

Energy consumption improves at seven Energisa Group distribution companies in December

Sales in December 2016: still weighed down by Brazil's struggling economy, captive, free and uninvoiced electricity consumption rose slightly in December by 0.3% (2,477.2 GWh) over the same month last year.

Partly because of consumers migrating from the captive sector, which set a new record in 2016, the free market (TUSD) presented the best result in the year, experiencing a 27.3% expansion in consumption. In contrast, captive consumption (2,037.2 GWh) contracted by 4.9% in the month, strongly impacted by said migrations, cooler temperatures and heavy rainfall in the midwest and north regions, especially in the concession areas of EMT and ETO.

The Group's distribution companies that contributed to the downturn in consolidated consumption (captive, free and uninvoiced) in December were: EMT (-5.7%), ETO (-1.1%), ESE (-0.9%), EMG (-0.6%), CNEE and CFLO (-0.4%). The other distribution companies experienced consumption growth in the month, with the 7.5% consumption increase in EBO's concession area, 7.2% at Caiuá and Vale Paranapanema, 3.7% at Bragantina, 3.2% at EPB 1.4% at EMS all standing out, driven by higher temperatures and lower rainfall. The downturn in electricity consumption in EMT and ETO's concession areas was due to the fewer number of days invoiced, cooler temperatures, caused by heavier rainfall, and weak energy consumption in the food manufacturing segment, which continues to suffer from the low

demand for beef, which has directly impacted cold storage companies in the region.

For the second consecutive month, after two months of contraction, consolidated consumption by the residential sector, Energisa Group's largest sector, increased slightly by 0.1%, rising at nine distribution companies, except for EMT, ETO, CNEE and ENF. Residential consumption in EPB's concession area was notable, increasing by 6.6%, followed by EBO (+5.8%), EMS (+5.5%) and Caiuá (+5.3%). Consolidated industrial consumption recorded by Energisa Group companies, including the free and captive segments, contracted by 3.0% in the month, in what was the lowest rate of reduction in the year. Although it is a quiet time for commerce and industry, the rates improved in relation to previous months.

In December net operating revenue less construction revenue amounted to R\$ 951.5 million, (information not audited) compared with R\$ 924.0 million the previous month (information not audited), an increase of 3.0% (or R\$ 27.5 million).

In 2016: In FY 2016, captive, free and uninvoiced electricity consumption (28,493.1 GWh) contracted by 1.6%. Energisa Group's consolidated net operating revenue, minus construction revenue in 2016 amounted to R\$ 10,283.7 million (information not audited), a decrease of 2.6% over 2015.

Energisa - Consolidated
- Electricity market performance in December and year of 2016 -

Description (Amounts in GWh)	Dec/16	Chang % ⁽¹⁾	2016	Chang % ⁽¹⁾
✓ Residential	863.1	+ 0.1	10,085.1	+ 2.2
✓ Industrial	203.4	- 23.6	2,967.5	- 18.4
✓ Commercial	446.7	- 7.1	5,365.1	- 3.8
✓ Rural	201.6	- 2.3	2,592.1	+ 2.6
✓ Other sectors	322.4	- 1.3	3,777.9	-
(a) Captive electricity sales (captive invoiced)	2,037.2	- 4.9	24,787.7	- 2.4
(b) Uninvoiced sales	96.0	+ 32.4	(56.0)	+ 7.6
(c) Captive + uninvoiced sales (c=a+b)	2,133.2	- 3.7	24,731.7	- 2.4
(d) Electricity transmitted to consumers (TUSD)	344.0	+ 27.3	3,761.4	+ 3.5
(e) Captive invoiced + TUSD (e=a+d)	2,381.2	- 1.3	28,549.1	- 1.6
(f) Captive invoiced + TUSD + uninvoiced sales (f=a+b+d)	2,477.2	- 0.3	28,493.1	- 1.6

(1) Compared with the same period in 2015.

Company	December 2016					Year 2016				
	Net revenue ⁽¹⁾ (R\$ million)	Electricity sales (GWh)				Net revenue ⁽¹⁾ (R\$ million)	Electricity sales (GWh)			
		Captive Sales + TUSD	Change ⁽²⁾ (%)	Captive Sales + TUSD + Uninvoiced	Change ⁽²⁾ (%)		Captive Sales + TUSD	Change ⁽²⁾ (%)	Captive Sales + TUSD + Uninvoiced	Change ⁽²⁾ (%)
North Region	83.9	170.6	- 4.9	178.4	- 1.1	950.4	2,187.1	+ 4.4	2,183.2	+ 3.8
Energisa Tocantins (ETO)	83.9	170.6	- 4.9	178.4	- 1.1	950.4	2,187.1	+ 4.4	2,183.2	+ 3.8
Northeast	234.6	674.0	+ 3.0	698.7	+ 2.0	2,569.5	7,783.3	- 3.2	7,778.6	- 2.4
Energisa Paraíba (EPB)	130.0	361.7	+ 4.8	374.9	+ 3.2	1,402.4	4,108.0	- 2.8	4,104.0	- 1.9
Energisa Sergipe (ESE)	87.3	257.0	- 0.5	266.5	- 0.9	959.6	3,054.4	- 3.1	3,054.3	- 2.3
Energisa Borborema (EBO)	17.3	55.3	+ 9.1	57.3	+ 7.5	207.5	620.9	- 6.7	620.3	- 6.0
Central and Western Region	426.7	1,049.6	- 4.3	1,095.8	- 2.9	4,437.6	12,843.6	- 1.3	12,799.9	- 1.7
Energisa Mato Grosso (EMT)	246.1	624.4	- 8.7	644.6	- 5.7	2,690.2	7,940.4	- 1.2	7,913.5	- 1.8
Energisa Mato Grosso do Sul (EMS)	180.6	425.2	+ 2.8	451.2	+ 1.4	1,747.4	4,903.2	- 1.4	4,886.4	- 1.6
South/Southeast	165.7	487.0	+ 1.2	504.3	+ 3.0	1,838.5	5,735.1	- 2.3	5,731.4	- 2.4
Energisa Minas Gerais (EMG)	48.0	120.3	+ 0.2	122.7	- 0.6	513.1	1,459.5	- 6.2	1,456.9	- 6.4
Energisa Nova Friburgo (ENF)	12.6	26.3	- 1.8	27.1	-	142.3	323.2	- 1.7	322.7	- 1.6
Caiuá	32.2	101.1	+ 2.8	107.1	+ 7.2	348.4	1,120.1	- 1.3	1,121.2	- 1.2
Vale Paranapanema (EDEV)	28.2	78.6	+ 4.7	81.6	+ 7.2	281.9	892.4	- 1.3	892.3	- 1.2
Bragantina	19.5	85.7	+ 1.7	88.1	+ 3.7	272.5	1,072.2	-	1,072.2	-
Nacional (CNEE)	18.0	52.0	- 2.3	53.9	- 0.4	182.9	585.0	- 0.7	583.6	- 1.0
Força e Luz do Oeste (CFLO)	7.2	23.0	- 2.1	23.8	- 0.4	97.4	282.7	- 1.4	282.5	- 1.7
Subtotal 1 (Distribution Companies)	910.9	2,381.2	- 1.3	2,477.2	- 0.3	9,796.0	28,549.1	- 1.6	28,493.1	- 1.6
Electricity trading and services										
Energisa Comercializadora (ECOM)	46.5	-	-	-	-	440.4	-	-	-	-
Energisa Soluções e Const.	13.4	-	-	-	-	173.7	-	-	-	-
Energisa Controladora	5.6	-	-	-	-	67.1	-	-	-	-
Multi Energisa	2.9	-	-	-	-	41.2	-	-	-	-
Outras	0.3	-	-	-	-	3.6	-	-	-	-
Subtotal 2	68.7	-	-	-	-	726.0	-	-	-	-
Energisa - Consolidated	951.5	2,381.2	- 1.3	2,477.2	- 0.3	10,283.7	28,549.1	- 1.6	28,493.1	- 1.6

(1) Less construction revenue (information not audited). | (2) Compared with the same period in 2015.

Further information and queries

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