

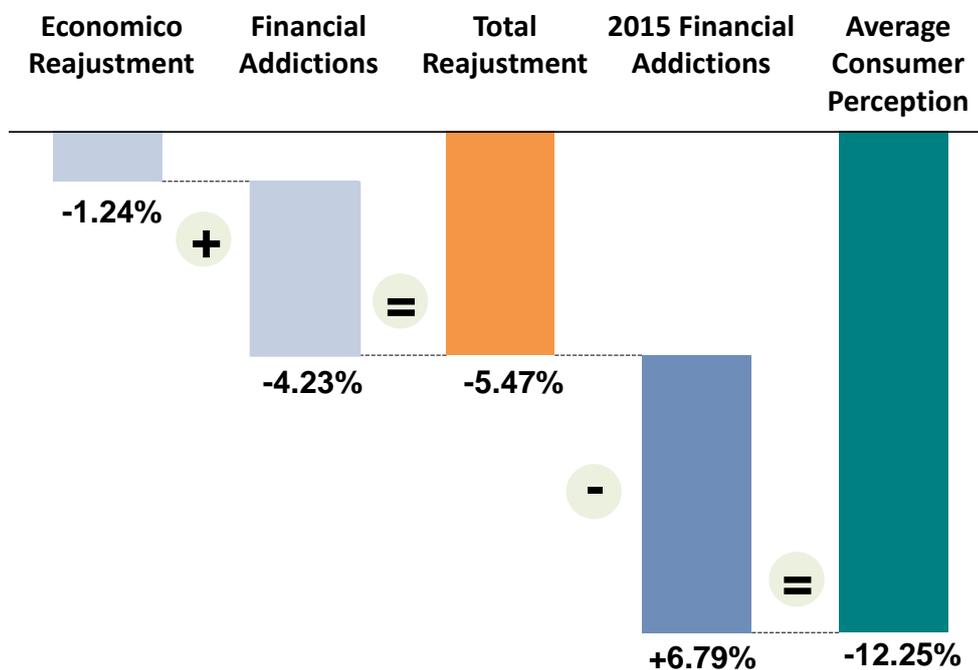


LIGHT S.A.
 Corporate Taxpayer's ID (CNPJ/MF): 03.378.521/0001-75
 Company Registry (NIRE): 33.300.263.16-1
 Publicly Held Company

ANEEL defines 2016 Tariff Adjustment for Light Serviços de Eletricidade S.A.

Light S.A. (BM&FBovespa: LIGT3 and OTC: LGSXY) ("Company"), the parent company of Light Serviços de Eletricidade S.A. ("Light SESA"), hereby informs its shareholders and the market in general that the Brazilian Electricity Regulatory Agency ("Aneel"), at a public meeting held today, approved an average tariff readjustment index decrease of 12.25%, composed of two components: the structural component, of -1.24%, which will be integrated into the tariff; and the financial component, of -4.23%, exclusively applied to the next twelve months. Considering the removal of the financial component of 6.79% currently present in Light's tariff, Light SESA's consumers will observe an average increase of 12.25% in their electricity bills. The new tariffs will be applied as of November 7, 2016.

Average Consumer Perception



Regarding the different consumption segments and voltage levels, it is worth noting that residential consumers will perceive a lower-than-average increase of 12.03%, as detailed in the table below, which also presents the increase to be perceived by the other segments and voltage levels.

Average Consumer Increase by Segment and Voltage Level

Voltage Level (Consumption segment)	Average Increase
A2	-13.01%
A3a	-11.52%
A4	-13.47%
AS	-12.18%
B1 (Residential)	-12.03%
B2 (Rural)	-3.74%
B3 (Commercial)	-11.99%
B4 (II. Public)	-3.19%
High Voltage	-13.32%
Low Voltage	-11.73%
Total	-12.25%

The annual tariff revision process consists of passing through to consumers non-manageable concession costs (Parcel A - energy purchases, sector charges and transmission charges) and the adjustment of manageable costs (Parcel B – distribution) by the IGP-M price index, minus Factor X, which transfers the concessionaire’s productivity gains to consumers.

The adjustment of Parcel A was of -3.84%, mainly explained by: (i) Decrease of 16% in the CDE (sector charge) (ii) the variation of -6.31% in energy purchase costs, largely due to the depreciation of the BRL against the USD, which impacts Itaipu’s tariff. The average price of energy contracts passed through to the tariff (“PMix”) was of 173.78 R\$/MWh.

The adjustment of Parcel B (which is used by Light to cover costs and remunerate investments), reflects the accumulated variation in the IGP-M index from November 2015 to October 2014, of 8.78%, minus Factor X (1.22%), resulting in a final adjustment of 7.56%.

As a result, from the average consumer decrease of 12.25%, Parcel A costs accounted for 13.98% and Parcel B for 1.72%.

Regarding the evolution of the losses’ combat program, due to noncompliance with the target of 38.33% in August 2016, the percentage of non-technical losses passed through to the tariff will be 36.41% over the low voltage market.

Regarding the goal established for 2015, ANEEL informed that Light did not accomplished the percentage of 39,92% of non-technical losses over the low voltage market. Arising from this decision, by the time the tariff readjustment enter into force (on 7 November 2016), it will be returned on the client rate a financial component of R\$ 40,903,404.46 (forty million, nine hundred and three thousand, four hundred and four reais and forty-six cents).

Light reports that, regardless of the 2016 tariff readjustment, the Company continues with the formal procedures for signing the amendment to the concession contract based on the new contractual model, in accordance with Dispatch No. 2194 of 16 August 2016. This process, registered at Aneel under number 48500.004968 / 2016-76, aim at the economic and financial balance of the concession by anticipating the date of the periodic tariff revision and the renegotiation of certain conditions stipulated in the current contract.

Further information as to the tariff readjustment process and the signing of the amendment to the concession contract based on the new contractual model may be discussed in the 3Q16 Results Conference Call, scheduled for November 11 at 13:30 p.m (NY time), 4:30 p.m (local time), through the following numbers:

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Access code: Light.

Rio de Janeiro, November 1st, 2016.

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