



3Q18 Results Conference Call

Almir Martins | CFO and IRO
| Interim President
Mituo Hirota | Production Officer
Marcio Rea | Administrative Officer



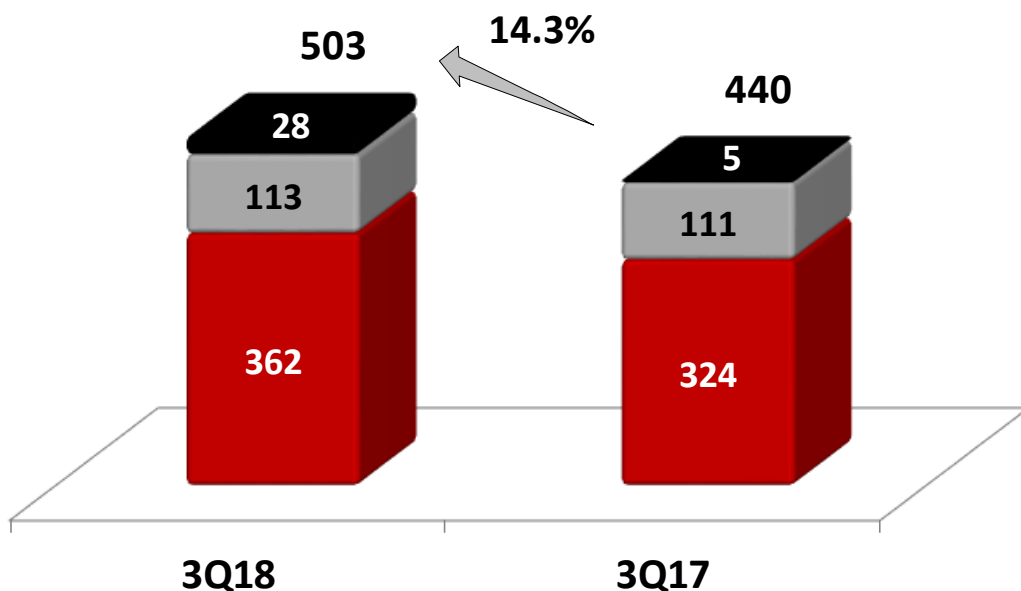
Auction Conditions

| | |
|----------------------------|---|
| Minimum Price: | R\$ 14.30 per share |
| Winning Bid: | R\$ 14.60 per share |
| Winning Consortium: | São Paulo Energia |
| Consortium Leader: | VTRM Energia Participações S.A. |
| Consorted: | SF Ninety Two Participações Societárias |

Revenue Breakdown

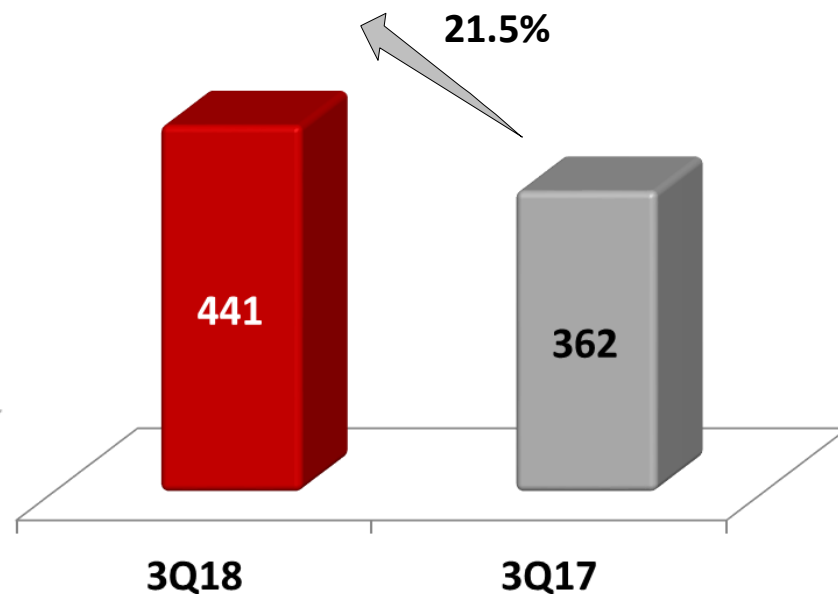


Revenue Breakdown
(R\$ million)



- CCEE
- Regulated Contracting Environment - ACR
- Free Contracting Environment - ACL

Net Sales (*)
(R\$ million)

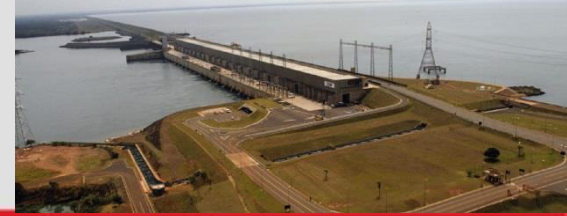


(*) Includes the amount of Other Revenues

Deductions from Gross Revenue

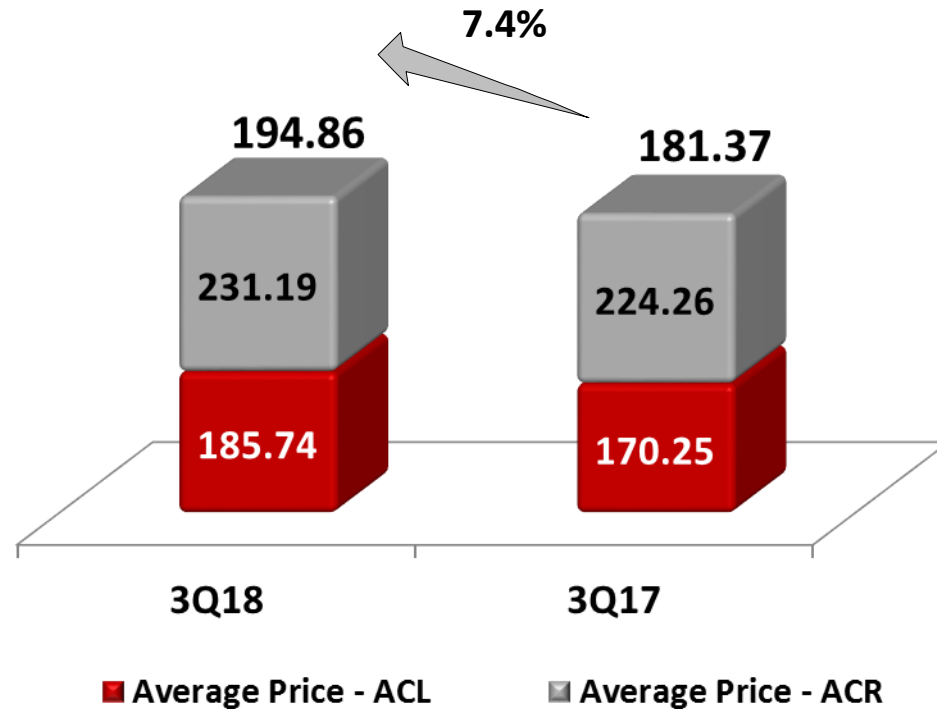
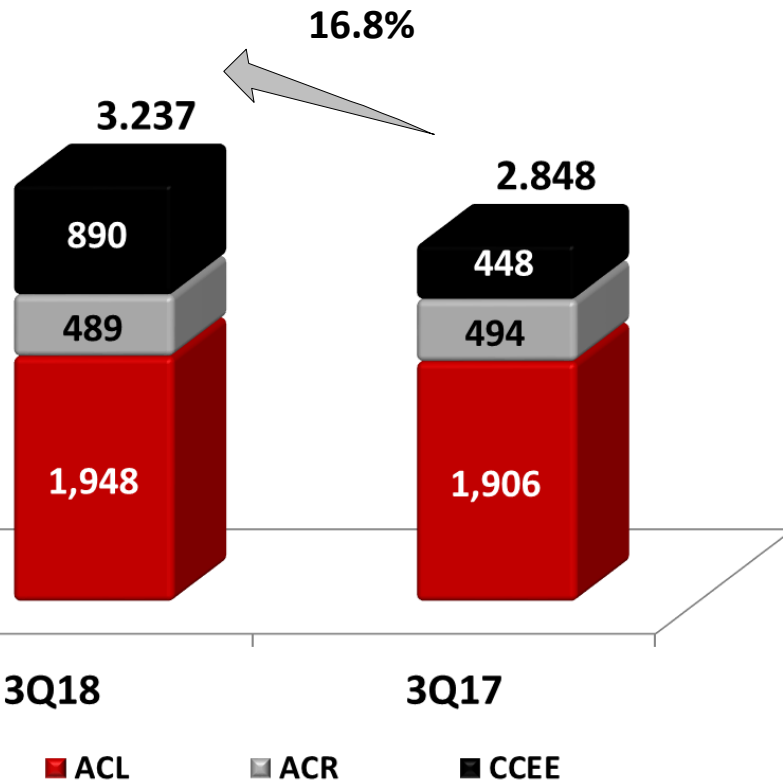
3T18: R\$ 63.2 million
3T17: R\$ 79.6 million

Quantity and Energy Prices

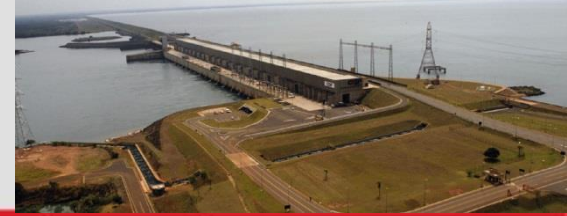


Quantity Traded
GWh

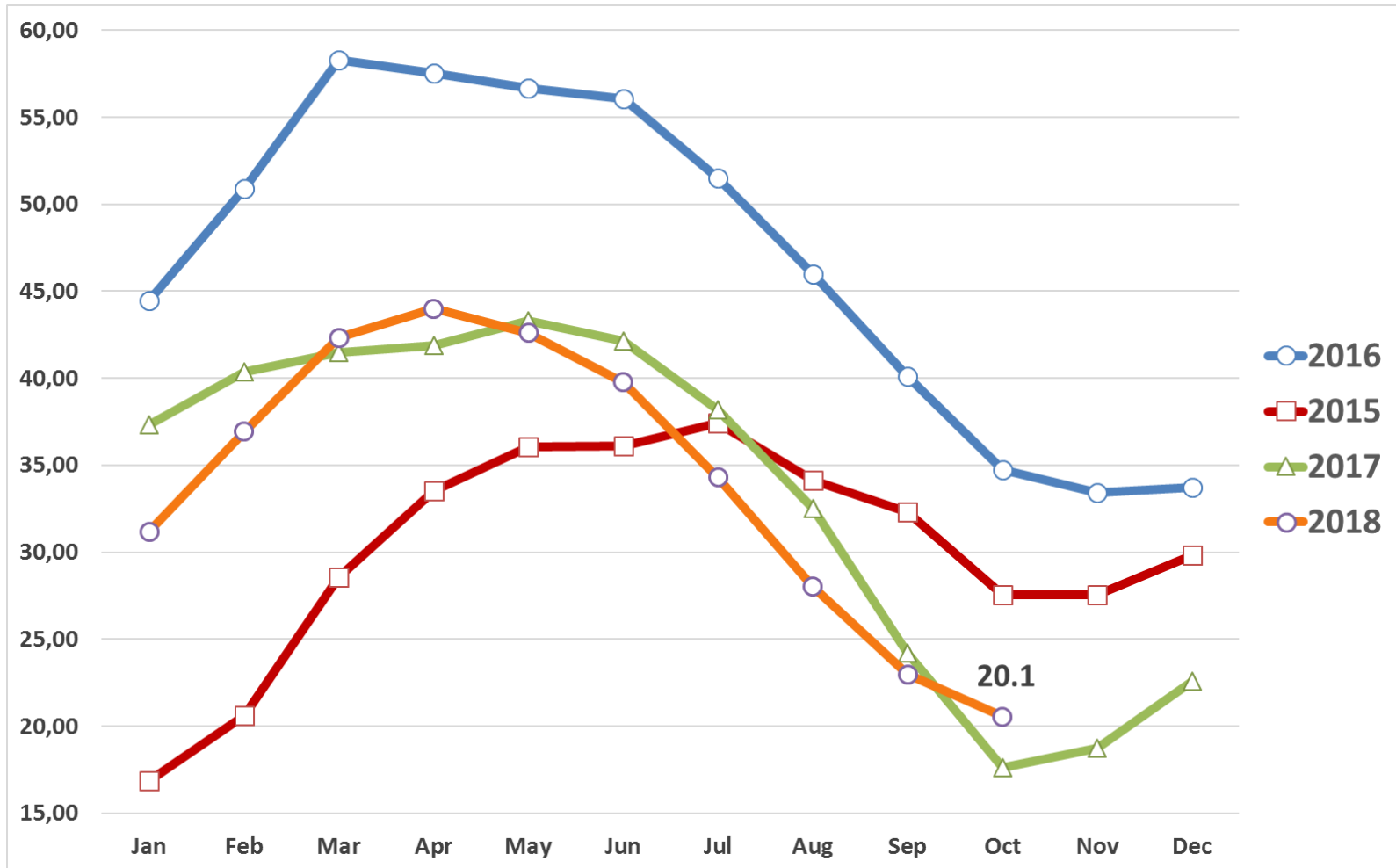
Average Price (*)
R\$/MWh



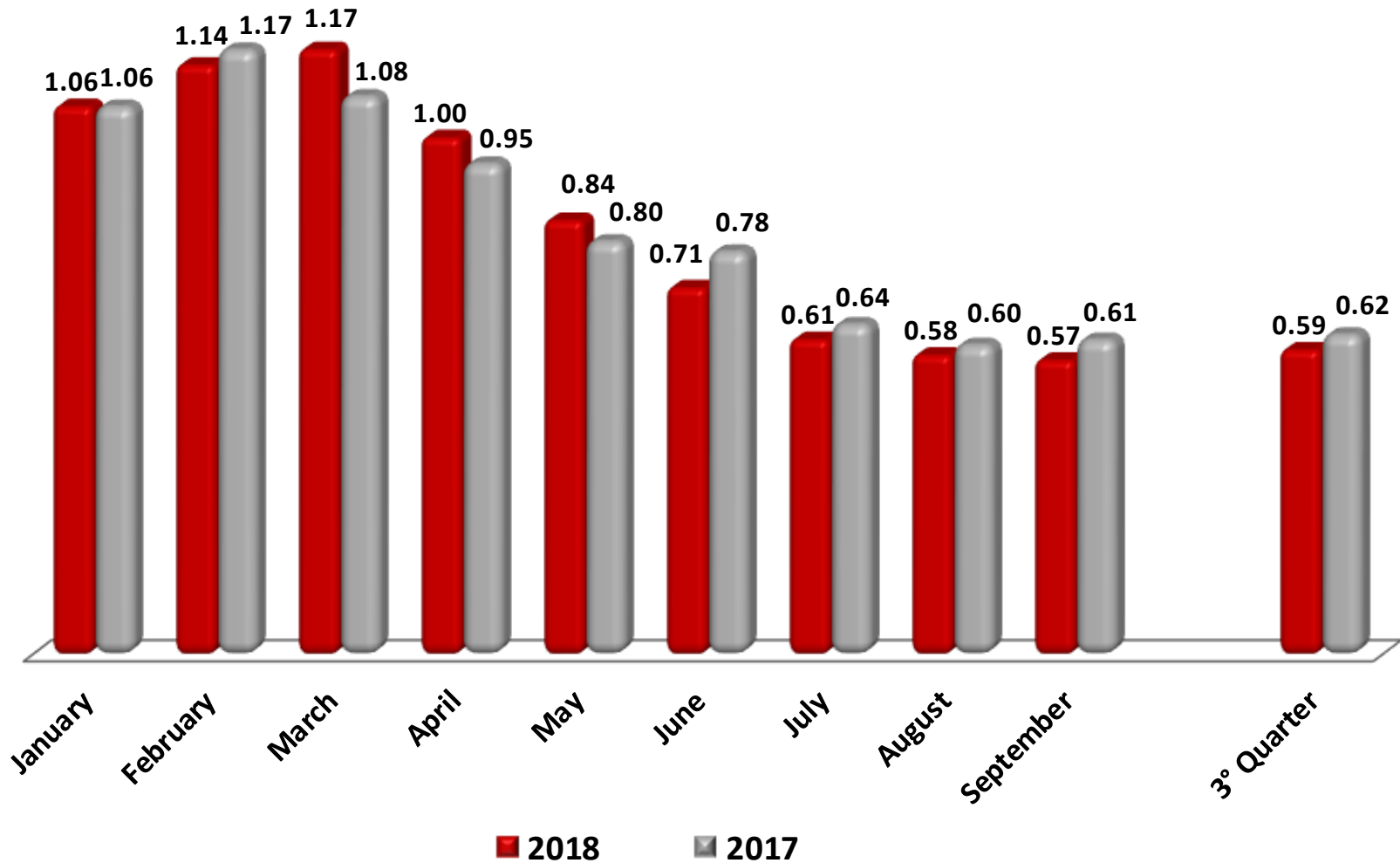
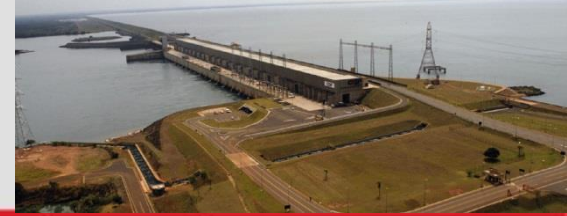
(*) Not include CCEE



Subsystem South East/ Middle West (in %)



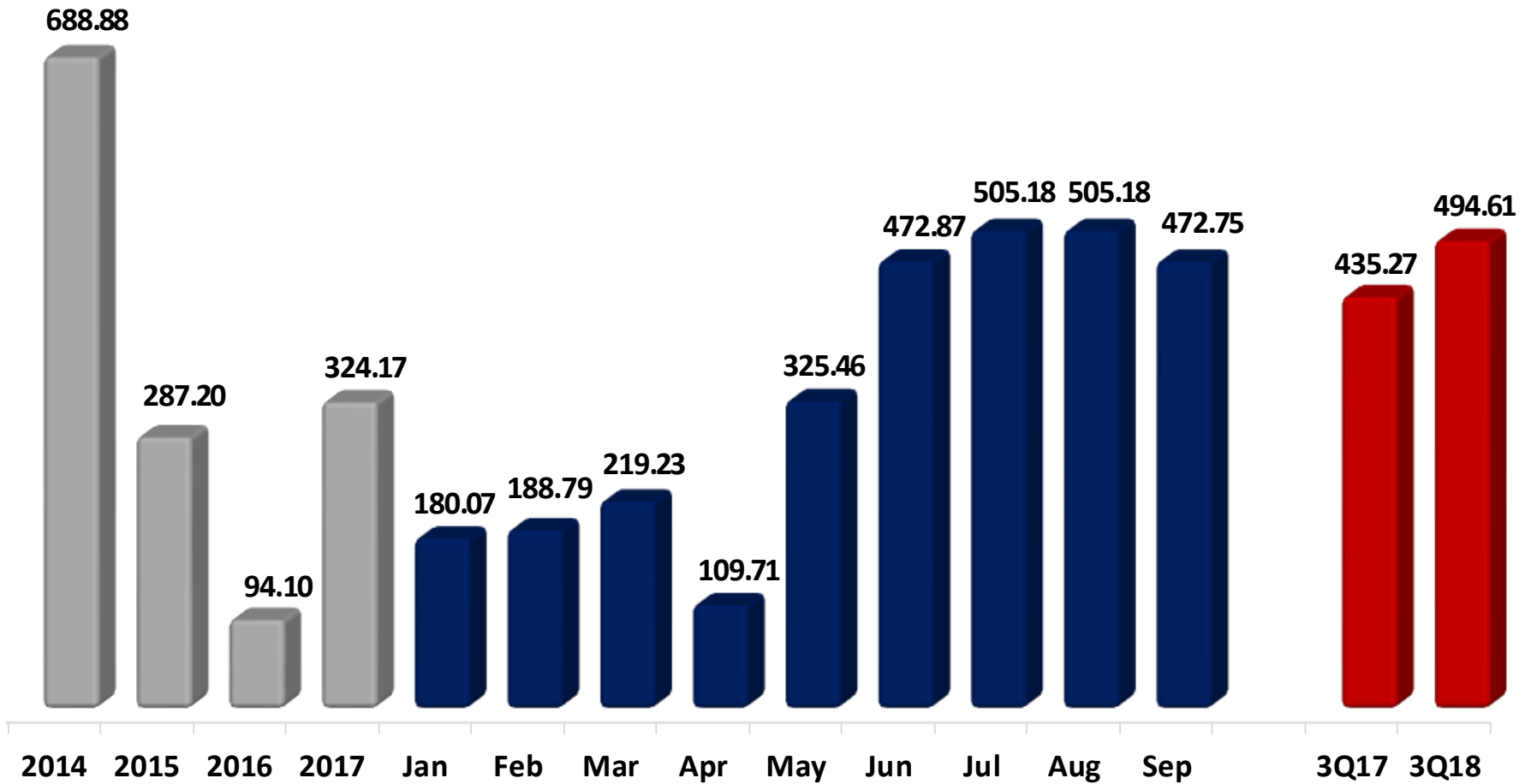
GSF - Averages of the Period



Average Prices PLD



Subsystem South East / Middle West R\$/MWh

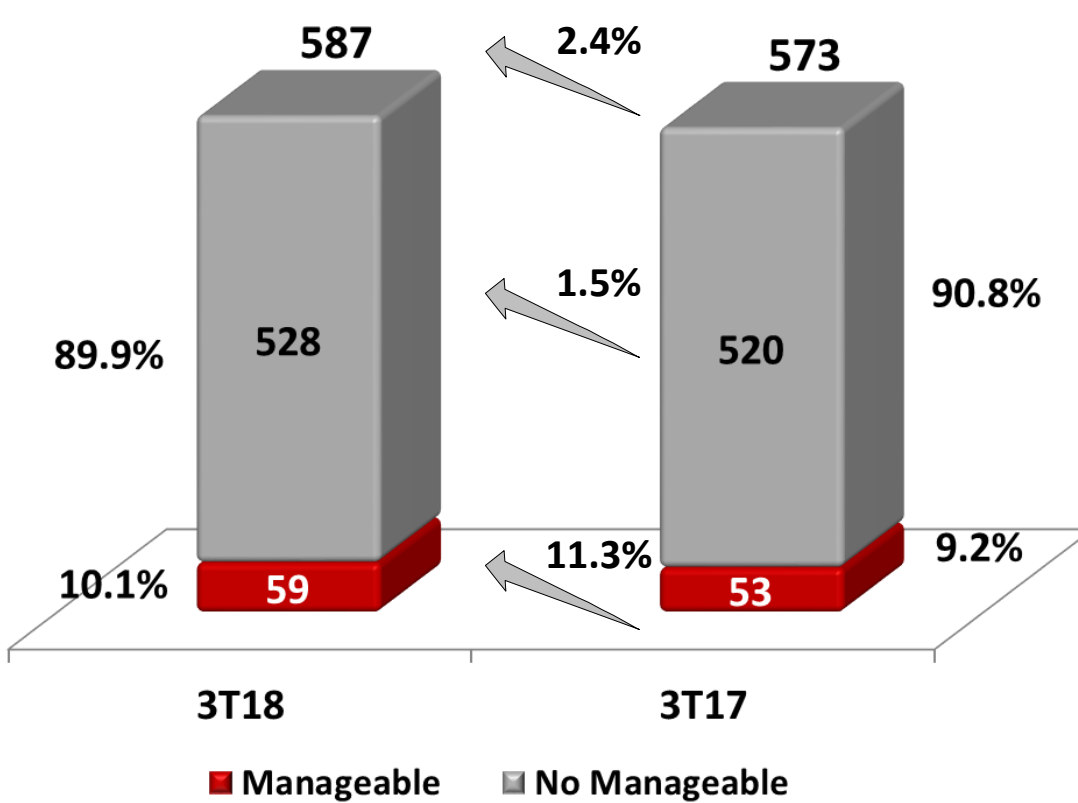




(R\$ million)

| | 3Q18 | 3Q17 | Change % |
|-------------------------------|----------------|----------------|-----------------|
| Use of the Electrical Network | (32.0) | (30.8) | 3.9% |
| Regulatory Charges | (32.0) | (30.8) | 3.9% |
| Energy Purchased for Resale | (367.4) | - | - |
| Energy Purchased CCEE | (8.9) | (170.5) | -94.8% |
| CCEE Provision | 19.3 | (166.1) | - |
| Reward Award | (3.8) | (3.8) | 0.0% |
| Energy Purchased | (360.8) | (340.4) | 6.0% |

Operating Costs and Expenses



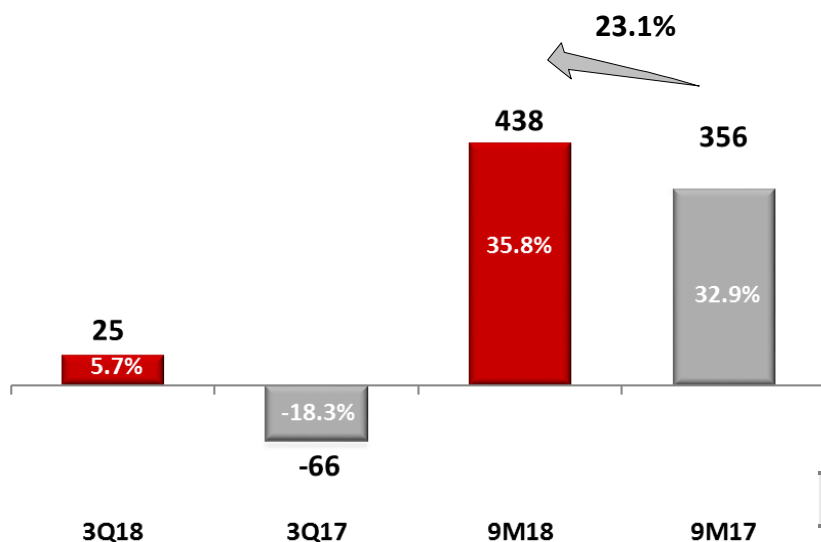
| | |
|---------------------------|----------|
| Third-Party Services | 14.3% |
| Provision for Legal Risks | R\$ 25.7 |
| Energy Purchased | R\$ 20.4 |

Adjusted EBITDA and Margin



Adjusted EBITDA - R\$ million

(R\$ million)



| EBIT / EBITDA - R\$ mil | 3Q18 | 3Q17 | Chg% | 9M18 | 9M17 | Chg% |
|-----------------------------|------------------|------------------|---------------|----------------|-----------------|---------------|
| Net Income | (102,080) | (175,847) | -41.9% | 235,180 | (36,492) | - |
| Tax and Social Contribution | (55,669) | (8,659) | 542.9% | (74,572) | 59,840 | - |
| Financial Results | 11,711 | (26,097) | - | 42,365 | (65,679) | - |
| EBIT / LAJIR | (146,038) | (210,603) | -30.7% | 202,973 | (42,331) | - |
| Depreciation / Amortization | 79,174 | 78,010 | 1.5% | 237,410 | 234,941 | 1.1% |
| EBITDA / LAJIDA | (66,864) | (132,593) | -49.6% | 440,383 | 192,610 | 128.6% |
| Provision for Legal Risks | 92,006 | 66,278 | -30.7% | (2,075) | 163,393 | - |
| EBITDA Ajustado | 25,142 | (66,315) | - | 438,308 | 356,003 | 23.1% |
| Ajusted EBITDA Margem | 5.7% | -18.3% | 24.0 p.p. | 35.8% | 32.9% | 2.9 p.p. |



(R\$ thousand)

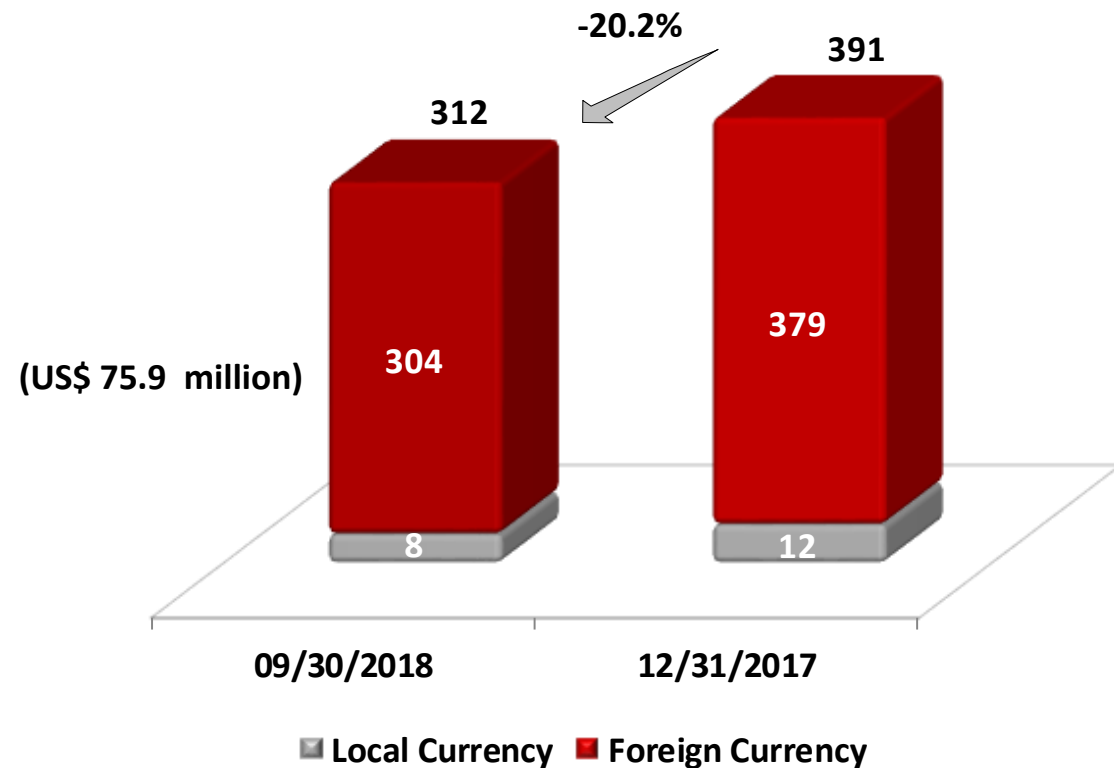
| | 3Q18 | 3Q17 | Change % |
|---------------------------------|-----------------|-----------------|-----------------|
| Financial Income | 15,153 | 30,157 | -49.8% |
| Debt Charges | (6,178) | (8,123) | -23.9% |
| Other Financial Expenses | (7,734) | (14,176) | -45.4% |
| Total Financial Expenses | (13,912) | (22,299) | -37.6% |
| Exchange Rates | 12,952 | 18,239 | - |
| Financial Result | (11,711) | 26,097 | - |
| Change R\$ x US\$ (%) | 3.8% | -4.2% | 8.0 p.p. |
| IPCA (%) | 0.7% | 0.6% | 0.1 p.p. |

Financial Debt



Company Debt - R\$ 312 million

(R\$ million)



In 09/30/2018

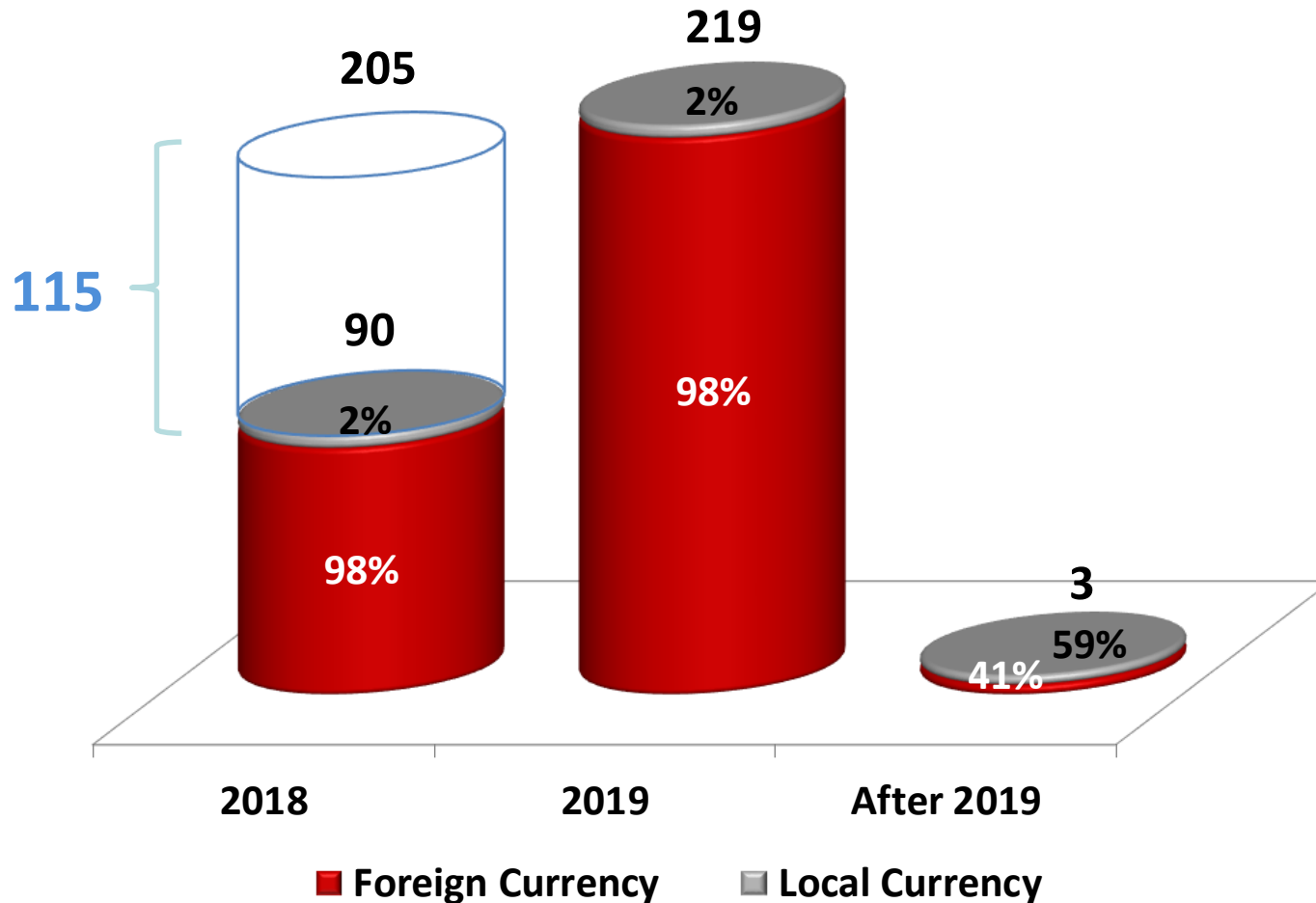
| | |
|-----------------------|--------------|
| Financial Debt | (312) |
| Availabilities | 474 |
| Net Debt | 162 |

Debt Profile Maturity



September/30/2018 – R\$ 312

(R\$ million)





(R\$ million)

| | 3Q18 | 9M18 |
|----------------------------------|--------------|--------------|
| Opening Balance | 2,171 | 2,951 |
| Monetary Update and Interest | 97 | 298 |
| Provisions and (Reversals) | (5) | (301) |
| Payments (Cash) | (5) | (29) |
| Deposits converted into Payments | (15) | (93) |
| MPMS Agreement | - | (583) |
| Closing Balance | 2,243 | 2,243 |



3Q18 Earnings Conference Call

Questions & Answers

INVESTOR RELATION AREA

IR Contact: 11 5613-3626 and 5613-3644

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<http://ri.cesp.com.br>