

The background of the slide is a photograph showing the silhouettes of two workers wearing hard hats and safety gear. They are standing in front of a large electrical substation with many power lines and metal structures. The scene is set against a bright, orange-hued sunset sky with scattered clouds. The worker on the right is pointing towards the power lines.

equatorial
ENERGIA

3Q19 RESULTS

November 2019

Disclaimer

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Highlights

3Q19

Consolidated Adjusted EBITDA reached R\$ 1,033 million in the quarter.



Distribution

- **Alagoas:** Sudene's tax reduction.
- **Piauí:** Total losses drop for the 2nd consecutive quarter.



Consolidated billed volume grows 1.6%

- Sold volume amounting to 5,718 GWh.
- 3 out of 4 concessions reported volume growth..



Transmission

- Last construction license obtained (**SPV 7**).
- Highlights to construction works: **SPV 8** (95%), **SPV 1** (89%) e **SPV 2** (89%).
- 2nd section of SPV 8 goes online: R\$ 17 million additional revenues (RAP).
- Funding **100%** secured, **67%** disbursed.



Adjusted consolidated EBITDA of R\$ 1,033 millions

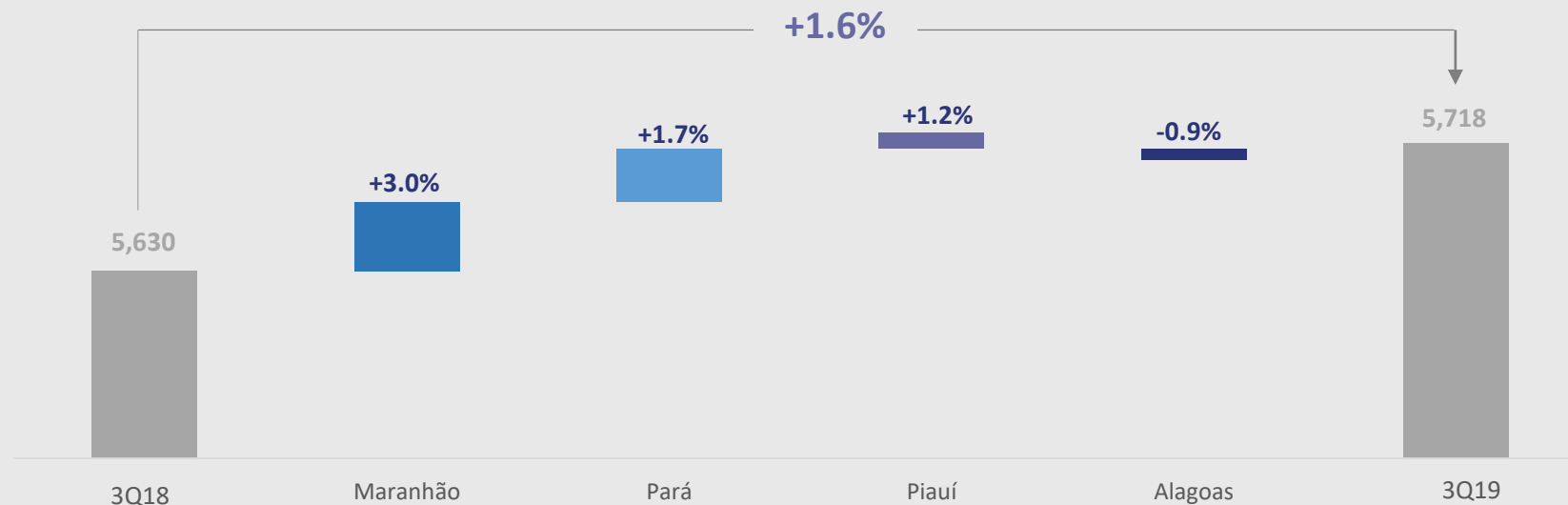
- **Transmission + Intesa:** IFRS 15 adoption added R\$ 368 million to EBITDA in the quarter.
- **Consolidated:** EBITDA (ex new assets - Intesa, Transmission, Piauí and Alagoas) would reach R\$ 540 million.

Operating Performance

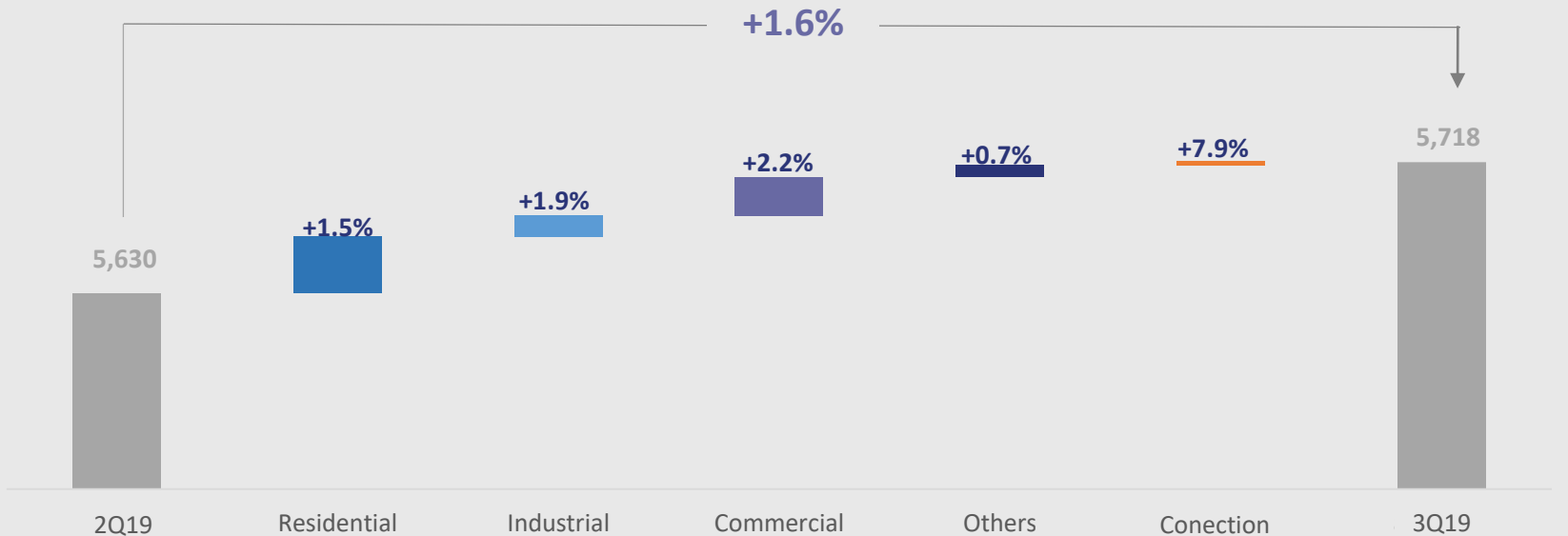


Energy Market

Sales evolution by DisCo (captive + free)
GWh

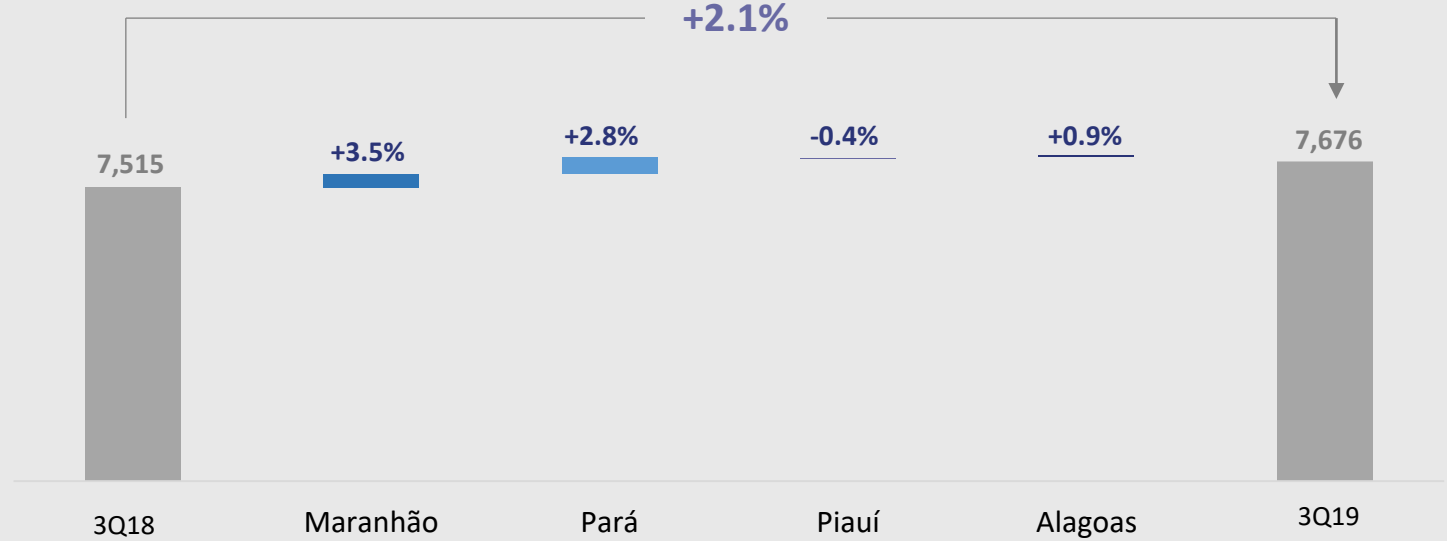


Sales evolution by segment (captive + free)
GWh

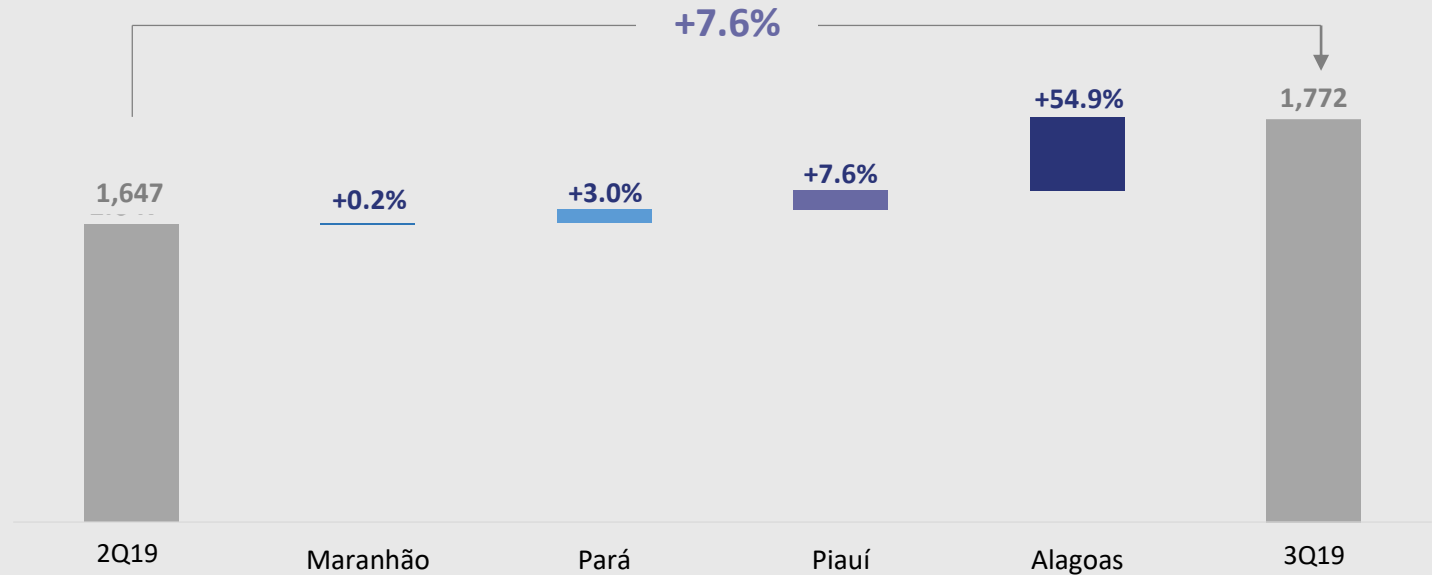


Energy Market

Injected energy evolution per DisCo
GWh



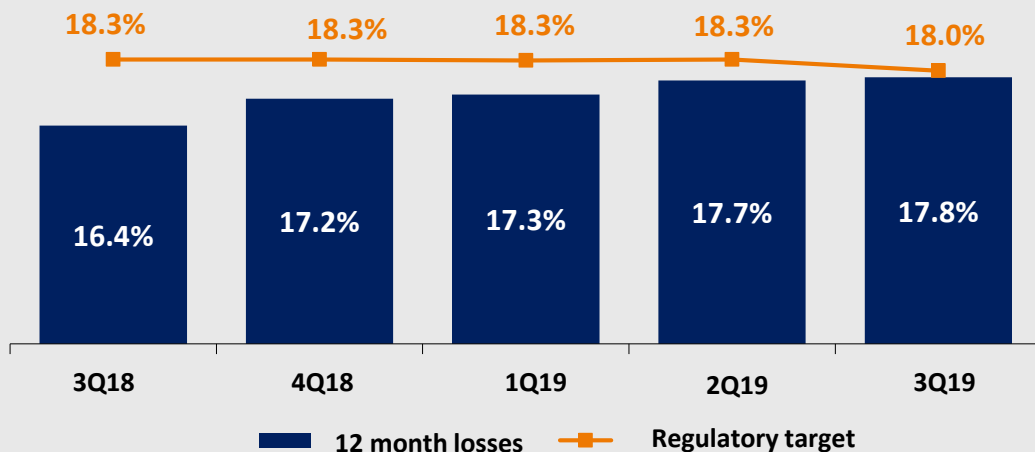
Low income evolution
of consumers



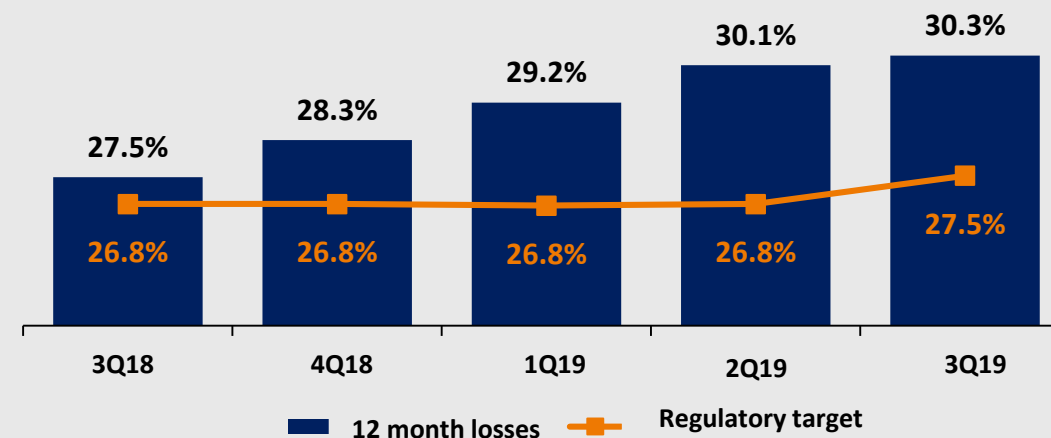
Total losses over injected energy

Losses in Piauí drop for the 2nd consecutive quarter.

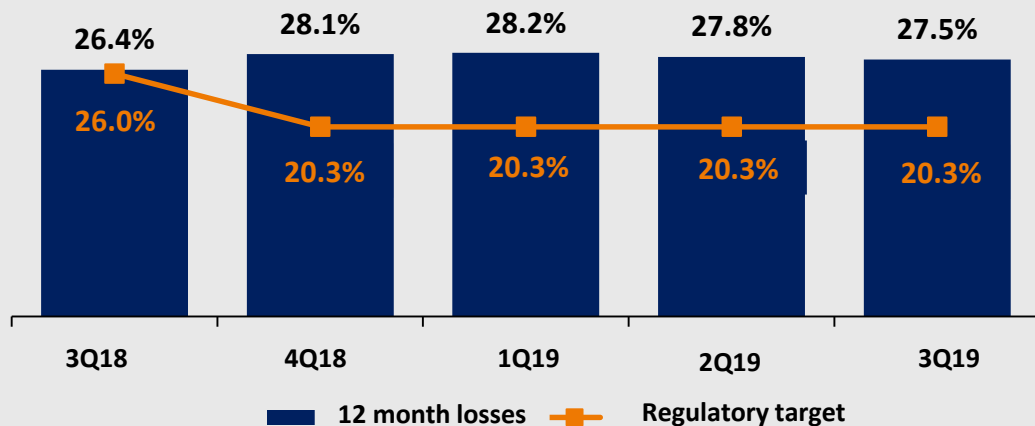
Maranhão



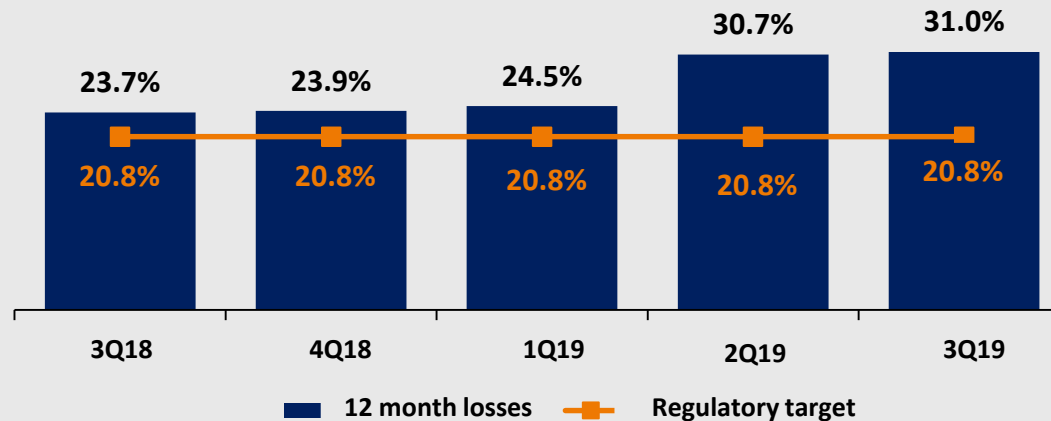
Pará



Piauí

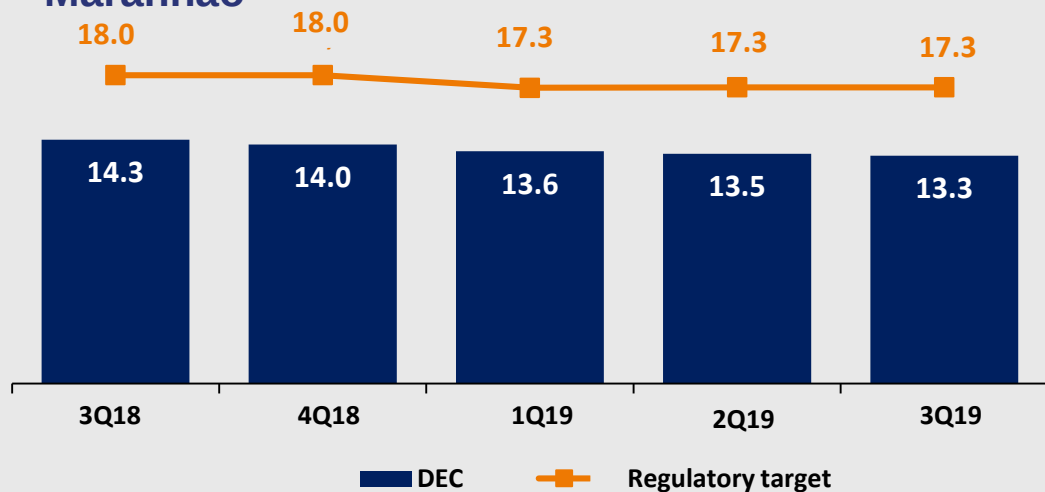


Alagoas

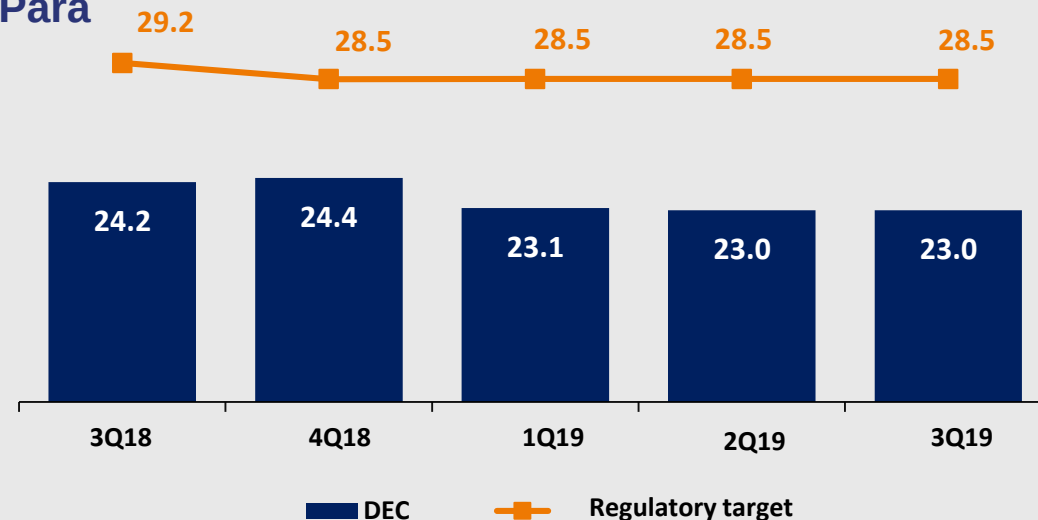


Maranhão and Pará beating the target. Piauí and Alagoas are affected by an adjustment in the calculation methodology

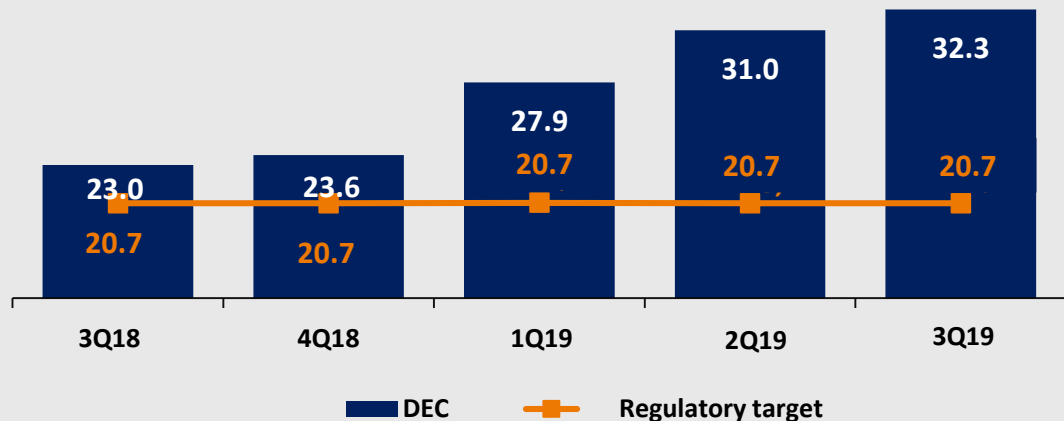
Maranhão



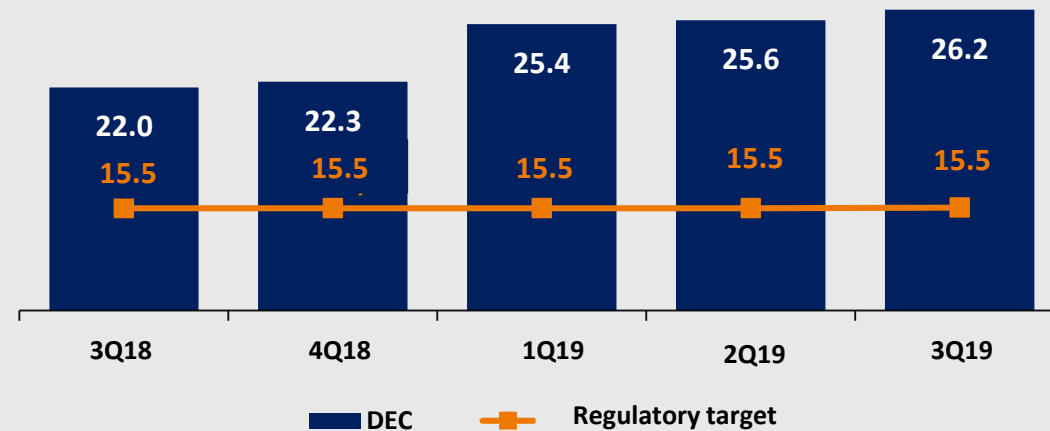
Pará



Piauí

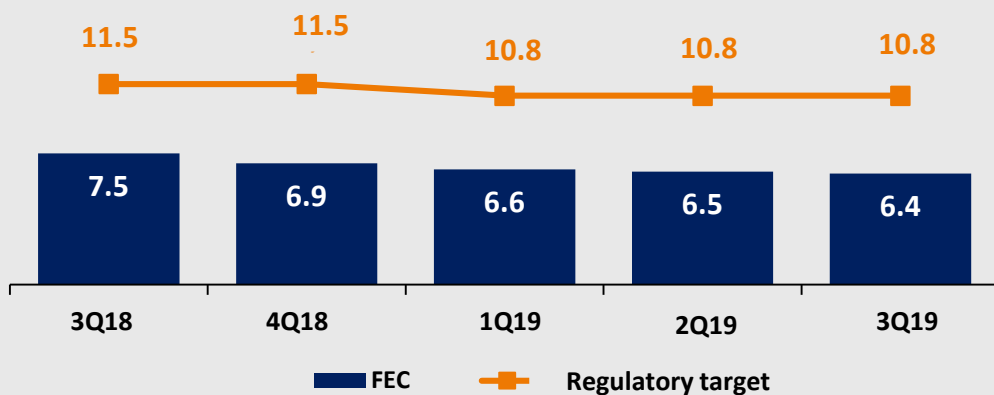


Alagoas

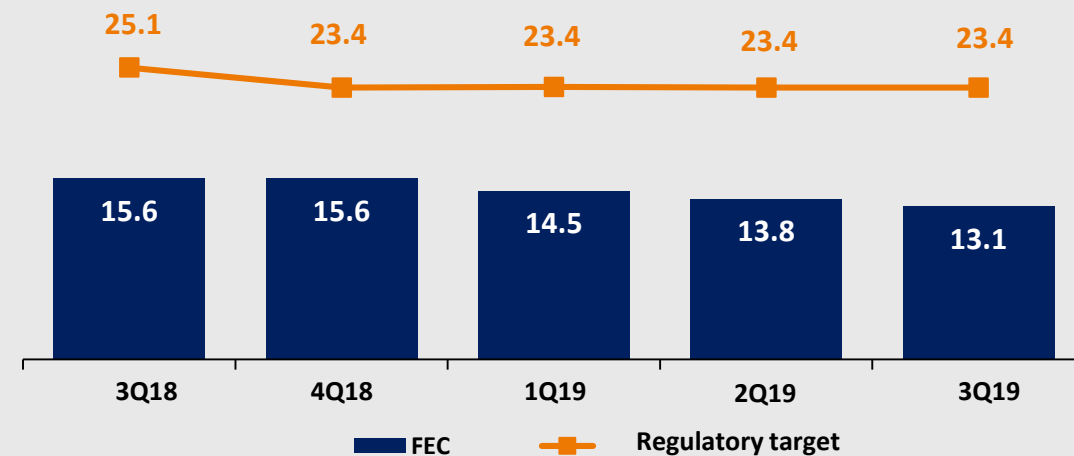


All DisCos beating the target

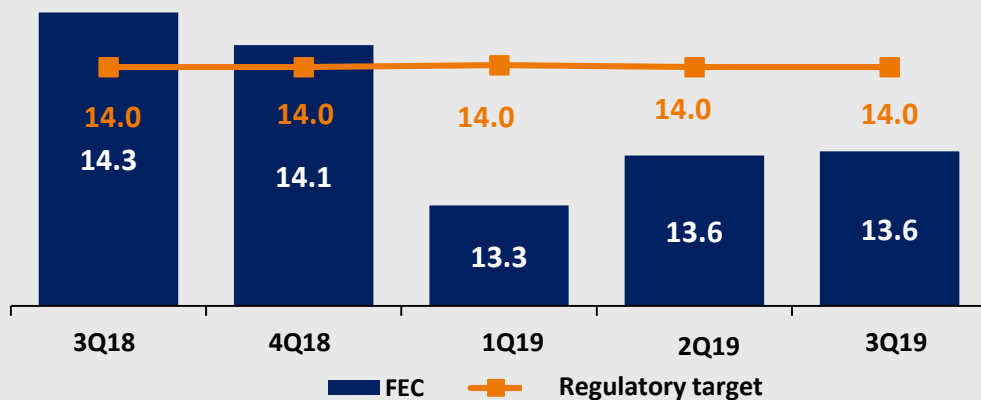
Maranhão



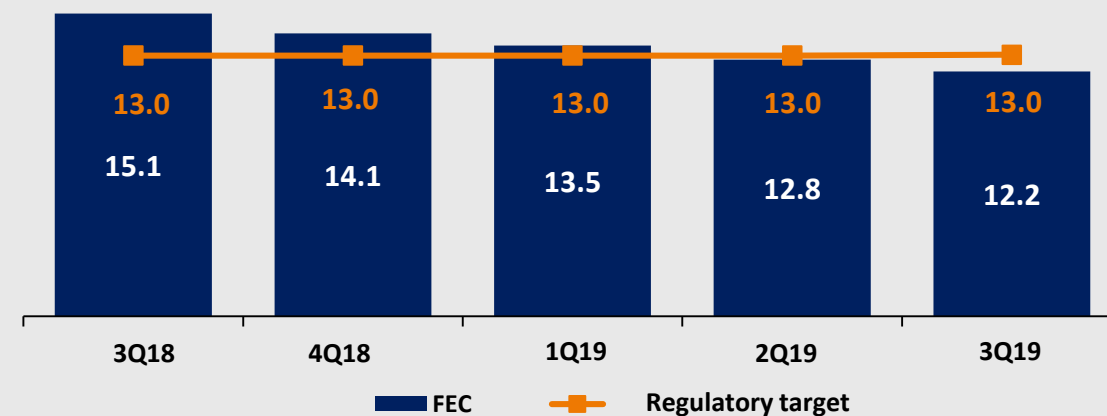
Pará



Piauí



Alagoas



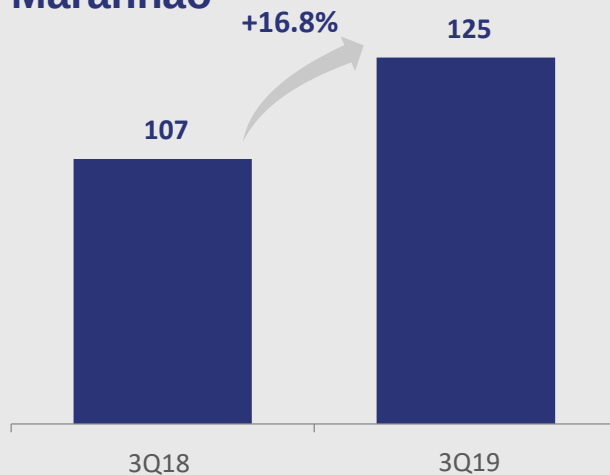
Financial

Performance

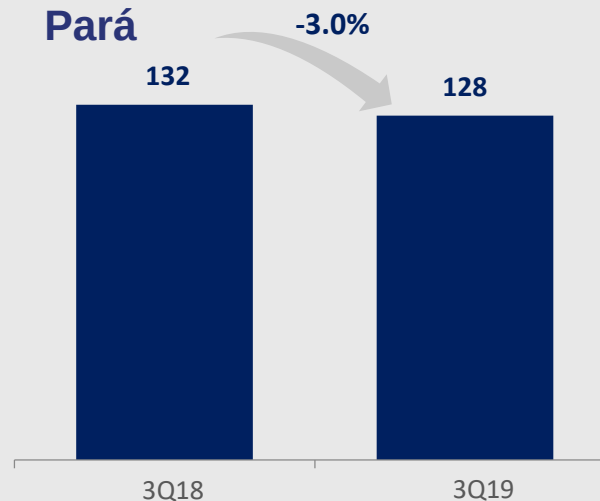
Manageable expenses

Piauí and Alagoas beating the target.

Maranhão

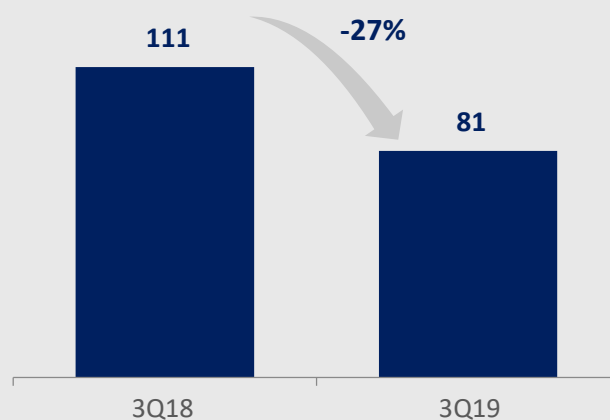


Pará

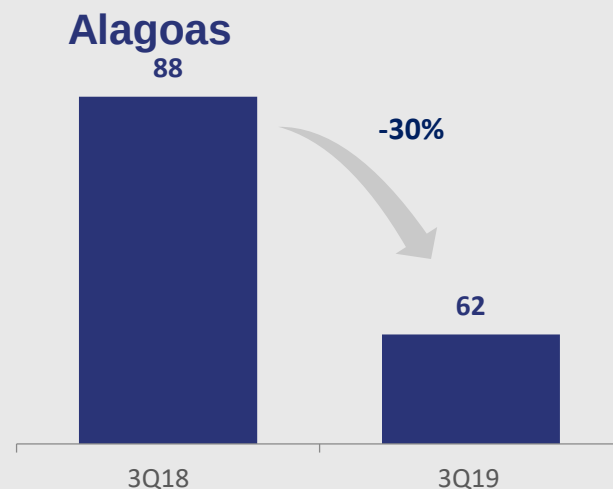


INPC
12 months
2.92%

Piauí



Alagoas

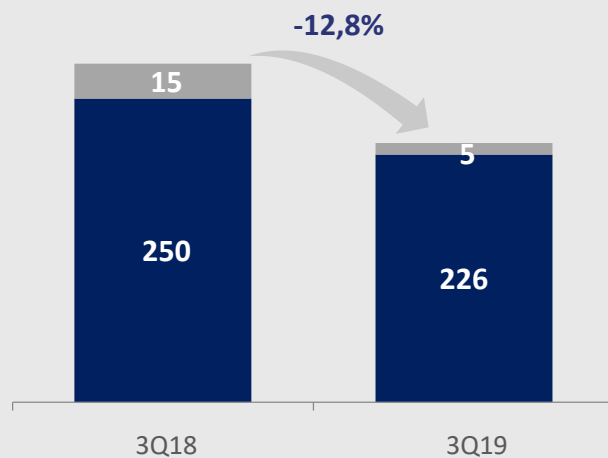


IPCA
12 months
2.89%

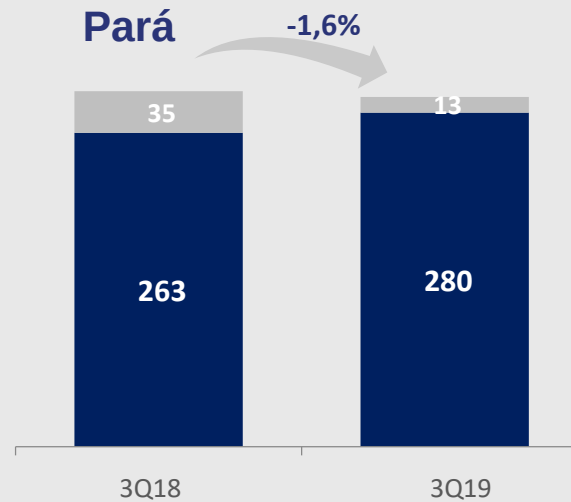
EBITDA

Positive results on Piauí and Alagoas

Maranhão

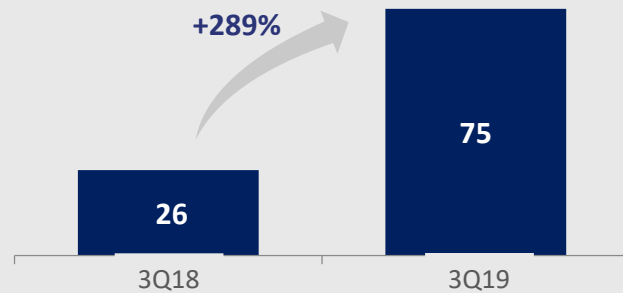


Pará

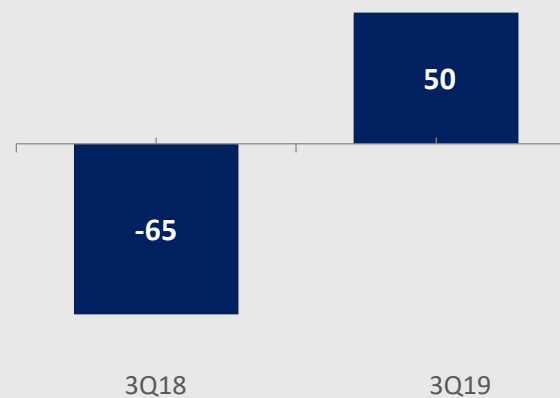


Financial Asset Update (VNR)

Piauí



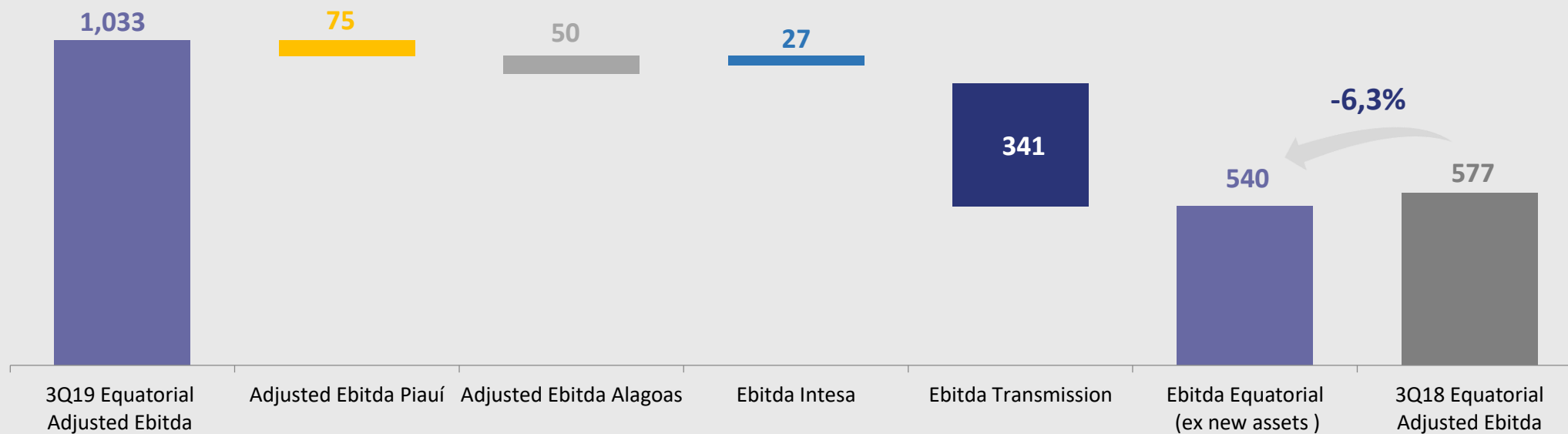
Alagoas



Equatorial Consolidated

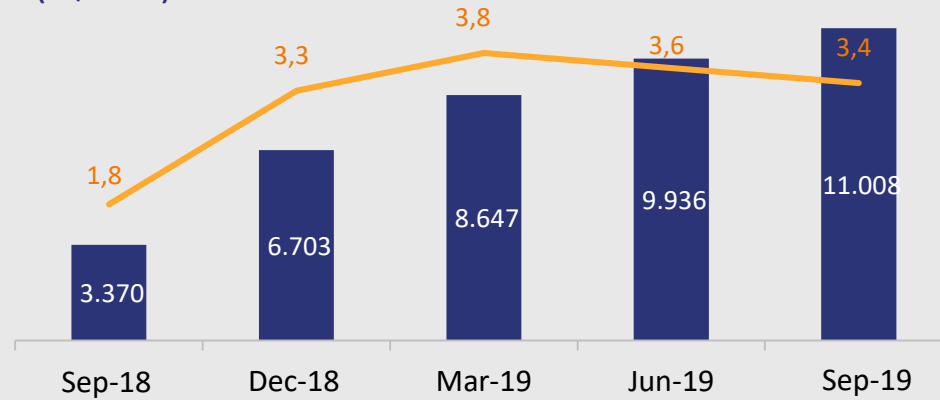
Equatorial EBITDA ex new assets reaches R\$ 540 million.

Adjusted EBITDA
(R\$ MM)

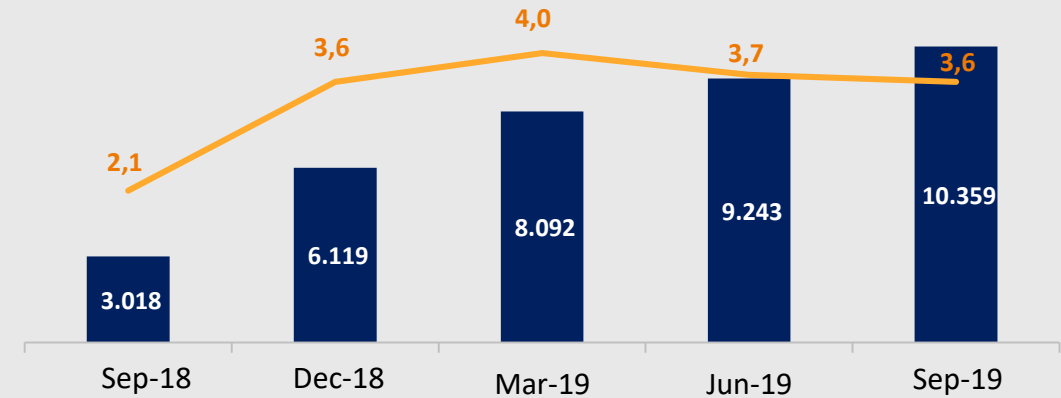


Debt

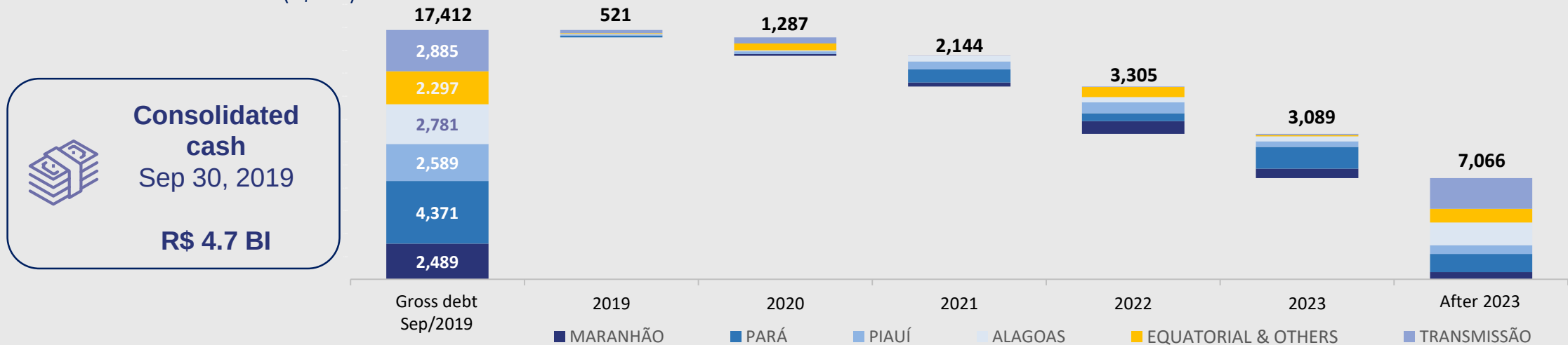
Cons. Net Debt and Net Debt/EBITDA LTM
(R\$ Mn)



Pro-rata Net Debt and Net Debt/EBITDA LTM
(R\$ Mn)

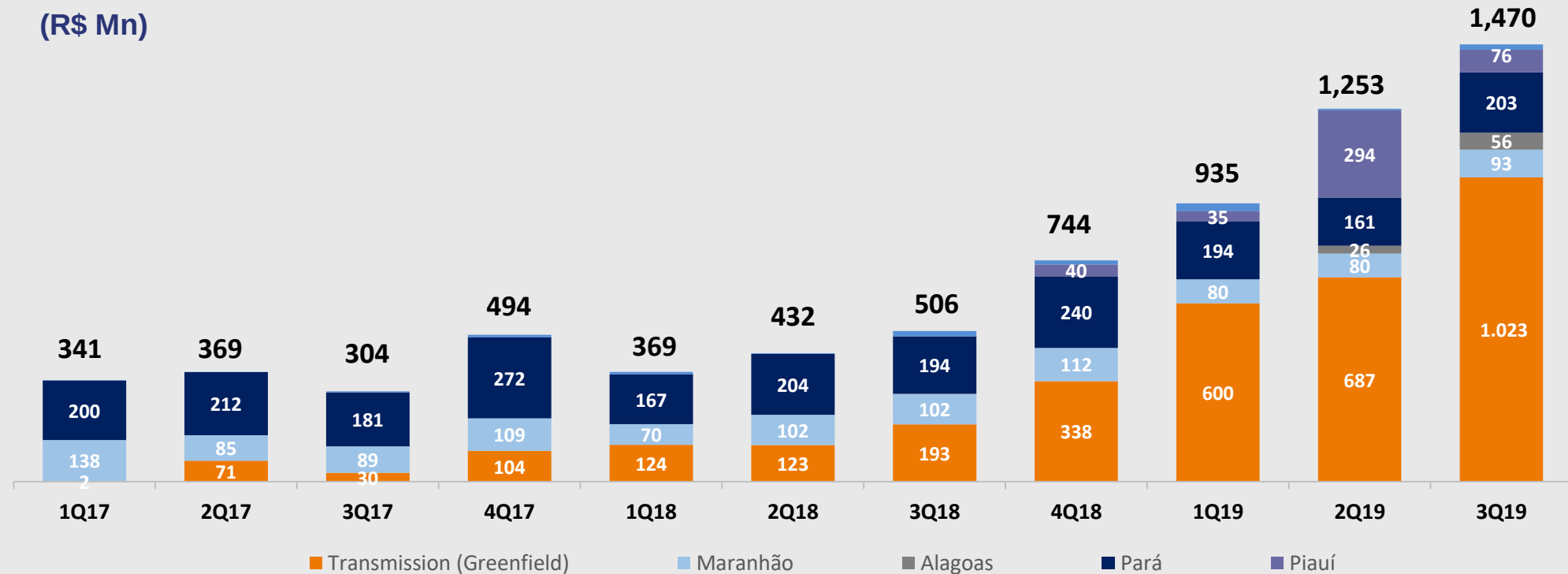


Debt maturity profile
(R\$ Mn)



Investments

Main Investments (R\$ Mn)



Transmission projects investment reached R\$ 3.3 billion since 1Q17.

Transmission 

Transmission

Greenfield

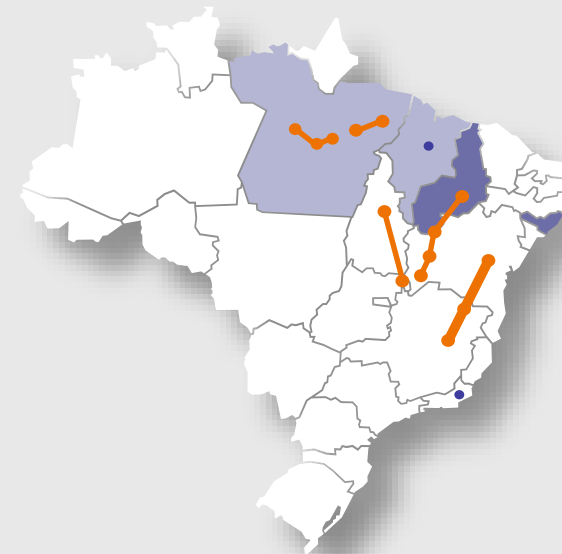
SPV	State	km	Nº of substations	Construction Works	Regulatory Capex	Revenue
SPV 1	BA	251	1	89.5%	496	87
SPV 2	BA	213		88.7%	519	79
SPV 3	BA/PI	380		23.5%	610	115
SPV 4	BA/MG	594	1	54.6%	1,181	207
SPV 5	BA/MG	257		39.3%	483	95
SPV 6	MG	330		6.0%	562	118
SPV 7	PA	125	2	47.8%	476	100
SPV 8	PA	436	3	94.8%	740	107
Total Greenfield		2,586	7		5,067	908

Recent evolution

Construction licence for section of SPV 7 obtained

2 sections of SPV 8 already operational

- Group 1
- Group 2
- Group 3
- Group 4



Operating Lines

	State	km	Nº de subestações	Operation Starts	End of contract	Revenue
SPE 8 -Xingu Altamira*	PA			set/19	jul/47	17
SPE 8 - Rurópolis	PA			jul/19	jul/47	18.6
INTESA	TO/GO	695	5	mai/08	abr/36	167
Total Operational		695	5			202
Total		3,281	12			1,110

*Reinforcement

Funding

Transmission lines



Medium Leverage

80%

	Source	Secured	Disbursed	%
SPV 1	Banco do Nordeste	343	288	
	Debêntures	55	55	
	Total	398	343	86%
SPV 2	Banco do Nordeste	353	269	
	Debêntures	45	45	
	Total	398	314	79%
SPV 3	Banco do Nordeste	425	346	
	Debêntures	90	90	
	Total	515	436	85%
SPV 4	BNDES	822	699	85%
SPV 5	Banco do Nordeste	356	201	
	Debêntures	66	66	
	Total	422	267	47%
SPV 6	BNDES	419	88	21%
SPV 7	FDA	293	76	
	Debêntures	130	130	
	Total	423	206	49%
SPV 8	FDA	495	194	
	Debêntures	189	189	
	Total	684	383	56%
Total Equatorial Transmissão		4,081	2,736	67%

Thank you 