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Conference call
Fourth Quarter Results 2016

Evolution PDNG 2017-2021

Eletrobras

March/2017

Disclaimer

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2016 HIGHLIGHTS

- Election of new Board of Directors and CEO
- Creation of the Compliance Board
- Compliance with the "State Responsibility Law
- Launch of the "5 Dimensional Program“
- Updating of the "Code of Ethics and Conduct“
- Hogan Lovells Investigation

- Launch of the Master Plane (PDNG 2017-2021)
- Organizational restructuring
- RBSE Accounting
- Privatization of CELG-D for R$ 2.19 billion

2016 HIGHLIGHTS

- Physical aggregation of 1,465 MW in installed capacity, highlighting Belo Monte HPP (996MW)
- Physical aggregation of 1,766 km of transmission lines, including Furnas (630 km) and Chesf (580 km)

- Filing of Forms 20-F 2014 and 2015
- Launch of Eletrobras' "IR Ombudsman"

FINANCIAL HIGHLIGHTS OF THE 2016 RESULTS

Net Income of **R$ 3,426 million**
in 2016

Net operating revenue of R$ 60,749 million

RBSE: R$ 28,601 million, provision of

IRPJ/CSLL of R$ 9,724 million, with a net effect of R$ 18,876 million

Managerial EBITDA of R$ 3,496 million

Operating provisions: R$ 14,724 million

Net Financial Result of R$ 5,929 million: R$ 3,067 billion for monetary restatement of compulsory loans

Distribution lossaes in the amount of: R$ 6,985 million, with highlight to Amazonas (R$ 4,968 million)

FINANCIAL HIGHLIGHTS OF THE 4Q16 RESULTS

Loss of **R$ 6,261 million**

Celg D Privatization

Net operating revenue of R$ 12,294 million,

RBSE update: R$ 1,291 million, provision of IRPJ / CSLL of R$ 439 million, with a net effect of R$ 851 million

Managerial EBITDA of R$ 784 millions

Operating Provisions: R$ 7,587 million, highlighting:

- Impairment: R$ 2,926 million
- Onerous Contract: R$ 1,061 million
- Provision for CCC / CDE losses: R$ 724 million
- Losses on Investments: R$ 1,479 million

Net Financial Result Negative = R$ 1,863 million: R$ 1,904 billion for monetary adjustment of compulsory loans

Summary of the Results 2016 – R$ million

Consolidated	2015	2016	%	4Q15	4Q16	%
Net operating revenue	**32,589**	**60,749**	**86,4**	**7,861**	**12,294**	**56,4**
(-)PMSO	-11,842	-12,768	7,8	-3,747	-4,432	18,3
(-) Cost and Expenses	-33,822	-33,141	-2,0	-13,786	-13,423	2,6
(+) Shareholdings	531	3,114	486,4	347	625	80,1
EBITDA	**-10,702**	**19,797**	**285,0**	**-8,469**	**-4,783**	**-43,5**
Financial Result	-1,699	-5,929	-249,0	-1,686	-1,863	-10,5
Taxes	-710	-8,511	-1,098,7	211	904	328,4
Net profit	**-14,442**	**3,426**	**123,7**	**-10,327**	**-6,261**	**39,4**

Consolidated	2015	2016	%	4Q15	4Q16	%
Net operating revenue Managerial	**25,131**	**25,981**	**3,4**	**5,592**	**6,469**	**15,7**
(-)PMSO managerial	-10,836	-11,277	4,1	-3,484	-3,363	-3,5
(-) Cost and Expenses	-13,875	-14,654	5,6	-2730	-3462	26,8
(+) Shareholdings	531	1,602	201,7	347	625	80,1
EBITDA Managerial	**2,621**	**3,496**	**33,4**	**186**	**784**	**321,5**
Financial Result	-947	-2,983	-215,0	-731	-915	-25,2
Taxes	-710	1,213	270,8	211	1,343	536,5
Net profit Managerial	**-705**	**-118**	**83,3**	**-796**	**696**	**187,4**

(1) Excludes Celg-D, construction and RBSE,
(2) Excludes (1) and research expenses, research findings, contingencies, onerous contracts, impairment, CCC provision, provision for losses on investments, GSF provision, equity interests (RBSE CTEEP and Belo Monte Research,

Net Operating Revenue by Segment – 2016

R$ million

IFRS			Net operating revenue	Managerial		
2015	**2016**	**(%)**		**2015**	**2016**	**(%)**
32,589	60,749	86%	Consolidadated	25,131	25,981	3%
17,122	**17,711**	**3%**	**Generation**	**17,030**	**17,693**	**4%**
15,375	16,085	5%	Exploration	15,375	16,085	5%
1,748	1,626	-7%	Renewed O&M	1,655	1,608	-3%
5,665	**33,556**	**492%**	**Transmission**	**3,588**	**3,780**	**5%**
1,839	1,604	-13%	Exploration	739	815	10%
3,826	31,952	735%	Renewed O&M	2,849	2,965	4%
11,471	**11,592**	**1%**	**Distribution**	**6,184**	**6,617**	**7%**

Evolution of ROL 2015-2016

R$ million

2015	2016	%	Consolidated	4Q15	4Q16	%
43,226	**70,988**	**64%**	**Gross Revenue**	**11,289**	**17,537**	**55%**
19,959	**18,947**	**-5%**	**Generation**	**4,244**	**4,482**	**6%**
15,882	15,831	0%	Exploration	3,837	3,808	-1%
1,883	2,179	16%	Renewed O&M	487	583	20%
1,812	1,242	-31%	CCEE (short term)	-209	315	251%
148	41	-72%	Construction Revenue	-42	-61	-47%
234	-347	-248%	Transfer of Itaipu	170	-163	-196%
5,611	**33,557**	**498%**	**Transmission**	**1,859**	**2,502**	**35%**
191	240	25%	Exploration	676	672	-1%
2,504	2,736	9%	Renewed O&M	39	73	88%
838	29,406	3409%	Rate of Return (RBSE and Reinforcements/improvements	235	1,518	547%
2,078	1,175	-43%	Construction Revenue	911	239	-74%
16,171	**16,034**	**-1%**	**Distribution**	**4,629**	**9,012**	**95%**
14,835	15,208	3%	Supply to consumers and Disco	4,577	8,743	91%
1,012	1,166	15%	Construction Revenue	391	571	46%
324	-339	-205%	CVA and other financial items	-339	-303	-11%
1,484	**2,450**	**65%**	**Other Revenues**	**557**	**1,541**	**177%**
-10,637	-10,239	-4%	**Renevue Deduction**	-3,429	-5,243	53%
32,589	**60,749**	**86%**	**ROL**	**7,861**	**12,294**	**56%**
25,131	**25,981**	**3%**	**ROL Manageriall***	**5,592**	**6,469**	**16%**

Summary of EBITDA By segment- 2016

R$ million

IFRS			EBTIDA	Managerial		
2015	**2016**	**(%)**		**2015**	**2016**	**(%)**
-10,702	19,797	285%	Consolidated	2,621	3,496	33%
-3,255	**-1,958**	**40%**	**Generation**	**3,363**	**3,469**	**3%**
-3,473	-1,077	69%	Exploration	3,141	3,933	25%
218	-881	-505%	Renewed O&M	223	-464	-309%
-1,129	**26,264**	**2,427%**	**Transmission**	**-204**	**-603**	**-196%**
-1,413	-868	39%	Exploration	-984	-415	58%
284	27,132	9452%	Renewed O&M	781	-188	-124%
-291	**-3,700**	**-1174%**	**Distribution**	**-64**	**-1,063**	**-1,565%**

Summary of Result By segment- 2016

R$ million

IFRS			Result	Managerial		
2015	2016	(%)		2015	2016	(%)
-14,442	**3,426**	**124%**	Consolidated	**-705**	**-118**	**83%**
-5,407	**-5,067**	**6%**	**Generation**	**726**	**360**	**-50%**
-4,911	-3,681	25%	Exploration	1,217	1,329	9%
-496	-1,386	-180%	Renewed O&M	-491	-969	-97%
-2,134	**17,182**	**905%**	**Transmission**	**-1,094**	**1,954**	**279%**
-1,731	-1,259	27%	Exploration	-1,302	-806	38%
-404	18,442	4,465%	Renewed O&M	208	845	307%
-4,954	**-6,639**	**-34%**	**Distribution**	**-4,428**	**-4,034**	**9%**

PERSONNEL, MATERIAL, SERVICES AND OTHERS

CONSOLIDATED	2015	2016	(%)
Personnel	**-6,005**	**-6,549**	**9%**
Material	**-318**	**-330**	**4%**
Services	**-3,172**	**-3,485**	**10%**
Investigation Services	-6	-291	4,633%
Others	**-2,347**	**-2,405**	**3%**
Donations and Contributions	-215	-219	2%
Investigation Findings	0	-211	100%
Other Operating expenses	-2,132	-1,974	-7%
Total PMSO	**-11,842**	**-12,768**	**8%**
Total PMSO Managerial*	**-10,642**	**-11,277**	**6%**

R$ million

SEGMENT	2015	2016	%
Administration	-1,542	-1,559	1%
Generation	-3,700	-4,012	8.4%
Transmission	-3,443	-3,707	7,6%
Distribution	-3,435	-3,580	4%
Eliminations	277	88	-68%
Total	-11,842	-12,769	8%

Highlights:

- **Personnel**: Readjustment of the collective bargaining agreement of 2016 of around 9% and also for the expenses of Eletronorte resulting from the termination of the injunction (R$ 49 million) and the administrative agreement of uninterrupted shift (R$ 38 million);
- **Material:** Material: Increase in expenses due to the stopage of Angra 3's work, partially offset by the reduction in CGTEE's lime costs;
- **Services:** Expenses with contracting for independent investigation in the amount of R$ 291 million in 2016 and annual adjustment of contracts; and
- **Others**: “Investigation findings: R$ 211 million,

Excludes CELG-D, Findings of Investigation and Investigation Services

Operating Provision

R$ million

	2015	2016	(%)
Contingencies	7,084	3,994	-44%
PCLD - Consumers and Resellers	643	334	-48%
PCLD - Financing and Loans	16	17	10%
Impairment	5,991	5,537	-8%
Onerous Contracts	366	2,194	499%
Losses on Investments	-611	1,479	-342%
Aneel Provision - CCC	0	742	100%
Hydrological Risk	451	-451	-200%
Others	698	878	26%
Total	**14,638**	**14,724**	**1%**

* The negative values in the table above indicate reversals of provisions.

Compulsory Loan

	R$ thousand
Initial Balance(12/31/2015)	**R$ 9,279,041**
(+) Constitution / Reversal / Payments made	R$ 1,555,802
(+) Monetary Adjustment	R$ 3,066,760
End balance (12/31/2016)	R$ 13,901,603
Adjustment in period	R$ 4,622,562

The Company's net financial loss of **R$ 5,929 million** was mainly impacted by the monetary restatement related to the Compulsory Loan processes in the amount of **R$ 3,067 million**.

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Access all Compulsory Loan content on the RI website at www,eletrobras,com/elb/ri/emprestimocompulsorio or get detailed information via emailemprestimo-compulsorio@eletrobras,com.

Impairment

R$ mllion

Enterprises / Companies	Addition 2016	Balance 2016
UTN Angra 3 / Eletronuclear	2,886	8,949
Candiota Phase -B	236	356
UTE Camaçari / Chesf	-40	304
UHE Batalha / Furnas	-152	408
UHE Simplício / Furnas	-40	342
UHE Samuel / Eletronorte	18	436
Other - Generation	488	1,406
Total Generation	**3,396**	**12,201**
Total Transmission	**2,363**	**3,670**
Total Distribution	**-221**	**237**
Total	**5,537**	**16,108**

Onerous Contracts

R$ milhões

Onerous Contracts / Companies	Addition 2016	Balance 2016
HPU de Marimbondo / Furnas	156	236
HPU Coaracy-Nunes / Eletronorte	142	371
UTE Camaçari	-80	0
HPU de Funil / Furnas	-20	63
Angra III/Eletronuclear	1,350	1,350
Comercialization ESBR / Eletrosul	13	0
Others Generation	344	487
Total Generation	**1,905**	**2,507**
CT 062/2001 / Furnas	-729	0
Others Transmission	-1	166
Total Transmission	**-730**	**166**
Amazonas Distribuição	813	813
Others Distribution	206	266
Total Distribution	**1,019**	**1,079**
Total	**2,194**	**3,752**

Provision CDE & CCC
CDE Budget 2017

R$ million

Distribution	CCD 1 e 2[1]		CCD 3[2]	CCD 1, 2 e 3	Suspended Installments Termonorte II 2017	Suspended Installments Current Resources 2017
	Overdue Installments 2016	Installments 2017 (1/10)	Installments 2017 (1/3)	Suspended Installments CDE 2017		
Amazonas Energia	555	809	1,053	1,608	-	1,113
Ceron	150	251	318	469	177	378
Eletroacre	25	27	38	62	-	9
Boa Vista Energia	10	19	42	52	-	-
Total	740	1,106	1,451	2,191	177	1,500

Distribution	Total suspended Installments	Funding ratio			Deadline	Funding cost for provision
		CDI	Spread	Total		
Amazonas Energia	2,721	13.63%	5.54%	19.17%	1 ano	522
Ceron	1,024	13.63%	5.54%	19.17%	1 ano	196
Eletroacre	71	13.63%	5.54%	19.17%	1 ano	14
Boa Vista Energia	52	13.63%	5.54%	19.17%	1 ano	10
Total	3,868					742

(1) Parceled in 10 years, according to Ordinance MME / MF 504/2015; (2) Authorized installment in 3 years, according to Ordinance MME / MF 372/2015; (3) Suspended installments of the CDE Budget, according to Resolution Aneel 2,202 / 2017.

Financial Result

R$ million

	2015	2016	%
Financial Revenues	**17,952**	**11,223**	**-37%**
Interest income, commissions and fees	1,128	1,154	2%
Revenue from financial investments	1,123	1,086	-3%
Moratorium surcharge on electricity	709	320	-55%
Monetary adjustment	3,765	2,549	-32%
Exchange rate changes	10,252	4,985	-51%
Remuneration of 1st Tranche Indemnification	115	-	-100%
Regulatory asset adjustment	230	231	1%
Gains on derivatives	-	219	
Other financial income	630	677	8%

	2015	2016	%
Financial Expenses	**-19,651**	**-17,153**	**-13%**
Debt charges	-6,340	(6,376)	1%
Lease charges	-273	(303)	11%
Charges on shareholders' resources	-41	(201)	396%
Monetary adjustment	-1,362	(4,149)	205%
Foreign exchange variations	-10,219	(4,848)	-53%
Update of regulatory liabilities	-131	(174)	34%
Derivative losses	-222	0	-100%
Other financial expenses	-1,063	-1,101	4%
FINANCIAL RESULT	**-1,699**	**-5,929**	**249%**

The Company's Net Financial Result in the negative amount of **R$ 5,929** million was mainly impacted by the **monetary restatement related to the Compulsory Loan** processes in the amount of **R$ 3,067 million.**

Net Income, Dividends and Reserves - R$ million

Distribution of the Resul	2016
(=) Net Income for the Year	3,425,899
(-) Constitution of Legal Reserve (5% of Net Income)	-171,295
(+) Realization of Revaluation Reserve	10,442
(+) Remuneration to Shareholders Not Claimed - Prescribed	16,303
(=) Adjusted Net Income	3,281,349
Mandatory Minimum Dividend - 25% of Adjusted Net Income	-820,337
(-) Constitution of reserve of income to be realized	-386,375
(-) Minimum Statutory Remuneraton to Pay (Preferred A and B)	**-433.962**
(-) Constitution of Statutory Reserve for Investments (50% of Net Income)	-1,712,950
(-) Constitution of Statutory Reserve for Studies and Projects (1% of Net Income)	-34,259
(-) Constitution of Capital Budget Reserve (article 196, LSA)	-713,803

25% of Adjusted Net Income

TOTAL DEBT R$ MILLION

EBITDA Adjusted*	2.6	1.9	2.7	2.5	3.5

*Last 12 months

Total Debt	45,821
Financing payable without RGR	42,590
(-) (Cash + Securities)	6,425
(-) Financing Receivable without RGR	11,299
(-) Net balance of Itaipu Financial Asset	1,428
Net debt	23,438

Gross Debt Profile

Financiaments	2017	2018	2019	2020	2021	2022	After 2022	Total
Consolidated	5,834	6,440	7,746	3,698	8,849	7,482	5,573	45,622

Excludes debentures

Total Debt: R$ 45,821 million

Economic and Financial Performance

Investments – R$ million

	Budgeted 2016*	Realized 2016	%
Generation	**6,229,37**	**4,744,02**	**-23,8%**
Corporate Expansion	1,780,81	1,092,34	-38,7%
SPEs Expansiom	4,074,58	3,450,52	-15,3%
Maintenance	373,98	201,16	-46,2%
Transmission	**3,284,57**	**2,565,46**	**-21,9%**
Corporate Expansion	1,811,83	1,204,92	-33,5%
SPEs Expansiom	**1,019,25**	**1,044,92**	**2,5%**
Maintenance	453,49	315,62	-30,4%
Distribution	**1,526,14**	**1,135,93**	**-25,6%**
Corporate Expansion	1,207,60	861,15	-28,7%
Maintenance	318,54	274,78	-13,7%
Others (Research, Infrastructure and Environmental quality)	**436,17**	**265,59**	**-39,1%**
Total Investments	**11,476,25**	**8,711,00**	**24,10%**

Realized 2016:
R$ 8,711 million

*Revised in accordance with the Company's Business Plan (PDNG 2017-2021), which was disclosed by means of a "Material Fact" on November 17, Available at: : www.eletrobras.com/elb/ri/comunicadosefatosrelevantes.

Business Segment

GENERATION

46,856 MW

40,7%
Regime Exploration
= 19,084 MW

27,9% Awards
Extended= 13,094 MW

17% In Concessions
Shared= **7,944 MW**

14,4% SPE = 6,331 MW

Physical aggregation:
1,465 MW

TRANSMISSION

70,201 km
63,387 km ≥ 230 Kv

9,1%
Regime Exploration
= 6,390 km

81,5% Awards
Extended =57,182 km

9,4% SPE
=6,629 Km

Physical aggregation :
1,766 km

DISTRIBUTION

4,3 million
Consumers

Lines and grids= 263,133

Municipalities assisted
= 463

Substations= 226

Energy Sold=
29,010,590 MWh

R$ 9,8 billion
with Billed energy

Business focus

Investment Master Plan (PDNG 2017-2021

Details (R$ thousand)	2017	2018	2019	2020	2021	2017 - 2021
Corporate Investment	**6,515,616**	**5,298,442**	**5,509,546**	**6,527,468**	**4,942,158**	**28,793,228**
a - Hired	**4,847,113**	**4,508,193**	**4,708,257**	**5,801,401**	**4,634,380**	**24,499,345**
Generation	2,240,625	3,140,901	3,806,636	4,972,190	3,808,601	17,968,953
Transmission	1,704,512	1,185,160	741,423	663,867	679,632	4,974,594
Infrastructure	246,551	182,132	160,197	165,344	146,148	900,372
Distribution	655,426	-	-	-	-	655,426
b - New	**1,668,502**	**790,248**	**801,289**	**726,067**	**307,778**	**4,293,884**
Generation	24,063	48,513	50,842	53,130	55,521	232,069
Transmission	14,103	661,339	667,343	585,206	161,094	2,089,085
Infrastructure	74,159	80,396	83,104	87,731	91,163	416,553
Distribution	1,556,177	-	-	-	-	1,556,177
Investmento in SPEs	**2,438,049**	**977,638**	**1,567,437**	**1,150,562**	**839,864**	**6,973,550**
a - Hired	**2,438,049**	**977,638**	**649,907**	**511,812**	**534,910**	**5,112,316**
Generation	1,701,078	709,850	565,576	511,812	534,910	4,023,225
Transmission	736,971	267,788	84,331	-	-	1,089,091
b - New	-	-	**917,530**	**638,750**	**304,954**	**1,861,233**
Generation	-	-	604,395	309,150	304,954	1,218,499
Transmission	-	-	313,134	329,600	-	642,734
Total	**8,953,665**	**6,276,080**	**7,076,982**	**7,678,031**	**5,782,022**	**35,766,778**

Composition of Capital Stock

Common shares: 80.4%

Preferred shares: 19.6%

Total: R$ 31.3 billion

Union | BndesPar | Bndes | Government Funds and CEF | Minority

Residents | Non residents

ON: 1,087,050,297

PNA and PNB: 265,583,803

Ticker
BM&FBovespa
Elet3 (common)
ELET6 (Preferred B)
NYSE
EBR (common)
EBR_B (Preferred B)
Latibex
XELTO (common)
XELTB (Preferred B)

Shares Performance BM&FBOVESPA

Share	December 30, 2015			December 30, 2016		
	Value R$	Daily average volume in 2015		Value R$	Daily average volume in 2016	
		Thousands of shares	R$ million		Thousands of shares	R$ million
ON	5.82	2.0	12.1	22.81	1.6	25.2
PN	10.44	1.6	13.8	25.89	1.6	26.1
Volume total	**-**	**3.6**	**25.9**	**-**	**3.2**	**51.3**

Market Value	R$ 9,034 million	+ 251%	R$ 31,672 million

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Shares Performance NYSE

Ações	30 de Dezembro de 2015			29 de dezembro de 2016		
	Valor US$	Daily average volune in 2015		Valor US$	Daily average volune in 2016	
		Thousands of shares	R$ million		Thousands of shares	R$ million
Ordinárias	1.36	0.33	0.47	6.86	0.12	0.82
Preferenciais	2.58	0.11	0.28	7.88	0.06	0.47
Volume total	**-**	**0.44**	**0.75**	**-**	**0.18**	**1.29**

Evolution of the Master and Business Plan PDNG 2017-2021

3 Strategies

18 initiatives

"Potentiate competitive advantages in Generation, Transmission and Commercialization, achieving corporate sustainability recognized by all interested parties."

(Strategic Ambition, PDNG 2017-2021)

Corporate Sustainability

Wind Farm Volta do Rio
Acaraú – CE *Credit: Jorge Luis Pires Coelho*

Evolution of the Master and Business Plan PDNG 2017-2021

Eletrobras

Target:
Operational efficiency
PMSO / PMSO Regulatory < 1,0

- ✓ **Organizational Restructuring - Target: Reduction 521 gratified functions and R$ 67,8 million**
  Completed: 25% (Reduction 132 gratified functions)
  Chesf Approved: 252 of 593 positions (42,5%)
  Eletronorte: 93 of 363 (26%)
- ✓ Creation of the "Energy Marketing Committee";
- ✓ **Approval of the PAE** by SEST;
- ✓ Definition of the **Shared Service Center Model**;
- ✓ **Reduce administrative costs – Target RJ and Brasília: Reduction R$ 60,7 million**

Upcoming Activities:

- **Organizational Restructuring:** In approval: CGTEE, Amazonas GT; Furnas, Eletronuclear e Eletrosul,
- **PAE**: Disclosure to Employees - April 2017: Shutdown: Until Dec/2017;
- **CSC**: 1st step (RJ): 2Q/17; 2nd Step (Other GT): Until 1Q18

Evolution of the Master and Business Plan PDNG 2017-2021

Eletrobras

Governance and Compliance

- ✓ Filing of Forms **20-F 2014 and 2015** – 10/11/2016;
- ✓ **Strategic alignment** of Holding and subsidiaries - 2016;
- ✓ Changes of **52** positions of the **Board of Directors** and **58** of the **Executive Board**;
- ✓ **Reform of the Bylaws** for the adequacy of mandates;
- ✓ **60% professionals exposed to risks were trained in Compliance**
- ✓ **74% of the total workforce completed an online course of Ethics and Integrity - February, *2017*;**
- ✓ Publication of a **new Code of Ethics** for Eletrobras companies;
- ✓ **Maintenance in the BM&FBovespa Corporate Sustainability Index**

Market Multiple = 3,57 as of December 31, 2016,

Upcoming Activities:

- Hire **independent reporting channel - 2017**;
- **Edit the Internal Contracting Rules -2017;**
- **Start Due Diligence of Suppliers - 2017;**
- Eliminate the material weaknesses of the 20-F 2016 - **2018**;
- **Implement the 5 Dimensional Compliance Program - 2018**;
- **Reform Eletrobras' Bylaws** to comply with the "**State Responsibility Law**": sent to SEST - **2017**

Goal:
Eliminate Material Weaknesses

Market Multiple > 7,13*

* Multiple Market = EV/ EBITDA last twelve months,

Evolution of the Master and Business Plan PDNG 2017-2021

Eletrobras

Financial Discipline

Target:
Reduce leverage
NET DEBT < 4,0
Adjusted **EBTIDA**

- ✓ **Reduction of investments** by **29%** for the period 2017-2021, from R$ 50,3 billion to R$ 35,8 billion;
- ✓ **Privatization of Celg-D** with **28% premium;**
- ✓ Distribution Companies of Eletrobras were included in the Federal Government's **Investment Partnerships Program (PPI)** to be privatized until December 2017;
- ✓ **Due Dilligence** was initiated for the **privatization** of Distribution Companies;
- ✓ Contracted **financial advisor for SPE divestments**

NET DEBT = 6.7 in December 31, 2016 (excluding the cash from sale of Celg D)
Adjusted EBTIDA

Upcoming Activities:

- Evaluation of the divestment model of SPEs;
- Evaluation of administrative buildings;
- Definition of modeling for privatization of Distributors - Oct / 17;
- SPE sales – 3Q17
- Privatization of Distribution Companies - Dec / 2017

Privatization PDNG 2017-2021

Privatization of Eletrobras Distribution Companies

Until December 16th

CELG DISTRIBUIÇÃO

Cash R$ 1.1 billion

Until December 17th

- Eletrobras Distribuição Amazonas
- Eletrobras Distribuição Alagoas
- Eletrobras Distribuição Acre
- Eletrobras Distribuição Rondônia
- Eletrobras Distribuição Roraima
- Eletrobras Distribuição Piauí

ETAPAS	PRIVATIZATION PROCESS	DEADLINES
PREPARATION	Collection of information from distributors	Nov/16 - Jan/17
	Consulting firm hiring	Nov/16 - Fev/17
ANALYSIS	*Due Diligence* Accounting	Feb/17 - Oct/17
	Due Diligence Legal	
	Economic and Financial Analysis	
	Privatization Structure	
	Business Adjustments	
SALE	Opening of Dataroom to potential investors	Jul/17 - Dec/17
	Auction	Jul/17 - Dec/17

Completed

In progress

CRESCER

Investment Project in Partnership - PPI

Both structures, together with other federal agencies, will work in a coordinated manner to ensure the stability, legality, predictability and effectiveness of investment policies,

"When a project qualifies for PPI, it becomes a national priority, The agencies and other administrative entities involved must then ensure that the actions necessary for structuring, releasing and executing this project take place efficiently and economically, "

Source: www,projetocrescer,gov,br/sobre-o-programa

Challenges of the PDNG 2017-2021

Eletrobras

Privatization of Distribution Companies

Stopage of the construction of Angra 3

Compulsory Loan Contingency Strategy

Desverticalization of the Amazon GT & D

Equity of Debt with Petrobras

Belo Monte Hydroelectric Plant
Altamira - PA

Credit: Beto Silva

Eletrobras

Access the Eletrobras **Management Report and Financial Statements** at wwww.eletrobras.com/elb/ri/demonstracoesfinanceiras or obtain detailed information through our **IR Ombudsman**.

Upcoming IR Events	Date
Apimec Rio de Janeiro (16h)	03/30/17
Apimec São Paulo (10h)	03/31/17
Non Deal Road Show United States	04/03 to 04/07/17
Brazil Utilities Corporate Access Day – Rio de Janeiro (10h)	04/11/17
Apimec Porto Alegre (18h)	04/12/17
Itaú BBA Conference – Rio de Janeiro (8:30h)	04/12/17
Publication of RA and DFs no Correio Braziliense/D.O.U.	04/13/17
Apimec Brasília (18h)	04/17/17
Ordinary and Extraordinary General Meeting (14h)	04/28/17
Archiving of Form 20-F 2016	04/28/17
XP Energia Panel "Risks and Opportunities of the Brazilian Electricity Sector" – São Paulo (8:30h)	05/05/17
Disclosure of Results of the 1Q-2017	05/12/17
Itau BBA's 12th Annual Latam CEO Conference (8h)	05/17 a 05/18/17
Archiving the Reference Form	05/30/17

Follow the IR of Eletrobras! Access our Calendar of Events on the website: www.eletrobras.com/elb/ri/calendarioeventos

Eletrobras

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Meet the **IR Ombudsman** of Eletrobras, an exclusive platform for receiving and forwarding **suggestions, complaints, compliments and requests** from protesters regarding the **securities market** on our IR Services Investor Relations website> Contact IR> Ombudsman From RI

Thank you!

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