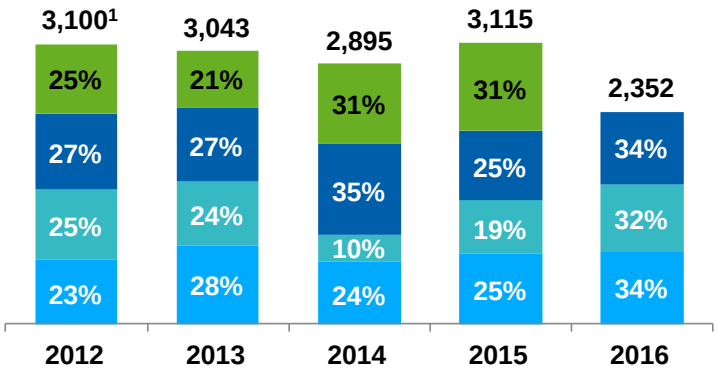


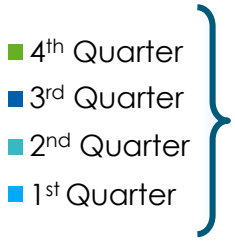
% of the accumulated annual net revenue from sales



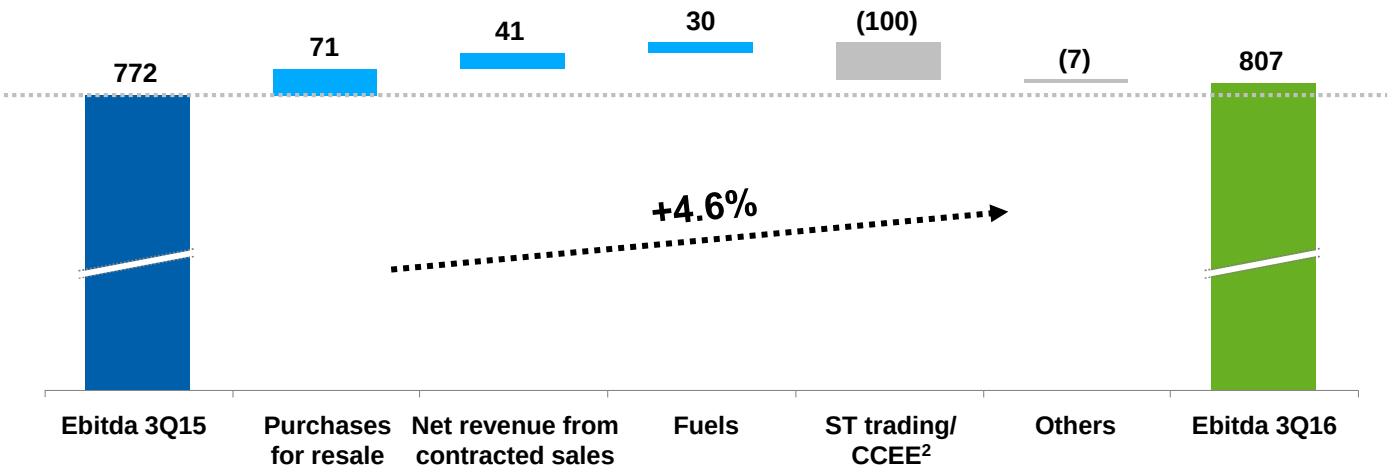
EBITDA CHANGE

Ebitda change (R$ million)





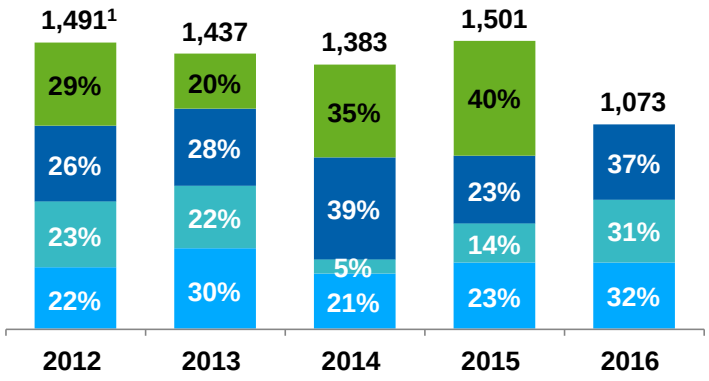
% of the accumulated annual Ebitda

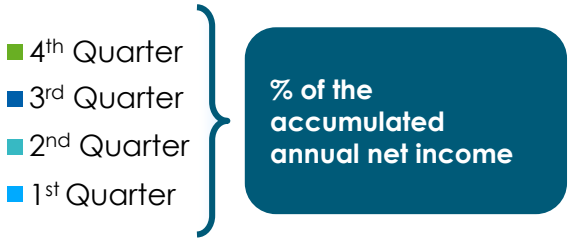


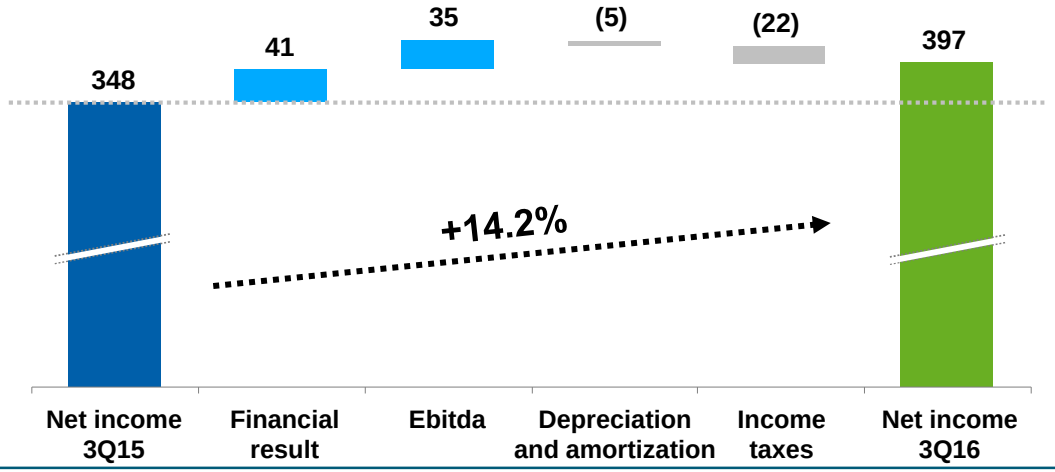
Notes:
[1] Adjustment due to change in accounting practice.
[2] Considers the combined effect of changes in revenue and expenses.

NET INCOME CHANGE

Net income change (R$ million)





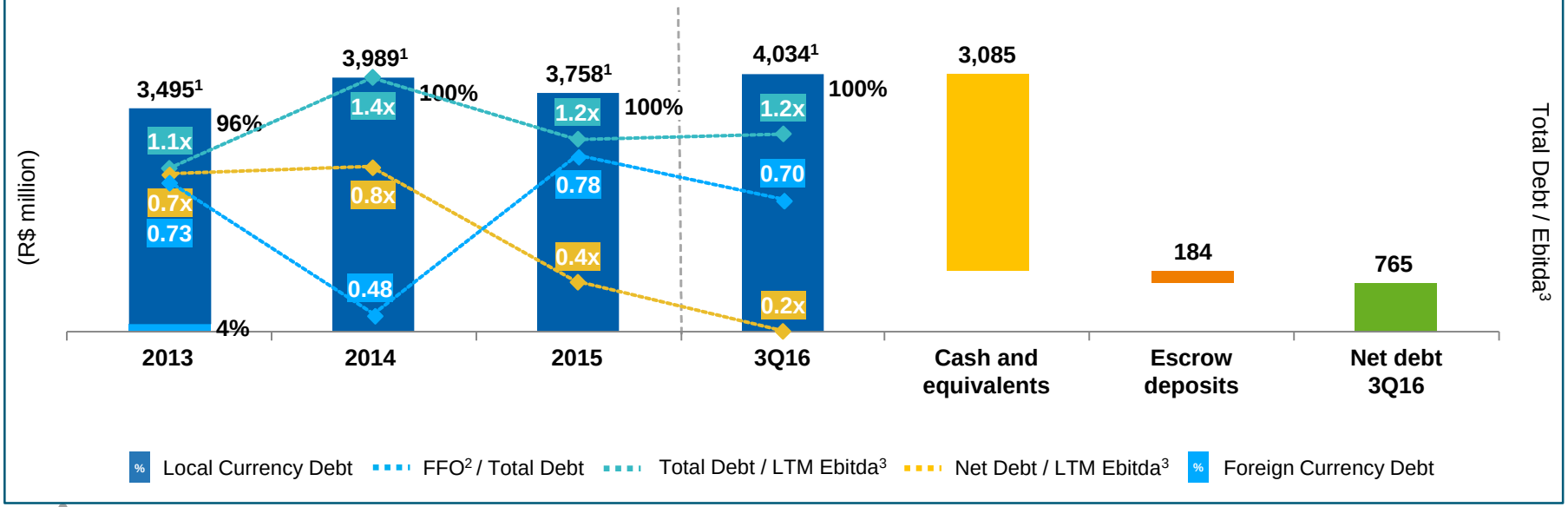


Note:
[1] Adjustment duo to change in accounting practice.

LIMITED DEBT
with no currency exposure

The Company's low debt level allows it to capture growth opportunities.

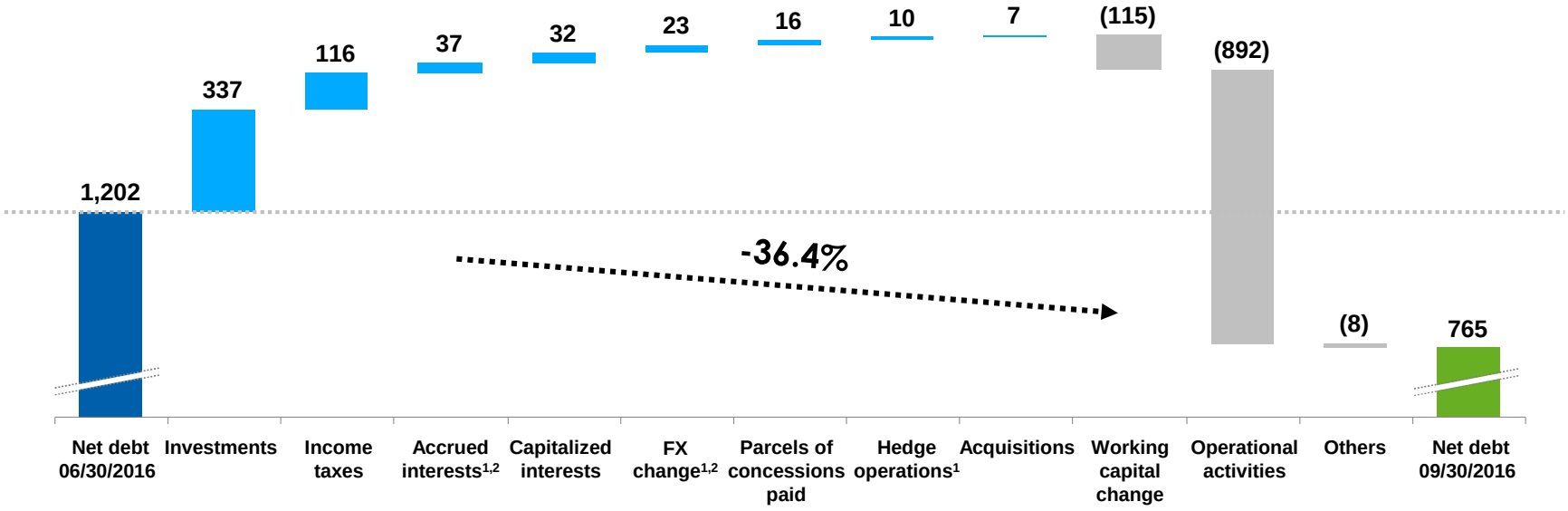
Debt Overview (R$ million)



Notes:
[1] Debt net of hedge operations.
[2] Funds from Operations.
[3] Ebitda in the past 12 months

NET DEBT CHANGE

Net debt change (R$ million)

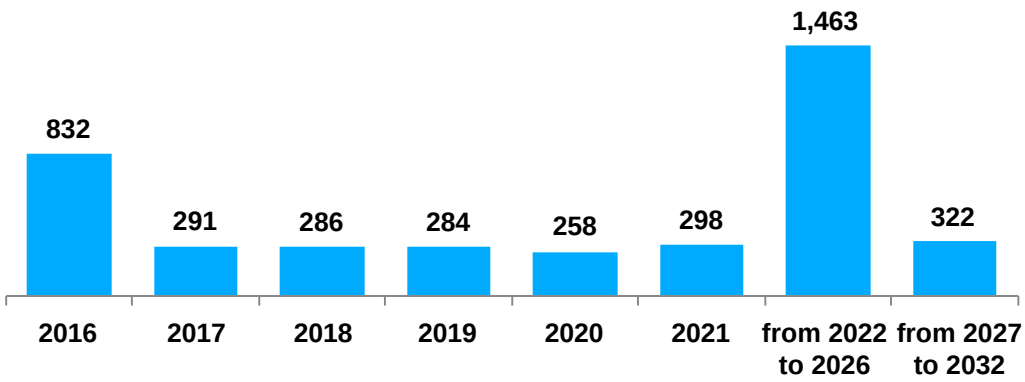


Notes:
[1] Does not impact the Company's cash position.
[2] The interests and FX change refer only to the Company's financial debt (loans, financing and debentures).

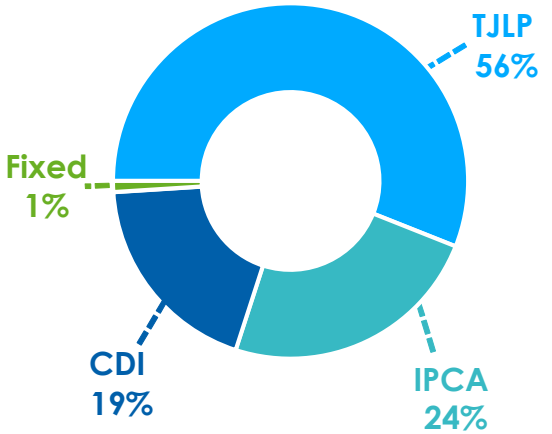
MEDIUM AND LONG-TERM DEBT with low costs and defensive indexes

Debt profile and strong cash generation reduce refinancing risk.

Maturity debt schedule (R$ million)



Composition of debt



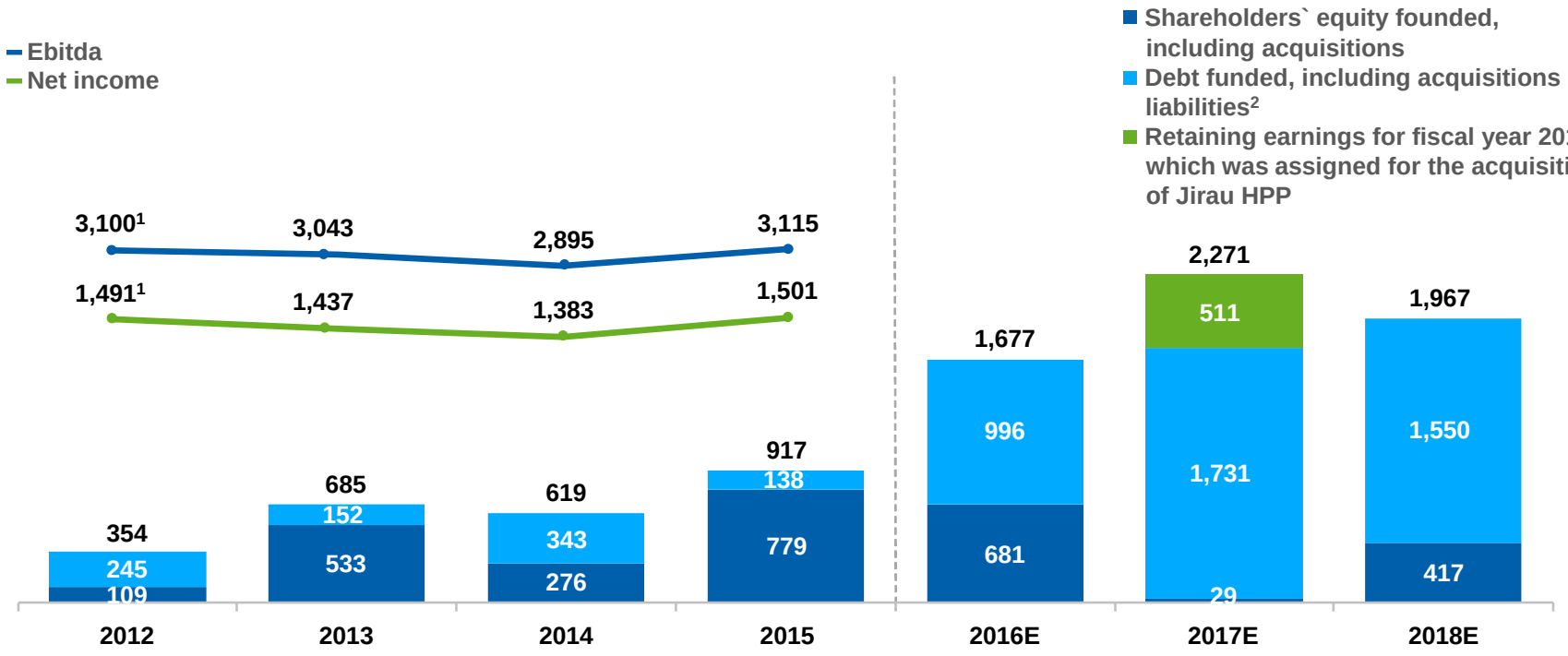
Nominal cost of debt: 11.7%

Remuneration of short-term debt is compatible with that of cash.

CAPEX

The expansion plan and maintenance CAPEX are supported by a strong cash flow generation and prudent funding strategy.

Accomplished/expected CAPEX and corresponding financing sources (R$ million)

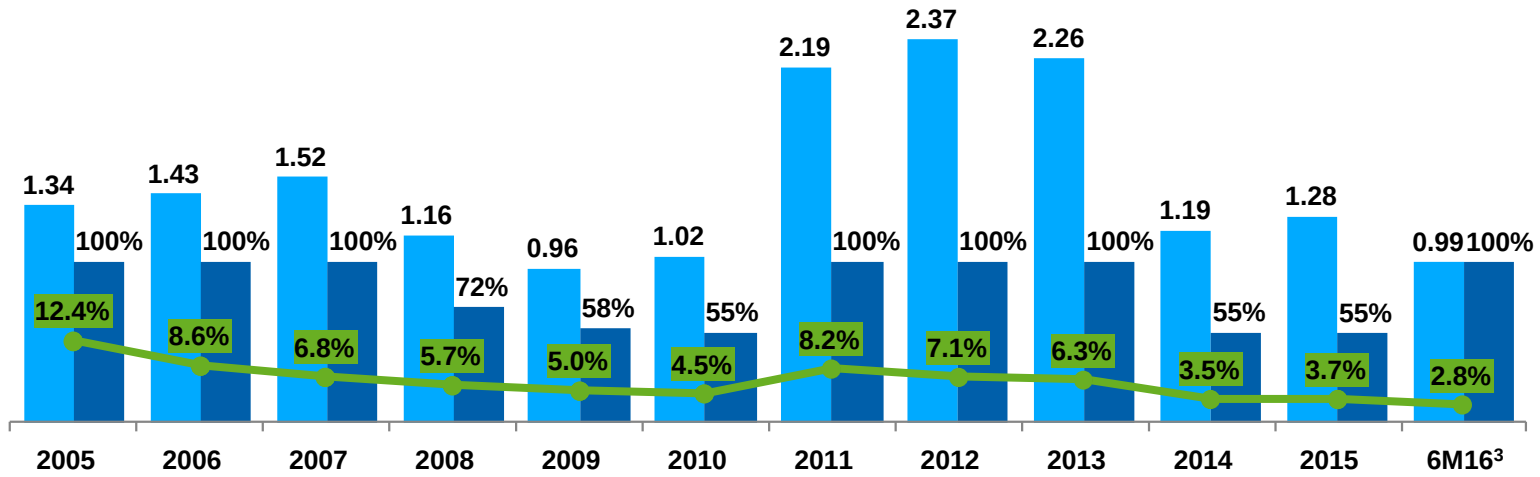


Notes:
1 Adjustment due to change in accounting practice.
2 Does not consider interests incurred during the construction.

DIVIDEND POLICY

- By-law minimum payout: 30% of payable net income
- Management commitment: minimum payout of 55% of payable net income
- 3 dividends per year: semi-annual dividends and interest on shareholders' equity (annual)

Dividends (based on distributable net income)



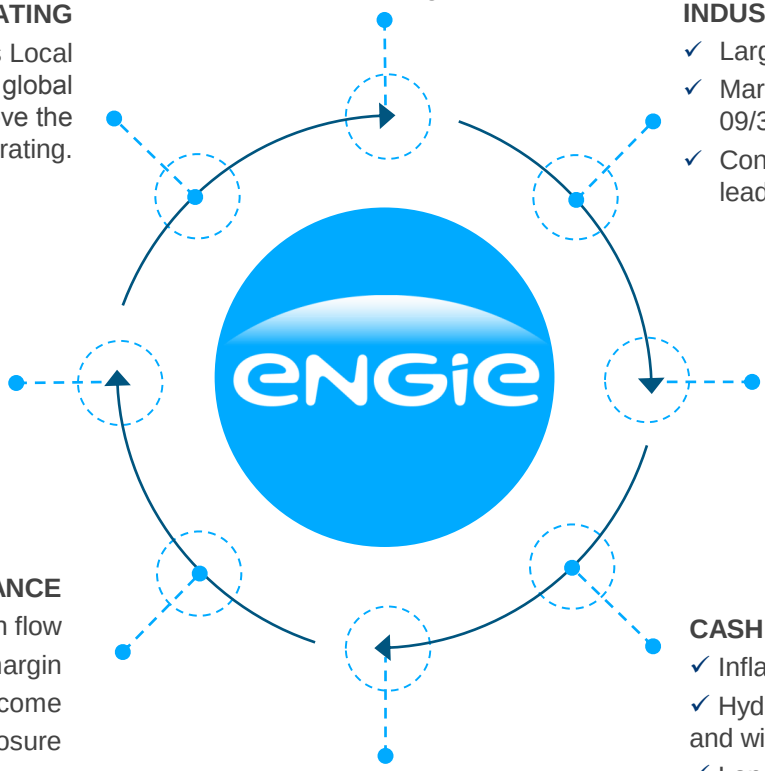
Notes:
[1] Considers the annual payable net income.
[2] Based on volume-weighted closing price of ON shares in the period.
[3] Excluding the interests on shareholders' equity for 2016, in the amount of R$ 432.5 million (R$ 0.6626 per share).

COMPETITIVE ADVANTAGES

STRATEGIC INDUSTRY
- ✓ Defensive profile in times of crisis
- ✓ Attractive funding conditions

PREMIUM RATING
- ✓ Fitch Ratings rated the Company`s Local Long Term Rating as 'AAA(bra)' and in global scale "BB+(bra)", one notch above the Brazilian sovereign rating.

INDUSTRY LEADERSHIP
- ✓ Largest private generator in Brazil
- ✓ Market cap: R$ 25.1 billion in 09/30/2016
- ✓ Controlled by ENGIE S.A., world leader in energy



HIGH-CALIBER CORPORATE GOVERNANCE AND SUSTAINABILITY
- ✓ Experienced executives
- ✓ Discipline track record in investment decisions, based on triple bottom line concepts
- ✓ First class controlling shareholder

CLEAR COMMERCIAL STRATEGY
- ✓ Heavily contracted in the next years
- ✓ Diversified portfolio between free customers (over different industries) and regulated ones (distribution companies)
- ✓ Benefits from windows of opportunities

STABLE FINANCIAL PERFORMANCE
- ✓ Strong cash flow
- ✓ High average Ebitda margin
- ✓ Consistent net income
- ✓ No FX exposure
- ✓ Active financial management

CASH FLOW PREDICTABILITY
- ✓ Inflation-indexed contracts
- ✓ Hydro basis, completed by thermal and wind
- ✓ Long-term contracting strategy

HIGH OPERATIONAL PERFORMANCE
- ✓ Benchmark indexes of availability
- ✓ ISO 9001 (quality management), 14001 (environment management) and OHSAS 18001 (occupational health and safety) certified plants

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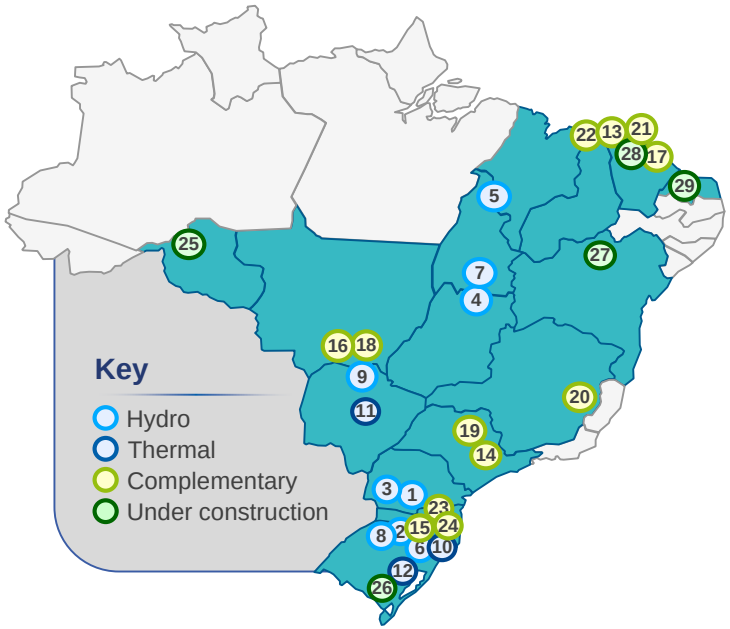
06

Supporting Data

DIVERSIFIED PORTFOLIO OF ASSETS
with strategic location

Installed capacity of 7,027.2 MW from 29 plants operated by ENGIE Brasil Energia: 79% hydro, 15% thermal and 6% complementary.

	Hydro Power Plants	Installed Capacity (MW)	Commercial Capacity (MWa)[1]
1	Salto Santiago	1,420.0	735.2
2	Itá	1,126.9[2]	544.2[2]
3	Salto Osório	1,078.0	522.0
4	Cana Brava	450.0	273.5
5	Estreito	435.6[2]	256.9[2]
6	Machadinho	403.9[2]	147.2[2]
7	São Salvador	243.2	151.1
8	Passo Fundo	226.0	119.0
9	Ponte de Pedra	176.1	133.5
	Total	**5,559.7**	**2,882.6**
	Thermal Power Plants	**Installed Capacity (MW)**	**Commercial Capacity (MWa)[1]**
10	Jorge Lacerda Complex[3]	857.0	649.9
11	William Arjona	190.0	136.1
12	Charqueadas	36.0	22.9
	Total	**1,083.0**	**808.9**
	Complementary P. Plants	**Installed Capacity (MW)**	**Commercial Capacity (MWa)[1]**
13	Trairi Complex[4]	115.4	63.9
14	Ferrari (Biomass)	80.5	35.6
15	Lages (Biomass)	28.0	25.0
16	Rondonópolis (SHP)	26.6	10.1
17	Beberibe (Wind)	25.6	7.8
18	José G. da Rocha (SHP)	23.7	9.2
19	Ibitiúva (Biomass)	22.9[2]	13.9[2]
20	Areia Branca (SHP)	19.8	10.4
21	Santa Mônica Complex (Wind)[5]	18.9	10.0
22	Pedra do Sal (Wind)	18.0	5.7
23	Cidade Azul (Solar)	3.0	n/a
24	Tubarão R&D (Wind)	2.1	n/a
	Total	**384.5**	**191.6**



	Power Plants Under Construction	Installed Capacity (MW)	Commercial Capacity (MWa)[1]
25	Jirau (Hydro)[6]	1,500.0	882.0
26	Pampa Sul (Thermal)	340.0	323.5
27	Campo Largo Complex (Wind)	326.7	157.8
28	Santa Mônica Complex (Wind)[5]	78.3	37.4
29	Assú V (Solar)	36.7	9.2
	Total	**2,281.7**	**1,409.9**

Notes:
[1] Figures following specific legislation.
[2] Portion owned by ENGIE Brasil Energia.
[3] Complex comprised by three power plants.
[4] Considers Trairi, Guajiru, Fleixeiras I and Mundaú Wind Farms.
[5] Considering the start of commercial operation of the Santa Mônica Wind Power Plant from October, 2016 on.
[6] ENGIE Part.`s stake (40% de 3,750 MW) might be transferred to the Company.

SUSTAINABILITY INDICATORS[1]

Item	Dimension[2]	Index[3]	GRI disclosure[4]	3Q16	3Q15	Change	9M16	9M15	Change
1	Quality	Operating plants	EU1, G4-9	29	28	1	29	28	1
2		Installed capacity	EU1, G4-9	8,748	8,765	-0.2%	8,748	8,765	-0.2%
3		Number of certified plants	EU6, G4-15	14	14	0	14	14	0
4		Certified installed capacity (MW)	EU6, G4-15	7,294	7,330	-0.5%	7,294	7,330	-0.5%
5		Certified installed capacity in relation to the total	EU6, G4-15	83.38%	83.63%	-0.2 p.p.	83.38%	83.63%	-0.2 p.p.
6		Installed capacity from renewable sources	EU1, G4-9	7,665	7,646	0.2%	7,665	7,646	0.2%
7		Installed capacity from renewable sources in relation to the total	EU1, G4-9	87.62%	87.23%	0.39 p.p.	87.62%	87.23%	0.39 p.p.
8		Energy generation (GWh)	EU2	11,265	12,343	-8.7%	34,008	34,591	-1.7%
9		Certified energy generation	EU6, G4-15	10,262	11,206	-8.4%	30,320	30,065	0.9%
10		Certified energy generation in relation to the total	EU6, G4-15	91.1%	90.8%	0.3 p.p.	89.2%	86.9%	2.3 p.p.
11		Energy generation from renewable sources (GWh)	EU2	10,086	10,855	-7.1%	30,550	29,622	3.1%
12		Energy generation from renewable sources in relation to the total	EU2	89.5%	87.9%	1.6 p.p.	89.8%	85.6%	4.2 p.p.
13		Uptime ratio, excluding scheduled stoppages	EU30	97.6%	97.8%	-0.2 p.p.	97.0%	97.3%	-0.3 p.p.
14		Uptime ratio, including scheduled stoppages	EU30	88.5%	86.2%	2.3 p.p.	86.9%	87.0%	-0.04 p.p.
15	Environment	Saplings donated and planted (sum-total of planted and donated saplings)[5]	G4-EN27	77,960	66,088	18.0%	244,355	181,040	35.0%
16		Number of visitors at the plants[5]	G4-26	25,957	27,720	-6.4%	71,621	76,094	-5.9%
17		CO2 Emissions (fossil fuel plants) (t/MWh)	G4-EN15	0.9985	0.978	2.1%	1.0018	0.979	2.4%
18		CO2 Emissions from Tractebel Energia's generation complex(t/MWh)	G4-EN15	0.132	0.118	11.6%	0.131	0.141	-6.6%
19	Occupational Heath and Safety (OH&S)	Average number of employees[6]	G4-10, G4-LA1	1,128	1,138	-0.9%	1,126	1,140	-1.2%
20		Frequency Rate ("Taxa de Frequência" - TF), except for outsourced positions[7]	G4-LA6	1.87	0.000	↑	0.65	0.000	↑
21		Severity Rate ("Taxa de Gravidade" - TG), except for outsourced positions[8]	G4-LA6	0.009	0.000	↑	0.003	0.000	↑
22		Frequency Rate ("Taxa de Frequência" - TF), including outsourced positions[7]	G4-LA6	4.21	1.350	↑	1.97	0.750	↑
23		Severity Rate ("Taxa de Gravidade" - TG), including outsourced positions[8]	G4-LA6	0.004	0.000	↑	0.001	0.000	↑
24	Social Responsibility[9]	Non-incentive investments	G4-EC8, G4-SO1	705.10	606.68	16.2%	2,490.50	3,893.40	-36.0%
25		Investments via Children and Teenagers Fund	G4-EC8, G4-SO1	421.59	145.84	189.1%	2,178.48	1,124.70	93.7%
26		Investments via Cultural Incentives Act	G4-EC8, G4-SO1	2,940.95	500.00	488.2%	8,771.73	5,714.70	53.5%
27		Investments via Sport Incentives Act	G4-EC8, G4-SO1	100.00	0.00	-	310.00	50.00	520.0%
28		Other Investments via Incentive Acts (health and others)	G4-EC8, G4-SO1	0.00	0.00	-	164.21	300.00	-45.3%

Notes:

[1] Additional indices available from ITR (EBEa website / Investors / Financial Information/ Financial Statements).

[2] Reference: EBE's Sustainable Management Policy.

[3] Indices don't consider Alegrete Thermoelectric Plant (in process of returning to the Union since 2013), except for OH&S, as there are activities in course at the plant, by

[4] GRI: Global Reporting Initiative.

[5] Ceste not included.

[6] Average n° in the period of own employees working at power plants in operation, at the headquarters and at the São Paulo's office.

[7] TF = number of occupational accidents for every million hours of exposure to hazards, considered the same employees of item 19.

[8] TG = number of days lost due to occupational accidents for every one thousand hours of exposure to hazards, considered the same employees of item 19 and the outsourced working in the same places.

[9] In millions of R$.

THERMAL SIDE
exposure to spot prices

375
avg MW

Expected minimum dispatch due to an annual inflexibility (based on the purchase of some 230,000 tons of coal a month)

+

375
avg MW (maximum exposure)

Thermal substitution energy

purchase in spot market

=

750
avg MW

Estimated commercial capacity (on a yearly basis)

Notes:
[1] **ENGIE Brasil Energia has been fully contracted → purchase of thermal substitution energy.**
[2] **On a monthly basis, inflexibility variations may occur.**
[3] **Figures related to the Energy Trading Board (CCEE) settlement point.**

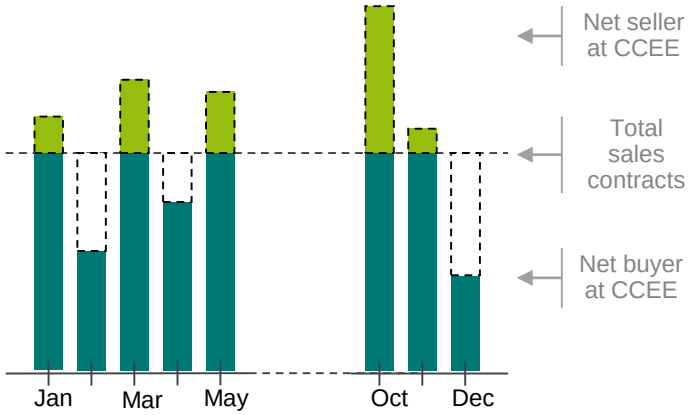
POWER SEASONALIZATION

How does the allocation of resources at CCEE (the energy trading board) over the months interfere with a genco quarterly results?

- Gencos can allocate their resources over the following year's months;
- Monthly fluctuations on sales is also a driver for exposure to spot price;
- Monthly energy differences are settled at spot price, i.e., PLD (Price for Settlement of Differences);
- As penalties apply for gencos with short positions considering the past twelve months, a "monthly closing" market is available for those gencos;
- The pricing for the "monthly closing" market is strongly linked to the spot price..

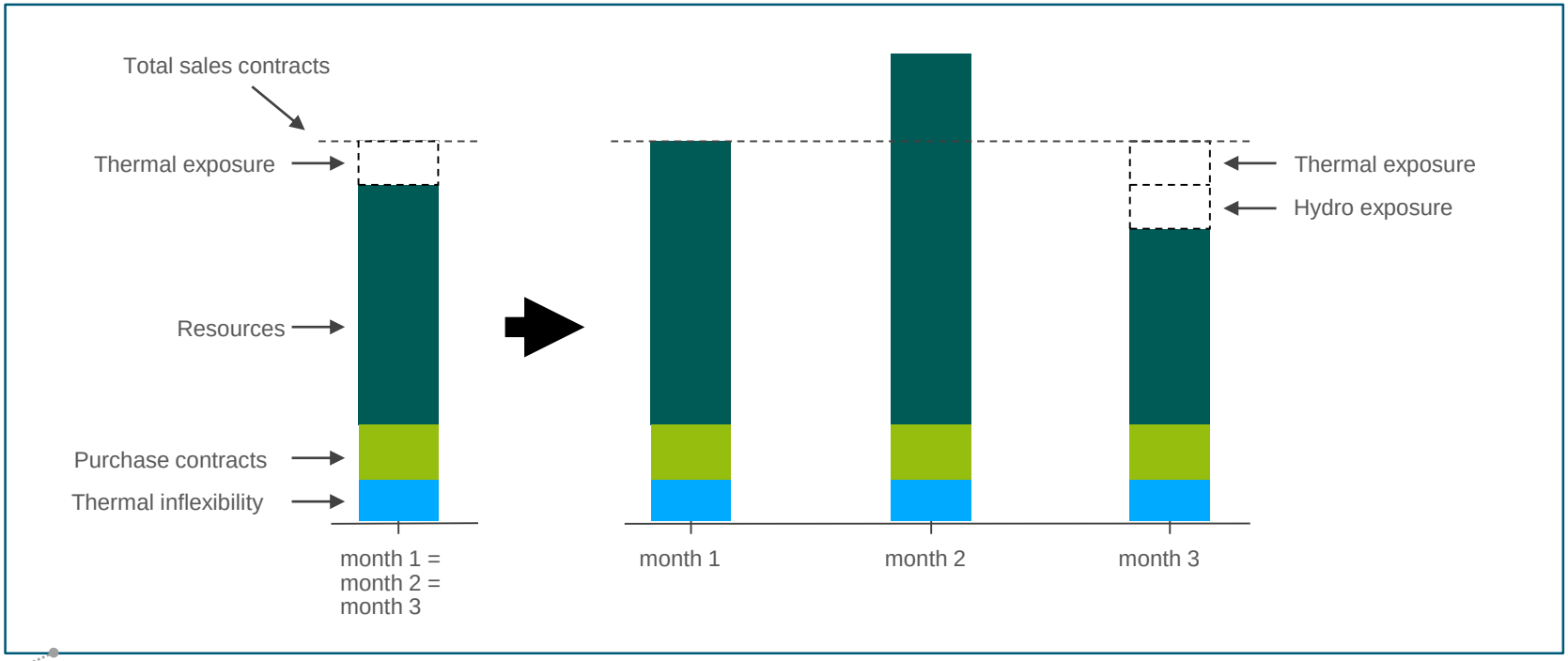
Annual resources

Monthly allocation over year x_1 (decision taken in Dec year x_0)



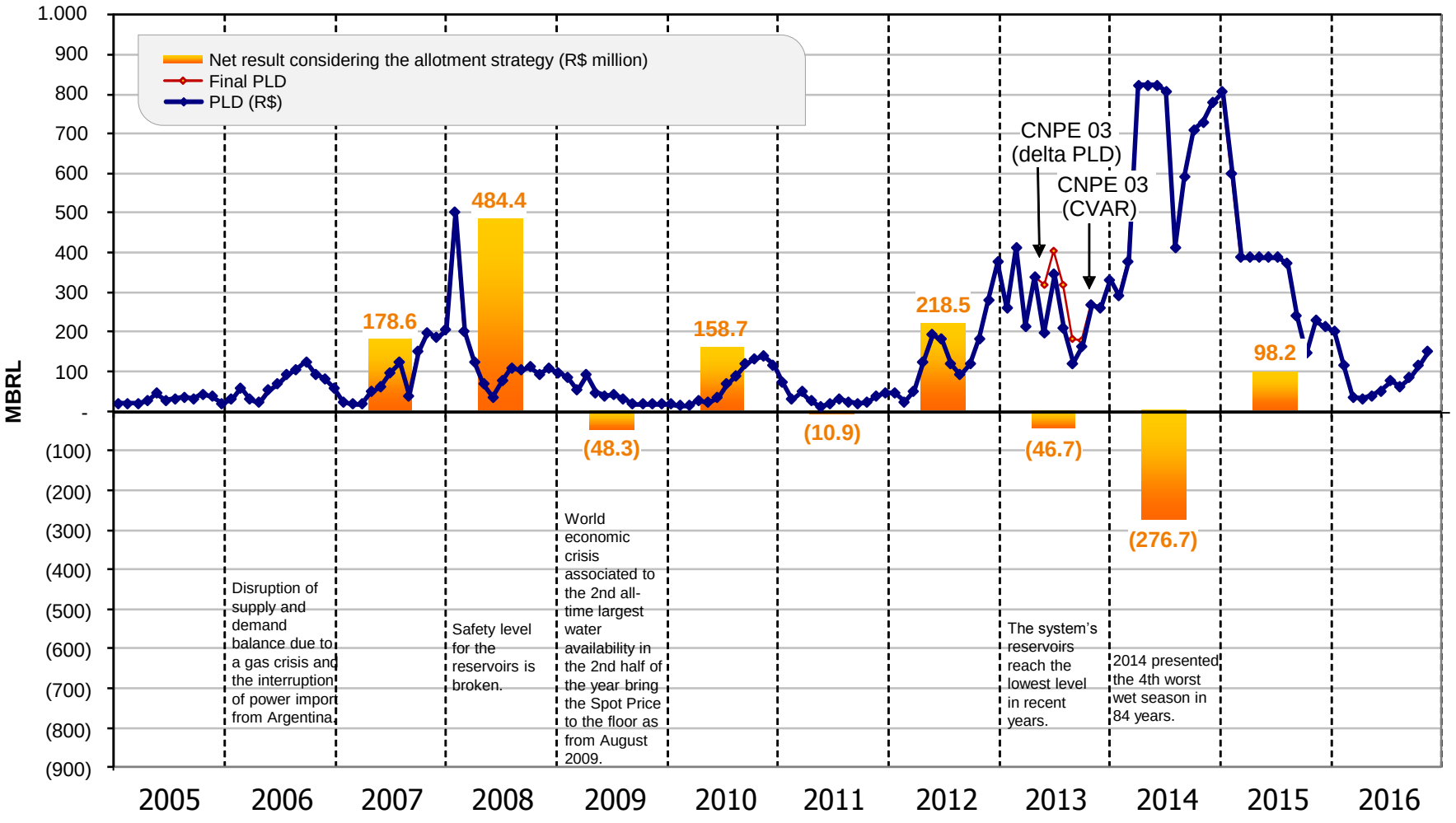
MECHANISMS TO MITIGATE
Exposure from the thermal side

As a consequence of the two previous slides, an appropriate monthly allocation of the resources over the year can mitigate the exposure arising from the thermal substitution energy to be purchased at spot price. An example follows:



Note: exposure box sizes are out of scale.

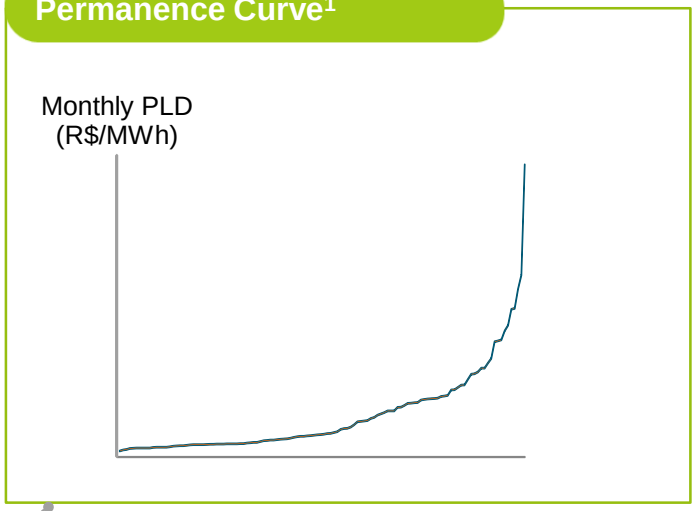
IMPACTS FROM
energy allotment net result



MAIN DRIVERS
and distribution curve of spot prices

- Reservoir levels of hydro plants;
- Rainfall behavior;
- Forecast of demand for power;
- Current and future availability of power plants and transmission lines;
- Availability of natural gas.

Permanence Curve[1]



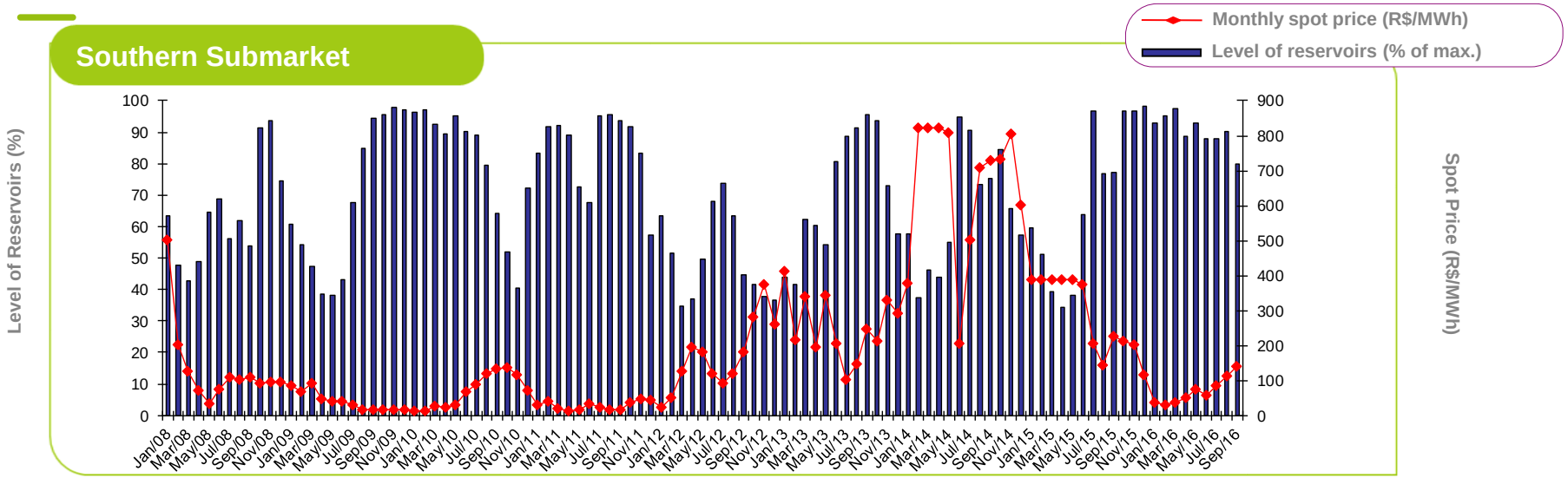
Occurrences[2]

	May/2003 - Sep/2012	Oct/2012 - Sep/16
Avg. PLD (in R$)	103.54	409.17
PLD Std Deviation (in R$)	107.92	292.57
Monthly PLD > R$ 100.00	37%	85%
Monthly PLD > R$ 200.00	12%	75%

Notes:
[1] Figures have been ordered from the lowest. Values adjusted by IPCA (inflation index).
[2] PM 579 was published on September 11, 2012. Values adjusted by IPCA (inflation index).

CORRELATION
Between reservoir levels and spot prices

Southern Submarket



Southeast/Central-Western Submarket

