







Alupar

ALUP11
NÍVEL 2
BM&FBOVESPA

4Q15 Results



1. Highlights
2. Financial Information

ALUP11 NÍVEL 2 BM&FBOVESPA

Agenda



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Highlights

Adherence to the GSF insurance

The Company joined the proposal for renegotiation of the hydrological risk in the ACR (Regulated Environment), the adherence will have a retroactive effect from January 2015, and have a withdrawal from lawsuits that protects the plants of the Group against the effects of GSF.

The table below presents the result of the adherance in the ACR (Regulated Environment) in 2015, by the ANEEL's decision.

Asset	Bonus – base date Jan/2015	Product	Amount to be reimbursed	ANEEL Decision
São José (Ijui) HPP	R$ 9.50/MWh	SP 100	R$ 8.8 million	DSP nº 027/2016
Foz do Rio Claro HPP	R$ 9.50/MWh	SP 100	R$ 11.5 million	DSP nº 083/2016
Ferreira Gomes HPP	R$ 2.50/MWh	SP 92	R$ 16.8 million	DSP nº 140/2016
Total			**R$ 37.1 million**	

Rating affirmation

On February 29, 2016, the agency Fitch Ratings has affirmed the National Long-term rating 'AA + (bra)' of Alupar and its debenture issues.

The perspective of the corporate rating is Stable.

Fitch Ratings

✓ Corporate (national scale) ***AA+***



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Financial Highlights

Transmission Financial Highlights - Combined

Key Indicators "CORPORATE LAW (IFRS)"						
R$ MM	4Q15	4Q14	Var.%	2015	2014	Var.%
Adjusted Net Revenue	285.1	290.4	(1.8%)	1,195.9	1,143.5	4.6%
Adjusted Operating Costs*	(24.5)	(22.3)	10.0%	(84.2)	(82.7)	1.8%
Depreciation / Amortization	(2.1)	(1.9)	13.1%	(10.0)	(7.1)	41.1%
Operating Expenses	(53.3)	(14.5)	268.2%	(82.0)	(42.0)	95.2%
EBITDA (CVM 527)	**207.3**	**253.6**	**(18.3%)**	**1,029.7**	**1,018.9**	**1.1%**
Adjusted Ebitda Margin	72.7%	87.3%	(14.6 p.p)	86.1%	89.1%	(3.0 p.p)
Financial Results	(57.4)	(54.5)	5.3%	(228.7)	(164.0)	39.5%
Net Income	**143.6**	**168.7**	**(14.9%)**	**681.6**	**781.4**	**(12.8%)**
Net Debt**	1,772.6	2,187.4	(19.0%)	1,772.6	2,187.4	(19.0%)
Net Debt / EBITDA***	2.1	2.2		1.7	2.1	

Key Indicators "REGULATORY"						
R$ MM	4Q15	4Q14	Var.%	2015	2014	Var.%
Net Revenue	293.4	272.2	7.8%	1,146.1	1,058.2	8.3%
Operating Costs	(23.1)	(20.9)	10.3%	(78.6)	(79.1)	(0.6%)
Depreciation / Amortization	(33.8)	(30.8)	9.9%	(128.6)	(119.0)	8.1%
Operating Expenses	(9.2)	(14.4)	(36.3%)	(37.8)	(42.0)	(9.9%)
EBITDA (CVM 527)	**261.1**	**236.8**	**10.3%**	**1,029.6**	**937.1**	**9.9%**
Ebitda Margin	89.0%	87.0%	2.0 p.p	89.8%	88.6%	1.2 p.p
Financial Results	(57.4)	(54.5)	5.4%	(228.7)	(164.0)	39.5%
Net Income	**169.3**	**138.8**	**22.0%**	**586.5**	**582.9**	**0.6%**
Net Debt**	1,772.6	2,187.4	(19.0%)	1,772.6	2,187.4	(19.0%)
Net Debt / EBITDA***	1.7	2.3		1.7	2.3	

*Adjusted Operating Costs: excluding infrastructure costs

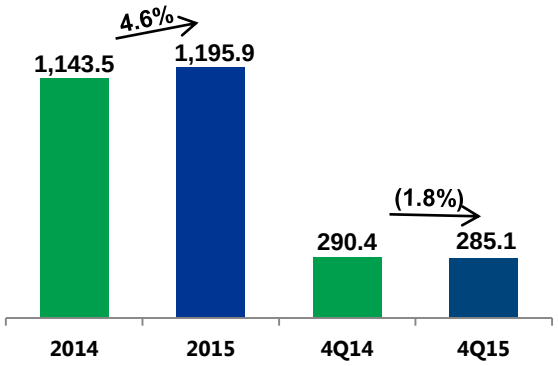
** Including Securities under Non-Current Assets

*** Annualized EBITDA

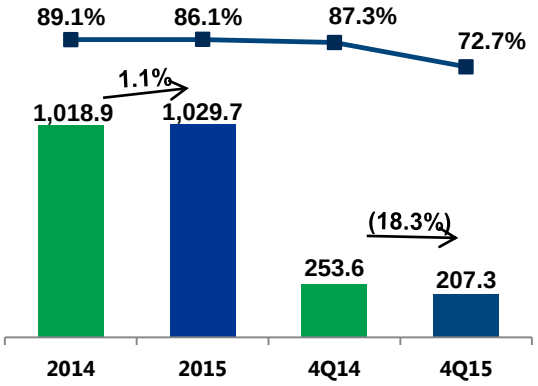
Transmission Financial Highlights - Combined

Corporate Law

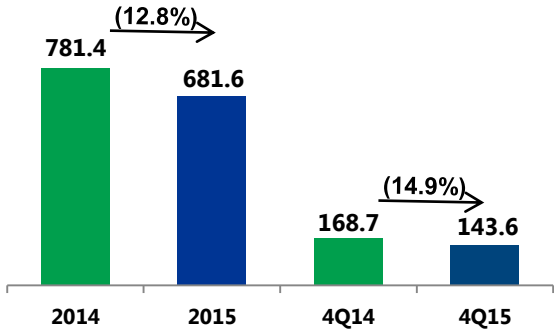
Adjusted Net Revenue (R$ million)



EBITDA (R$ million) and Margin[1] (%)

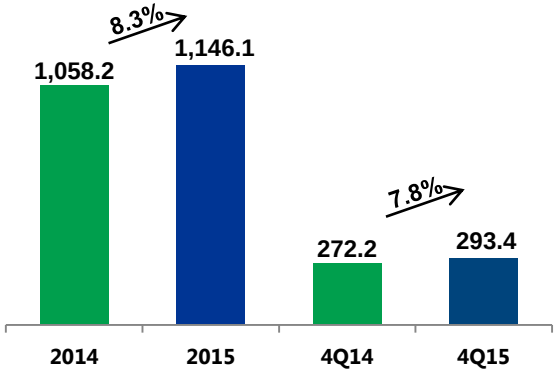


Alupar Net Income (R$ million)

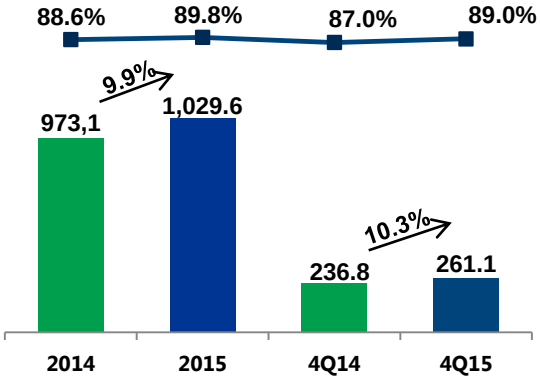


Regulatory

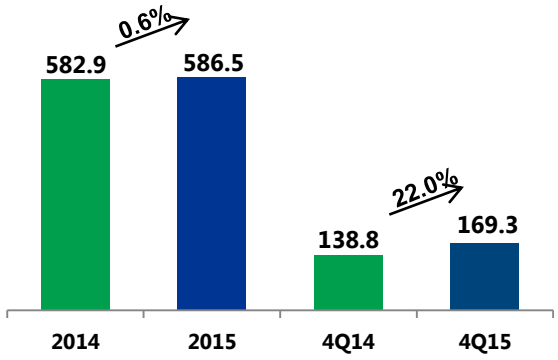
Net Income (R$ million)



EBITDA (R$ million) and Margin (%)



Alupar Net Income (R$ million)



[1] Adjusted Ebitda Margin

Generation Financial Highlights - Combined

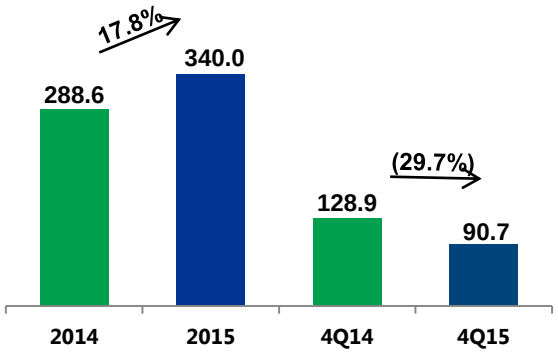
Key Indicators "CORPORATE LAW (IFRS)"						
R$ MM	4Q15	4Q14	Var.%	2015	2014	Var.%
Net Revenue	90.7	128.9	(29.7%)	340.0	288.6	17.8%
Operating costs	(12.0)	(12.5)	(4.3%)	(62.0)	(35.5)	74.5%
Depreciation / Amortization	(18.0)	(10.7)	67.9%	(69.4)	(35.6)	95.2%
Energy Purchase	2.0	(24.6)	(108.3%)	(63.9)	(65.7)	(2.6%)
Operating Expenses	(11.9)	(6.8)	75.4%	(31.8)	(19.1)	66.1%
EBITDA (CVM 527)	**68.9**	**85.0**	**(19.0%)**	**182.3**	**168.3**	**8.3%**
Ebitda Margin	**76.0%**	**65.9%**	**10.0 p.p**	**53.6%**	**58.3%**	**(4.7 p.p)**
Financial Result	(37.3)	(10.9)	242.8%	(113.7)	(41.4)	174.5%
Net Income / Loss	**9.7**	**59.7**	**(83.8%)**	**0.2**	**82.2**	**(99.8%)**
Net Debt*	1,593.2	1,213.1	31.3%	1,593.2	1,213.1	31.3%
Net Debt / EBITDA**	5.8	3.6		8.7	7.2	

* Includes Securities under Non-Current Assets

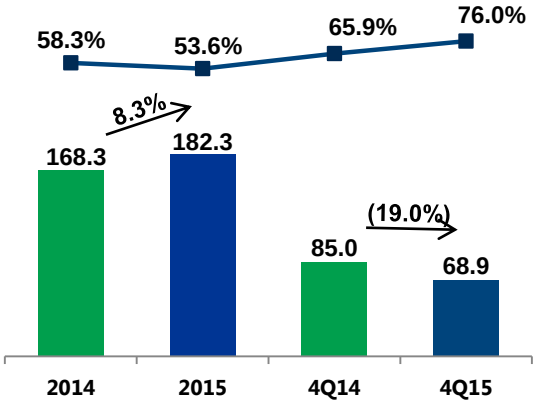
**Annualized EBITDA

Generation Financial Highlights - Combined

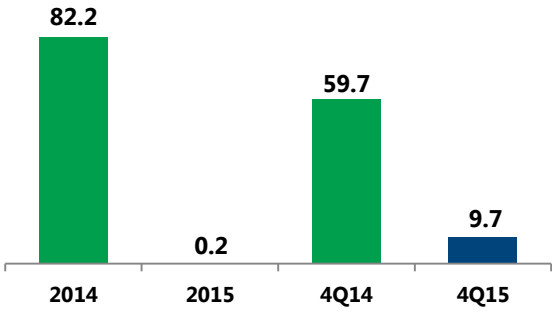
Net Revenue (R$ million)



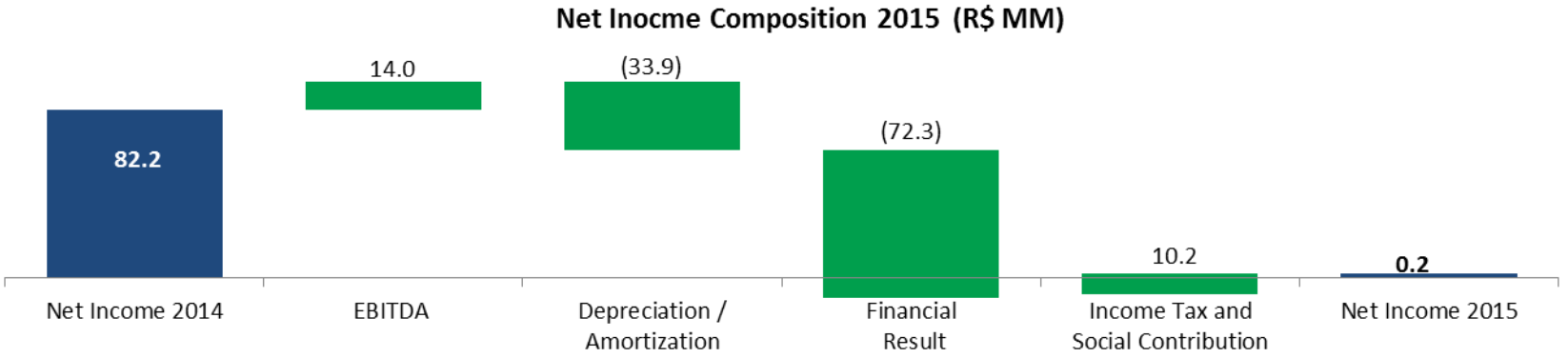
EBITDA (R$ million) and Margin (%)



Alupar Net Income (R$ milhões)



Net Income Composition – 2015

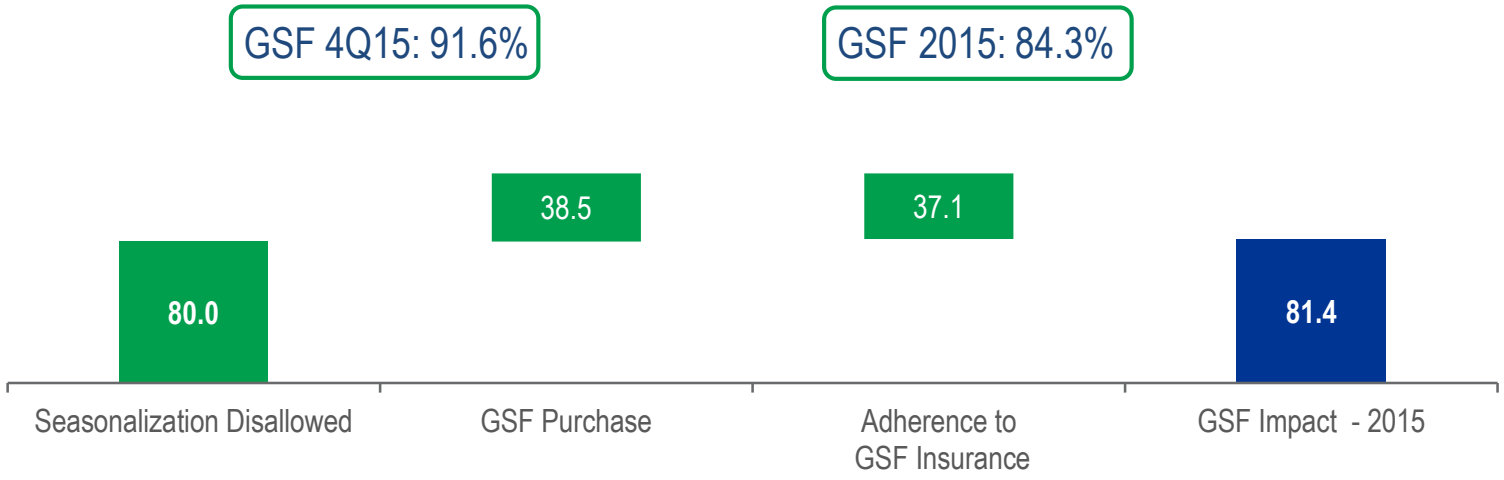


Seasonalization – GSF Impact

Energy Purchase: R$ 63.9 MM

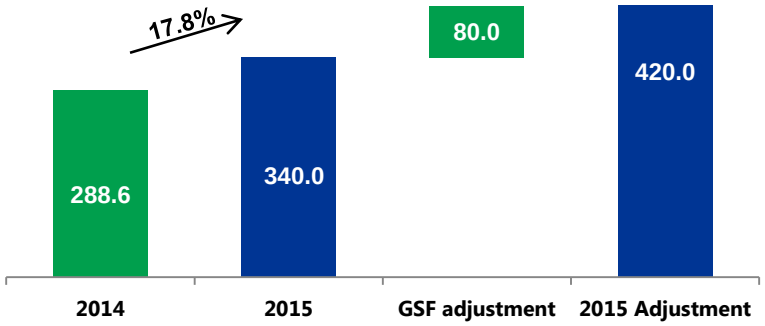
- ✓ 231.1 GWh of the seasonalization disallowed by GSF in 1H15 → Impact of R$ 80.0MM;
- ✓ Purchase of 163.3 GWh in 2H15 due to GSF → Impact of R$ 38.5MM;
- ✓ Purchase of 348.1 GWh in 2H15 due to seasonalization → Impact of R$ 62.4 MM;
- ✓ Positive effect from the adherence to the GSF insurance in the ACR → Impact of R$ 37.1MM.

GSF Impact: R$ 81.4 MM

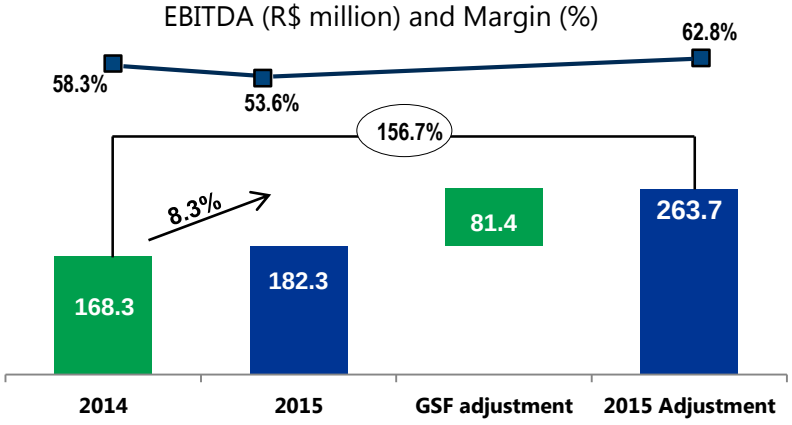


Generation Financial Highlights (Excluding GSF)

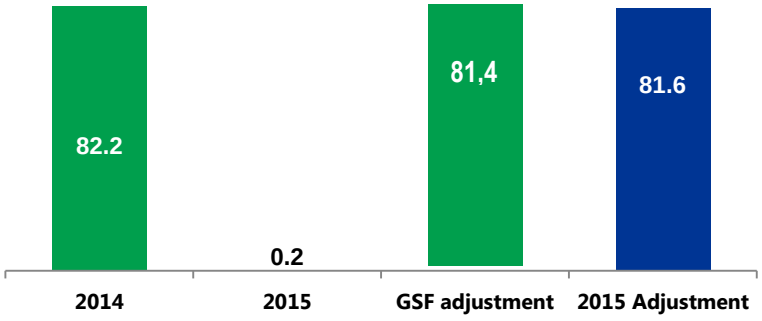
Net Revenue (R$ million)



EBITDA (R$ million) and Margin (%)

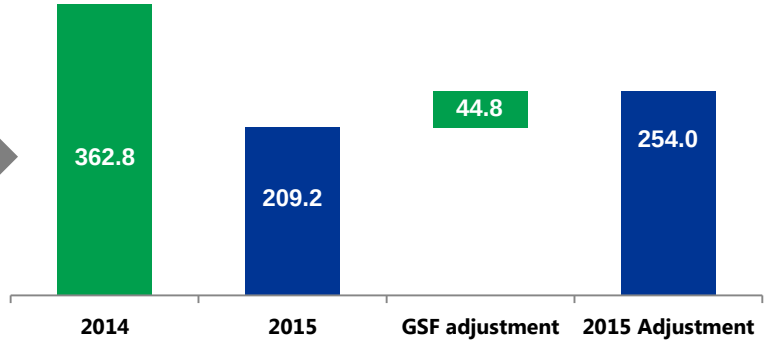


Net Income (R$ million)



Impact on the Consolidated

Alupar Net Income (R$ million)



Financial Highlights - Consolidated

Key Indicators "CORPORATE LAW (IFRS)"						
R$ MM	4Q15	4Q14	Var.%	2015	2014	Var.%
Adjusted Net Revenue	341.3	391.3	(12.8%)	1,417.8	1,338.9	5.9%
EBITDA (CVM 527)	**278.4**	**301.6**	**(7.7%)**	**1,150.8**	**1,088.9**	**5.7%**
Adjusted EBITDA Margin	**81.6%**	**77.1%**	**4.5 p.p**	**81.2%**	**81.3%**	**(0.1 p.p)**
Financial Results	(124.0)	(74.5)	66.4%	(427.7)	(242.6)	76.3%
Consolidated Net Income	146.1	193.9	(24.7%)	571.2	751.7	(24.0%)
Subsidiaries' Minority Interest	104.0	79.3	31.3%	362.0	388.9	(6.9%)
Net Income Alupar	**42.0**	**114.6**	**(63.3%)**	**209.2**	**362.8**	**(42.3%)**
Earnings per UNIT (R$)*	**0.20**	**0.55**	**(63.3%)**	**1.00**	**1.74**	**(42.3%)**
Net Debt**	3,902.3	3,350.9	16.5%	3,902.3	3,350.9	16.5%
Net Debt / Ebitda***	3.5	2.8		3.4	3.1	

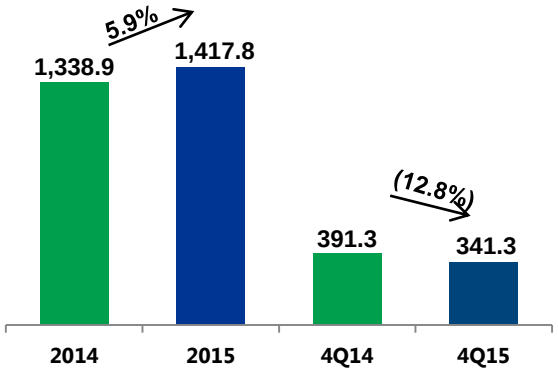
Key Indicators "REGULATORY"						
R$ MM	4Q15	4Q14	Var.%	2015	2014	Var.%
Net Revenue	353.6	387.0	(8.6%)	1,416.6	1,293.2	9.5%
EBITDA (CVM 527)	**317.7**	**303.8**	**4.5%**	**1,160.6**	**1,055.6**	**9.9%**
Adjusted EBITDA Margin	**89.8%**	**78.5%**	**11.3 p.p**	**81.9%**	**81.6%**	**0.3 p.p**
Financial Results	(124.0)	(74.5)	66.4%	(427.7)	(242.6)	76.3%
Consolidated Net Income	145.3	173.8	(16.4%)	467.4	592.2	(21.1%)
Subsidiaries' Minority Interest	86.2	59.8	44.2%	297.7	304.5	(2.2%)
Net Income Alupar	**59.1**	**114.0**	**(48.1%)**	**169.7**	**287.7**	**(41.0%)**
Earnings per UNIT (R$)*	**0.28**	**0.55**	**(48.1%)**	**0.81**	**1.38**	**(41.0%)**
Net Debt**	3,902.3	3,350.9	16.5%	3,902.3	3,350.9	16.5%
Net Debt / Ebitda***	3.1	2.8		3.4	3.2	

* Net Income / Units Equivalents (208,300,600) ** Including Securities under Non–Current Assets ***Annualized EBITDA.

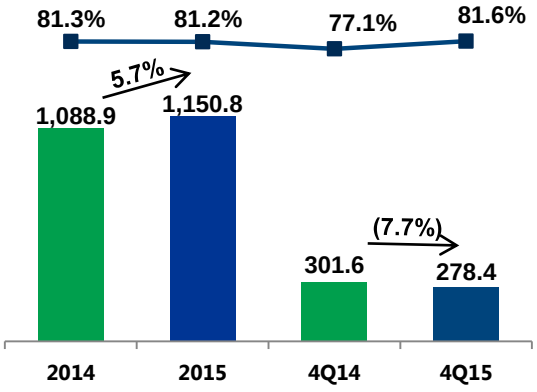
Financial Highlights - Consolidated

Corporate Law

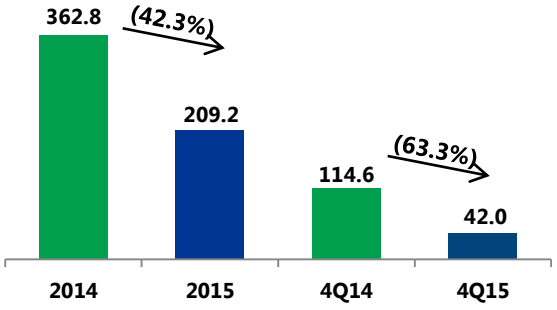
Adjusted Net Revenue (R$ million)



EBITDA (R$ million) and Margin[1] (%)

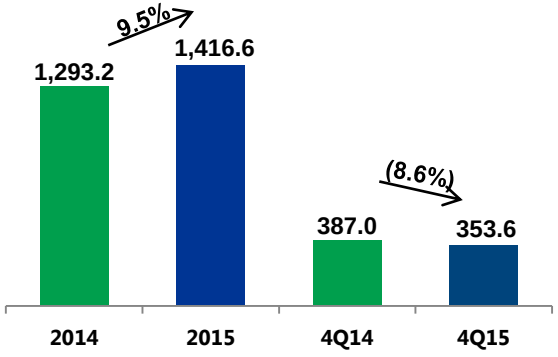


Alupar Net Income (R$ million)

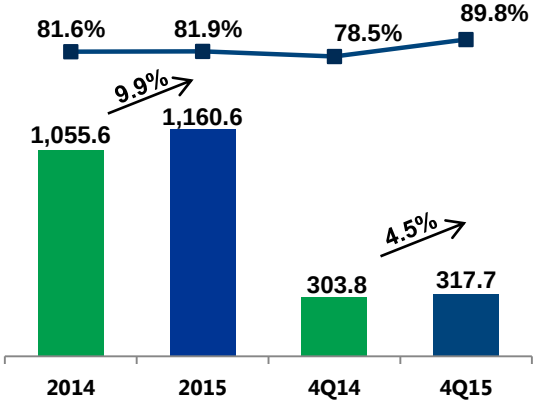


Regulatory

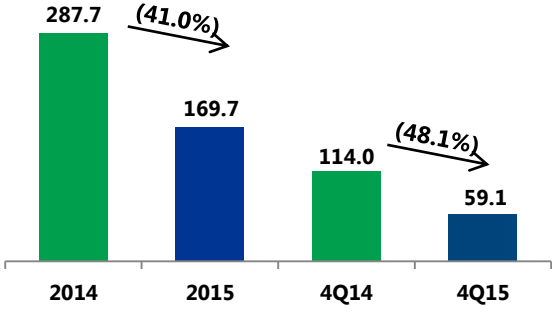
Net Income (R$ million)



EBITDA (R$ million) and Margin (%)



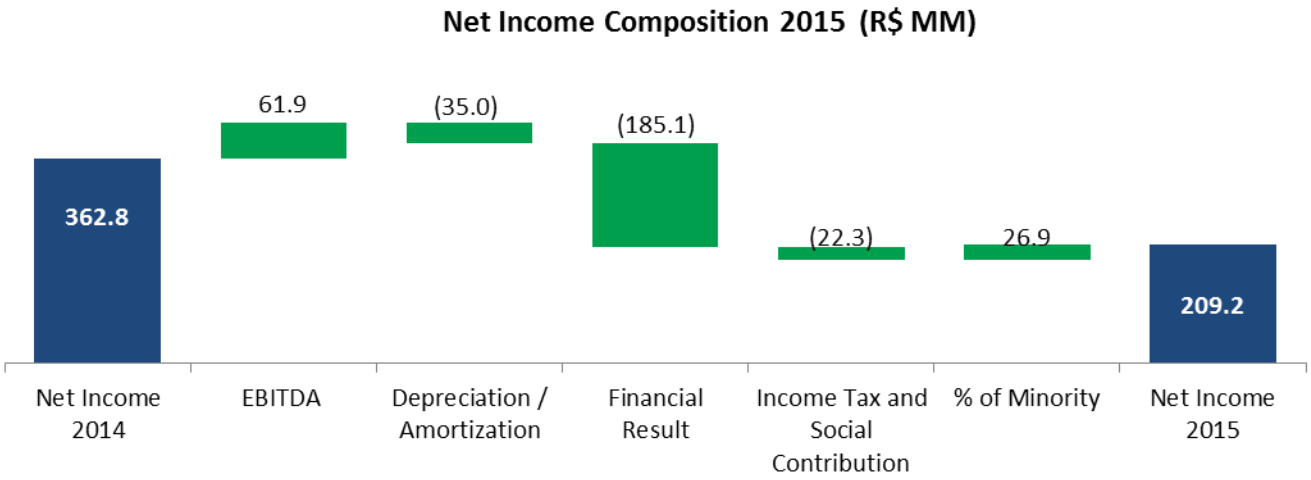
Alupar Net Income (R$ million)



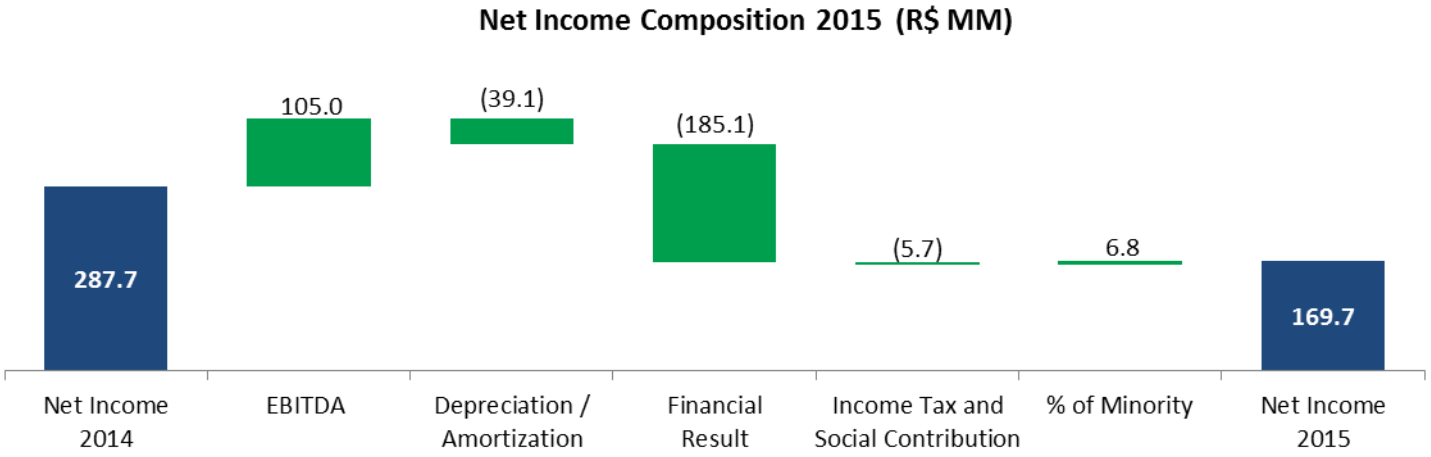
[1] Margem Ebitda Ajustada

Financial Highlights - Consolidated

Corporate Law

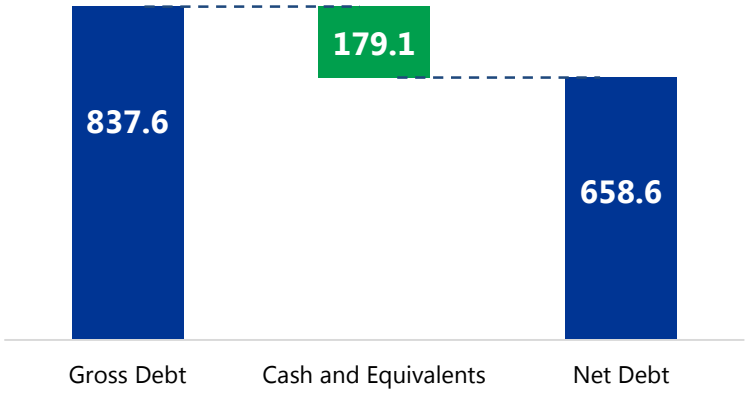


Regulatory

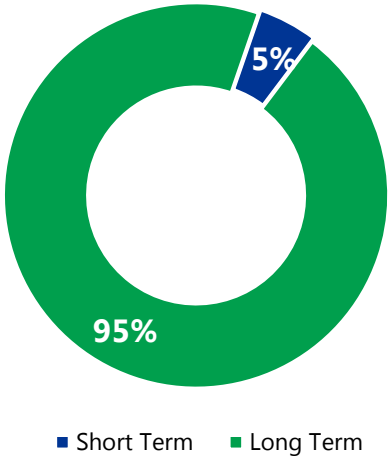


Indebtedness – Holding Company

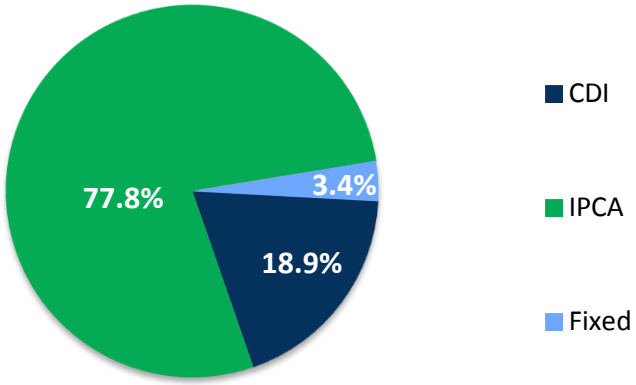
Total Debt 4Q15



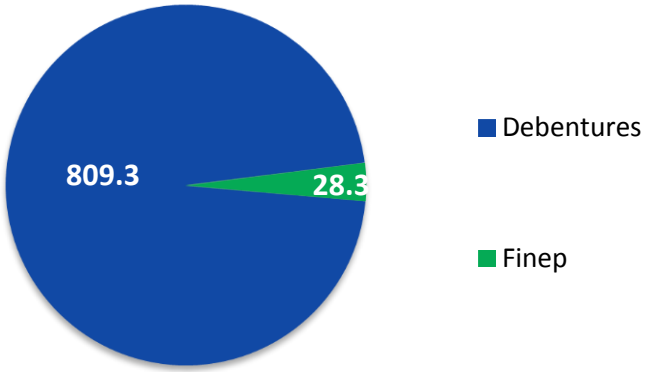
Debt Profile (%)



Gross Debt by Index (%)

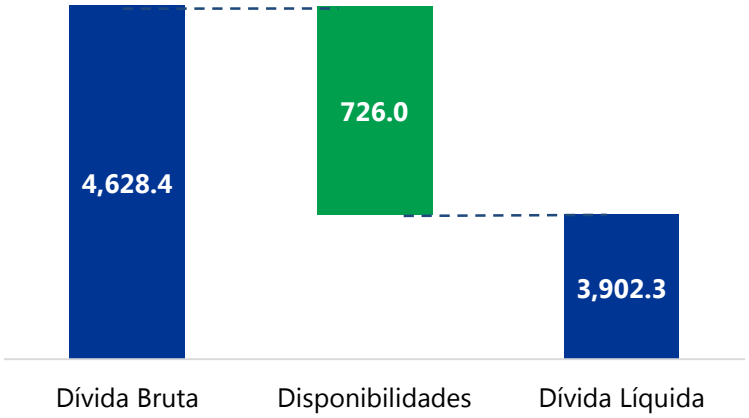


Gross Debt Composition (in thousands of R$)

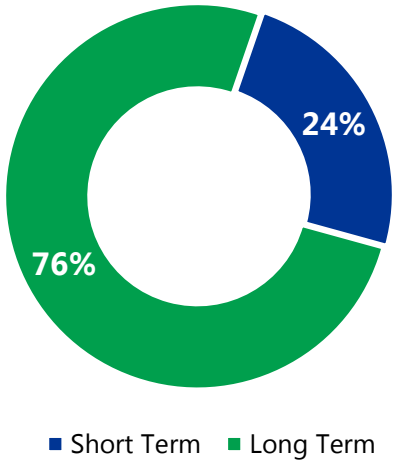


Indebtedness - Consolidated

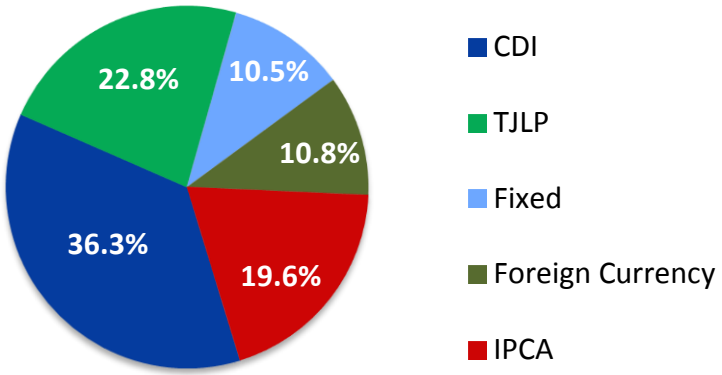
Total Debt 4Q15



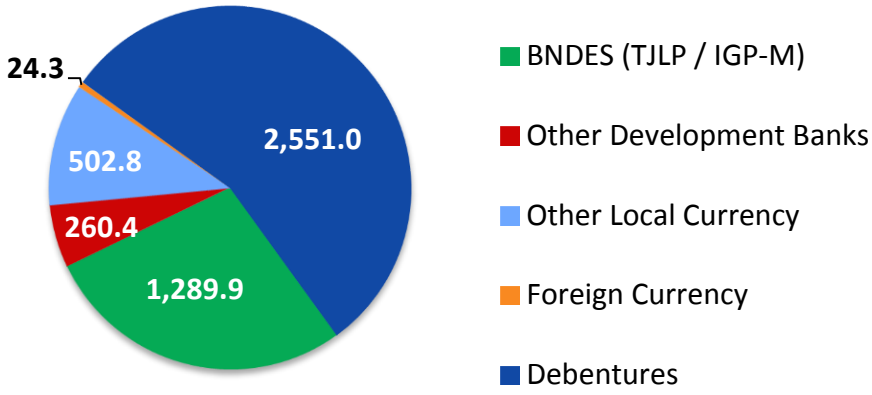
Debt Profile (%)



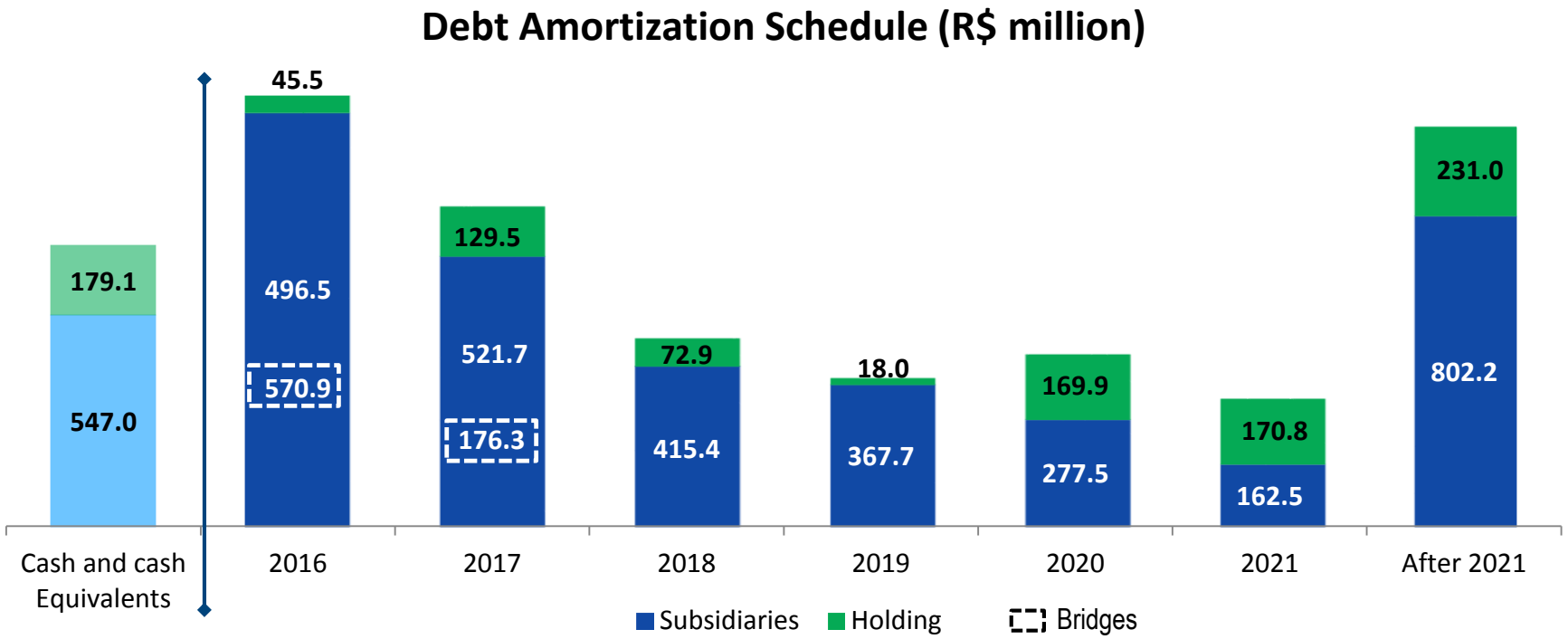
Gross Debt by Index (%)



Total Debt Composition (in thousands of R$)



Indebtedness - Consolidated



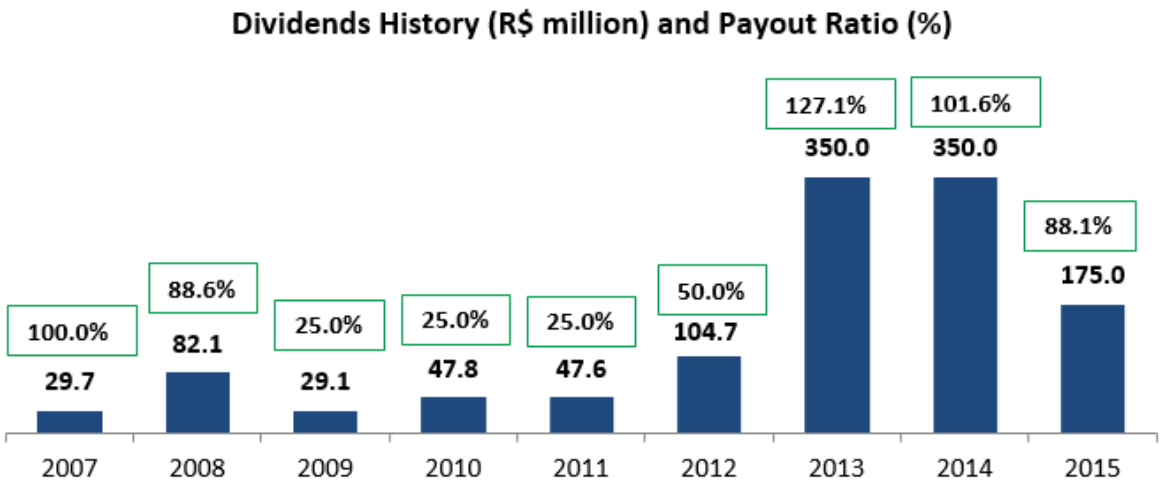
FitchRatings

✓ Corporate (national scale) ***AA+***

Allocation of Profit

On March 10th, 2016, the Board of Directors recommended:

- ***distribution of R$ 175.0 million of profits (equivalent to R$ 0.84 per unit), which refers to 88.1% of the Net Income for the 2015 fiscal year;***
  - *Ex dividend from April 22nd, 2016;*
  - *Payment of R$ 100.0 million on July 29th , 2016;*
  - *Payment of R$ 75.0 million during the 2016 fiscal year, the date is going to be defined by the Board of Directors;*
- ***Company reinforcement of working capital in the amount of R$ 173.3 million, with the issuance of 40,618,617 new shares, to be bonus to shareholders and holders of Units at a ratio of 6.50 new shares for every 100 existing shares.***



Disclaimer

The stand-alone and consolidated financial statements were prepared in accordance with the accounting principles adopted in Brazil, which include corporation law, the pronouncements, instructions and interpretations issued by the Accounting Pronouncements Committee (CPC) and the regulations of the Securities and Exchange Commission of Brazil (CVM), combined with specific legislation issued by the National Electric Power Agency (ANEEL). As the industry regulator, ANEEL has powers to regulate the concessions. The results are usually presented in both IFRS and former formats in order to permit comparisons with other periods. However, the results presented in "Regulatory" format are not audited. ALUPAR uses the audited results based on the IFRS principles to declare dividends.

The forward-looking statements contained in this document relating to the business outlook, projections of operational and financial results and the growth prospects of ALUPAR are merely projections, and as such are based exclusively on management's expectations for the future of the business. These expectations depend materially on changes in market conditions and the performance of the Brazilian economy, the sector and international markets and therefore are subject to change without prior notice.

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