



Quarterly Information Form - ITR

Alupar Investimento S.A.

March 31, 2019

COMMENTS ON ALUPAR'S PERFORMANCE

Analysis of Consolidated Income

Net Operating Revenue - IFRS

Alupar and its subsidiaries recorded and Net Revenue of R\$ 1,145.8 million in the 1Q19, against the R\$ 365.5 million registered in 1Q18.

Net Revenue (R\$ MM)			
	1Q19	1Q18	Var.%
Energy Transmission Revenue	170.4	44.2	285.3%
Infrastructure Revenue	701.2	29.3	-
Remuneration of Concession Assets	133.5	200.5	(33.4%)
Energy Supply	230.7	121.3	90.2%
Gross Revenue - IFRS	1,235.8	395.3	212.6%
Deductions	90.0	29.8	202.2%
Net Revenue - IFRS	1,145.8	365.5	213.5%

The variation in **Net Revenue** is mainly explained by the:

(a) an increase of R\$ 671.9 million in **Infrastructure Revenue**, which totaled R\$ 701.2 million in this quarter against R\$ 29.3 million in 1Q18. This change was recorded mainly in transmission projects being implemented in Brazil, as follows: (i) an increase of R\$ 160.5 million due to investments made in transmission companies under implementation (EDTE, ETAP, ETC, TPE, TCC, ESTE and TSM) and; (ii) an increase of R\$ 511.4 million as a result of the application of CPC 47 (IFRS 15) - Revenue from Contracts with Customers, effective as of January 1, 2018;

(b) an increase of R\$ 126.2 million in **Energy Transmission Revenue**, which totaled R\$ 170.4 million in 1Q19, compared to R\$ 44.2 million in 1Q18, exclusively in transmission companies in operation, mainly due to the application of CPC 47 (IFRS 15) - Revenue from Contracts with Customers, effective as of January 1, 2018;

(c) a R\$109.4 million increase in **Energy Supply Revenue**, due to: (a) R\$ 56.8 million growth in **the combined revenues of the generators**, basically by: (i) growth of R\$ 18.1 million in Queluz and Lavrinhas SHPPs as a result of the hedge strategy used in the SHPPs aimed at mitigating the volatility of the PLD/market in the first quarter; (ii) increase of R\$ 20.7 million in Ferreira Gomes HPP, mainly explained by the additional sale of 54.4 MW in this quarter at the average price of R\$ 231.80/MWh, totaling R\$ 27.2 million (in 1Q18, an additional 16.3 MW was sold at the average price of R\$180.01/MWh, totaling R\$ 6.3 million); (iii) an increase of R\$ 8.4 million in revenues from Verde 8 SHPP, due to its startup of operations; (iv) increase of R\$ 9 million in Foz do Rio Claro and Ijuí HPPs, resulting from the adjustment of the MRE above 1 (secondary energy) during the 1Q19 and; (v) readjustment of energy sale contracts, which are indexed for inflation (IPCA/IGP-M); (b) increase of R\$ 89.6 million in **revenues from the trading company**, which recorded R\$ 105.1 million this quarter, compared to R\$ 15.5 million in 1Q18 and; (c) increase of R\$ 37 million in **eliminations** due to higher intercompany transactions.

(d) an increase of R\$ 60.2 million in **deductions**, basically due to the R\$ 51.7 million increase in deferred PIS/COFINS taxes, arising from the increase in gross revenue from the transmission segment, which, in turn, resulted from the application of CPC 47 (IFRS 15) - Revenue from Contracts with Customers.

Operating Costs - IFRS

In 1Q19, Cost of Services totaled R\$ 368.4 million, compared to R\$ 122.1 million in 1Q18.

This change is due to: (a) an increase of R\$ 155.3 million in **Infrastructure Costs**, due to the increase of R\$ 160.5 million in transmitters under implementation in Brazil (ETAP, ETC, TPE, TCC, ESTE, EDTE and TSM), arising from the 2016 and 2017 auctions. For more information on the changes in Infrastructure Costs (CAPEX), please see the "Investments" section below; (b) increase of R\$ 106.9 million in **Energy Purchased for Resale**, on the grounds of: (i) growth of R\$ 71 million in the **combined cost of generators**, of which: (i.a) an increase of R\$ 42.1 million in Ferreira Gomes HPP, resulting from the energy seasonality strategy adopted in this period and the ballast recomposition; (i.b) increase of R\$ 11.5 million in Queluz SHPP and R\$ 8.5 million in Lavrinhas SHPP, resulting from the energy allocation and hedge strategies performed during this quarter and; (i.c) increase of R\$ 10.3 million in Verde 8 SHPP, resulting from the seasonality strategy adopted for the period; (ii) an increase of R\$ 73 million in the **trading company** and an increase of R\$ 37 million in **eliminations**; (c) R\$ 19.9 million drop in the **cost of services rendered**, primarily because of: (i) R\$ 23.1 million reduction in Queluz and Lavrinhas SHPPs, given that in 1Q18, we recorded a provision for negative exposure (retroactive) to the GSF of R\$ 23 million; (ii) increase of R\$ 0.7 million in Verde 8 SHPP, due to its start-up of commercial operations (May 18); (iii) increase of R\$ 0.6 million in Energia dos Ventos wind farm complex, due to the start-up of operations of the transmission line (Dec/18); (iv) R\$ 1.7 million growth in the STN transmitter, due to non-recurring expenses for repairs on the transmission line and; (v) increase of R\$ 0.6 million in ENTE transmitter resulting from higher expenses for access recovery, O&M and environmental services and; (d) a R\$ 2.3 million increase in the **Depreciation/Amortization** account, due to the increase of R\$ 1.5 million in Verde 8 SHPP and R\$ 0.8 million in the Energia dos Ventos wind farm complex, due to the assets' start-up of operations in May/18 and Dec/18, respectively.

Operating Costs R\$ (MM)			
Operating Costs	1Q19	1Q18	Var.%
Cost of Services Rendered	33.7	53.6	(37.1%)
Energy Purchased for Resale	123.8	16.9	-
Charges of Electric Grid - CUST	7.3	7.1	2.7%
Hydro Resources - CFURH	3.4	2.0	72.4%
Infrastructure Cost	174.7	19.4	-
Depreciation / Amortization	25.5	23.2	9.9%
Total	368.4	122.1	201.7%

Operating Expenses - IFRS

In 1Q19, Operating Expenses totaled R\$ (30.7) million, compared to R\$ 9.7 million in 1Q18.

The change of R\$ (40.3) million in this account is exclusively due to the R\$ 41.6 million increase in **Equity Pickup**, explained by the increase of R\$ 47.2 million in the ETB transmitter, which, as a result of the investments of R\$ 25.6 million realized in this quarter and the application of CPC 47 (IFRS 15) - Revenue from Contracts with Customers, presented an income of R\$ 94.9 million in the period.

Operating Expenses R\$ (MM)			
Operating Expenses	1Q19	1Q18	Var.%
General and Administrative	8.6	7.4	15.9%
Personnel and Management	11.5	11.5	-
Equity Pickup	(52.3)	(10.7)	388.4%
Others	0.2	0.1	54.9%
Depreciation / Amortization	1.3	1.3	-
Total	(30.7)	9.7	-

EBITDA - IFRS

In 1Q19, EBITDA totaled R\$ 834.8 million, R\$ 576.6 million higher than the R\$ 258.3 million recorded in 1Q18.

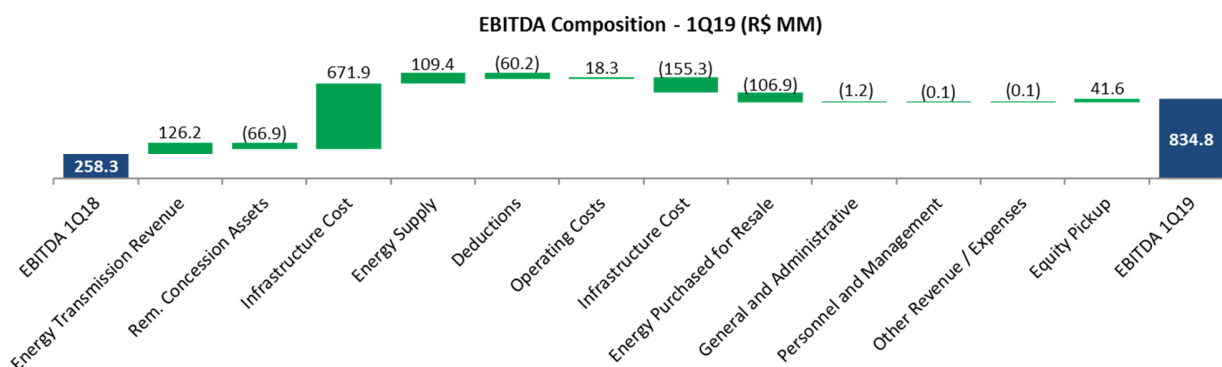
Adjusted EBITDA Margin reached 86.0%, 11.4 p.p. higher than the 74.6% recorded in 1Q18.

The change in EBITDA is due to: (a) an increase of R\$ 780.3 million in **Net Revenue**, resulting from: (i) growth of R\$ 731.1 million in the **Revenue from the Energy Transmission Segment**, mainly as a result of the increase of R\$ 671.9 million in **Infrastructure Revenue**, arising from the investments made in the transmitters under implementation in Brazil and the application of CPC 47 (IFRS 15)- Revenue from Contracts with Customers, effective as of January 1, 2018 and; (ii) an increase of R\$ 109.4 million in **Revenue from the Energy Generation Segment**, as previously detailed in the section "Net Operating Revenue – IFRS"; (b) an increase of R\$ 155.3 million in **Infrastructure Cost**, resulting from investments made in the transmitters being implemented in Brazil (ETAP, ETC, TPE, TCC, ESTE, EDTE and TSM) from the 2016 and 2017 auctions, which showed an increase of R\$ 160.5 million when comparing 1Q19 vs. 1Q18; (c) an increase of R\$ 106.9 million in costs with **Energy Purchased for Resale**, due to: (i) a R\$ 71.0 million increase in the **combined cost of the generators**, of which: (i.a) R\$ 42.1 million increase in the **Ferreira Gomes HPP**, due to the energy seasonality strategy adopted in this period and ballast recomposition; (i.b) an increase of R\$ 11.5 million in the **Queluz SHPP** and R\$ 8.5 million in the **Lavrinhas SHPP**, due to the energy allocation and hedging strategy carried out in this quarter; (i.c) an increase of R\$ 10.3 million in the **Verde 08 SHPP**, due to the seasonal energy strategy adopted for period and; (ii) an increase of R\$ 73.0 million in the scope of the **trading** and an increase of R\$ 37.0 million in **eliminations** and; (d) increase of R\$ 41.6 million in **Equity Pickup**, due to the R\$ 47.2 million growth in ETB transmitter, which, as a result of the investments of R\$ 25.6 million in this quarter and the application of CPC 47 (IFRS 15)- Revenue from Contracts with Customers, presented an income of R\$ 94.9 million in the period.

EBITDA - IFRS (R\$ MM)			
	1Q19	1Q18	Var.%
Net Revenue - IFRS	1,145.8	365.5	213.5%
Operating Costs	(44.4)	(62.7)	(29.1%)
Infrastructure Costs	(174.7)	(19.4)	801.9%
Energy Purchase	(123.8)	(16.9)	633.6%
Operating Expenses	(20.3)	(19.0)	6.9%
Equity Pickup	52.3	10.7	388.4%
EBITDA	834.8	258.3	223.2%
EBITDA Margin	72.9%	70.7%	2.2 p.p
Adjusted EBITDA Margin*	86.0%	74.6%	11.4 p.p

* Subtracted from Net Revenue the Capex made (Infrastructure Cost)

Follow below the EBITDA Compositon:



Financial Results

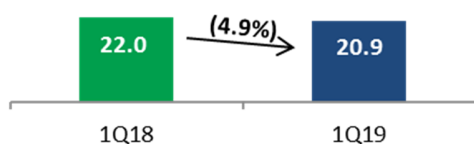
Totaled R\$ (57.8) million in 1Q19, R\$ 4.4 million lower than the R\$ (62.2) million registered in the same period of the previous year.

This change in the financial result arises from:

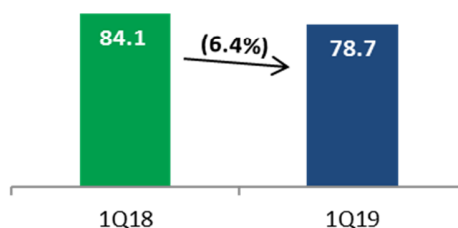
(a) a reduction of R\$ 5.4 million in **financial expenses**, due to: (i) the decline in the average rate of interbank deposits ("CDI"), which recorded 1.51% in 1Q19 against 1.59% in 1Q18; (ii) reduction of R\$ 1.3 million in the EATE transmitter, R\$ 1.1 million in the ENTE transmitter, R\$ 0.9 million in the STN transmitter and R\$ 0.8 million in the ECTE transmitter, due to the reduction of R\$ 198.1 million in the balance of the debt, basically due to amortizations over the last 12 months; (iii) a reduction of R\$ 3.8 million in the La Virgen HPP, due to the decrease in the exchange rate variations account in provisions for the acquisitions of goods related to the project, and; (iv) on the other hand, an increase of R\$ 3.9 million was registered in Verde 8 SHPP, which did not present a balance in 1Q18 but recorded an expense of R\$ 3.9 million in this quarter, due to its commercial start-up (May/18).

(b) a reduction of R\$ 1.1 million in **financial revenues**, mainly due to: (i) a decrease of R\$ 2.1 million in Alupar - Holding, as a result of: (i.a.) decrease in the average rate of interbank deposits ("CDI"), which recorded 1.51% in 1Q19, compared to 1.59% in 1Q18 and (i.b.) a reduction of R\$ 94.3 million in cash, mainly due to the investments made in transmission projects under implementation and; (ii) an increase of R\$ 0.4 million in Verde 8 SHPP due to its start-up of operations.

Financial Revenue (R\$ MM)



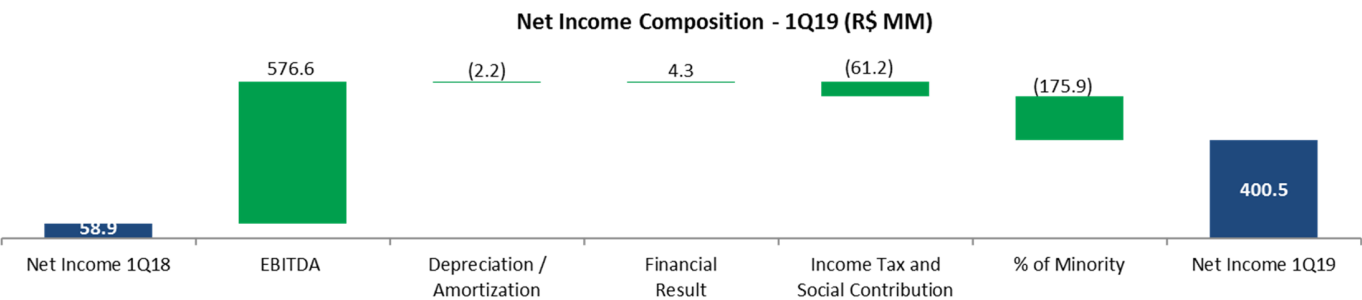
Financial Expenses (R\$ MM)



Net Income - IFRS

In 1Q19, net income totaled R\$ 400.5 million, compared to R\$ 58.9 million in 1Q18.

This change is due to: (a) an increase of R\$ 576.6 million in **EBITDA**, as explained above; (b) an increase of R\$ 61.2 million in **Taxation**, being: (i) an increase of R\$ 77.5 million in Deferred Income Tax and Social Contribution of the transmitters, due to the application of CPC 47 (IFRS 15), which generated an increase in the balance receivable from concession assets, and consequently the recognition of deferred taxes on this increase; (ii) reduction of R\$ 9.0 million in the Income Tax and Social Contribution of Ferreira Gomes (R\$ 6.0 million) and Verde 8 (R\$ 3.0 million) due to the constitution of deferred Income Tax and Social Contribution and; (c) an increase of R\$ 175.9 million in **Minority%**, mainly due to the increase in transmitters' results, due to the application of CPC 47 (IFRS 15).



Investments

In 1Q19, total investments of R\$ 200.4 million were made in our companies, of which R\$ 179.0 million was allocated to the transmission segment, R\$ 21.1 million to the generation segment and R\$ 0.3 million for new business development, against R\$ 68.6 million recorded in 1Q18, when R\$ 22.0 million were allocated to the transmission segment, R\$ 39.3 million to the generation segment and R\$ 7.2 million towards the development of new business.

The investment volume made in 1Q19 mainly reflects the implementation of ETAP, ETC, TPE and TCC, which jointly amounted R\$ 144.1 million in this quarter front of R\$ 12.0 recorded in 1Q18.

Investments (R\$ MM)		
	1Q19	1Q18
Transmission*	179.0	22.0
ELTE	0.0	0.2
ETAP	42.7	4.2
ETC	27.3	3.2
TCC	16.3	1.2
TPE	54.7	3.3
TCE	4.3	2.7
ESTE	1.5	0.7
TSM	5.5	1.3
EBTE	-	5.1
EDTE	26.5	-
Other	0.1	0.0
Generation	21.1	39.3
Energia dos Ventos	7.3	15.9
La Virgen	12.0	2.8
Verde 08	-	18.5
Other	1.8	2.1
Holding	0.3	7.2
Total	200.4	68.6

*Except for TCE, the amount of the investments of the transmitters is exactly the amount accounted for as infrastructure cost.

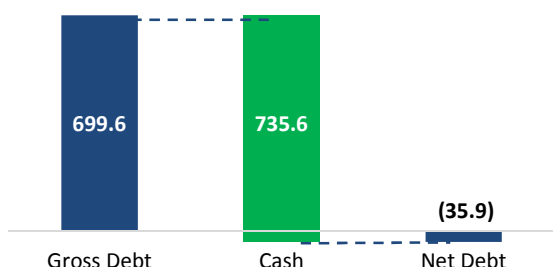
Indebtedness

Alupar - Holding:

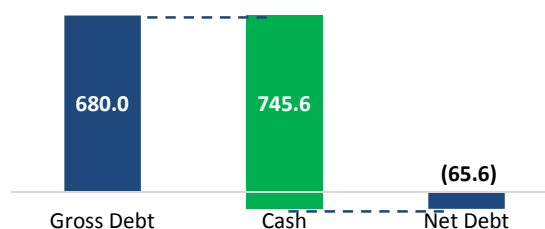
In 1Q19, the gross debt of Alupar - Holding amounted to R\$ 699.6 million, R\$ 19.6 million higher than the R\$ 680.0 million registered in December 18. This change is explained by: (i) provision for charges, totaling R\$ 13.2 million; and (ii) provisions for monetary variation, amounting to R\$ 6.5 million.

Alupar - Holding's cash and cash equivalents totaled R\$ 735.6 million, R\$ 10.0 million lower than the R\$ 745.6 million recorded in December 18. This change is mainly explained by the contributions of R\$ 7.5 million made in the projects, of which R\$ 6.1 million in Windepar and R\$ 1.4 million in Alupar Colombia for the implementation of the TCE.

Total Debt 1Q19



Total Debt Dec/18



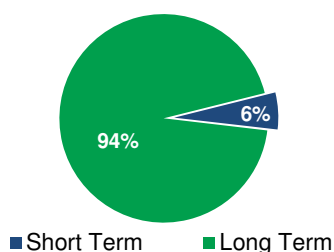
The gross debt of Alupar - Holding consists of 100% in debenture issues, all indexed by IPCA, with a very long profile, with approximately 19% of maturities after 2024.

Short-term debt totaled R\$ 40.1 million, R\$ 12.6 million higher than the R\$ 27.5 million recorded in December 2018, mainly due to the provision of charges and monetary variations of the V and VI issues of the Holding's debentures.

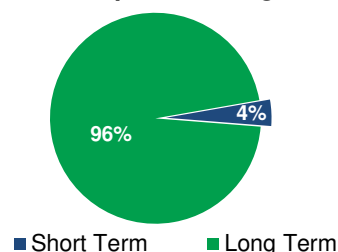
For more information on Alupar - Holding's debt, please see Explanatory Notes 24 "Loans and Financing" and 25 "Debentures" in the 1Q19 interim financial information.

Alupar - Holding's debt profile is shown below:

Debt Profile Alupar - Holding 1Q19



Debt Profile Alupar - Holding Dec/18

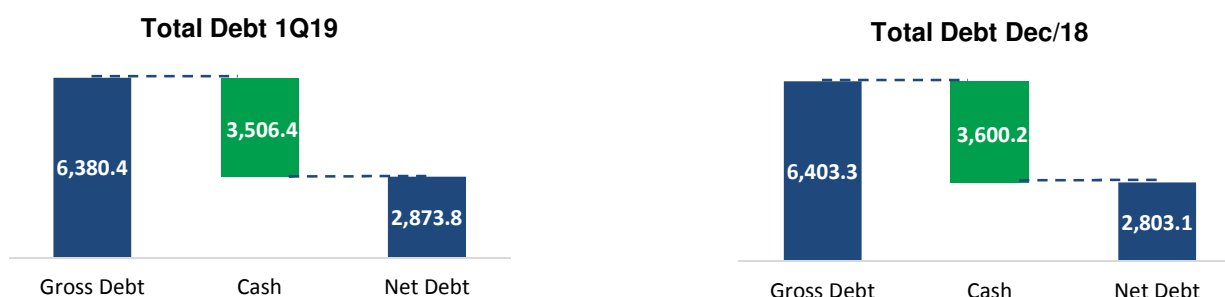


Consolidated

Consolidated gross debt of Alupar and its subsidiaries totaled R\$ 6,380.4 in 1Q19, R\$ 22.9 million lower than the R\$ 6,403.3 million recorded in Dec/18. This change is mainly explained by: (i) provisions for charges and monetary variations in the debts of Alupar - Holding, in the amount of **R\$ 19.7 million**; (ii) amortization of the debts of the subsidiaries, in the amount of **R\$ 139.2 million**; (iii) payments of charges on debts of the subsidiaries, in the amount of **R\$ 106.8 million**; (iv) provisions for charges and monetary variations of subsidiaries, totaling **R\$ 128.2 million**; (v) gain on the appreciation of the BRL against the USD on the debts of the La Virgen HPP and the Morro Azul SHPP, impact of **R\$ 7.5 million**; (vi) release of the second tranche for Alupar Peru, of the financing raised from Santander for the implementation of the La Virgen HPP, in the amount of R\$ 67.8 million.

Cash and cash equivalents totaled R\$ 3,506.7 million in 1Q19 against the R\$ 3,600.2 million recorded in Dec/18. This change of R\$ 93.5 million in cash was mainly due to the investments in the projects being implemented, of which we highlight: (i) a reduction of R\$ 33.9 million in the cash of ETAP transmitter; (ii) a R\$ 23.1 million decrease in the cash of the TCC transmitter and; (iii) a reduction of R\$ 48.8 million in the cash of the TPE transmitter.

Net debt recorded in 1Q19 totaled R\$ 2,873.8 million, compared to R\$ 2,803.1 million recorded in Dec/18.



Short-term debt totaled R\$ 696.7 (11% of total debt) in 1Q19, R\$ 9.4 million lower than the R\$ 706.1 million recorded in December 18.

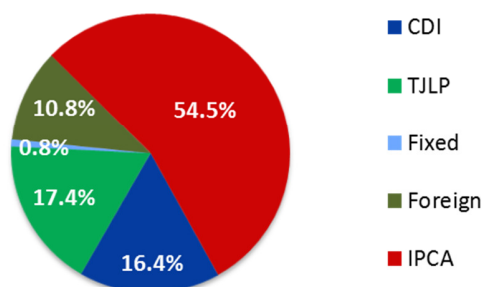
Of the 11% of short-term debt, 1,6% or R\$ 11,1 million refers to bridge loans, with maturity in 2019.

Of the consolidated gross debt, R\$ 699.6 million refers to Alupar - Holding, as detailed above, another R\$ 2,826.4 million is allocated to operating companies that have a payment flow compatible with the respective cash generation and, finally, R\$ 2,854.4 million refers to the projects being implemented, of which R\$ 514.7 million was allocated to Alupar Peru/ La Virgen to implement the La Virgen HPP; R\$ 154.3 million allocated to the implementation of the ETAP transmitter; R\$ 114.7 million to the implementation of the ETC transmitter; R\$ 667.6 million to the implementation of the TCC transmitter; R\$ 1,050.6 million to the implementation of the TPE transmitter; R\$ 312.1 million to the implementation of the EDTE transmitter and; R\$ 40.4 million to the implementation of the TCE transmitter (Colombia).

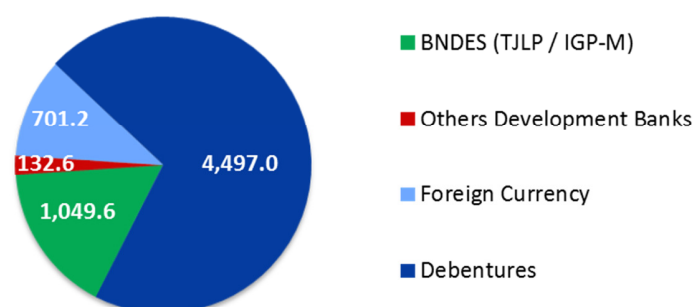
In 1Q19, debenture issues corresponded to R\$ 4,497.0 million or 70.5% of total debt. The debentures issued by: (i) Alupar - Holding represent a balance of R\$ 699.6 million; (ii) the operating subsidiaries (EATE, ECTE, ENTE, ETEP, EBTE, ETES, ETVG, STN, Ferreira Gomes, Transirapé, Transleste, Transudeste, EDVs - Windepar and Verde 8) totaled R\$ 1,339.0 million and; (iii) the projects under implementation recorded a balance of R\$ 2,458.3 million.

Foreign currency debt totaled R\$ 701.2 million or 11.0% of total debt, and is allocated to generation and transmission projects in Peru and Colombia.

Gross Debt by Index (%)

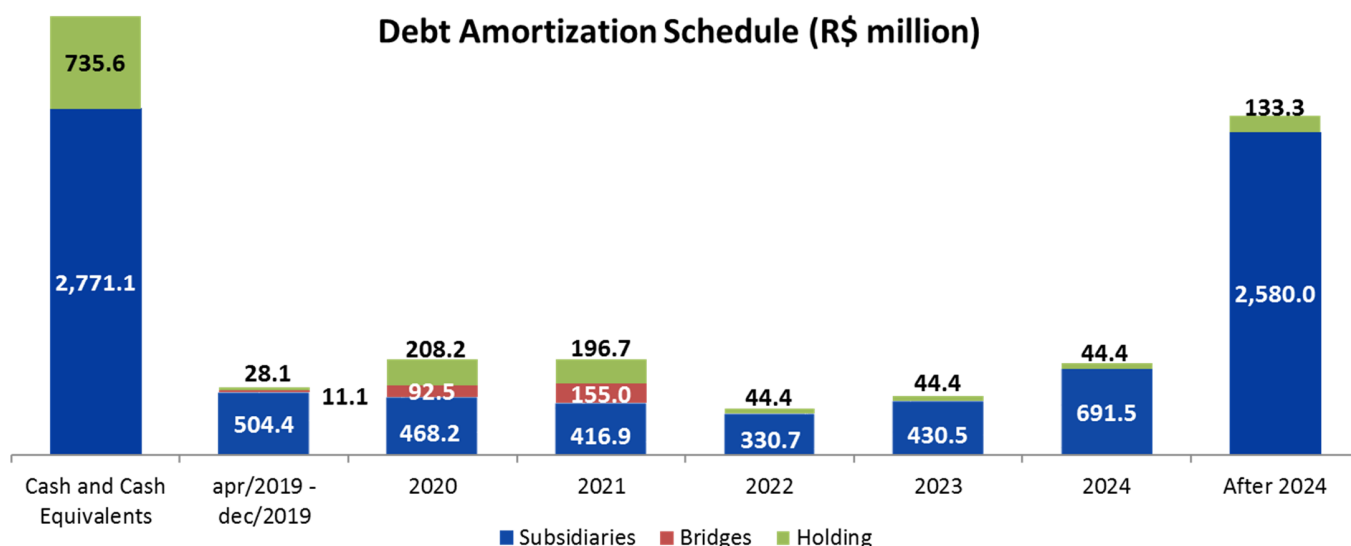


Total Debt Composition (in millions of R\$)



Alupar's consolidated debt profile is quite lengthy, consistent with the Company's low risk business nature, high predictability of revenues and strong operating cash generation from the transmission and generation of electric power segments.

Debt Amortization Schedule (R\$ million)



BRIDGES (MM)	Apr/2019 Dec/2019	2020	2021
La Virgen / Alupar Inversiones	R\$ 10.0	R\$ 92.0	R\$ 116.2
TCE (Colômbia)	R\$ 1.2	R\$ 0.5	R\$ 38.8
TOTAL	R\$ 11.1	R\$ 92.5	R\$ 155.0

FitchRatings

✓ Corporate (national scale) **AAA**

✓ International Scale **BB**

INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

The Shareholders, Board of Directors and Officers
Alupar Investimentos S.A.
São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Alupar Investimentos S.A. for the quarter ended March 31, 2019, comprising the balance sheet as of March 31, 2019 and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the accompanying notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement CPC 21(R1) – Interim Financial Reporting, and international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Financial Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with international standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material aspects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statement of financial position and interim financial information for 2018

The individual and consolidated statements of financial position as at December 31, 2018, presented for comparative purposes, were audited by other independent auditors, who issued an unmodified opinion on March 29, 2019.

The statements of income, of comprehensive income, of changes in equity, of cash flows and of value added for the three-month period ended March 31, 2019, presented for comparative purposes, were previously reviewed by other independent auditors who issued an unmodified review report on the interim financial information on May 14, 2019.

Statements of value added

We also reviewed the individual and consolidated statement of value added (SVA) for the three-month period ended March 31, 2019, prepared under Company's Management responsibility, whose presentation in the interim financial information is required by rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to preparation of Quarterly Information Form (ITR), and considered as supplementary information under the International Financial Reporting Standards (IFRS), which do not require SVA presentation. These statements were submitted to the same review procedures previously described and, based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall accompanying individual and consolidated interim financial information.

São Paulo, May 15, 2019.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Rita de C. S. Freitas
Accountant CRC 1SP214160/O-5

Alupar Investimento S.A.

Balance sheets

March 31, 2019 and December 31, 2018

(All amounts in thousands of reais)

		Note	Parent Company		Consolidated	
			3/31/2019	12/31/2018	3/31/2019	12/31/2018
ASSETS						
CURRENT			970,343	984,044	4,854,763	4,986,366
Cash and cash equivalents	5		249,251	231,878	2,907,339	2,975,423
Short-term investments	6		486,325	513,756	486,325	513,756
Marketable securities	7		-	-	107,934	105,979
Trade accounts receivable	8		60,457	48,972	387,435	324,347
Accounts receivables from related parties	34		64,335	63,219	-	-
Dividends receivable - related parties	34		68,465	79,734	17,387	17,387
Income tax and social contribution	9		33,877	37,790	64,483	61,770
Other taxes to be offset	9		-	-	19,988	16,887
Advances to suppliers			141	138	11,981	9,733
Inventories			-	-	1,197	1,144
Prepaid expenses			58	38	12,025	7,030
Contractual asset from the concession	10		-	-	784,593	906,633
Other assets			7,434	8,519	54,076	46,277
NON-CURRENT			4,651,915	4,227,467	10,551,186	9,620,214
Trade accounts receivable	8		-	-	11,697	12,130
Advances for future capital increase - related parties	34		177,483	170,023	-	-
Marketable securities	7		-	-	5,064	4,992
Income tax and social contribution	9		-	-	28,897	29,398
Other taxes to be offset	9		-	-	2,774	2,774
Deferred income tax and social contribution	19		-	-	18,457	10,063
Advances to suppliers			-	-	1,095	1,012
Inventories			-	-	35,272	25,213
Guarantees and judicial deposits	26		3,021	2,965	26,265	23,933
Contractual asset from the concession	10		-	-	5,463,620	4,624,825
Other assets			6,172	696	33,685	26,366
Investments in affiliates and jointly-controlled subsidiaries	11		383,447	343,228	472,295	419,989
Investments in subsidiaries	12		3,993,585	3,622,294	-	-
Investment properties	14		7,826	7,826	7,826	7,826
Property, plant and equipment	15		764	1,004	4,300,396	4,283,482
Intangible assets	16		79,617	79,431	143,843	148,211
TOTAL ASSETS			5,622,258	5,211,511	15,405,949	14,606,580

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

Balance sheets

March 31, 2019 and December 31, 2018

(All amounts in thousands of reais)

Note	Parent Company		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
LIABILITIES				
CURRENT	221,442	221,389	1,499,055	1,528,902
Loans and financing	24	-	197,029	197,184
Debentures	25	40,054	499,719	508,893
Suppliers	17	44,141	361,105	293,192
Salaries, vacation and social charges		3,600	23,036	20,633
Current income tax and social contribution	18	-	20,864	52,372
Other taxes payable		1,754	37,070	44,552
Provision for asset build up	22	-	89,131	79,341
Dividends payable - related parties	34	131,868	156,973	158,192
Provisions for environmental expenses	21	-	23,201	23,400
Regulatory and sectorial taxes	23	-	65,085	85,107
Provision for contingencies	26	-	856	1,071
Advances from customers		-	-	1,110
Other obligations		25	24,986	63,855
NON-CURRENT	669,965	662,074	6,989,761	6,815,969
Loans and financing	24	-	1,686,438	1,663,297
Debentures	25	659,593	3,997,234	4,033,896
Current income tax and social contribution		-	1,485	1,485
Deferred income tax and social contribution	19	-	782,083	684,758
Deferred regulatory and sectorial taxes	23	-	155,069	137,327
Provision for contingencies	26	5,374	10,803	10,057
Provisions for environmental expenses	21	-	734	734
Provision for asset build up	22	-	6,677	6,678
Other obligations		-	349,238	277,737
Provision for uncovered liabilities	12	4,998	-	-
SHAREHOLDERS' EQUITY	4,730,851	4,328,048	6,917,133	6,261,709
Subscribed and paid in capital	27	2,981,996	2,981,996	2,981,996
(-) Share issuance costs		(65,225)	(65,225)	(65,225)
Capital reserve	27	43,695	43,695	43,695
Earnings reserves	27	1,343,354	1,343,354	1,343,354
Retained earnings	27	400,503	400,503	-
Other comprehensive income	27	26,528	26,528	24,228
PARENT COMPANY				
Interest of non-controlling shareholders	13	-	2,186,282	1,933,661
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	5,622,258	5,211,511	15,405,949	14,606,580

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

Statements of Income

Three-month period ended on March 31, 2019 and 2018

(All amounts in thousands of reais, except earnings per share)

	Note	Parent company		Consolidated	
		3/31/2019	3/31/2018	3/31/2019	3/31/2018
NET OPERATING REVENUE	29	98,909	14,119	1,145,795	365,505
COST OF SERVICE					
Electric power costs					
Electric power purchased for resale	30	(88,469)	(15,481)	(123,814)	(16,878)
Charges from the use of electric power network - CUST		-	-	(7,269)	(7,077)
Financial compensation for the utilization of water resources - CFURH		-	-	(3,436)	(1,993)
Operating Cost					
Cost of services provided	31	(186)	(189)	(33,723)	(53,617)
Infrastructure Cost	31	-	-	(174,703)	(19,370)
Depreciation / amortization		-	-	(25,480)	(23,183)
		(88,655)	(15,670)	(368,425)	(122,118)
GROSS PROFIT		10,254	(1,551)	777,370	243,387
OPERATING EXPENSES/REVENUES					
Administrative and general	31	(8,168)	(6,648)	(21,437)	(20,248)
Share of profit of equity-method investees	11 e 12	407,437	74,542	52,306	10,710
Other revenues		-	-	235	134
Other expenses	31	(419)	(233)	(424)	(256)
		398,850	67,661	30,680	(9,660)
PROFIT BEFORE NET FINANCIAL EXPENSES		409,104	66,110	808,050	233,727
Financial expenses	32	(19,822)	(20,507)	(78,715)	(84,140)
Financial revenues	32	11,221	13,336	20,895	21,973
		(8,601)	(7,171)	(57,820)	(62,167)
INCOME BEFORE TAXES		400,503	58,939	750,230	171,560
Current income tax and social contribution	33	-	-	(21,030)	(27,576)
Deferred income tax and social contribution	33	-	-	(82,279)	(14,555)
		-	-	(103,309)	(42,131)
NET INCOME FOR THE YEAR		400,503	58,939	646,921	129,429
Attributable to Shareholders of the Parent Company		400,503	58,939	400,503	58,939
Attributable to Non-Controlling Shareholders	13	-	-	246,418	70,490
		400,503	58,939	646,921	129,429
Number of ON Shares				596,955,970	596,955,970
Number of PN Shares				282,155,299	282,155,299
Basic and diluted profit or loss per ON share:	28			1.84762	0.06704
Basic and diluted profit or loss per PN share:	28			1.84762	0.06704

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

Statements of comprehensive income
Three-month period ended on March 31, 2019 and 2018
(All amounts in thousands of reais)

	Parent company		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
NET INCOME END FOR THE YEAR	400,503	58,939	646,921	129,429
Other comprehensive income – Cumulative translation adjustment – La Virgen	1,116	173	1,116	173
Other comprehensive income – Cumulative translation adjustment – Risaralda	13	41	13	41
Other comprehensive income – Cumulative translation adjustment – Alupar Peru	192	1,407	192	1,407
Other comprehensive income – Cumulative translation adjustment – Alupar Colombia	979	3,193	979	3,193
TOTAL COMPREHENSIVE INCOME END FOR THE YEAR	402,803	63,753	649,221	134,243
Attributable to Shareholders of the Parent Company			402,803	63,753
Attributable to Non-Controlling Shareholders			246,418	70,490

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

Statements of changes in equity Three-month period ended on March 31, 2019 and 2018 (All amounts in thousands of reais)

Period ended on March 31, 2018	Share capital	(-) Share issuance costs	Capital reserve	Earnings reserves		Retained earnings	Other comprehensive income	Total parent company	Interest of non-controlling shareholders	Total consolidated
Description				Legal reserve	Investments reserve (income)					
BALANCES ON DECEMBER 31, 2017	2,981,996	(65,225)	48,953	118,834	788,916	-	10,456	3,883,930	1,722,867	5,606,797
Comprehensive income										
Adjustments to prior year earnings on January 1, 2018 Adoption CPC 47	-	-	-	-	233,468	-	-	233,468	75,966	309,434
Net income for the year	-	-	-	-	-	58,939	-	58,939	70,490	129,429
Cumulative conversion adjustments for the year	-	-	-	-	-	-	4,814	4,814	488	5,302
Capital Transactions with Shareholders										
Capital increase – non-controlling shareholders	-	-	-	-	-	-	-	-	980	980
Dividends declared to subsidiaries’ non-controlling shareholders	-	-	-	-	-	-	-	-	(73,607)	(73,607)
BALANCES ON MARCH 31, 2018	2,981,996	(65,225)	48,953	118,834	1,022,384	58,939	15,270	4,181,151	1,797,184	5,978,335

Year ended on March 31, 2019.	Share capital	(-) Share issuance costs	Capital reserve	Earnings reserves		Retained earnings	Other comprehensive income	Total parent company	Interest of non-controlling shareholders	Total consolidated
Description				Legal reserve	Investments reserve (income)					
BALANCES ON DECEMBER 31, 2018	2,981,996	(65,225)	43,695	138,172	1,205,182	-	24,228	4,328,048	1,933,661	6,261,709
Comprehensive income										
Net income for the period	-	-	-	-	-	400,503	-	400,503	246,418	646,921
Cumulative conversion adjustments for the year	-	-	-	-	-	-	2,300	2,300	-	2,300
Capital Transactions with Shareholders										
Capital increase – non-controlling shareholders	-	-	-	-	-	-	-	-	5,667	5,667
Variation in non-controlling interest	-	-	-	-	-	-	-	-	536	536
BALANCES ON MARCH 31, 2019	2,981,996	(65,225)	43,695	138,172	1,205,182	400,503	26,528	4,730,851	2,186,282	6,917,133

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

Statements of cash flows

Three-month period ended on March 31, 2019 and 2018

(All amounts in thousands of reais)

	Parent Company		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax, social contribution and non-controlling shareholders	400,503	58,939	750,230	171,560
ITEMS NOT AFFECTING CASH AND CASH EQUIVALENTS				
Depreciation and amortization	309	304	26,764	24,533
Share of profit of equity-method investees	(407,437)	(74,542)	(52,306)	(10,710)
Debt charges (including net monetary variations and foreign exchange fluctuations)	19,657	20,236	83,517	85,635
Other monetary and foreign exchange variations, net	18	16	(93)	542
Financial revenues	(11,339)	(13,399)	(13,528)	(15,975)
Write-offs of property, plant and equipment and intangible assets	66	-	482	16
Deferred pis and cofins and regulatory charges	-	-	-	(5,052)
Other (operating) expenses revenue	-	-	4,931	1,130
	1,777	(8,446)	799,997	251,679
(INCREASE) DECREASE IN ASSETS				
Trade accounts receivables	(11,485)	19,050	(62,655)	28,132
Financial assets from the concession	-	-	(676,585)	18,445
Related parties	(1,116)	-	-	-
Recoverable taxes	4,180	1,546	(5,313)	6,221
Advances to suppliers	(3)	4,742	(2,248)	6,148
Inventories	-	-	(10,112)	(1,317)
Other assets	(4,449)	222	(12,539)	9,523
	(12,873)	25,560	(769,452)	67,152
INCREASE (DECREASE) IN LIABILITIES				
Suppliers	(10,120)	(21,893)	68,330	(33,162)
Regulatory and sectorial taxes	-	-	(2,280)	1,059
Salaries, vacation and welfare charges	204	19	2,390	(1,872)
Taxes and contributions payable	(2,899)	(3,489)	(15,322)	(14,309)
Provision for recognition of assets	-	-	9,792	(315)
Advances from customers	-	-	(1,110)	-
Other liabilities	1,442	233	31,361	31,488
	(11,373)	(25,130)	93,161	(17,111)
CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	(22,469)	(8,016)	123,706	301,720
Payment of income tax and social contribution	-	-	(29,852)	(60,451)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	(22,469)	(8,016)	93,854	241,269
NET CASH FLOW GENERATED FROM INVESTING ACTIVITIES				
Capital contribution in subsidiaries	(1,386)	-	3,793	-
Advances for future capital increase	(7,459)	(51,122)	-	-
Redemption from financial investments	75,019	97,494	80,295	101,683
Investments in financial applications	(37,262)	(32,797)	(42,493)	(38,494)
Dividends and interest on capital received	11,269	61,722	-	-
Acquisition of property, plant and equipment	-	(26)	(24,970)	(38,024)
Acquisition of intangible assets	(339)	(7,209)	(706)	(8,374)
NET CASH GENERATED FROM INVESTMENT ACTIVITIES	39,842	68,062	15,919	16,791
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES				
Capital increase / issuance of shares	-	-	-	(1,229)
Capital reserve	-	-	-	39
Reinvestment reserve	-	-	-	(39)
Dividends and interests on capital paid	-	(61,537)	(903)	(115,504)
Borrowings and leasing	-	-	67,793	1,133
Interest paid (debt charges)	-	(2,306)	(106,808)	(64,842)
Payment of loans, financing, debentures and leasing	-	(50,918)	(139,211)	(428,409)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES	-	(114,761)	(179,129)	(608,851)
EXCHANGE RATE CHANGES IN EFFECT ON CASH AND CASH EQUIVALENT	-	-	1,272	(13,892)
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	17,373	(54,715)	(68,084)	(364,683)
STATEMENT OF INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
Balance at beginning of period	231,878	570,694	2,975,423	1,580,070
Balance in the end of period	249,251	515,979	2,907,339	1,215,387
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	17,373	(54,715)	(68,084)	(364,683)
ADDITIONAL INFORMATION				
Payment of income tax	-	-	-	33,036
Payment of social contribution	-	-	-	28,445

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

Statements of value added

Three-month period ended on March 31, 2019 and 2018

(All amounts in thousands of reais)

	Parent Company		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
REVENUES				
Revenue from power transmission	-	-	170,404	44,225
Infrastructure revenue	-	-	701,168	29,307
Payment of financial assets from the concession	-	-	133,542	200,465
Power supply	105,135	15,505	230,671	121,292
Other revenues	-	-	235	-
	<u>105,135</u>	<u>15,505</u>	<u>1,236,020</u>	<u>395,289</u>
(-) INPUTS ACQUIRED FROM THIRD PARTIES				
Electric power purchased for resale	(88,469)	(15,481)	(123,814)	(16,878)
Charges from the use of electric power network (CUST)	-	-	(7,269)	(7,077)
Financial compensation for the utilization of water resources - CFURH	-	-	(3,436)	(1,993)
Infrastructure Cost	-	-	(174,703)	(19,370)
Outsourced services	(2,807)	(1,802)	(18,340)	(15,558)
Materials	(36)	(28)	(4,832)	(2,416)
Other operating costs	(474)	(258)	(6,052)	(22,911)
	<u>(91,786)</u>	<u>(17,569)</u>	<u>(338,446)</u>	<u>(86,203)</u>
(-) REINTEGRATION QUOTAS (DEPRECIATION)				
	(309)	(304)	(26,764)	(24,532)
VALUE ADDED RECEIVED THROUGH TRANSFER				
Equity accounting	407,437	74,542	52,306	10,710
Financial revenues	<u>11,221</u>	<u>13,336</u>	<u>20,895</u>	<u>21,973</u>
	<u>418,658</u>	<u>87,878</u>	<u>73,201</u>	<u>32,683</u>
VALUE ADDED TO DISTRIBUTE	431,698	85,510	944,011	317,237
DISTRIBUTION OF VALUE ADDED				
PERSONNEL				
Salaries and wages	2,698	2,709	15,216	15,318
Benefits	<u>385</u>	<u>460</u>	<u>3,077</u>	<u>3,152</u>
Food Provision Assistance	82	160	956	1,209
Medical care	153	143	1,510	1,365
Transportation Voucher	(2)	3	5	14
Pension plan	113	117	355	314
Other	39	37	251	250
F.G.T.S (Unemployment Guarantee Fund)	<u>205</u>	<u>212</u>	<u>1,074</u>	<u>1,101</u>
	<u>3,288</u>	<u>3,381</u>	<u>19,367</u>	<u>19,571</u>
TAXES, FEES AND CONTRIBUTIONS				
FEDERAL				
	<u>7,354</u>	<u>2,253</u>	<u>195,595</u>	<u>81,200</u>
INSS (National Institute of Social Security)	660	667	3,474	3,520
Regulatory charges for the concession	-	-	12,441	12,929
Income tax and social contribution	-	-	21,030	27,576
PIS and COFINS	6,226	1,386	25,953	21,688
CIDE	-	-	49,225	-
IVA	-	-	105	122
Deferred income tax and social contribution	-	-	82,279	14,555
Other taxes and fees	<u>468</u>	<u>200</u>	<u>1,088</u>	<u>810</u>
STATE				
	<u>-</u>	<u>-</u>	<u>62</u>	<u>58</u>
IPVA (Tax on the ownership of automobiles)	-	-	62	58
MUNICIPAL				
	<u>40</u>	<u>35</u>	<u>134</u>	<u>171</u>
IPTU (Municipal Property Tax)	40	35	87	74
Licensing fee	-	-	-	1
ISS (Services Tax)	-	-	47	96
	<u>7,394</u>	<u>2,288</u>	<u>195,791</u>	<u>81,429</u>
REMUNERATION OF THIRD PARTIES' CAPITAL				
Interest and foreign exchange variation	19,673	20,253	75,238	81,061
Rents	691	395	3,217	2,668
Other financial expenses	<u>149</u>	<u>254</u>	<u>3,477</u>	<u>3,079</u>
	<u>20,513</u>	<u>20,902</u>	<u>81,932</u>	<u>86,808</u>
PAYMENT ON CAPITAL				
Earnings reserves	400,503	58,939	400,503	58,939
Interest of non-controlling shareholders	-	-	246,418	70,490
	<u>400,503</u>	<u>58,939</u>	<u>646,921</u>	<u>129,429</u>
	<u>431,698</u>	<u>85,510</u>	<u>944,011</u>	<u>317,237</u>

The accompanying notes are an integral part of this quarterly information.

Alupar Investimento S.A.

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Alupar Investimento S.A.

Notes to Quarterly Information
Period ended March 31, 2019
(In thousands of reais)

1. Operations

Alupar Investimento SA ("Company" or "Alupar") is a publicly held corporation whose shares are traded on the São Paulo Commodities, Futures and Stock Exchange (BM&FBOVESPA), under the code ALUP 11. The Company is domiciled in Brazil, with headquarters at street Gomes de Carvalho, No. 1,996, 16th floor in the city of São Paulo; Alupar is primarily engaged in investing in other entities, both in Brazil and abroad, either as a shareholder or a member. that operate in the energy and infrastructure industries and are engaged in generating, transforming, transporting, distributing and trading energy in any form; preparing feasibility studies and projects; promoting construction, operation and maintenance of energy-generating plants, transportation and transmission lines, substations, distribution network; performing any other related or supplementary services; and carrying out any other services or activities in the infrastructure sector.

Company holds interests in electric energy generating and transmission companies in Brazil and in five holding companies, including: Transminas Holding S.A. (the parent company of Transleste, Transirapé and Transudeste), Alupar Inversiones Peru (the parent company of La Virgen S.A.C), Alupar Chile Inversiones SpA, Windepar Holding S.A (the parent company of Energia dos Ventos I S.A., Energia dos Ventos II S.A., Energia dos Ventos III S.A., Energia dos Ventos IV S.A. and Energia dos Ventos X S.A. and Alupar Colombia S.A.S (the parent company of Risaralda Energía S.A.S.E.S.P. and Transmissora Colombiana de Energia S.A.S.E.S.P.).

The Company is a direct subsidiary of Guarupart Participações Ltda. ("Guarupart").

Information on Subsidiaries and joint ventures:

Transmission line concessions

The Company and your joint ventures has approximately 7,726 km in transmission concession lines, of which about 4,750 km are in operation and 2,976 km are in the pre-operating phase. As detailed in the following table:

Alupar Investimento S.A.

Notes to Quarterly Information Period ended March 31, 2019 (In thousands of reais)

Companies	Abbreviation	Localization/Connection	ANEEL Concession Agreement No.	Concession Period		Start date of Operation	Line extension	Tension	RAP/RBNI (Cycle 2017- 2018)	Contract adjustment rate	50% reduction of RAP as from the 15th year of operation	Expected taxation review
				Start	End							
Empresa Paraense de Transmissão de Energia S.A.	ETEP	Tucuruí (PA) - Vila Conde (PA)	043/2001	06/12/01	06/12/31	08/25/02	323 km	500KV	51,228	IGP-M	Yes	No
Empresa Norte de Transmissão de Energia S.A.	ENTE	Tucuruí (PA) - Açailândia (MA)	085/2002	12/11/02	12/11/32	02/12/05	464 km	500 Kv	234,740	IGP-M	Yes	No
Empresa Regional de Transmissão de Energia S.A.	ERTE	Vila Conde (PA) - Santa Maria (PA)	083/2002	12/11/02	12/11/32	09/15/04	179 km	230 Kv	52,687	IGP-M	Yes	No
Empresa Amazonense de Transmissão de Energia S.A.	EATE	Tucuruí (PA) - Presidente Dutra (PA)	042/2001	06/12/01	06/12/31	03/10/03	924 km	500 Kv	227,207	IGP-M	Yes	No (*)
Empresa Catarinense de Transmissão de Energia S.A.	ECTE	Campos Novos (SC) - Blumenau (SC)	088/2000	11/01/00	11/01/30	03/26/02	253 km	525 Kv	49,564	IGP-M	Yes	No
Sistema de Transmissão Nordeste S.A.	STN	Teresina (PI) - Fortaleza (CE)	005/2004	02/18/04	02/18/34	01/01/06	541 km	500 Kv	189,195	IGP-M	Yes	No
Companhia Transleste de Transmissão	Transleste	Irapé (MG) - Montes Claros (MG)	009/2004	02/18/04	02/18/34	12/18/05	150 km	345 Kv	42,543	IGP-M	Yes	No
Companhia Transudeste de Transmissão	Transudeste	Itutinga (MG) - Juiz de Fora (MG)	005/2005	03/04/05	03/04/35	02/23/07	140 km	345 Kv	26,369	IGP-M	Yes	No
Companhia Transirapapé de Transmissão	Transirapapé	Irapé (MG) - Araçuaí (MG)	012/2005	03/15/05	03/15/35	05/23/07	65 km	230 Kv	34,535	IGP-M	Yes	No
Sistema de Transmissão Catarinense S.A.	STC	Barra Grande (SC) - Lages (SC) - Rio Sul (SC)	006/2006	04/27/06	04/27/36	11/08/07	195 km	230 Kv	45,238	IPCA	Yes	No
Lumitrans - Companhia Transmissora de Energia Elétrica	Lumitrans	Machadinho (SC) - Campos Novos (SC)	007/2004	02/18/04	02/18/34	10/03/07	51 km	525 Kv	27,786	IGP-M	Yes	No
Empresa de Transmissão do Espírito Santo S.A.	ETES	Verona (ES) - Mascarenhas (ES)	006/2007	04/20/07	04/20/37	12/12/08	107 km	230 Kv	14,501	IPCA	Yes	Yes
Empresa Brasileira de Transmissão de Energia S.A.	EBTE	Juba (MG) - Juína (MG)	011/2008	10/16/08	10/16/38	06/30/11	775 km	230 Kv	48,313	IPCA	No	Yes
Transmissora Matogrossense de Energia S.A.	TME	Jauru (MT) - Cuiabá (MT)	023/2009	11/19/09	11/19/39	11/22/11	348 km	500/230 Kv	51,535	IPCA	No	Yes
Empresa Santos Dumont de Energia S.A.	ESDE	Subestação Santos Dummond (MG)	025/2009	11/19/09	11/19/39	02/06/13	Substation	138/345 Kv	13,471	IPCA	No	Yes
Empresa de Transmissão de Energia do Mato Grosso S.A.	ETEM	Nova Mutum (MT) - Nobres (MT) - Cuiabá (MT)	005/2010	07/12/10	07/12/40	12/16/11	235 km	230 Kv	12,900	IPCA	No	Yes
Empresa de Transmissão de Varzea Grande S.A.	ETVG	Subestação Varzea Grande (MT)	018/2010	12/23/10	12/23/40	12/23/12	Substation	138/230 Kv	11,036	IPCA	No	Yes
Transnorte Energia S.A.	TNE	Boa Vista (RR) - Equador (RR) - Lechuga (AM)	003/2012	01/25/12	01/25/42	(**)	715 km	500 Kv	6,312	IPCA	No	Yes
Empresa de Transmissão Serrana S.A.	ETSE	Subestação Abdon Batista / Gaspar (SC)	006/2012	05/10/12	05/10/42	01/19/15	Substation	230/525 Kv 138/230 Kv	20,151	IPCA	No	Yes
Empresa Utorânea de Transmissão de Energia S.A.	ELTE	Henry Borden (SP) - Manoel da Nobrega (SP)	016/2014	09/05/14	09/05/44	Pre-operating	SE+40 Km	230/345 Kv	36,592	IPCA	No	Yes
Empresa Transmissora Agreste Potiguar S.A.	ETAP	Rio Grande do Norte (RN)	013/2016	09/02/16	09/02/46	Pre-operating	10 km	500/230 Kv	53,759	IPCA	No	Yes
Empresa Transmissora Capixaba S.A.	ETC	Subestação Rio Novo do Sul (ES)	020/2016	09/02/16	09/02/46	Pre-operating	Substation	345/138 Kv	31,207	IPCA	No	Yes
Transmissora Caminho do Café S.A.	TCC	Minas Gerais (MG) - Espírito Santo (ES)	006/2017	02/10/17	02/10/47	Pre-operating	288 km	500 Kv	155,013	IPCA	No	Yes
Transmissora Paraito de Energia S.A.	TPE	Bahia (BA) - Minas Gerais (MG)	002/2017	02/10/17	02/10/47	Pre-operating	541 km	500 Kv	227,975	IPCA	No	Yes
Empresa Sudeste de Transmissão de Energia S.A.	ESTE	Mesquita (MG) - João Neiva (RJ)	019/2017	02/10/17	02/10/47	Pre-operating	236 km	500 Kv	26,369	IPCA	No	Yes
Transmissora Serra da Mantiqueira	TSM	São Paulo (SP) - Rio de Janeiro (RJ)	037/2017	08/11/17	08/11/47	Pre-operating	330 km	500 Kv	104,151	IPCA	No	Yes
Transmissora Colombiana de Energia S.A.S. ESP (**)	TCE (Colombia)	Virginia-Nueva Esperanza - Colombia	UPME 07-2016	N/A	N/A	Pre-operating	200 km	500 Kv	N/A	IPP	No	Yes
ETB - Empresa de Transmissão Baiana S.A	ETB	Bom Jesus da Lapa - Bahia	011/2016	09/29/16	09/29/46	Pre-operating	446 km	500 Kv	134,821	IPCA	No	Yes
Empresa Diamantina de Transmissão de Energia S.A.	EDTE	Ibicoara (BA) - Ibicoara (BA)	015/2016	12/01/16	12/01/46	Pre-operating	170 km	500 Kv	60,069	IPCA	No	Yes
Total							7,726 km		1,989,267			

(*) The Empresa Amazonense de Transmissão de Energia has tariff review for the period to RBNI.

(**) Concession of Transmissora Colombiana de Energia, is located in Colombia, the applicable regulatory rules in this country differ from the rules applicable in Brazil.

(***) Transnorte Energia S.A. partially entered into commercial operation, see NE 11.

Concessions right and authorizations for electricity generation

The Company and your joint ventures holds the concession rights and/or authorization for 6 SHP – Small Hydro Power, 4 HPPs – Hydroelectric Power Plant and 5 wind farms, with a total capacity of 687 MW. The generation systems which the Company operates, through concessions and / or permits with terms of 30 to 35 years, are located in the states of Goiás, Rio Grande do Sul, São Paulo, Amapá and in the future, in the states of Goiás (Verde 8), Minas Gerais (Água Limpa) and Ceará (Wind farms). The Company also controls Risaralda Energia SAS / ESP (Colombia) by means of Alupar Colombia S.A.S and has controls La Virgen S.A.C (Peru), by means of Alupar Inversiones Peru S.A.C.

Alupar Investimento S.A.

Notes to Quarterly Information
Period ended March 31, 2019
(In thousands of reais)

The following table presents a list of the electric energy generation assets:

Companies	Location	ANEEL Concession Agreement No. / Authorizing Resolution No	Concession Term/ Authorization		Start date of Operation	Installed Capacity (MW)	Electric power guaranteed - MW
			Start Date	End			
Foz do Rio Claro Energia S.A.	Rio Claro - Caçu (GO) and São Simão (GO)	005/2006	08/15/06	08/15/41	08/05/10	68.4	41.0
Ijuí Energia S.A.	Rio Ijuí - Rolador (RS) and Salvador das Missões (RS)	006/2006	08/15/06	08/15/41	03/29/11	51.0	30.4
Usina Paulista Lavrinhas de Energia S.A.	Rio Paraíba do Sul - Lavrinhas (SP)	138/2004 - 716/2006	04/07/04	04/07/34	09/03/11	30.0	21.4
Usina Paulista Queluz de Energia S.A.	Rio Paraíba do Sul - Queluz (SP)	139/2004 - 715/2006	04/07/04	04/07/34	08/12/11	30.0	21.4
Ferreira Gomes Energia S.A.	Rio Araguaia - Ferreira Gomes (AP)	002/2010	11/09/10	11/09/45	11/04/14	252.0	153.1
Energia dos Ventos I S.A.	Aracati (CE)	Ordinance 431/12	07/17/12	07/17/47	04/22/16	23.1	11.80
Energia dos Ventos II S.A.	Aracati (CE)	Ordinance 428/12	07/16/12	07/16/47	05/13/16	12.6	6.00
Energia dos Ventos III S.A.	Aracati (CE)	Ordinance 433/12	07/19/12	07/19/47	03/03/16	18.9	9.60
Energia dos Ventos IV S.A.	Aracati (CE)	Ordinance 442/12	07/24/12	07/24/47	03/02/16	27.3	14.80
Energia dos Ventos X S.A.	Aracati (CE)	Ordinance 435/12	07/19/12	07/19/47	03/02/16	16.8	8.7
Geração de Energia Termoeletrica e Participações S.A.	Rio de Janeiro (RJ)	N/A	N/A	N/A	Pre-operating	-	-
Risaralda Energia S.A.S.E.S.P. (*)	Rio Risaralda (PCH Morro Azul)	N/A	N/A	N/A	09/10/16	19.9	13.2
Verde 8 Energia S.A.	Rio Verde - Santa Helena de Goiás (GO)	REA 3,702/12 - 4,684/14 - REA 5,953/16	10/24/12	06/15/44	Pre-operating	30.0	18.7
Água Limpa S.A.	Rio Piracicaba - Antônio Dias (MG)	Ordinance 346/14	07/18/14	07/18/49	Pre-operating	23.0	11.9
La Virgen S.A.C. (*)	Rio Tarma - Peru	253/2005 - 313/2008	N/A	N/A	Pre-operating	84.0	49.3
						687.0	411.3

(*) Concessions of Risaralda and La Virgen are located in Colombia and Peru respectively. The applicable regulatory rules in those countries differ from the rules applicable in Brazil.

2. Basis of preparation and presentation of quarterly information – ITR

The Administration of Company authorized the conclusion of the accompanying financial interim information on a meeting of May 15, 2019.

2.1. Statement of compliance

The individual and consolidated interim financial information were prepared in accordance with international accounting standards IFRS issued by the International Accounting Standards Board (IASB) and also in accordance with accounting practices adopted in Brazil also including supplementary rules issued by CVM and Agência Nacional de Energia Elétrica – ANEEL, when these are not in conflict with the practices adopted in Brazil or with international practices.

All relevant information, specific to the interim financial information, is being evidenced and correspond to those used in the management of the company's operations and its subsidiaries.

2.2. Basis of preparation and presentation

Except for certain financial instruments, which were measured at their fair values when required by the standards, the interim financial information were prepared based on their historical cost. The classification of such fair value measurement in level categories 1, 2 or 3 (depending on the compliance levels of the variables used) is hereby presented in the comment 35 of Financial Instruments.

2.3. Estimates and judgement

The preparation of such interim financial information requires the use of accounting estimates, based on the objective and subjective factors, based on the management's judgment aimed to determine the appropriate amount to be recorded in the interim financial information.

The substantial items which are subject to these estimates and assumptions include: financial assets valuation at their fair value, credit risk analysis aimed to determine the allowance for doubtful accounts, financial assets and contractual assets on the allowance, as well as other risk analysis aimed to determine other provisions, including contingency reserves and asset formation.

The transaction settlement involving these estimates may result in amounts significantly different from those recorded in the interim financial information, due to the inherent process of such estimates. The Company reviews its estimates at each reporting date, and if any changes in estimates are required, they will be recognized prospectively.

As described in note 3.2 published on March 29, 2019, referring to the financial statements for 2018, the subsidiaries and affiliates of the transmission segment record and measure the revenue of the services rendered in accordance with Technical Pronouncements CPC 47 - Contract Revenue with Customers (IFRS 15). As the subsidiaries perform more than one service governed by a single agreement, the remuneration received or receivable is allocated to each performance obligation based on the amounts related to the services rendered between: Infrastructure Revenue, transmission revenue, Energy Generation Revenue , Trade accounts receivable and Concession contract assets.

The value of the Contractual Asset is formed by the present value of its future cash flows. The future cash flow is estimated at the beginning of the concession, or in its extension, and the assumptions of its measurement

are reviewed in the Periodic Tariff Review (RTP). Cash flows are defined based on the Annual Revenue Allowance (RAP), which is the consideration that the Company receives for the provision of the public transmission service to users. These receipts amortize the investments in this transmission infrastructure and any investments not amortized (reversible assets) generate the right to indemnify the Granting Authority at the end of the concession contract. This flow of receipts is (i) remunerated by the rate that represents the financial component of the business, established at the beginning of each project, which varies between 6.00% a.a. to 15.00% a.a. ; and (ii) updated by the IPCA.

The use of accounting estimates as described in Note 2.3 is determined based on management's judgment. During 2019, the Company has improved the way of measuring the cash flows for the registration of the Contractual Asset. The effect of the improvement in the process of estimating such cash flows in the Company's results in the first quarter of 2019 was R\$ 176,326.

2.4. Functional currency, translation of balances and transactions in foreign currency

2.4.1. Functional and reporting currency

This interim financial information was prepared and are presented in Brazilian thousands of Reais (R\$), which is the functional currency of the Company, its subsidiaries and joint ventures, except for subsidiaries Alupar Peru and La Virgen whose functional currency are the Soles Nuevos, of the subsidiary Risaralda, whose functional currency is the Colombian Peso and for subsidiary Alupar Chile Inversiones SpA, whose functional currency is the Chilean Peso. The functional currency was determined based on the primary economic environment for each entity's base of its operations.

2.4.2. Transactions and balances

Foreign currency transactions, i.e., all transactions not conducted in the Company's functional currency, were translated at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rate prevailing at reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

2.5. Consolidation criteria

The consolidated interim financial information includes the Company and its subsidiaries. Control over another entity exists when the Company is exposed to, or has a right over, the variable returns arising from its involvement with the entity and has the ability to affect those returns exerting its power over the entity. The interim financial information of subsidiaries are included in the consolidated interim financial information from the date that control commences until the date that control no longer exists.

Key consolidation adjustments include the following eliminations, among others:

- Asset and liability account balances, as well as revenues and expenses between Company and subsidiaries, so that the consolidated interim financial information effectively represents balances receivable from and payable to third parties.
- Interest on capital and profit (loss) for the period of subsidiaries.

Company management, based on the Articles of Incorporation and shareholder agreement, controls the companies listed below and, therefore, fully consolidates them:

Description	Abbreviation	Activity	Interest (%)	
			3/31/2019	12/31/2018
<u>Direct subsidiary:</u>				
Alupar Inversiones Peru S.A.C.	"Alupar Peru"	Holding	100.00	100.00
Transminas Holding S.A.	"Transminas"	Holding	70.02	70.02
Alupar Chile Inversiones SpA	"Alupar Chile"	Holding	100.00	100.00
Foz do Rio Claro Energia S.A.	"Foz"	Generation	69.83	69.83
Ijuí Energia S.A.	"Ijuí"	Generation	86.66	86.66
Usina Paulista Lavrinhas de Energia S.A.	"Lavrinhas"	Generation	61.00	61.00
Usina Paulista Queluz de Energia S.A.	"Queluz"	Generation	68.83	68.83
Ferreira Gomes Energia S.A	"Ferreira Gomes"	Generation	100.00	100.00
Geração de Energia Termoeletrica e Participações S.A.	"GET"	Generation	51.00	51.00
Risaralda Energia S.A.S.E.S.P.	"Risaralda"	Generation	0.34	0.34
Forquilha IV Energia S.A.	"Forquilha IV"	Generation	-	-
Verde 8 Energia S.A.	"Verde 8"	Generation	85.00	85.00
Agua Limpa S.A.	"Agua Limpa"	Generation	99.99	99.99
La Virgen S.A.C.	"La Virgen"	Generation	5.52	5.52
Empresa Amazonense de Transmissão de Energia S.A.	"EATE"	Transmission	50.02	50.02
Sistema de Transmissão Nordeste S.A.	"STN"	Transmission	51.00	51.00
Empresa de Transmissão do Espírito Santo S.A.	"ETES"	Transmission	100.00	100.00
Empresa Paraense de Transmissão de Energia S.A.	"ETEP"	Transmission	50.02	50.02
Empresa Norte de Transmissão de Energia S.A.	"ENTE"	Transmission	50.01	50.01
Empresa Regional de Transmissão de Energia S.A.	"ERTE"	Transmission	21.96	21.96
Empresa Catarinense de Transmissão de Energia S.A.	"ECTE"	Transmission	50.02	50.02
Empresa de Transmissão de Energia do Mato Grosso S.A.	"ETEM"	Transmission	62.79	62.79
Empresa de Transmissão de Varzea Grande S.A.	"ETVG"	Transmission	100.00	100.00
Empresa Litorânea de Transmissão de Energia S.A.	"ELTE"	Transmission	99.99	99.99
Lumitrans - Companhia Transmissora de Energia Elétrica	"Lumitrans"	Transmission	15.00	15.00
Sistema de Transmissão Catarinense S.A.	"STC"	Transmission	20.00	20.00
ACE Comercializadora Ltda.	"ACE"	Trading company	100.00	100.00
AF Energia S.A.	"AF"	Services	100.00	100.00
Windepar Holding S.A.	"Windepar"	Holding	100.00	100.00
Empresa Transmissora Agreste Potiguar S.A.	"ETAP"	Transmission	100.00	100.00
Empresa Transmissora Capixaba S.A.	"ETC"	Transmission	100.00	100.00
Alupar Colombia S.A.S	"Alupar Colombia"	Holding	100.00	100.00
Transmissora Caminho do Café S.A.	"TCC"	Transmission	51.00	51.00
Transmissora Paraíso De Energia S.A.	"TPE"	Transmission	51.00	51.00
Transmissora Serra da Mantiqueira S.A.	"TSM"	Transmission	51.00	51.00
Transmissoras Reunidas S.A.	"Transmissoras Reunidas"	Holding	99.99	99.99
Apaete Participações em Transmissão S.A.	"Apaete"	Holding	25.50	-
Eolica do Agreste Potiguar I S.A	"Eolica do Agreste Potiguar I"	Generation	99.90	-
Eolica do Agreste Potiguar II S.A	"Eolica do Agreste Potiguar II"	Generation	99.90	-

Description	Abbreviation	Activity	Interest (%)	
			3/31/2019	12/31/2018
<u>Indirect subsidiaries:</u>				
Empresa Brasileira de Transmissão de Energia S.A.(i)	"EBTE"	Transmission	25.51	25.51
Lumitrans - Companhia Transmissora de Energia Elétrica (i)	"Lumitrans"	Transmission	40.01	40.01
Sistema de Transmissão Catarinense S.A. (i)	"STC"	Transmission	30.79	30.79
Companhia Transleste de Transmissão (ii)	"Transleste"	Transmission	28.71	28.71
Companhia Transirapé de Transmissão (ii)	"Transudeste"	Transmission	28.71	28.71
Companhia Transudeste de Transmissão (ii)	"Transirapé"	Transmission	28.71	28.71
Empresa Santos Dumont de Energia S.A. (iii) (i)	"ESDE"	Transmission	50.02	50.02
Empresa de Transmissão Serrana S.A. (iv)	"ETSE"	Transmission	50.02	50.02
Empresa de Sudeste de Transmissão de Energia S.A. (vi)	"ESTE"	Transmission	50.02	50.02
La Virgen S.A.C. (v)	"La Virgen"	Generation	79.06	79.06
Empresa Regional de Transmissão de Energia S.A. (vi)	"ERTE"	Transmission	9.04	9.04
Companhia Transleste de Transmissão (vi)	"Transleste"	Transmission	5.00	5.00
Companhia Transirapé de Transmissão (vi)	"Transudeste"	Transmission	5.00	5.00
Companhia Transudeste de Transmissão (vi)	"Transirapé"	Transmission	5.00	5.00
Sistema de Transmissão Catarinense S.A. (vii)	"STC"	Transmission	9.23	9.23
Empresa Regional de Transmissão de Energia S.A. (vii)	"ERTE"	Transmission	19.01	19.01
Energia dos Ventos I S.A. (viii)	"EDV I"	Generation	100.00	100.00
Energia dos Ventos II S.A. (viii)	"EDV II"	Generation	100.00	100.00
Energia dos Ventos III S.A. (viii)	"EDV III"	Generation	100.00	100.00
Energia dos Ventos IV S.A. (viii)	"EDV IV"	Generation	100.00	100.00
Energia dos Ventos X S.A.(viii)	"EDV X"	Generation	100.00	100.00
Risaralda Energia S.A.S.E.S.P. (ix)	"Risaralda"	Generation	99.62	99.62
Transmissora Colombiana de Energia S.A.S ESP (ix)	"TCE"	Transmission	99.99	99.99
Empresa Diamantina de Transmissão de Energia S.A. (vii)	"EDTE"	Transmission	25.06	-

(i) Directly controlled by EATE

(ii) Directly controlled by Transminas

(iii) Directly controlled by ETEP

(iv) Directly controlled by ECTE

(v) Directly controlled by Alupar Peru

(vi) Indirect stake by EATE

(vii) Indirect stake by ENTE

(viii) Indirect stake by Windepar

(ix) Indirect stake by Alupar Colombia

a) Auctions Eletrobras

On September 27, 2018, the Company was the winner of the Eletrobras Auction K, M and O Lots (in Consortium), for the sale of Eletrobras' equity interests and subsidiaries in Special Purpose Companies (SPE) collected in 18 lots

Lot K is composed of the sale of 49% (forty-nine percent) of the ownership interest held by Eletrobrás in Transmissora Matogrossense de Energia S.A. ("TME"), which Alupar is already a shareholder. The winning bid, presented by the Company, corresponded to the minimum value of one hundred nine million, five hundred twenty-nine thousand, seven hundred and fifty-two reais and ninety-two centavos (R\$ 109,529,752.92). On March 14, 2019, Alupar entered into by and between the Share Purchase Agreement with Eletrobras and the transfer of shares will be carried out as soon as the prior approvals of CADE, ANEEL and the financing agents are granted.

Lot M is composed of the sale of: (i) 24.50% (twenty-four point fifty percent) of the ownership interest held by Eletrobrás in Companhia Transirapé de Transmissão; (ii) 24.00% (twenty-four percent) of the equity interest held by Eletrobrás in Companhia Transleste de Transmissão; and (iii) 25% (twenty five percent) of the ownership interest held by Eletrobrás in Companhia Transudeste de Transmissão, which Alupar is also an indirect shareholder. The winning bid for the 3 (three) companies, presented by the Company, corresponded to the minimum value of the lot of R\$ 78,375,909,74 (seventy-eight million, three hundred and seventy-five thousand, nine hundred and nine reais and seventy-four cents). The lot, however, was awarded by TAESA.

On March 12, 2019, Eletrobras entered into by a Share Purchase Agreement with TAESA aiming at selling all the shares of Transmineiras, owned by Eletrobras, on the understanding that only TAESA would have a preemptive right to acquire said shares pursuant to the provisions of the Transmineiras Shareholders' Agreements. As our controlled Company Transminas did not agree with the understanding given by Eletrobrás and TAESA to such preemptive right, a lawsuit – an interlocutory appeal No 2051956-60.2019.8.26.0000 - was then filed by Transminas aiming at obtaining an injunction to suspend the transfer of such shares whose procedural progress is being followed before the São Paulo State Higher Court.

Lot O is composed of the alienation of 49% (forty-nine percent) of Eletrobrás' ownership interest in Amazônia - Eletronorte Transmissora de Energia S.A. ("AETE"). The Company's interest in this lot was made through the Consórcio Olympus VI, whose winning bid was ninety-four million, eight hundred seventy-four thousand reais (R\$ 94,874,000.00), with a 10% premium (ten percent) from the minimum value. As a result of the award, the company APAETE Participações em Transmissão S.A. ("APAETE") was organized by Alupar and CSHG PERFIN APOLLO 16 FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTISTRATÉGIA ("APOLLO 16") with the purpose of acquiring the Eletrobras' equity interest in AETE, pursuant to the Invitation to Bid. It should be noted that Alupar holds twenty-five-point fifty percent (25.50%) of the total capital stock of APAETE and APOLLO 16, seventy-four-point fifty percent (74.50%), respectively. In addition, Alupar holds fifty-one percent (51%) of the voting capital of APAETE and APOLLO 16, forty-nine percent (49%).

APAETE entered into by the Share Purchase Agreement of AETE with Eletrobras on March 11, 2019 and the transfer of the shares will be carried out after obtaining the prior approvals of ANEEL and CADE.

Below is information regarding the Lots awarded:

	Lote O	Lote M			Lote O
Project	"TME"	"TRANSIRAPÉ"	"TRANSLESTE"	"TRANSUDESTE"	"AETE"
Minimum bid	109,529,752.92	78,375,909.74			86,248,758.26
Win winner	109,529,752.92	78,375,909.74			94,874,000.00
Agio	0.0%	0.0%			10.0%
Acquired participation	49.0%	24.5%	24.0%	25.0%	49.0%
RAP* (MM - R\$)	51.5	34.5	42.5	26.4	49.5
RAP* - (%) ELETROBRAS	25.2	8.5	10.2	6.6	24.3
Startup	11/22/2011	05/23/2007	12/18/2005	02/23/2007	08/24/2005
Location	MT	MG			MT
Extension	348 km	65 km	150 km	140 km	193 km
Tension	500 kv	230 kv	345 kv	345 kv	230 kv

*RAP cycles 2018-2019

The joint ventures below are accounted for based on the equity method:

Description	Abbreviation	Activity	Interest (%)	
			3/31/2019	12/31/2018
<u>Investes with shared control:</u>				
Transmissora Matogrossense de Energia S.A	"TME"	Transmission	46.00	46.00
Transnorte Energia S.A.	"TNE"	Transmission	51.00	51.00
Empresa de Transmissão Baiana S.A	"ETB"	Transmission	50.00	50.00

The financial reporting year of consolidated subsidiaries coincides with that of the Company, and accounting practices were uniformly applied in relation to the Company and are consistent with prior year. Transactions between the Company and subsidiaries are carried out under conditions established between the parties (see explanatory note 34). Non-controlling interests of fully consolidated companies are identified in the consolidated income statement, consolidated comprehensive income, statements of value added and in the statement of changes in shareholders' equity.

2.6. Substantial accounting presumption, estimates and assumptions

2.6.1 Presumption

The buildup to the controlling and the company's consolidated interim financial information requires the management to give presumptions and estimates and adopt assumptions, which affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosures of provisions for litigation, contingent liabilities, as of the date basis of such interim financial information. Where necessary, the estimates were based on expert opinions. The Company and its subsidiaries adopted assumptions derived from historical experiences and other factors which were deemed reasonable and relevant in the circumstances. In the ordinary course of business, the assumptions adopted by the Company and its subsidiaries are reviewed periodically. However, uncertainty regarding these assumptions and estimates could lead to results, which require a substantial adjustment to the book value of the affected asset or liability in the coming periods of time.

2.6.2 Estimates and assumptions

The main assumptions about the sources of uncertainty in future estimates and other important sources of uncertainty in estimates at the balance sheet date are discussed below, involving significant risk of causing a significant adjustment in the assets and liabilities' book value in the next financial year.

2.6.2.1 Useful life of property, plant and equipment

As described in the explanatory note 3.3 and aiming at determining the estimated useful life of property, plant and equipment, the Company and its subsidiaries use the criteria defined by the ANEEL Resolution no. 674, dated August 11, 2015. The Company understands that these criteria adequately reflect the useful life of its assets.

2.6.2.2 Impairment loss on a non-financial asset, including premium

The recoverable amount of an asset or UGC is the greater of its value in use and its fair value less costs to sell. The value in use is based on the estimated future cash flows, discounted to present value, using a pre-tax discount rate that reflects the current market valuations of money in time and the specific risks to the asset or the UGC.

An impairment loss is recognized if the book value of an asset or UGC exceeds its recoverable amount.

An impairment loss regarding the premium is not reversed. As for the other assets, impairment losses are reversed only to the extent that the new book value of an asset does not exceed the book value that would have been set up if the loss of such value would not have been recognized, net of depreciation or redemption.

Objective evidence of the impairment loss on a non-financial asset includes:

- Observable indicators of significant reduction of such asset value;
- Technological, market, economic or legal changes where the asset is operated by the entity;
- Increase in interest rates and market interest rates on investments, affecting the discount rate used by the Company;
- The book value of the entity's net worth is greater than the value of its market shares;
- Available evidence of obsolescence or physical damage to an asset;
- Discontinuance or restructuring of the operation to which an asset belongs;
- Observable data indicating that the economic performance of an asset is or will be worse than expected;

2.6.2.3 Taxes

There are uncertainties regarding the interpretation of complex tax regulations and the value and timing of future taxable income. Given the broad aspect of international business relationships, as well as the long-term nature and complexity of existing contractual instruments, differences between actual results and adopted assumptions or future changes in these assumptions could require future adjustments in tax revenues and expenses which have already been recorded. The Company makes provisions based on the appropriate estimates for possible consequences of audits carried out by the tax authorities of the respective venues where it operates. The amount of these provisions is based on a number of factors, such as the experience with prior tax audits and the differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Depending on the conditions prevailing at the place where the Company operates, these differences of interpretation may arise on a wide variety of subjects.

The management's relevant presumption is required to determine the amount of deferred tax that can be recognized based on the expected time and the level of future taxable income along with future tax planning strategies.

2.6.2.4 Fair value of financial instruments

The fair value of financial instruments actively traded in the organized financial markets is determined based on the quoted market prices at the close of business on the balance sheet date without deducting transaction costs.

Where there is no active market, the fair value of financial instruments is determined by using valuation techniques. These valuation techniques may include the use of recent (non-interest) market transactions; make reference to the current fair value of another similar instrument; the discounted cash flow analysis or other valuation models.

2.6.2.5 Time of recognition of financial and contractual assets

The recognition of financial assets is evaluated by the Company's management and its subsidiaries based on the economic features of each concession agreement. The subsequent additions to the financial asset will take place when construction services are provided related to the expansion/improvement/reinforcement of the infrastructure that represents the potential of additional revenue generation. For these cases, the construction obligation is not recognized at the time of contract execution, but will be carried out at the time of construction, with the financial asset return.

3. Summary of significant accounting practices

The financial statements for the year ended December 31, 2018 were prepared and presented by the agreement with the Company the international accounting standards IFRS issued by the International Accounting Standards Board (IASB) and in accordance with the accounting practices adopted in Brazil, in effect until December 31, 2018. The significant accounting policies adopted by the Company to prepare its Quarterly information form - ITR for the three months ended March 31, 2019 were applied consistently with those disclosed in note 3 the financial statements for the year ended December 31, 2018, issued on March 29, 2019, therefore, should be read together, except for the new standards adopted as of January 1, 2019 as described in the note below. The Company adopted all the pronouncements, interpretations and guidelines issued by the CPC and the IASB as well as the rules issued by the regulatory agency.

4. New standards and interpretations in force since January 1, 2019.

IFRS 16 Leases (Leases)

IFRS 16 introduces a single model for the accounting of leases in the balance sheet for lessees. A lessee recognizes a right of use asset that represents his right to use the leased asset and a lease liability that represents his obligation to make lease payments. The lessor's accounting remains similar to the current standard. The new rules did not impact the Company and its subsidiaries.

ICPC 22 - IFRIC 23 – Uncertainty about the treatment of taxes on income

This interpretation, effective for fiscal years beginning on January 1, 2019, clarifies on how to apply the recognition and measurement requirements when there is uncertainty about the acceptance of the

treatments adopted by the tax authority related to income tax and social contribution. The Company evaluated such uncertainty and did not allow impacts on its interim financial information.

- **IFRS 10 and IAS 28**

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

- **IFRS 17 - Insurance Agreements**

The Company evaluated such uncertainty and did not allow impacts on its interim financial information.

5. Cash and cash equivalents

Cash and cash equivalents:	Average compensation - % CDI		Parent Company	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Cash available (Cash and banks)	-	-	277	589
Compromised operations - National Treasury Notes	94.57%	94.57%	228,638	203,351
Repurchase agreements	95.00%	95.00%	20,325	27,934
Automatic investments	20.00%	20.00%	11	4
Total			249,251	231,878

Cash and cash equivalents:	Average compensation - % CDI		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Cash available (Cash and banks)	-	-	89,261	83,385
Investment Funds (*)	95.19%	94.93%	265,615	253,836
Bank deposit certificates	0.00%	0.00%	417,640	2,161,923
Repurchase agreements	95.00%	95.00%	20,325	27,934
Other investment funds	97.91%	91.48%	2,053,407	406,900
Automatic investments	20.00%	20.00%	61,091	41,445
Total			2,907,339	2,975,423

The Company and its subsidiaries have financial investment policies stating that financial investments classified as cash and cash equivalents must be held in low-risk securities and in investments in top-tier financial institutions.

Financial investments classified as cash and cash equivalents:

Cash equivalents are held for the purpose of meeting short-term cash commitments mainly refer to bank deposit certificates, fixed income mutual funds and with immediate liquidity and automatic investments that are linked to current account, where the actual remuneration will depend on the total period for which the funds remain invested, whereas the administration records these applications by earned income percentage, there is no risk of significant change in value in the event of early redemption, and are considered financial instruments measured at fair value against income.

6. Short-term investments

Consolidated	
3/31/2019	12/31/2018
Government Bonds – Financial Treasury Bills	531,550
Amounts payable	(22)
Cash and Cash Equivalents	1
Other quota holders	(45,204)
Total - FI Energia	513,756

Portfolio Composition

Government Bonds – Financial Treasury Bills

Amounts payable

Cash and Cash Equivalents

Other quota holders

Total - FI Energia

531,550

(22)

1

(45,204)

486,325

558,613

(23)

1

(44,835)

513,756

Financial investments classified as short-term investments:

Refer Exclusively to Investment Funds (FI) - Energia, as evidenced in note 5, is substantially comprised of Brazilian Treasury securities and bank deposit certificates, is measured at fair value through profit or loss, and are paid on average for 98.4% of CDI as of March 31, 2019 (95.00% of CDI as of December 31, 2018).

7. Marketable securities

Marketable securities account is broken down as follows:

Marketable securities:	Average compensation - % CDI		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
<u>Financial investments classified as marketable securities</u>				
<u>Current</u>				
Other investment funds	85.00%	85.00%	97,581	95,780
Repurchase agreements	99.64%	99.64%	10,353	10,199
			107,934	105,979
<u>Non-Current</u>				
Other investment funds	97.90%	97.90%	5,064	4,992
			5,064	4,992
			112,998	110,971

Marketable securities is broken down as follows:

Financial investments constituted like reserve accounts defined in subsidiaries' loan agreements. These accounts consist of the obligation to maintain short-term investments corresponding to three installments of loans and financing, on average.

- i) Financial investments intended for reinvestment in infrastructure projects in the Brazilian Amazon region, which is subject to approval of the Amazon Development Agency (ADA).

8. Trade accounts receivable

a) Trade accounts receivable are as follows:

	Parent company		Consolidated						
	Upcoming balances		Current	Balances overdue (*)				3/31/2019	12/31/2018
	3/31/2019	12/31/2018		Up to 30 days	From 31 to 60 days	From 61 to 360 days	More than 361 days		
<u>Power transmission system</u>									
Transmission charges billed	-	-	107,333	193	125	798	11,822	120,271	124,078
	-	-	107,333	193	125	798	11,822	120,271	124,078
<u>Power generation system</u>									
Bilateral agreement – regulated environment	-	7,612	31,895	-	-	-	-	31,895	38,649
Bilateral agreement – free environment	50,755	4,035	118,794	-	-	-	-	118,794	27,255
MRE and Spot (short-term energy)	9,702	37,325	128,172	-	-	-	-	128,172	146,495
	60,457	48,972	278,861	-	-	-	-	278,861	212,399
	60,457	48,972	386,194	193	125	798	11,822	399,132	336,477
Current	-	-						387,435	324,347
Non-Current	60,457	48,972						11,697	12,130
Total	60,457	48,972						399,132	336,477

During the period ended March 31, 2019 no allowance for bad debts, was recorded, due to the non-presentation of historical losses on receivables and / or loss expectations, evaluation and monitoring of credit risk and that they are guaranteed by the National Electrical System Operator (ONS).

b) Changes in trade accounts receivable are as follows:

	Consolidated					
	12/31/2018	Provision	Provision reversal	Invoicing	Receipt	Transfer of trade accounts receivable
Power transmission system						
Transmission charges billed	124,078	-	-	277,683	(277,897)	(3,593)
	124,078	-	-	277,683	(277,897)	(3,593)
Power generation system						
Bilateral agreement – regulated environment	38,649	9,451	(9,244)	74,382	(81,343)	-
Bilateral agreement – free environment	27,255	177,571	(128,849)	139,821	(97,004)	-
MRE and Spot (short-term energy)	146,495	42,526	(16,021)	20,871	(65,699)	-
	212,399	229,548	(154,114)	235,074	(244,046)	-
	212,399	229,548	(154,114)	235,074	(244,046)	-
	336,477	229,548	(154,114)	512,757	(521,943)	(3,593)

9. Other taxes to be offset

In accordance with legal provision, the Company and subsidiaries were subject to withholding taxes and/or made monthly tax payments for future offset of taxes and contributions. Tax balances are as follows:

	Parent company		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Current				
Income tax and social contribution to be offset				
Corporate income tax - IRPJ	-	-	22,479	18,330
Social Contribution on Net Income - CSLL	33	33	2,907	1,739
Withholding income tax - IRRF	33,844	37,757	39,097	41,701
	33,877	37,790	64,483	61,770
Other taxes to be offset				
Social integration program - PIS	-	-	129	129
Social Security Financing Contribution - COFINS	-	-	817	821
Others	-	-	19,042	15,937
	-	-	19,988	16,887
Non-Current				
Income tax and social contribution to be offset				
Corporate income tax - IRPJ	-	-	19,192	19,560
Social Contribution on Net Income - CSLL	-	-	6,518	6,651
Withholding income tax - IRRF	-	-	3,187	3,187
	-	-	28,897	29,398
Other taxes to be offset				
Others	-	-	2,774	2,774
	-	-	2,774	2,774
	33,877	37,790	116,142	110,829

10. Contractual asset from the concession

a) The composition and changes of the concession contract by subsidiary is as follows:

	Financial asset from the concession - 12/31/2018	Revenue from power transmission	Concession asset payment	Infrastructure revenue	Receipt	Asset from the concession - 03/31/2019
Direct subsidiary:						
Empresa Amazonense de Transmissão de Energia S.A.	1,195,925	54,472	2,367	140,023	(71,647)	1,321,140
Sistema de Transmissão Nordeste S.A.	638,047	17,367	9,475	-	(45,789)	619,100
Empresa Norte de Transmissão de Energia S.A.	618,023	1,670	101,902	-	(58,448)	663,147
Sistema de Transmissão Catarinense S.A.	219,408	32,713	(9,384)	4,279	(12,256)	234,760
Empresa Catarinense de Transmissão de Energia S.A.	259,012	27,999	(48,657)	47,758	(12,313)	273,799
Empresa Paraense de Transmissão de Energia S.A.	263,224	(1,010)	48,238	-	(13,671)	296,781
Empresa Regional de Transmissão de Energia S.A.	177,353	1,325	24,014	-	(13,113)	189,579
Empresa de Transmissão de Energia do Mato Grosso S.A.	157,050	(602)	(36,333)	17,188	(3,572)	133,731
Lumitrans - Companhia Transmissora de Energia Elétrica	104,887	1,407	15,874	-	(6,917)	115,251
Empresa de Transmissão do Espírito Santo S.A.	142,058	(2,707)	(39,293)	13,086	(4,013)	109,131
Empresa de Transmissão de Varzea Grande S.A.	128,850	1,505	15,238	(12,532)	(2,685)	130,376
Empresa Litorânea De Transmissão de Energia S.A.	11,241	-	-	3,257	-	14,498
Empresa Transmissora Agreste Potiguar S.A.	229,748	-	-	143,515	-	373,263
Empresa Transmissora Capixaba S.A.	62,248	-	-	171,290	-	233,538
Transmissora Caminho do Café S.A.	31,587	-	-	16,412	-	47,999
Transmissora Paraíso de Energia S.A.	58,875	-	-	17,967	-	76,842
Transmissora Serra da Mantiqueira S.A.	15,375	-	-	5,900	-	21,275
Empresa Sudeste de Transmissão de Energia S.A.	15,531	-	-	7,239	2,740	25,510
	4,328,442	134,139	83,441	575,382	(241,684)	4,879,720
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	440,602	25,612	41,127	10,423	(13,475)	504,289
Companhia Transleste de Transmissão	131,949	1,094	(18,712)	35,857	(10,152)	140,036
Companhia Transudeste de Transmissão	85,955	507	1,737	13,547	(6,266)	95,480
Companhia Transirapé de Transmissão	182,239	796	(3,300)	31,248	(8,370)	202,613
Empresa Santos Dumont de Energia S.A.	121,560	1,533	10,918	-	(4,399)	129,612
Empresa de Transmissão Serrana S.A.	203,197	6,723	(7,377)	8,184	(4,798)	205,929
Empresa Diamantina de Transmissão de Energia S.A.	37,514	-	25,708	26,527	785	90,534
	1,203,016	36,265	50,101	125,786	(46,675)	1,368,493
	5,531,458	170,404	133,542	701,168	(288,359)	6,248,213
Current	906,633					784,593
Non-Current	4,624,825					5,463,620
	5,531,458					6,248,213

Consolidated							
12/31/2017	CPC 47 Adjustment	Revenue from power transmission	Concession asset payment	Infrastructure revenue	Financial asset from the concession acquired upon capital	Receipt	12/31/2018
Direct subsidiary:							
Empresa Amazonense de Transmissão de Energia S.A.	719,829	442,105	41,216	277,721	-	(284,946)	1,195,925
Sistema de Transmissão Nordeste S.A.	672,984	8,608	28,390	128,110	-	(200,045)	638,047
Empresa Norte de Transmissão de Energia S.A.	536,501	157,876	36,596	116,660	-	(229,611)	618,022
Sistema de Transmissão Catarinense S.A.	233,488	(758)	8,459	26,246	-	(48,027)	219,408
Empresa Catarinense de Transmissão de Energia S.A.	150,407	97,484	13,011	75,582	-	(77,472)	259,012
Empresa Paraense de Transmissão de Energia S.A.	136,338	102,804	8,891	66,506	-	(51,315)	263,224
Empresa Regional de Transmissão de Energia S.A.	135,589	56,349	7,315	32,676	-	(54,576)	177,353
Empresa de Transmissão de Energia do Mato Grosso S.A.	116,836	35,551	3,031	15,339	-	(13,707)	157,050
Lumitrans - Companhia Transmissora de Energia Elétrica	98,136	7,309	4,345	22,339	-	(27,242)	104,887
Empresa de Transmissão do Espírito Santo S.A.	88,691	52,782	3,060	13,066	-	(15,541)	142,058
Empresa de Transmissão de Varzea Grande S.A.	80,698	39,761	2,271	12,973	-	(6,853)	128,850
Empresa Litorânea De Transmissão de Energia S.A.	11,491	(858)	-	608	-	-	11,241
Empresa Transmissora Agreste Potiguar S.A.	12,055	11,354	-	206,339	-	-	229,748
Empresa Transmissora Capixaba S.A.	5,268	2,511	-	54,469	-	-	62,248
Transmissora Caminho do Café S.A.	6,341	1,426	-	23,820	-	-	31,587
Transmissora Paraíso de Energia S.A.	11,164	3,238	-	44,473	-	-	58,875
Transmissora Serra da Mantiqueira S.A.	1,803	330	-	13,242	-	-	15,375
Empresa Sudeste de Transmissão de Energia S.A.	1,951	978	-	12,602	-	-	15,531
3,019,570	1,018,850	156,585	787,218	355,553	-	(1,009,335)	4,328,441
Indirect subsidiaries:							
Empresa Brasileira de Transmissão de Energia S.A.	578,132	(151,395)	8,605	53,283	5,086	(53,109)	440,602
Companhia Transleste de Transmissão	149,928	(12,955)	4,593	30,166	-	(39,783)	131,949
Companhia Transudeste de Transmissão	101,177	(13,952)	2,407	19,003	-	(22,680)	85,955
Companhia Transirapé de Transmissão	153,223	31,975	3,498	34,142	-	(40,599)	182,239
Empresa Santos Dumont de Energia S.A.	106,282	13,018	1,436	13,068	-	(12,244)	121,560
Empresa de Transmissão Serrana S.A.	215,198	(21,211)	-	(2,942)	-	12,152	203,197
Empresa Diamantina de Transmissão de Energia S.A.	-	1,696	-	-	9,336	-	37,514
1,303,940	(152,823)	20,539	146,720	31,568	9,336	(156,263)	1,203,017
4,323,510	866,027	177,124	933,938	387,121	9,336	(1,165,598)	5,531,458
Current	1,105,358						906,633
Non-Current	3,218,152						4,624,825
4,323,510							5,531,458

The Allowed Annual Revenue (RAP) of each transmission subsidiary of The Company, subsidiaries and joint ventures, in accordance with Authorizing Resolution No. 2,408 of June 26, 2018, is broken down as follows:

Cycle 2017-2018	Basic Network			Basic Network - Frontier		DIT (e) (Exclusive)		Total	Calculation of adjustment amount (PA)	Net Total
	RBL (a)	RBNl (b)	RMEL	RBL (a)	RBNl (b)	RPEC (c)	RCDM (d)			
Concession										
Empresa Amazonense de Transmissão de Energia S.A.	220,060	7,127	20	-	-	-	-	227,207	(13,837)	213,370
Empresa Norte de Transmissão de Energia S.A.	234,714	16	10	-	-	-	-	234,740	(8,555)	226,185
Sistema de Transmissão Nordeste S.A.	187,799	1,396	-	-	-	-	-	189,195	(3,688)	185,507
Empresa Paraense de Transmissão de Energia S.A.	51,096	14	118	-	-	-	-	51,228	(2,159)	49,069
Empresa Catarinense de Transmissão de Energia S.A.	49,528	9	27	-	-	-	-	49,564	(1,659)	47,905
Empresa Regional de Transmissão de Energia S.A.	41,479	11,208	-	-	-	-	-	52,687	(1,851)	50,836
Empresa Brasileira de Transmissão de Energia S.A.	41,525	3,618	7	2,729	-	434	-	48,313	(1,577)	46,736
Sistema de Transmissão Catarinense S.A.	28,552	2,124	-	7,765	2,325	349	4,123	45,238	(3,522)	41,716
Companhia Transleste de Transmissão	42,543	-	-	-	-	-	-	42,543	(1,652)	40,891
Companhia Transirapé de Transmissão	18,155	8,085	-	4,136	2,928	337	894	34,535	(1,173)	33,362
Lumitrans - Companhia Transmissora de Energia Elétrica	27,752	34	-	-	-	-	-	27,786	(917)	26,869
Companhia Transudeste de Transmissão	26,369	-	-	-	-	-	-	26,369	(1,024)	25,345
Empresa de Transmissão Serrana S.A.	15,038	74	-	2,305	1,776	958	-	20,151	(2,292)	17,859
Empresa de Transmissão do Espírito Santo S.A.	8,287	93	-	-	4,192	-	1,929	14,501	(304)	14,197
Empresa Santos Dumont de Energia S.A.	8,668	-	2	3,858	-	943	-	13,471	(307)	13,164
Empresa de Transmissão de Energia do Mato Grosso S.A.	12,849	51	-	-	-	-	-	12,900	(463)	12,437
Empresa de Transmissão de Varzea Grande S.A.	1,273	195	-	2,667	5,640	466	795	11,036	(763)	10,273
Total	1,015,687	34,044	184	23,460	16,861	3,487	7,741	1,101,464	(45,743)	1,055,721

The breakdown of the Allowed Annual Revenue (RAP) for each transmission subsidiary of The Company, subsidiaries and joint ventures, according to Ratification Ruling No. 2,255 of June 23, 2017, was as follows:

Cído 2017-2018	Basic Network		Basic Network - Frontier		DIT (e) (Exclusive)		Total	Calculation of adjustment amount (PA)	Net Total
	RBL (a)	RBNl (b)	RBL (a)	RBNl (b)	RPEC (c)	RCDM (d)			
Concession									
Empresa Amazonense de Transmissão de Energia S.A.	347,481	6,799	-	-	-	-	354,280	(26,483)	327,797
Empresa Norte de Transmissão de Energia S.A.	225,130	-	-	-	-	-	225,130	(13,240)	211,890
Sistema de Transmissão Nordeste S.A.	180,122	-	-	-	-	-	180,122	(10,593)	169,529
Empresa Paraense de Transmissão de Energia S.A.	56,367	-	-	-	-	-	56,367	(5,645)	50,722
Empresa Catarinense de Transmissão de Energia S.A.	47,529	-	-	-	-	-	47,529	(4,954)	42,575
Empresa Regional de Transmissão de Energia S.A.	39,783	10,750	-	-	-	-	50,533	(2,972)	47,561
Empresa Brasileira de Transmissão de Energia S.A.	40,372	2,558	2,653	967	421	-	46,971	(2,480)	44,491
Sistema de Transmissão Catarinense S.A.	27,759	2,066	7,550	2,260	339	4,009	43,982	(1,574)	42,408
Companhia Transleste de Transmissão	40,804	-	-	-	-	-	40,804	(2,400)	38,404
Companhia Transirapé de Transmissão	17,413	7,754	3,967	2,809	323	857	33,123	(1,585)	31,538
Lumitrans - Companhia Transmissora de Energia Elétrica	26,618	11	-	-	-	-	26,629	(1,553)	25,076
Companhia Transudeste de Transmissão	25,291	-	-	-	-	-	25,291	(1,487)	23,804
Empresa de Transmissão Serrana S.A.	14,621	72	2,241	1,727	931	-	19,591	(1,229)	18,362
Empresa de Transmissão do Espírito Santo S.A.	8,057	90	-	4,076	-	1,875	14,099	(487)	13,611
Empresa Santos Dumont de Energia S.A.	8,429	-	3,751	-	917	-	13,097	(1,002)	12,095
Empresa de Transmissão de Energia do Mato Grosso S.A.	12,492	38	-	-	-	-	12,530	(690)	11,840
Empresa de Transmissão de Varzea Grande S.A.	1,238	190	2,593	5,483	453	773	10,730	(7,294)	3,436
Total	1,119,506	30,328	22,755	17,322	3,384	7,514	1,200,808	(85,667)	1,115,141

- (a) Bid Basic Grid;
(b) New Facilities Basic Grid;
(c) Revenue from assets of other concession operators of bid transmission;
(d) Revenue from other Transmission Facilities;
(e) Other Transmission Facilities.

11. Investments in affiliates and jointly-controlled subsidiaries

Changes in investments are as follows:

Consolidated			
Investments evaluated by equity accounting:	Balance on 12/31/2018	Equity accounting	Balance on 03/31/2019
Investees with shared control			
Transmissora Matogrossense de Energia S.A	142,278	(3,049)	139,229
Transnorte Energia S.A.	144,673	(4,188)	140,485
Empresa de Transmissão Baiana S.A.	56,277	47,456	103,733
Total - Interest in investees with shared control	343,228	40,219	383,447
Indirect investments			
Companhia Transleste de Transmissão (*)	2,997	710	3,707
Companhia Transudeste de Transmissão (*)	1,858	650	2,508
Companhia Transirapé de Transmissão (*)	4,990	2,346	7,336
Empresa Regional de Transmissão de Energia S.A. (*)	15,379	1,992	17,371
Sistema de Transmissão Catarinense S.A. (**)	19,204	2,200	21,404
Empresa Regional de Transmissão de Energia S.A. (**)	32,333	4,189	36,522
Total - Indirect investments	76,761	12,087	88,848
Total - Other equity interests	419,989	52,306	472,295

(*) Indirect interest in subsidiary EATE

(**) Indirect interest in subsidiary ENTE

Information on total shares or units of interest and a summary of financial data of joint ventures and indirect investments are as follows:

Company	Consolidated							
	3/31/2019				12/31/2018			
	Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company and by EATE and by ENTE			Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company and by EATE and by ENTE		
		Common	Preferred	Total		Common	Preferred	Total
Investees with shared control								
Transmissora Matogrossense de Energia S.A	109,793,590	50,504,851	-	50,504,851	109,793,590	50,504,851	-	50,504,851
Transnorte Energia S.A.	298,705,100	152,339,601	-	152,339,601	298,705,100	152,339,601	-	152,339,601
Empresa de Transmissão Baiana S.A.	222,958	111,479	-	111,479	-	-	-	-
Indirect investments								
Companhia Transleste de Transmissão (*)	49,569,000	4,956,900	-	4,956,900	49,569,000	4,956,900	-	4,956,900
Companhia Transudeste de Transmissão (*)	30,000,000	3,000,000	-	3,000,000	30,000,000	3,000,000	-	3,000,000
Companhia Transirapé de Transmissão (*)	22,340,490	2,234,049	-	2,234,049	22,340,490	2,234,049	-	2,234,049
Empresa Regional de Transmissão de Energia S.A. (*)	84,133,970	-	15,208,597	15,208,597	84,133,970	-	15,208,597	15,208,597
Sistema de Transmissão Catarinense S.A. (**)	211,003,246	38,930,597	-	38,930,597	211,003,246	38,930,597	-	38,930,597
Empresa Regional de Transmissão de Energia S.A. (**)	84,133,970	5,126,185	26,858,388	31,984,573	84,133,970	5,126,185	26,858,388	31,984,573

(*) Participation of the EATE

(**) Participation of the ENTE

Consolidated						
Company	3/31/2019			12/31/2018		
	Shareholders' equity	Interest of Alupar and EATE		Shareholders' equity	Interest of Alupar and EATE	
		on the capital stock	on shareholders' equity		on the capital stock	on shareholders' equity
Investees with shared control						
Transmissora Matogrossense de Energia S.A	302,673	46.00%	139,229	309,302	46.00%	142,278
Transnorte Energia S.A.	275,459	51.00%	140,485	283,671	51.00%	144,673
Empresa de Transmissão Baiana S.A. (***)	165,035	50.00%	103,733	70,124	50.00%	56,277
Indirect investments						
Companhia Transleste de Transmissão (*)	74,111	10.00%	3,707	59,915	10.00%	2,997
Companhia Transudeste de Transmissão (*)	50,137	10.00%	2,508	37,149	10.00%	1,858
Companhia Transirapé de Transmissão (*)	146,666	10.00%	7,336	121,612	10.00%	4,990
Empresa Regional de Transmissão de Energia S.A. (*)	192,105	18.08%	17,371	170,075	18.08%	15,379
Sistema de Transmissão Catarinense S.A. (**)	231,971	18.45%	21,404	208,120	18.45%	19,204
Empresa Regional de Transmissão de Energia S.A. (**)	192,105	38.02%	36,522	170,075	38.02%	32,333
			472,295			419,989

Company	Consolidated								
	Data from investees with shared control/from direct investments								
	3/31/2019								
	Assets Current	Assets Non-current	Liabilities current	Liabilities Non-current	Net revenue	Operating costs and expenses	Financial Income	Current and deferred IRPJ and CSLL	Income (loss) for the year
Investees with shared control									
Transmissora Matogrossense de Energia S.A	87,241	588,567	61,585	588,567	(5,788)	(1,464)	(2,138)	2,761	(6,629)
Transnorte Energia S.A.	14,085	285,229	1,615	285,229	(11,246)	(1,335)	100	4,269	(8,212)
Empresa de Transmissão Baiana S.A.	699,316	936,027	8,685	936,027	155,871	(25,578)	-	(35,382)	94,911
Indirect investments									
Companhia Transleste de Transmissão (*)	64,365	161,263	24,063	161,263	16,947	(1,052)	(1,080)	(619)	14,196
Companhia Transudeste de Transmissão (*)	34,457	104,274	16,198	104,274	14,692	(490)	(716)	(498)	12,988
Companhia Transirapé de Transmissão (*)	49,610	228,943	22,915	228,943	25,425	(756)	(624)	1,010	25,055
Empresa Regional de Transmissão de Energia S.A. (*) (**)	54,851	216,385	5,658	18,622	23,532	(817)	141	(826)	22,030
Sistema de Transmissão Catarinense S.A. (**)	58,112	260,012	4,707	260,012	25,652	(1,128)	164	(837)	23,851

(*) Indirect interest in subsidiary EATE

(**) Indirect interest in subsidiary ENTE

TNE

Transnorte Energia SA is a company formed by the partnership between Alupar (51%) and Eletronorte (49%), for the implementation of the transmission system that will connect the State of Roraima to the National Interconnected System (SIN), at the Lechuga substation in the State covering approximately 715.0 km of 500 kV line, in a double circuit, with 02 new substations, SE Ecuador - 500 kV, to be installed in the Municipality of Rorainópolis (RR) and SE Boa Vista - 500/230 kV - 800 MVA, located in the Municipality of Boa Vista (RR).

The Company holds 51% of TNE's shares and jointly controls the operations and decisions of the investee, and records the operations of TNE in the consolidated by the equity method.

This enterprise has a documented and justifiable displacement of its implementation schedule, due to the process of its environmental licensing, especially with regard to the study of the indigenous component.

After numerous negotiations, including with public agencies, it was not possible to obtain the environmental licensing of the Transmission Line so far, since FUNAI did not present a conclusive statement regarding the environmental feasibility of the project. Such an absence makes it impossible for IBAMA to issue the respective environmental permits, although the analysis of such body points to the environmental viability of the project.

After three years, without a solution being presented to TNE, the consortium filed an application for amicable termination of the Concession Agreement 003/2012 - ANEEL, on September 2, 2015, at ANEEL (National Electric Energy Agency). In the absence of this impasse, the line that was auctioned in September 2011 should be in operation since January 2015, with the main objective of reducing thermal generation in the State of Roraima, since this State is the only one outside the SIN.

The reasons for this lawsuit were: a) legal unfeasibility of continuity of the enterprise without the issuance of the previous License; b) legal uncertainty caused by the judicial recognition of the nullity of the ANEEL auction no. 004/2011, of the environmental licensing process of the enterprise and of the concession contract nº003 / 2012, by decision of merit rendered in the records of Public Civil Action 18408-23.2013. 4.01.3200; c) economic-financial imbalance due to an onerosity due to the delay in the environmental licensing due to unavoidable facts and unrelated to the will of the entrepreneur.

Currently, there is a decision handed down in an action for suspension of injunction (Process nº 0076128-42.2013.4.01.0000), which is filed before the Federal Regional Court of the 1st Region, determining the suspension of execution of the command expressed in the ruling rendered in the case of the public civil action cited. This decision shall remain in force until the final decision on the merits of the principal action is reached.

Nevertheless, on December 9, 2015, the Brazilian Institute of Environment and Renewable Resources (IBAMA) issued the Previous License to Transnorte Energia for the 500 kV Lechuga - Ecuador - Boa Vista and Associated Substations transmission line, the other reasons grounds for the amicable termination request remain unresolved.

On September 15, 2017, ANEEL, through ANSEL - Process 4850000484212 / 2015.11 AGREEMENT 003/2012 ANEEL, was directed to receive the request of Transnorte Energia SA and no merit to its provision, recognizing You are here extracting the Contract of Concession No. 003/2012 and forwarding the case file to the Ministry of Mines and Energy, recognizing that there are elements for the extinction of the Concession Agreement No. 003/2012 and refer the case file to the Ministry of Mines and Energy with recommendations for:

- a) Extinction of Concession Contract n ° 003 / 2012- ANEEL, through distraction, in terms of Clause 472 of the Civil Code, or other form to take adequate account;
- b) Decision on the value and form of payment of indemnification due to Transnorte Energia S.A,

c) Reversion to Unity of assets in service of the SE Boa Vista Reactive Static Compensator, leaving the Company, as a faithful depositary and responsible for the operation and maintenance of the CER, under the rules of the isolated Boa Vista system, until further decision.

At December 31, 2015, TNE reviewed the minimum realization values of the amounts actually spent on the development project and recorded a provision for reduction to the probable recoverable value of financial assets in the amount of R \$ 44,020 (equivalence effect only of 51% of this amount in the subsidiary) in order to reflect the values of the items that are the object of the return of the concession.

Following the request for friendly termination by the consortium, on December 13, 2017, the board of ANEEL unanimously voted and approved the publication of Dispatch no. 3,265, on December 19, 2017, with recommendations to: (i) host the request of TNE and, in the merits, give it partial approval recognizing that there are elements for the termination of Concession Agreement No. 003 / 2012- ANEEL; and (ii) forward the records of this Administrative Process to the Ministry of Mines and Energy with recommendations for:

- (a) terminate the above Concession Agreement, by way of distract, pursuant to article 472 of the Civil Code, or any other form it deems appropriate;
- (b) in the event of termination of the Agreement, appoint a body or entity of the federal administration, in this case Eletronorte, to continue the provision of the public transmission service referring to the CER of SE Boa Vista, until a later decision establishes a reversion of the assets in service, and the Granting Authority may grant the concession without prior reversal of the assets linked to the respective public service; and
- (c) in the event of termination of the Agreement, to consider as a reference for the indemnification of the assets in service, the criterion of the new replacement value, written off the depreciation occurring in the period, in an accounting report to be audited by ANEEL, being prohibited the indemnification of assets that were not in service.

Currently, the consortium is awaiting the definition of the Ministry of Mines and Energy (MME) regarding the extinction of the concession and the amount of compensation.

TNE maintains current assets in progress related to studies and environmental and licensing projects already incurred throughout the project, for which we are already part of our request for amicable termination of restitution through indemnification of these amounts.

While these matters have not been satisfactorily resolved, TNE declares that the execution of the undertaking is not possible, and ANEEL will continue to lodge an amicable termination of the concession agreement with the payment of compensation for the losses and damages suffered by the Company.

As of March 31, 2019, the Company has no costs or expenses arising from this situation that have not been registered.

We highlight that SE Boa Vista has been in commercial operation since May 2015, generating a revenue equivalent to 4% of the Annual Revenue Allowed - Total RAP of the Enterprise.

12. Investments in subsidiaries

Parent company					
Investments evaluated by equity accounting:	Balance on 12/31/2018	Additions	Cumulative translation adjustments	Equity accounting	Balance on 03/31/2019
Subsidiaries					
Transminas Holding S.A.	80,394	-	-	14,587	94,981
Foz do Rio Claro Energia S.A.	146,173	-	-	7,625	153,798
Ijuí Energia S.A.	270,385	-	-	7,595	277,980
Usina Paulista Lavrinhas de Energia S.A.	98,669	-	-	(1,728)	96,941
Usina Paulista Queluz de Energia S.A.	127,984	-	-	(1,761)	126,223
Ferreira Gomes Energia S.A.	880,629	-	-	(8,789)	871,840
Alupar Inversiones Peru S.A.C.	69,005	-	1,116	4,016	74,137
Empresa Amazonense de Transmissão de Energia S.A.	484,662	-	-	102,990	587,652
Sistema de Transmissão Nordeste S.A.	207,183	-	-	6,792	213,975
Empresa de Transmissão do Espírito Santo S.A.	87,541	-	-	(20,223)	67,318
Empresa Paraense de Transmissão de Energia S.A.	131,088	-	-	21,827	152,915
Empresa Norte de Transmissão de Energia S.A.	245,119	-	-	46,455	291,574
Empresa Regional de Transmissão de Energia S.A.	37,347	-	-	4,838	42,185
Empresa Catarinense de Transmissão de Energia S.A.	104,056	-	-	10,117	114,173
Empresa de Transmissão de Energia do Mato Grosso S.A.	60,800	-	-	(8,351)	52,449
Empresa de Transmissão de Varzea Grande S.A.	73,289	-	-	1,952	75,241
Empresa Litorânea de Transmissão de Energia S.A.	457	-	-	1,917	2,374
Lumitrans - Companhia Transmissora de Energia Elétrica	16,171	-	-	2,262	18,433
Sistema de Transmissão Catarinense S.A.	41,624	-	-	4,770	46,394
Risarda Energia S.A.S.E.S.P.	51	-	13	5	69
Verde 8 Energia S.A.	94,708	-	-	(4,879)	89,829
Água Limpa S.A.	7,467	-	-	(4)	7,463
La Virgen S.A.C.	21,516	-	192	291	21,999
Empresa Transmissora Agreste Potiguar S.A.	80,538	-	-	62,626	143,164
Empresa Transmissora Capixaba S.A.	25,740	-	-	132,558	158,298
Transmissora Paraíso Energia S.A.	19,850	-	-	(14,440)	5,410
Transmissora Caminho do Café S.A.	13,802	-	-	(500)	13,302
Windepar Holding S.A.	143,607	-	-	(2,177)	141,430
Alupar Colômbia S.A.S.	40,034	-	979	(2,641)	38,372
Transmissora Serra da Mantiqueira S.A.	12,405	-	-	(45)	12,360
Apaeete Participações em Transmissão S.A.	-	1,386	-	(80)	1,306
Total	3,622,294	1,386	2,300	367,605	3,993,585

Changes in the provision for uncovered liabilities

Parent company					
Investments evaluated by equity accounting:	Balance on 12/31/2018	Additions	Cumulative translation adjustments	Equity accounting	Balance on 03/31/2019
Subsidiaries					
Alupar Chile Inversiones SpA	(1,521)	-	-	-	(1,521)
Geração de Energia Termoelétrica e Participações S.A.	(548)	-	-	-	(548)
ACE Comercializadora Ltda.	(1,065)	-	-	(5)	(1,070)
AF Energia S.A.	(1,477)	-	-	(376)	(1,853)
Transmissoras Reunidas S.A.	-	-	-	(6)	(6)
Total	(4,611)	-	-	(387)	(4,998)

Parent company								
Company	3/31/2019				12/31/2018			
	Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company			Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company		
		Common	Preferred	Total		Common	Preferred	Total
Subsidiaries								
Alupar Inversiones Peru S.A.C.	118,741,612	118,741,611	-	118,741,611	118,741,612	118,741,611	-	118,741,611
Alupar Chile Inversiones SpA	5,000,000	5,000,000	-	5,000,000	5,000,000	5,000,000	-	5,000,000
Transminas Holding S.A.	44,860,000	31,409,500	500	31,410,000	44,860,000	31,409,500	500	31,410,000
Foz do Rio Claro Energia S.A.	108,708,978	67,717,178	8,198,360	75,915,538	108,708,978	67,717,178	8,198,360	75,915,538
Ijuí Energia S.A.	315,106,452	273,064,862	-	273,064,862	315,106,452	273,064,862	-	273,064,862
Usina Paulista Lavrinhas de Energia S.A.	70,910,870	43,252,860	-	43,252,860	70,910,870	43,252,860	-	43,252,860
Usina Paulista Queluz de Energia S.A.	96,782,146	66,615,409	-	66,615,409	96,782,146	66,615,409	-	66,615,409
Ferreira Gomes Energia S.A	807,080,529	807,080,528	-	807,080,528	807,080,529	807,080,528	-	807,080,528
Geração de Energia Termoeétrica e Participações S.A.	1,200	612	-	612	1,200	612	-	612
Empresa Amazonense de Transmissão de Energia S.A.	180,000,010	46,020,150	44,011,576	90,031,726	180,000,010	46,020,150	44,011,576	90,031,726
Sistema de Transmissão Nordeste S.A.	198,000,000	100,980,000	-	100,980,000	198,000,000	100,980,000	-	100,980,000
Empresa de Transmissão do Espírito Santo S.A.	29,064,000	29,063,999	-	29,063,999	29,064,000	29,063,999	-	29,063,999
Empresa Paraense de Transmissão de Energia S.A.	45,000,010	13,505,150	9,001,851	22,507,001	45,000,010	13,505,150	9,001,851	22,507,001
Empresa Norte de Transmissão de Energia S.A.	100,840,000	50,431,150	-	50,431,150	100,840,000	50,431,150	-	50,431,150
Empresa Regional de Transmissão de Energia S.A.	84,133,970	18,475,373	-	18,475,373	84,133,970	18,475,373	-	18,475,373
Empresa Catarinense de Transmissão de Energia S.A.	42,095,000	21,056,862	-	21,056,862	42,095,000	21,056,862	-	21,056,862
Empresa de Transmissão de Energia do Mato Grosso S.A.	43,000,000	27,000,000	-	27,000,000	43,000,000	27,000,000	-	27,000,000
Empresa de Transmissão de Varzea Grande S.A.	34,847,722	34,847,721	-	34,847,721	34,847,722	34,847,721	-	34,847,721
Empresa Litorânea de Transmissão de Energia S.A.	10,000	9,999	-	9,999	10,000	9,999	-	9,999
Lumitrans - Companhia Transmissora de Energia Elétrica	72,012,095	10,801,280	-	10,801,280	72,012,095	10,801,280	-	10,801,280
Sistema de Transmissão Catarinense S.A.	211,003,246	42,200,649	-	42,200,649	211,003,246	42,200,649	-	42,200,649
ACE Comercializadora Ltda.	2,320,644	2,320,643	-	2,320,643	2,320,644	2,320,643	-	2,320,643
AF Energia S.A.	6,840,000	6,839,997	-	6,839,997	6,840,000	6,839,997	-	6,839,997
Risaralda Energia S.A.S.E.S.P.	29,093	100	-	100	29,093	100	-	100
Transmissoras Reunidas S.A.	10,000	9,999	-	9,999	10,000	9,999	-	9,999
Verde 8 Energia S.A.	107,660,380	91,511,322	-	91,511,322	107,660,380	91,511,322	-	91,511,322
Água Limpa S.A.	7,517,090	7,516,090	-	7,516,090	7,517,090	7,516,090	-	7,516,090
La Virgen S.A.C.	255,585,903	14,106,986	-	14,106,986	255,585,903	14,106,986	-	14,106,986
Empresa Transmissora Agreste Potiguar S.A.	10,481,000	10,480,999	-	10,480,999	10,481,000	10,480,999	-	10,480,999
Empresa Transmissora Capixaba S.A.	6,151,000	6,150,999	-	6,150,999	6,151,000	6,150,999	-	6,150,999
Transmissora Paraíso Energia S.A.	31,553,107	16,092,085	-	16,092,085	31,553,107	16,092,085	-	16,092,085
Transmissora Caminho do Café S.A.	22,728,926	11,591,752	-	11,591,752	22,728,926	11,591,752	-	11,591,752
Windepar Holding S.A.	164,832,956	164,832,956	-	164,832,956	164,832,956	164,832,956	-	164,832,956
Alupar Colômbia S.A.S.	53,252,760,000	53,252,760,000	-	53,252,760,000	53,252,760,000	53,252,760,000	-	53,252,760,000
Transmissora Serra da Mantiqueira S.A.	23,631,994	12,052,317	-	12,052,317	23,631,994	12,052,317	-	12,052,317
Apate Participações em Transmissão S.A.	5,745,701	1,465,154	-	1,465,154	-	-	-	-

Information on total shares or units of interest and a summary of financial data of subsidiaries are as follows:

Company	Parent company							
	3/31/2019				12/31/2018			
	Shareholders' Equity (uncovered liability)	Goodwill arising from the expectation of future profitability	Interest of Alupar		Shareholders' Equity (unsecured liability)	Goodwill arising from the expectation of future profitability	Interest of Alupar	
			on the capital stock	on shareholders' equity			on the capital stock	on shareholders' equity
Subsidiaries								
Alupar Inversiones Peru S.A.C.	74,137	-	100.00%	74,137	69,006	-	100.00%	69,005
Alupar Chile Inversiones SpA	(1,521)	-	100.00%	(1,521)	(1,521)	-	100.00%	(1,521)
Transminas Holding S.A.	136,481	-	70.02%	94,981	114,821	-	70.02%	80,394
Foz do Rio Claro Energia S.A.	220,236	-	69.83%	153,798	209,316	-	69.83%	146,173
Ijuí Energia S.A.	320,778	-	86.66%	277,980	312,014	-	86.66%	270,385
Usina Paulista Lavrinhas de Energia S.A.	158,929	-	61.00%	96,941	161,764	-	61.00%	98,669
Usina Paulista Queluz de Energia S.A.	183,384	-	68.83%	126,223	185,942	-	68.83%	127,984
Ferreira Gomes Energia S.A	871,841	-	100.00%	871,840	880,629	-	100.00%	880,629
Geração de Energia Termoeétrica e Participações S.A.	(1,074)	-	51.00%	(548)	(1,074)	-	51.00%	(548)
Empresa Amazonense de Transmissão de Energia S.A.	1,174,890	-	50.02%	587,652	968,981	-	50.02%	484,662
Sistema de Transmissão Nordeste S.A.	419,559	-	51.00%	213,975	406,240	-	51.00%	207,183
Empresa de Transmissão do Espírito Santo S.A.	67,318	-	100.00%	67,318	87,542	-	100.00%	87,541
Empresa Paraense de Transmissão de Energia S.A.	305,736	-	50.02%	152,915	262,095	-	50.02%	131,088
Empresa Norte de Transmissão de Energia S.A.	583,020	-	50.01%	291,574	490,131	-	50.01%	245,119
Empresa Regional de Transmissão de Energia S.A.	192,105	-	21.96%	42,185	170,075	-	21.96%	37,347
Empresa Catarinense de Transmissão de Energia S.A.	228,243	-	50.02%	114,173	208,017	-	50.02%	104,056
Empresa de Transmissão de Energia do Mato Grosso S.A.	83,531	-	62.79%	52,449	96,828	-	62.79%	60,800
Empresa de Transmissão de Varzea Grande S.A.	75,240	-	100.00%	75,241	73,290	-	100.00%	73,289
Empresa Litorânea de Transmissão de Energia S.A.	2,373	-	99.99%	2,374	457	-	99.99%	457
Lumitrans - Companhia Transmissora de Energia Elétrica	122,894	-	15.00%	18,433	107,812	-	15.00%	16,171
Sistema de Transmissão Catarinense S.A.	231,971	-	20.00%	46,394	208,120	-	20.00%	41,624
ACE Comercializadora Ltda.	(1,070)	-	100.00%	(1,070)	(1,066)	-	100.00%	(1,065)
AF Energia S.A.	(1,853)	-	100.00%	(1,853)	(1,476)	-	100.00%	(1,477)
Risaralda Energía S.A.S.E.S.P.	13,462	-	0.34%	69	14,792	-	0.34%	51
Verde 8 Energia S.A.	105,680	-	85.00%	89,829	111,429	-	85.00%	94,708
Água Limpa S.A.	7,464	-	99.99%	7,463	7,464	-	99.99%	7,467
La Virgen S.A.C.	286,885	6,165	5.52%	21,999	278,134	6,165	5.52%	21,516
Empresa Transmissora Agreste Potiguar S.A.	143,164	-	100.00%	143,164	80,540	-	100.00%	80,538
Empresa Transmissora Capixaba S.A.	158,298	-	100.00%	158,298	25,741	-	100.00%	25,740
Transmissora Paraíso Energia S.A.	10,608	-	51.00%	5,410	38,921	-	51.00%	19,850
Transmissora Caminho do Café S.A.	26,084	-	51.00%	13,302	27,064	-	51.00%	13,802
Windepar Holding S.A.	141,430	-	100.00%	141,430	143,597	-	100.00%	143,607
Alupar Colômbia S.A.S.	38,372	-	100.00%	38,372	40,034	-	100.00%	40,034
Transmissora Serra da Mantiqueira S.A.	24,237	-	51.00%	12,360	24,323	-	51.00%	12,405
Transmissoras Reunidas S.A.	(7)	-	99.99%	(6)	-	-	99.99%	-
Apaete Participações em Transmissão S.A.	4,965	-	25.50%	1,306	-	-	0.00%	-
Total				3,988,587				3,617,683

Company	Parent Company							
	Data from subsidiaries/investees with shared control							
	3/31/2019							
	Assets	Liabilities	Net revenue	Operating costs and expenses	Equity accounting	Financial Income	Current and deferred IRPJ and CSLL	Income (loss) for the period
Subsidiaries								
Alupar Inversiones Peru S.A.C.	367,494	269,952	-	(36)	4,172	(120)	-	4,016
Alupar Chile Inversiones SpA	1,330	2,850	-	-	-	-	-	-
Transminas Holding S.A.	143,009	-	-	(27)	21,418	385	(116)	21,660
Foz do Rio Claro Energia S.A.	372,938	117,320	23,351	(8,500)	-	(3,076)	(856)	10,919
Ijuí Energia S.A.	447,602	102,002	18,389	(6,495)	-	(2,373)	(757)	8,764
Usina Paulista Lavrinhas de Energia S.A.	300,107	57,691	18,918	(20,291)	-	(557)	(905)	(2,835)
Usina Paulista Queluz de Energia S.A.	349,477	61,071	22,563	(23,454)	-	(656)	(1,011)	(2,558)
Ferreira Gomes Energia S.A.	1,653,270	600,194	66,454	(65,670)	-	(14,217)	4,644	(8,789)
Geração de Energia Termoelétrica e Participações S.A.	30	989	-	-	-	-	-	-
Empresa Amazonense de Transmissão de Energia S.A.	1,916,402	507,820	183,924	(6,744)	66,545	(6,111)	(31,708)	205,906
Sistema de Transmissão Nordeste S.A.	714,230	232,317	23,854	(5,415)	-	(2,207)	(2,913)	13,319
Empresa de Transmissão do Espírito Santo S.A.	133,389	53,322	(25,323)	(689)	-	(323)	6,111	(20,224)
Empresa Paraense de Transmissão de Energia S.A.	448,958	111,126	43,966	(1,999)	10,695	(1,105)	(7,915)	43,642
Empresa Norte de Transmissão de Energia S.A.	891,046	194,903	96,143	(3,657)	20,137	(2,089)	(17,646)	92,888
Empresa Regional de Transmissão de Energia S.A.	216,385	18,622	23,532	(817)	-	141	(826)	22,030
Empresa Catarinense de Transmissão de Energia S.A.	438,597	162,441	25,181	(1,164)	5,440	(1,879)	(7,353)	20,225
Empresa de Transmissão de Energia do Mato Grosso S.A.	144,602	48,672	(17,265)	(889)	-	(493)	5,350	(13,297)
Empresa de Transmissão de Varzea Grande S.A.	142,732	54,992	3,869	(499)	-	(443)	(977)	1,950
Empresa Litorânea de Transmissão de Energia S.A.	14,555	12,137	2,941	(38)	-	-	(987)	1,916
Lumitrans - Companhia Transmissora de Energia Elétrica	136,633	11,378	16,067	(543)	-	130	(575)	15,079
Sistema de Transmissão Catarinense S.A.	260,012	23,334	25,652	(1,128)	-	164	(837)	23,851
ACE Comercializadora Ltda.	30	1,100	-	(4)	-	-	-	(4)
AF Energia S.A.	2,177	2,497	1,560	(1,903)	-	8	(42)	(377)
Risaralda Energia S.A.S.E.S.P.	181,876	154,341	3,250	(1,842)	-	(3,483)	429	(1,646)
Verde 08 Energia S.A.	309,536	140,608	7,772	(12,961)	-	(3,521)	2,961	(5,749)
Agua Limpa S.A.	7,862	380	-	-	-	-	-	-
La Virgen S.A.C.	700,339	365,345	-	(551)	-	5,828	-	5,277
Energia dos Ventos I S.A.	132,836	51,968	3,083	(1,736)	-	(1,282)	(134)	(69)
Energia dos Ventos II S.A.	79,431	29,335	1,755	(866)	-	(746)	(66)	77
Energia dos Ventos III S.A.	106,076	44,846	2,666	(1,158)	-	(1,106)	(105)	297
Energia dos Ventos IV S.A.	179,889	68,794	4,274	(2,426)	-	(1,592)	(174)	82
Energia dos Ventos X S.A.	101,385	37,599	2,262	(1,362)	-	(997)	(87)	(184)
Empresa Transmissora Agreste Potiguar S.A.	413,193	242,120	129,665	(42,699)	-	-	(24,342)	62,624
Empresa Transmissora Capixaba S.A.	294,917	130,370	164,354	(27,332)	-	-	(4,465)	132,557
Transmissora Paraíso Energia S.A.	1,071,896	1,052,259	16,234	(54,749)	-	-	10,202	(28,313)
Transmissora Caminho do Café S.A.	702,044	674,717	14,829	(16,314)	-	-	505	(980)
Windepar Holding S.A.	344,450	152,175	-	(132)	203	(2,240)	-	(2,169)
Alupar Colômbia S.A.S.	40,627	2,125	-	(284)	(2,342)	(16)	-	(2,642)
Transmissora Serra da Mantiqueira S.A.	27,220	2,385	5,332	(5,463)	-	-	45	(86)
Transmissoras Reunidas S.A.	-	7	-	(7)	-	-	-	(7)
Apaete Participações em Transmissão S.A.	4,965	-	-	(228)	-	12	-	(216)

Empresa Litorânea de Transmissão de Energia S.A. - ELTE

ELTE is an SPE comprised of the concession of the public electricity transmission service through the Domênico Rangoni 345/138 kV and Manoel da Nóbrega 230 / 88kV substations, with a further 40 km of transmission line. The project will be connected to the National Interconnected System and will reinforce the networks of the distributors, as well as to meet the increase in electricity demand in the Santos region, composed of nine municipalities (Bertioga, Cubatão, Guarujá, Itanhaém, Mongaguá, Peruíbe, Praia Grande, Santos and São Vicente).

Having a concession contract number 016/2014 for a period of 30 years, valid until 2044. The affiliate is in the pre-operational phase. This project has a justifiable displacement in the schedule, with regard to environmental licensing. The Preliminary License of the Manoel da Nóbrega 230/88 kV substation and its respective transmission line scheduled for October 2015 was issued in March 2017. The issuance of the Previous License ("LP") of the Domênico Rangoni substation 345/138 kV and their respective transmission lines were scheduled for October 2015, however, due to the unfavorable manifestation of the Regional Service of Protection to the Flight of São Paulo (SRPV-SP), responsible for the Airport Zoning Plan of Santos Air Base, the issuance of the License Preview remains pending.

13. Interests of non-controlling shareholders

The following tables summarize information regarding each of the subsidiaries of the Company, which has non-controlling shareholders, before any intra-group eliminations.

a. The changes in the balance of the participation of Non-Controlling Shareholders is as follows:

Company	Balance of interest of shareholders non-controlling				
	In equity of subsidiaries in	In capital increase / additions	In cumulative translation adjustment	In income (loss) for the year	In equity of subsidiaries in
	12/31/2018				3/31/2019
Direct subsidiary:					
Transminas	34,426	-	-	6,494	40,920
Lumitrans	5,391	-	-	755	6,146
STC	38,399	-	-	4,400	42,799
EATE	484,321	-	-	102,918	587,239
ETEP	131,007	-	-	21,813	152,820
ECTE	103,962	-	-	10,109	114,071
ENTE	245,011	-	-	46,435	291,446
ERTE	132,727	-	-	17,193	149,920
ETEM	36,029	-	-	(4,948)	31,081
STN	199,059	-	-	6,526	205,585
Foz	63,143	-	-	3,294	66,437
Ijuí	41,629	-	-	1,169	42,798
Lavrinhas	63,094	-	-	(1,105)	61,989
Queluz	57,958	-	-	(798)	57,160
GET	(527)	-	-	-	(527)
Risaralda	4	-	-	-	4
La Virgen	42,897	-	536	814	44,247
TPE	19,071	-	-	(13,873)	5,198
TCC	13,260	-	-	(480)	12,780
TSM	11,918	-	-	(42)	11,876
Verde 08	16,715	-	-	(862)	15,853
Apaete	-	5,667	-	(1,396)	4,271
	1,739,494	5,667	536	198,416	1,944,113
Indirect subsidiaries:					
EBTE	121,735	-	-	21,955	143,690
Transleste	35,349	-	-	8,375	43,724
Transudeste	21,917	-	-	7,663	29,580
Transirapé	72,943	-	-	13,590	86,533
EDTE	20,139	-	-	7,361	27,500
	272,083	-	-	58,944	331,027
Indirect investments (*)					
ERTE	(15,368)	-	-	(1,990)	(17,358)
Transleste	(2,996)	-	-	(709)	(3,705)
Transudeste	(1,857)	-	-	(649)	(2,506)
Transirapé	(6,180)	-	-	(1,151)	(7,331)
	(26,401)	-	-	(4,499)	(30,900)
Indirect investments (**)					
ERTE	(32,320)	-	-	(4,186)	(36,506)
STC	(19,195)	-	-	(2,257)	(21,452)
	(51,515)	-	-	(6,443)	(57,958)
	1,933,661	5,667	536	246,418	2,186,282

b. The Non-Controlling Interest in the equity of subsidiaries and indirect investments is as follows

Interest of shareholders non-controlling in equity of subsidiaries and indirect investments	3/31/2019			12/31/2018		
	Percentage of non-controlling	Equity (Unsecured liability)	Book value of non-controlling	Percentage of non-controlling	Equity (Unsecured liability)	Book value of non-controlling
Direct subsidiary:						
Transminas Holding S.A.	29.98%	136,481	40,920	29.98%	114,821	34,426
Lumitrans - Companhia Transmissora de Energia Elétrica	5.00%	122,894	6,146	5.00%	107,812	5,391
Sistema de Transmissão Catarinense S.A.	18.45%	231,971	42,799	18.45%	208,120	38,399
Empresa Amazonense de Transmissão de Energia S.A.	49.98%	1,174,890	587,238	49.98%	968,981	484,321
Empresa Paraense de Transmissão de Energia S.A.	49.98%	305,736	152,820	49.98%	262,095	131,007
Empresa Catarinense de Transmissão de Energia S.A.	49.98%	228,243	114,071	49.98%	208,017	103,962
Empresa Norte de Transmissão de Energia S.A.	49.99%	583,020	291,446	49.99%	490,131	245,011
Empresa Regional de Transmissão de Energia S.A.	78.04%	192,105	149,920	78.04%	170,075	132,727
Empresa de Transmissão de Energia do Mato Grosso S.A.	37.21%	83,531	31,081	37.21%	96,828	36,029
Sistema de Transmissão Nordeste S.A.	49.00%	419,559	205,584	49.00%	406,240	199,059
Foz do Rio Claro Energia S.A.	30.17%	220,236	66,437	30.17%	209,316	63,143
Ijuí Energia S.A.	13.34%	320,778	42,798	13.34%	312,014	41,629
Usina Paulista Lavrinhas de Energia S.A.	39.00%	158,929	61,989	39.00%	161,764	63,094
Usina Paulista Queluz de Energia S.A.	31.17%	183,384	57,160	31.17%	185,942	57,958
Geração de Energia Termoeletrica e Participações S.A.	49.00%	(1,074)	(526)	49.00%	(1,074)	(527)
Risaralda Energia S.A.S.E.S.P.	0.03%	13,462	5	0.03%	14,792	4
La Virgen S.A.C.	15.42%	286,885	44,247	15.42%	278,134	42,897
Agua Limpa S.A.	0.00%	7,464	-	0.00%	7,464	-
Transmissora Paraíso Energia S.A.	49.00%	10,608	5,198	49.00%	38,921	19,071
Transmissora Caminho do Café S.A.	49.00%	26,084	12,781	49.00%	27,064	13,260
Transmissora Serra da Mantiqueira S.A.	49.00%	24,237	11,876	49.00%	24,323	11,918
Verde 08 Energia S.A.	15.00%	105,680	15,852	15.00%	111,429	16,715
Apaete Participações em Transmissão S.A.	74.50%	4,965	4,210	0.00%	-	-
		<u>4,840,068</u>	<u>1,944,052</u>		<u>4,403,209</u>	<u>1,739,494</u>
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	49.00%	293,247	143,691	49.00%	248,441	121,735
Companhia Transleste de Transmissão	59.00%	74,111	43,725	59.00%	59,915	35,349
Companhia Transudeste de Transmissão	59.00%	50,137	29,581	59.00%	37,149	21,917
Companhia Transirapé de Transmissão	59.00%	146,666	86,533	59.00%	121,612	72,943
Empresa Diamantina de Transmissão de Energia S.A.	49.90%	55,110	27,500	49.90%	40,358	20,139
		<u>619,271</u>	<u>331,030</u>		<u>507,475</u>	<u>272,083</u>
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	9.04%	192,105	(17,357)	9.04%	170,075	(15,368)
Companhia Transleste de Transmissão	5.00%	74,111	(3,704)	5.00%	59,915	(2,996)
Companhia Transudeste de Transmissão (**)	5.00%	50,137	(2,506)	5.00%	37,149	(1,857)
Companhia Transirapé de Transmissão	5.00%	146,666	(7,331)	5.00%	121,612	(6,180)
		<u>463,019</u>	<u>(30,898)</u>		<u>388,751</u>	<u>(26,401)</u>
Indirect investments (**)						
Empresa Regional de Transmissão de Energia S.A.	19.00%	192,105	(36,507)	19.00%	170,075	(32,320)
Sistema de Transmissão Catarinense S.A.	9.22%	231,971	(21,395)	9.22%	208,120	(19,195)
		<u>424,076</u>	<u>(57,902)</u>		<u>378,195</u>	<u>(51,515)</u>
		<u>6,346,434</u>	<u>2,186,282</u>		<u>5,677,630</u>	<u>1,933,661</u>

c. The Non-Controlling Interest in subsidiaries and indirect investments is as follows:

Interest of shareholders non-controlling in income (loss) for the period of subsidiaries and indirect investments	3/31/2019			3/31/2018		
	Percentage of non-controlling	Income (loss) for the period	Income (loss) for the period allocated to non-controlling	Percentage of non-controlling	Income (loss) for the period	Income (loss) for the period allocated to non-controlling
Direct subsidiary:						
Transminas Holding S.A.	29.98%	21,660	6,494	29.98%	10,143	3,041
Lumitrans - Companhia Transmissora de Energia Elétrica	5.00%	15,079	755	5.00%	4,419	221
Sistema de Transmissão Catarinense S.A.	18.45%	23,851	4,400	18.45%	7,149	1,319
Empresa Amazonense de Transmissão de Energia S.A.	49.98%	205,906	102,918	49.98%	46,072	23,028
Empresa Paraense de Transmissão de Energia S.A.	49.98%	43,642	21,813	49.98%	15,165	7,580
Empresa Catarinense de Transmissão de Energia S.A.	49.98%	20,225	10,109	49.98%	(24,079)	(12,034)
Empresa Norte de Transmissão de Energia S.A.	49.99%	92,888	46,435	49.99%	45,518	22,754
Empresa Regional de Transmissão de Energia S.A.	78.04%	22,030	17,193	78.04%	8,594	6,707
Empresa de Transmissão de Energia do Mato Grosso S.A.	37.21%	(13,297)	(4,948)	37.21%	1,422	529
Sistema de Transmissão Nordeste S.A.	49.00%	13,319	6,526	49.00%	26,518	12,994
Foz do Rio Claro Energia S.A.	30.17%	10,919	3,294	30.17%	5,763	1,739
Ijuí Energia S.A.	13.34%	8,764	1,169	13.34%	4,445	593
Usina Paulista Lavrinhas de Energia S.A.	39.00%	(2,835)	(1,105)	35.81%	(13,775)	(4,933)
Usina Paulista Queluz de Energia S.A.	31.17%	(2,558)	(798)	31.17%	(12,571)	(3,919)
Geração de Energia Termoelétrica e Participações S.A.	49.00%	-	-	49.00%	-	-
Risaralda Energia S.A.S.E.S.P.	0.03%	(1,646)	-	49.00%	(2,310)	1
La Virgen S.A.C. (*)	15.42%	5,277	814	17.15%	1,949	219
Água Limpa S.A.	0.00%	-	-	0.00%	-	-
Transmissora Paraíso Energia S.A.	49.00%	(28,313)	(13,873)	49.00%	737	361
Transmissora Caminho do Café S.A.	49.00%	(980)	(480)	49.00%	437	214
Transmissora Serra da Mantiqueira S.A.	49.00%	(86)	(42)	49.00%	114	56
Verde 08 Energia S.A.	15.00%	(5,749)	(862)	0.00%	-	-
Apate Participações em Transmissão S.A.	74.50%	(216)	(1,396)	0.00%	-	-
		427,880	198,416		125,710	60,470
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	49.00%	44,807	21,955	49.00%	2,655	1,301
Companhia Transleste de Transmissão	59.00%	14,196	8,375	59.00%	5,598	3,303
Companhia Transudeste de Transmissão	59.00%	12,988	7,663	59.00%	3,888	2,294
Companhia Transirapé de Transmissão	59.00%	25,055	13,590	59.00%	4,797	2,830
Empresa Diamantina de Transmissão de Energia S.A.	49.90%	14,752	7,361	0.00%	-	-
		111,798	58,944		16,938	9,728
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	9.04%	22,030	(1,990)	9.04%	50,802	4,590
Companhia Transleste de Transmissão	5.00%	14,196	(709)	5.00%	(5,582)	(279)
Companhia Transudeste de Transmissão	5.00%	12,988	(649)	5.00%	(3,881)	(194)
Companhia Transirapé de Transmissão	5.00%	25,055	(1,151)	5.00%	(4,782)	(239)
		74,269	(4,499)		36,557	3,878
Indirect investments (**)						
Empresa Regional de Transmissão de Energia S.A.	19.00%	22,030	(4,186)	19.00%	(15,023)	(2,855)
Sistema de Transmissão Catarinense S.A.	9.22%	23,851	(2,257)	9.22%	(7,926)	(731)
		45,881	(6,443)		(22,949)	(3,586)
		659,828	246,418		156,256	70,490

(*) Indirect non-controlling shareholders interest, from the controlled EATE.

(**) Indirect non-controlling shareholders interest, from the controlled ENTE.

14. Investment properties

	Parent Company/Consolidated	
	3/31/2019	12/31/2018
Opening balance	7,826	7,786
Acquisitions	-	40
Final balance	7,826	7,826

The Company's investment properties include a number of land for future use.

15. Property, plant and equipment

PP&E are recorded at acquisition and/or construction cost, less accumulated depreciation.

The breakdown and changes in property, plant and equipment (Consolidated) are as follows:

		Consolidated						
Average annual depreciation rate		12/31/2018	Additions	Write- offs	Transfers	Profit/loss from the balance translation	Others	3/31/2019
On service								
<u>Historical cost</u>								
Land		87,521	1,370	(1,986)	4,030	88	-	91,023
Reservoirs, bus and water mains		1,540,083	-	-	-	-	-	1,540,083
Buildings, civil works and improvements		466,527	-	-	56,855	3,150	-	526,532
Machinery and equipment		1,761,123	120	(15)	40,149	1,128	-	1,802,505
Vehicles		3,195	-	-	-	31	-	3,226
Furniture and fixtures		7,312	65	-	-	55	-	7,432
Total		3,865,761	1,555	(2,001)	101,034	4,452	-	3,970,801
<u>Depreciation</u>								
Reservoirs, bus and water mains	2.04%	(170,895)	(8,259)	-	-	-	-	(179,154)
Buildings, civil works and improvements	2.19%	(49,733)	(3,018)	-	-	(91)	-	(52,842)
Machinery and equipment	3.10%	(246,353)	(14,236)	-	-	(85)	-	(260,674)
Vehicles	11.74%	(1,477)	(55)	-	-	(23)	-	(1,555)
Furniture and fixtures	11.07%	(3,274)	(116)	-	-	(42)	(39)	(3,471)
Total Depreciation		(471,732)	(25,684)	-	-	(241)	(39)	(497,696)
Total in service		3,394,029	(24,129)	(2,001)	101,034	4,211	(39)	3,473,105
<u>In progress</u>								
		889,453	23,416	(388)	(97,004)	15,327	(3,513)	827,291
Total property, plant and equipment		4,283,482	(713)	(2,389)	4,030	19,538	(3,552)	4,300,396

a) Construction in progress

-La Virgen: is a small hydroelectric plant that will have an installed capacity of 84.0 MW and is under construction. As of March 31, 2019, the balance of this work in progress amounts to R\$ 631,206.

b) Capitalization of charges

The Company monthly capitalizes, at construction cost of construction in progress, interest on loans, financing and debentures acquired for the acquisition of PP&E items under construction. Interest on loans, financing and debentures capitalized as of March 31, 2019 amounted to R\$ 1,108 (R\$ 14,442 as of December 31, 2018), and was partially offset against income generated by investments exceeding cash, which amounted to R\$ 84 as of March 31, 2019 (R\$ 2,526 as of December 31, 2018). Accordingly, as of March 31, 2018, net financial charges capitalized amounted to R\$ 1,024 (R\$ 11,916 as of December 31, 2018). The interest rate used to determine the amount of loan costs subject to capitalization represents the effective interest rate of loans, financing and debentures of the Company, see notes 24 and 25.

c) Impairment of PP&E, see note 3,5.

d) Collateral or guarantees

The Company, its subsidiaries and joint ventures have not pledged any property, plant and items as collateral or guarantee.

16. Intangible assets

The breakdown of and changes in intangible assets is as follows:

Parent company:

Parent company						
Amortization annual average rate	12/31/2018	Additions	Write- offs	Others		3/31/2019
Cost						
Other intangible from the concession	813	-	(51)	-		762
Intangible arising from acquisition of shares	14,838	-	-	-		14,838
	15,651	-	(51)	-		15,600
Amortization						
Other intangible from the concession	24.12% (629)	(12)	-	-		(641)
Intangible arising from acquisition of shares	3.60% (2,383)	(90)	-	-		(2,473)
	(3,012)	(102)	-	-		(3,114)
Projects in progress	66,792	339	-	-		67,131
Total intangible	79,431	237	(51)	-		79,617

Consolidated:

Consolidated						
Amortization annual average rate	12/31/2018	Additions	Write- offs	Profit/loss from the balance calculation	Others	3/31/2019
Cost						
Other intangible from the concession	24,512	92	(51)	(39)	-	24,514
Use of public facilities	16,348	-	-	-	-	16,348
Intangible arising from acquisition of shares	62,419	-	(29)	-	3,954	66,344
	103,279	92	(80)	(39)	3,954	107,206
Amortization						
Other intangible from the concession	24.29% (12,683)	(541)	-	22	-	(13,202)
Use of public facilities	3.18% (3,839)	(131)	-	-	-	(3,970)
Intangible arising from acquisition of shares	4.06% (9,714)	(275)	-	-	(3,954)	(13,943)
	(26,236)	(947)	-	22	(3,954)	(31,115)
Projects in progress	71,168	614	-	-	(4,030)	67,752
Total intangible	148,211	(241)	(80)	(17)	(4,030)	143,843

Intangible assets generated in the acquisition of shares (goodwill arising from the concession)

Concession intangible assets are economically based on expected future profitability of the concession and are being amortized on a straight-line basis over the service concession arrangement period. The concession intangible assets recorded by the Company derived from investments made in the following entities:

Amortization annual average rate	Concession Term/ Authorization		Parent company		Consolidated		
	Start Date	End	3/31/2019	12/31/2018	3/31/2019	12/31/2018	
Composition of intangible arising from acquisition of shares							
Usina Paulista Queluz de Energia S.A.	4.58%	04/06/04	04/06/34	2,665	2,665	2,665	2,665
Usina Paulista Lavrinhas de Energia S.A.	4.55%	04/06/04	04/06/34	5,245	5,245	5,245	5,245
La Virgen S.A.C.	N/A	N/A	N/A	-	-	6,164	6,164
Energia dos Ventos I S.A. (**)	3.33%	07/17/12	07/17/47	-	-	3,006	3,006
Energia dos Ventos II S.A. (**)	3.33%	07/16/12	07/16/47	-	-	1,847	1,847
Energia dos Ventos III S.A. (**)	3.33%	07/19/12	07/19/47	-	-	2,714	2,714
Energia dos Ventos IV S.A. (**)	3.33%	07/24/12	07/24/47	-	-	3,924	3,924
Energia dos Ventos X S.A. (**)	3.33%	07/19/12	07/19/47	-	-	2,420	2,420
Sistema de Transmissão Catarinense S.A. (*)	3.47%	04/27/06	04/27/36	-	-	8,942	8,942
Lumitrans - Companhia Transmissora de Energia Elétrica (*)	4.10%	02/18/04	02/18/34	-	-	9,766	9,766
Companhia Transleste de Transmissão (*)	4.92%	02/18/04	02/18/34	-	-	3,814	3,814
Companhia Transudeste de Transmissão (*)	4.88%	03/04/05	03/04/35	-	-	2,767	2,767
Companhia Transirapé de Transmissão (*)	4.67%	03/15/05	03/15/35	-	-	4,391	4,391
Empresa de Transmissão Baiana S.A.	N/A	09/29/16	09/29/46	6,681	6,681	6,680	6,680
Empresa Diamantina de Transmissão de Energia S.A. (***)	2.87%	12/01/16	12/01/16	-	-	1,752	1,781
Other	N/A	N/A	N/A	247	247	247	247
				14,838	14,838	66,344	66,373
Amortization of goodwill arising from the concession							
Usina Paulista Queluz de Energia S.A.				(821)	(791)	(821)	(791)
Usina Paulista Lavrinhas de Energia S.A.				(1,652)	(1,592)	(1,652)	(1,592)
Energia dos Ventos I S.A. (**)				-	-	(288)	(264)
Energia dos Ventos II S.A. (**)				-	-	(172)	(158)
Energia dos Ventos III S.A. (**)				-	-	(283)	(262)
Energia dos Ventos IV S.A. (**)				-	-	(376)	(344)
Energia dos Ventos X S.A. (**)				-	-	(231)	(212)
Sistema de Transmissão Catarinense S.A. (*)				-	-	(3,254)	(3,177)
Lumitrans - Companhia Transmissora de Energia Elétrica (*)				-	-	(4,203)	(4,103)
Companhia Transleste de Transmissão (*)				-	-	(531)	(695)
Companhia Transudeste de Transmissão (*)				-	-	(961)	(969)
Companhia Transirapé de Transmissão (*)				-	-	(1,110)	(1,059)
Empresa Diamantina de Transmissão de Energia S.A. (***)				-	-	(61)	(42)
				(2,473)	(2,383)	(13,943)	(13,668)
Net total				12,365	12,455	52,401	52,705

(*) Intangible assets from concession goodwill generated on acquisition of the shares of subsidiaries STC, Lumitrans, Transleste, Transudeste and Transirapé by subsidiary EATE.

(**) Intangible assets from concession goodwill generated on acquisition of the shares of subsidiaries EDV I, EDV II, EDV III, EDV IV e EDV X.

a) Project under development

For developing an energy generation or transmission project, the Company incurs costs relating to hiring of services, travel and other costs inherent to the project development process. After authorization/permission/grant of the permits to implement the developed projects, these costs are allocated to the respective Special Purpose Entity (SPE).

Expenses incurred on a project, which might not be implemented, are written off to profit or loss. These write-offs are based on assessments made on a quarterly basis by management.

b) Impairment of intangible assets

The Company tested its intangible assets for impairment and did not find information, either through internal or external sources, which would be indicative of impairment.

c) Collateral or guarantees

The Company and subsidiaries have not pledged any intangible asset items as collateral or guarantees.

17. Suppliers

	Parent Company		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Charges from the use of transmission services	-	-	2,300	2,291
Electric power supply	19,566	26,451	192,871	112,810
Materials and services	19,314	22,274	163,130	175,141
Electric power supply - related parties	5,261	5,261	-	-
Other	-	-	2,804	2,950
	<u>44,141</u>	<u>53,986</u>	<u>361,105</u>	<u>293,192</u>
Current	<u>44,141</u>	<u>53,986</u>	<u>361,105</u>	<u>293,192</u>
	<u>44,141</u>	<u>53,986</u>	<u>361,105</u>	<u>293,192</u>

18. Income tax and social contribution payable

	Consolidated	
	3/31/2019	12/31/2018
<u>Income tax and social contribution payable</u>		
Corporate Income Tax – IRPJ	11,411	25,438
Social Contribution on Net Income - CSLL	9,453	26,934
Total	<u>20,864</u>	<u>52,372</u>

19. Deferred income tax and social contribution

d. Breakdown of deferred income tax and social contribution, recorded in assets and liabilities, is as follows:

	Consolidated	
	3/31/2019	12/31/2018
<u>Deferred income tax and social contribution</u>		
Deferred income tax - assets	13,520	7,398
Deferred social contribution – assets	4,937	2,665
	<u>18,457</u>	<u>10,063</u>
Deferred income tax - liabilities	(515,573)	(444,139)
Deferred social contribution – liabilities	(266,510)	(240,619)
	<u>(782,083)</u>	<u>(684,758)</u>

The companies of real profit tax impacted by the law 12.973: EBTE, EATE, ETEP, ECTE, ENTE, ETES, ETEM, STN, ELTE, e ETVG.

The companies EBTE, FOZ e FGE have deferred assets related to the constitution of the tax loss.

The companies opting for income tax by presumed profit are: Transleste, Transudeste, Transirapé, STC, Lumitrans, ESDE, ETSE and ERTE.

Details of the source IR/CS deferred:

	Consolidated			
	Balance Sheet		Income	
	3/31/2019	12/31/2018	3/31/2019	3/31/2018
Fiscal loss and negative basis	(3,850)	10,063	(3,380)	(1,795)
Concession Agreement (ICPC 01)	(757,686)	(676,400)	(79,712)	(12,348)
Deferred income for public authorities	(2,090)	(8,358)	813	(412)
Deferred income tax and social contribution	(763,626)	(674,695)	(82,279)	(14,555)

b) Tax credits to be offset

In accordance with Accounting Pronouncement CPC 32, deferred tax assets or liabilities must be recognized on all deductible or taxable temporary differences, respectively. A temporary difference is the difference between the carrying value of the asset or liability recorded in the interim financial information and its tax base. This pronouncement also requires deferred tax assets to be recorded on unused tax losses to the extent that future taxable profits are likely to be generated in order to enable the Company to offset these deferred tax assets.

At March 31, 2019, the Company (Alupar Investimento S.A) records income tax and social contribution losses, which would generate potential tax credits, as shown below. Such credits were not recognized, due to the fact the Company's operations will not present taxable basis of results, which would guarantee the realization of those credits.

<u>Non-recognized tax credits</u>	Parent company	
	3/31/2019	12/31/2018
Tax loss	433,714	428,583
Negative base for social contribution	450,030	441,143

20. Other Obligations

The composition of other obligations in liabilities is as follows:

	Consolidated	
	3/31/2019	12/31/2018
Deferred Pis and Cofins - IFRS 15	320,872	289,521
UBP Provision	20,895	21,278
Others	32,457	30,793
	<u>374,224</u>	<u>341,592</u>
Current	24,986	63,855
Non-current	<u>349,238</u>	<u>277,737</u>
	<u>374,224</u>	<u>341,592</u>

The deferred contributions are related to revenues from infrastructure implementation and remuneration of the concession assets calculated on concession assets and recorded according to accounting competence. The payment takes place according to monthly invoices.

21. Provisions for environmental expenses

The Company and its subsidiaries invest in programs in such a way as to compensate for the environmental impact that arises from its activities of implementation and construction of HPPs and its transmission lines, and the Company creates social programs aimed at assisting the development of “the communities”. The registration of these provisions is made only at the moment of the construction and implementation of the developments and is recorded as a counterpart in the line of property, plant and equipment in progress. The realization of these provisions is effected during the implementation of these programs.

Changes in provisions for environmental expenses are as follows:

	Consolidated			
	Opening balance	Realization	Update	Final balance
	12/31/2018			3/31/2019
Subsidiaries				
Empresa Amazonense de Transmissão de Energia S.A.	9,950	-	215	10,165
Empresa Norte de Transmissão de Energia S.A.	714	-	15	729
Empresa de Transmissão de Energia do Mato Grosso S.A.	44	-	1	45
Ijuí Energia S.A.	745	-	-	745
Energia dos Ventos X S.A.	494	-	-	494
Ferreira Gomes Energia S.A.	1,811	(430)	-	1,381
Verde 08 Energia S.A.	10,376	-	-	10,376
Total	24,134	(430)	231	23,935
Current	23,400			23,201
Non-current	734			734
	24,134			23,935

22. Provision for assets built up

The provisions for assets creation are arising from fixed asset costs relating to its implementation phase were recognized which even there were no financial outlay, they will be disbursed financially according to the schedule of the work, according to the evolution of these events these provisions will be replaced by billing vendors, where his counterpart was recorded in fixed assets in progress.

a) The provisions for assets built up are broken down by subsidiary as follows:

	Consolidated			
	Opening balance	Realization	Addition	Final balance
	12/31/2018			3/31/2019
Subsidiaries				
Usina Paulista Queluz de Energia S.A.	10,809	(25)	-	10,784
Usina Paulista Lavrinhas de Energia S.A.	5,627	(75)	-	5,552
Energia dos Ventos I S.A.	1,820	-	2,770	4,590
Energia dos Ventos II S.A.	83	-	3,119	3,202
Energia dos Ventos III S.A.	126	-	218	344
Energia dos Ventos IV S.A.	354	-	3,978	4,332
Energia dos Ventos X S.A.	1,414	-	56	1,470
Verde 08	12,505	(236)	-	12,269
Ferreira Gomes Energia S.A.	53,281	(16)	-	53,265
	86,019	(352)	10,141	95,808
Current	79,341			89,131
Non-current	6,678			6,677
	86,019			95,808

23. Regulatory charges payable

	Consolidated	
	3/31/2019	12/31/2018
Fiscalization fee – ANEEL - TFSEE	2,379	2,358
Quota for Global Reversal Reserve - RGR	4,487	4,487
Financial compensation for the utilization of water resources - CFURH	1,605	1,540
Research and Development – P&D	46,065	45,971
National fund for technologic and scientific development - FNDCT	910	889
Ministry of Mines and Energy - MME	455	443
Deferred RGR and TFSEE	164,253	166,746
	<u>220,154</u>	<u>222,434</u>
	65,085	85,107
Non-current	<u>155,069</u>	<u>137,327</u>
Total current	<u><u>220,154</u></u>	<u><u>222,434</u></u>

24. Loans and financing

- a. The balance of loans and financing is broken down as follows:

Lenders/Creditors	Companies	Consolidated								
		Current					Non-Current			
		Charges	Principal	Costs to be amortized	3/31/2019	12/31/2018	Principal	Costs to be amortized	3/31/2019	12/31/2018
Foreign currency	Operating									
Itaú ME	Alupar Peru	-	23,377	-	23,377	30,433	58,443	-	58,443	64,017
Santander Brasil	Alupar Peru	-	-	-	-	-	136,367	-	136,367	67,895
Reestructuracion largo plazo	Risaralda	1,124	7,344	(304)	8,164	771	139,536	(1,614)	137,922	141,612
		1,124	30,721	(304)	31,541	31,204	334,346	(1,614)	332,732	273,524
Foreign currency	Pre-operating									
Corporacion Andina de Fomento CAF	La Virgen	-	6,207	-	6,207	6,977	179,345	-	179,345	179,863
Deg Deutsche Investitions	La Virgen	-	3,724	-	3,724	4,887	107,243	-	107,243	107,797
Itau Coprbanca Colombia Prenda	TCE	-	87	-	87	83	31	-	31	52
Itau Coprbanca Colombia Leasing	TCE	-	141	-	141	135	53	-	53	88
Santander Brasil- Capital de trabajo	TCE	1,529	-	(129)	1,400	927	38,860	(151)	38,709	38,802
		1,529	10,159	(129)	11,559	13,009	325,532	(151)	325,381	326,602
Subtotal		2,653	40,880	(433)	43,100	44,213	659,878	(1,765)	658,113	600,126
National currency	Operating									
BNDES - A - nº 11.2.1030.1	ETEM	86	3,376	-	3,462	3,446	20,536	-	20,536	21,329
BNDES - B - nº 11.2.1030.1	ETEM	3	110	-	113	111	668	-	668	694
BNDES - A - nº 13.2.1413.1	ETSE	108	3,240	-	3,348	3,328	28,081	-	28,081	28,822
BNDES (FINAME) -B -nº 13.2.1413.1	ETSE	32	4,438	-	4,470	4,468	16,274	-	16,274	17,383
BNDES - A - nº 12.2.1390.1	FGE	641	14,861	(240)	15,262	15,155	164,709	(2,649)	162,060	165,310
BNDES - B - nº 12.2.1390.1	FGE	254	5,882	-	6,136	6,094	65,190	-	65,190	66,500
BNDES - C - nº 12.2.1390.1	FGE	29	664	-	693	688	7,355	-	7,355	7,502
BNDES (FINAME) - D - nº 12.2.1390.1	FGE	102	24,704	-	24,806	24,800	67,938	-	67,938	74,114
BNDES - E - nº 12.2.1390.1	FGE	6	176	-	182	115	1,974	-	1,974	1,274
BNDES - nº 08.2.0070.1	Foz	451	15,608	-	16,059	15,976	109,255	-	109,255	112,884
BNDES - nº 08.2.0071.1	Ijuí	441	13,292	-	13,733	13,656	99,689	-	99,689	102,763
BNDES - nº 08.2.0976.1	Lavrinhas	198	9,534	-	9,732	9,691	48,464	-	48,464	50,724
BNDES - nº 10.2.0477.1	Lavrinhas	27	1,294	-	1,321	1,316	6,581	-	6,581	6,889
BNDES - nº 08.2.0975.1	Queluz	192	9,682	-	9,874	9,833	46,793	-	46,793	49,095
BNDES - nº 10.2.0478.1	Queluz	43	2,120	-	2,163	2,154	10,247	-	10,247	10,752
BNDES	EDV I	178	2,326	(25)	2,479	2,430	51,968	-	51,968	52,440
BNDES	EDV II	101	1,313	(14)	1,400	1,372	29,335	-	29,335	29,601
BNDES	EDV III	154	2,007	(20)	2,141	2,099	44,840	-	44,840	45,247
BNDES	EDV IV	236	3,078	(23)	3,291	3,226	68,794	-	68,794	69,419
BNDES	EDV X	129	1,683	(18)	1,794	1,758	37,599	-	37,599	37,940
BNB - s nº A400000101001 e 1002	STN	59	22,821	-	22,880	22,597	71,031	-	71,031	76,808
BDMG (FINAME) - nº 147068	Transirapé	-	132	-	132	133	44	-	44	77
BDMG (FINAME PSI) - nº 177906	Transirapé	18	2,382	-	2,400	2,398	9,132	-	9,132	9,728
BDMG (FINEM) - nº 193.292	Transirapé	155	421	-	576	567	4,069	-	4,069	4,174
BDMG (FINAME) - nº 215.485	Transirapé	94	1,490	-	1,584	1,624	1,614	-	1,614	1,986
BNDES - nº 215.411	Transirapé	106	485	-	591	623	2,950	-	2,950	3,071
BDMG - nº 127.315	Transleste	77	2,462	-	2,539	2,542	12,101	-	12,101	12,716
BNB - nº 05974828-A	Transleste	24	744	-	768	771	3,743	-	3,743	3,929
		3,944	150,325	(340)	153,929	152,971	1,030,974	(2,649)	1,028,325	1,063,171
Total – Loans and financing		6,597	191,205	(773)	197,029	197,184	1,690,852	(4,414)	1,686,438	1,663,297

b. The main characteristics of loans and financing are as follows:

Lenders/Creditors	Operating companies	Consolidated						
		Contracted conditions of loans and financing						Amortization of periodicity
		Date of Engagement	Maturity	Contracted principal	Financial charges p.a.		Principal	Charges
					Indexer	Interest (%)		
Operating								
National currency – R\$								
BNDES - Subcredit A – Contract No. 09.2.1409.1	EBTE	Dec-09	May-25	141,652	TJLP	2.56	Monthly	Monthly
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1409.1	EBTE	Dec-09	Nov-19	23,498	-	4.50	Monthly	Monthly
BNDES - Subcredit A – Contract No. 12.2.1001.1	ESDE	Nov-12	Apr-27	26,319	TJLP	2.08	Monthly	Monthly
BNDES (FINAME) - Subcredit B – Contract No. 12.2.1001.1	ESDE	Nov-12	Sep-22	16,478	-	2.50	Monthly	Monthly
BNDES - Subcredit A – Contract No. 11.2.1030.1	ETEM	Dec-11	Apr-26	44,700	TJLP	2.44	Monthly	Monthly
BNDES - Subcredit B – Contract No. 11.2.1030.1	ETEM	Dec-11	Apr-26	2,100	TJLP	2.04	Monthly	Monthly
BNDES - Contract No. 09.2.1467.1	ETES	May-09	Sep-23	27,714	TJLP	2.37	Monthly	Monthly
BNDES - A - Contract No. 09.2.1467.1	ETES	Dec-09	Sep-23	3,357	TJLP	2.38	Monthly	Monthly
BNDES (FINAME) - Contract No. 09.2.1467.1	ETES	Dec-09	Oct-19	13,981	-	4.50	Monthly	Quarterly
BNDES - Subcredit A – Contract No. 13.2.1413.1	ETSE	Dec-13	Nov-28	27,446	TJLP	2.02	Monthly	Quarterly
BNDES (FINAME) - Subcredit B – Contract No. 13.2.1413.1	ETSE	Dec-13	Nov-23	34,254	-	3.50	Monthly	Monthly
BNDES - Subcredit A – Contract No. 12.2.1390.1	FGE	Dec-12	Apr-31	198,420	TJLP	2.34	Monthly	Monthly
BNDES - Subcredit B – Contract No. 12.2.1390.1	FGE	Dec-12	Apr-31	78,540	TJLP	2.34	Monthly	Monthly
BNDES - Subcredit C – Contract No. 12.2.1390.1	FGE	Dec-12	Apr-31	9,500	TJLP	2.34	Monthly	Monthly
BNDES - Subcredit D – Contract No. 12.2.1390.1	FGE	Dec-12	Dec-22	181,850	-	2.50	Monthly	Monthly
BNDES - Subcredit E – Contract No. 12.2.1390.1	FGE	Dec-12	Apr-31	2,300	TJLP	-	Monthly	Monthly
BNDES – Contract No. 08.2.0070.1	Foz	Apr-08	Mar-27	201,630	TJLP	2.44	Monthly	Monthly
BNDES – Contract No. 08.2.0071.1	Ijuí	Apr-08	Sep-27	168,200	TJLP	3.17	Monthly	Monthly
BNDES – Contract No. 08.2.0976.1	Lavrinhas	Mar-09	Apr-25	111,185	TJLP	1.93	Monthly	Monthly
BNDES – Contract No. 10.2.0477.1	Lavrinhas	Aug-10	Apr-25	16,875	TJLP	2.22	Monthly	Monthly
BNDES – Contract No. 08.2.0976.1	Queluz	Mar-09	Jan-25	114,647	TJLP	1.93	Monthly	Monthly
BNDES – Contract No. 10.2.0477.1	Queluz	Aug-10	Jan-25	27,716	TJLP	2.22	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV I	Mar-16	Oct-32	57,990	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV II	Mar-16	Oct-32	32,220	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV III	Mar-16	Oct-32	49,007	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV IV	Mar-16	Oct-32	81,041	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV X	Mar-16	Oct-32	41,042	TJLP	2.18	Monthly	Monthly
BNB - Contracts nº A400000101001 e A400000101002	STN	Jun-04	Jun-24	299,995	-	10.00	Monthly	Monthly
BDMG (FINAME) - Contract nº 147068	Transirapé	Jun-10	Jul-20	1,187	-	4.50	Monthly	Monthly
BDMG (FINAME PSI) - Contract nº 177906	Transirapé	Dec-13	Jan-24	19,761	-	3.50	Monthly	Monthly
BDMG (FINEM) - Contract nº 193.292	Transirapé	Oct-14	Oct-29	5,893	TJLP	3.50	Monthly	Monthly
BDMG - Contract nº 215.411/16	Transirapé	Apr-16	Apr-26	4,000	TJLP	6.00	Monthly	Monthly
BDMG - Contract nº 215.485/16	Transirapé	Apr-16	Apr-21	4,469	TJLP	4.50	Monthly	Monthly
BDMG - Contract nº 127315	Transleste	Mar-05	Mar-25	47,029	-	9.50	Monthly	Monthly
BNB - Contract nº 05974828-A	Transleste	Mar-05	Mar-25	15,000	-	9.50	Monthly	Monthly
Foreign currency – Colombian peso								
Banco Itaú Corpbanca	Risaralda	May-18	May-25	COP 120.000.000.000	IBR	4.93	Quarterly	Quarterly
Foreign currency – Dolar								
Banco Itaú ME	Alupar Peru	Sep-17	Sep-20	USD 30.000.000	Libor (**)	5.85	Semiannual	Semiannual
Banco Santander Brasil	Alupar Peru	Dec-18	Dec-21	USD 17.500.000	Libor (**)	3.42	Annual	Annual
(*) first tranche released March 29, 2016 in the amount of R \$ 151,450								
(**) Libor rate is a reference interest rate used by a large number of banks operating in the London market. The Libor contract rate is 6 months.								
Pre-operating								
Foreign currency – Colombian peso								
Santander Brasil - Capital de trabajo	TCE	May-18	Apr-21	USD 30,000	Libor (**)	3,70 PTOS	Annual	Annual
Itaú Coprbanca Colombia Prenda	TCE	Jul-17	Jul-20	COP 175,651	IBR(***)	0.04	Monthly	Monthly
Itaú Coprbanca Colombia Leasing	TCE	Jul-17	Jul-20	COP 290,001	-	10.32	Monthly	Monthly
Foreign currency – Dolar								
Corporacion Andina de Fomento CAF	La Virgen	Mar-17	Mar-32	USD 40,000,000	Libor (**)	years 3,90, afte	Semiannual	Semiannual
Corporacion Andina de Fomento CAF	La Virgen	Mar-17	Mar-32	USD 10,000,000	-	i,00 years, afte	Semiannual	Semiannual
Deg Deutsche Investitions	La Virgen	Mar-17	Mar-32	USD 30,000,000	Libor (**)	3,70 years, afte	Semiannual	Semiannual
(*) Libor rate is a reference interest rate used by a large number of banks operating in the London market. The Libor contract rate is 3 months.								
(**) Libor rate is a reference interest rate used by a large number of banks operating in the London market. The Libor contract rate is 6 months.								
(***) Banking Reference Indicator - IBR. The IBR rate of the contract is monthly								

All funds raised by subsidiaries with the National Bank for Economic and Social Development (BNDES) Guarantee the pledge of its shares held by the Company.

Funds obtained from loans and financing were used for the purpose provided for in the agreements, i.e., the contractual use limits were observed.

The management of the Company, its subsidiaries and joint ventures monitors the financial ratios established in the agreements. Non-compliance with the financing agreement terms not resolved or waived could result in accelerated maturity of the related debt and of other financing agreements, in addition to interest and fines. At March 31, 2019 these ratios, which are required to be measured annually, were being met, in line with the provisions in the debt agreements its subsidiaries and investees.

The Company's and its subsidiaries' quantitative covenants are related mainly to financial ratios related to EBITDA, such as the Debt Service Coverage Ratio (DSCR) and are calculated annually. Failure to comply with these covenants entails the early maturity of the loan and financing.

At March 31, 2019, all covenants of the Company and the subsidiaries have been met.

At March 31, 2019, certain loans and financing taken out by the subsidiaries have guarantees deposited in reserve accounts, amounting to R\$ 107,934 (R\$ 105,979 at December 31, 2018) evidenced in note 7.

c. Changes in loans and financing are as follows:

Lenders/Creditors	Companies	Consolidated							
		Opening Balance	Entry of debt (cost to be repaid)	Provision of charges	Monetary and foreign currency variation	Profit/loss in translation	Principal repayment	Charges repayment	Final balance
		12/31/2018							3/31/2019
Foreign currency									
Itaú ME	Alupar Peru	94,450	-	1,343	(1,746)	2,057	(11,618)	(2,666)	81,820
Santander Brasil	Alupar Peru	67,895	66,993	-	-	1,479	-	-	136,367
Corporacion Andina de Fomento CAF	La Virgen	186,840	-	3,200	(3,457)	4,067	(1,520)	(3,578)	185,552
Deg Deustsche Investitions	La Virgen	112,684	-	2,383	(2,099)	2,454	(912)	(3,543)	110,967
Reestructuracine largo plazo	Risaralda	142,383	-	3,336	-	3,703	-	(3,336)	146,086
Itau Coprbanca Colombia Prenda	TCE	135	-	3	-	3	(20)	(3)	118
Itau Coprbanca Colombia Leasing	TCE	223	-	5	-	4	(33)	(5)	194
Santander Brasil	TCE	39,729	-	595	(933)	718	-	-	40,109
		644,339	66,993	10,865	(8,235)	14,485	(14,103)	(13,131)	701,213
National currency									
BNDES -A -nº 11.2.1030.1	ETEM	24,775	-	494	59	-	(843)	(487)	23,998
BNDES -B - nº 11.2.1030.1	ETEM	805	-	16	2	-	(27)	(15)	781
BNDES - A - nº 13.2.1413.1	ETSE	32,150	-	690	-	-	(809)	(602)	31,429
BNDES (FINAME) - B - nº 13.2.1413.1	ETSE	21,851	-	183	-	-	(1,110)	(180)	20,744
BNDES - A - nº 12.2.1390.1	FGE	180,465	-	3,642	438	-	(3,711)	(3,512)	177,322
BNDES - B - nº 12.2.1390.1	FGE	72,594	-	1,442	173	-	(1,469)	(1,414)	71,326
BNDES - C - nº 12.2.1390.1	FGE	8,190	-	163	20	-	(166)	(159)	8,048
BNDES (FINAME) - D - nº 12.2.1390.1	FGE	98,914	-	592	-	-	(6,176)	(586)	92,744
BTG Pactual - NP - 1ª Emissão	FGE	1,389	800	28	4	-	(39)	(26)	2,156
BNDES - nº 08.2.0070.1	Foz	128,860	-	2,575	306	-	(3,897)	(2,530)	125,314
BNDES - nº 08.2.0071.1	Ijuí	116,419	-	2,522	277	-	(3,318)	(2,478)	113,422
BNDES - nº 08.2.0976.1	Lavrinhas	60,415	-	1,252	25	-	(2,383)	(1,113)	58,196
BNDES - nº 10.2.0477.1	Lavrinhas	8,205	-	174	3	-	(323)	(157)	7,902
BNDES - nº 08.2.0975.1	Queluz	58,928	-	1,103	139	-	(2,417)	(1,086)	56,667
BNDES - nº 10.2.0478.1	Queluz	12,906	-	250	31	-	(529)	(248)	12,410
BNDES - nº 15.2.0778.1	EDV I	54,870	-	1,075	132	-	(553)	(1,077)	54,447
BNDES - nº 15.2.0778.1	EDV II	30,973	-	607	74	-	(312)	(607)	30,735
BNDES - nº 15.2.0778.1	EDV III	47,346	-	928	114	-	(477)	(930)	46,981
BNDES - nº 15.2.0778.1	EDV IV	72,645	-	1,424	174	-	(733)	(1,425)	72,085
BNDES - nº 15.2.0778.1	EDV X	39,698	-	778	95	-	(400)	(778)	39,393
BNB - s nº A400000101001 e101002	STN	99,405	-	1,856	-	-	(5,490)	(1,860)	93,911
BDMG (FINAME) - nº 147068	Transirapé	210	-	1	-	-	(33)	(2)	176
BDMG (FINAME PSI) - nº 177906	Transirapé	12,126	-	102	-	-	(596)	(100)	11,532
BDMG (FINEM) - nº 193.292	Transirapé	4,741	-	115	-	-	(105)	(106)	4,645
BDMG (FINAME) - nº 215.485	Transirapé	3,610	-	55	-	-	(372)	(95)	3,198
BNDES - nº 215.411	Transirapé	3,694	-	71	-	-	(120)	(104)	3,541
BDMG - nº 127.315	Transleste	15,258	-	287	-	-	(615)	(290)	14,640
BNB - nº 05974828-A	Transleste	4,700	-	88	-	-	(189)	(88)	4,511
		1,216,142	800	22,513	2,066	-	(37,212)	(22,055)	1,182,254
		1,860,481	67,793	33,378	(6,169)	14,485	(51,315)	(35,186)	1,883,467
Current		197,184							197,029
Non-current		1,663,297							1,686,438
		1,860,481							1,883,467

No funding and liquidation occurred during the period on March 31, 2019.

(i) Credit released by the BNDES for EDV's controlled until March 31, 2019 was as follows:

Subsidiary	Contracted amount	Releases				Balance to be released 03/31/2019
		3/29/2016	7/15/2016	8/15/2016	Total	
EDV I	57,990	38,900	16,785	-	55,685	2,305
EDV II	32,220	28,000	1,096	2,592	31,688	532
EDV III	49,007	30,000	17,132	1,023	48,155	852
EDV IV	81,041	55,550	24,056	-	79,606	1,435
EDV X	41,042	27,000	13,320	-	40,320	722
Total	261,300	179,450	72,389	3,615	255,454	5,846

d. Amortization of loans and financing, by currency and index, is as follows:

Installments to become overdue by currency and indexer	3/31/2019							
	Consolidated							
	R\$							
	2019	2020	2021	2022	2023	2024	Após 2024	Total
Foreign currency								
USD	24,778	58,339	185,108	15,748	18,585	20,496	232,201	555,255
Colombian Pesos	8,449	6,432	10,244	12,603	14,973	16,936	76,321	145,958
	33,227	64,771	195,352	28,351	33,558	37,432	308,522	701,213
National currency								
TJLP	115,841	133,266	135,809	131,581	133,543	120,068	359,994	1,130,102
Fixed rate	8,239	10,593	10,524	10,514	10,175	3,865	1,231	55,141
(-) Costs to be repaid	(262)	(241)	(240)	(240)	(240)	(240)	(1,526)	(2,989)
	123,818	143,618	146,093	141,855	143,478	123,693	359,699	1,182,254
	157,045	208,389	341,445	170,206	177,036	161,125	668,221	1,883,467

25. Debentures

a. The balance of debentures is as follows:

Lenders/Creditors	Companies	Parent Company/ Consolidated									
		Current					Non-current				
		Charges	Principal	Costs to be repaid	3/31/2019	12/31/2018	Charges	Principal	Costs to be repaid	3/31/2019	12/31/2018
5th Issuance	Alupar	9,233	22,226	(13)	31,446	24,258	-	355,615	(93)	355,522	352,413
6th Issuance	Alupar	9,839	-	(1,231)	8,608	3,205	-	305,404	(1,333)	304,071	300,114
		19,072	22,226	(1,244)	40,054	27,463	-	661,019	(1,426)	659,593	652,527
Operating											
1st Issuance	Windepar	1,492	1,461	(517)	2,436	1,116	-	70,861	(4,577)	66,284	65,359
3rd Issuance	EATE	-	-	-	-	20,896	-	-	-	-	-
4th Issuance	EATE	518	37,412	(11)	37,919	38,038	-	18,705	(2)	18,703	28,055
5th Issuance - series I	EATE	597	126,000	(33)	126,564	126,511	-	-	-	-	-
5th Issuance - series II	EATE	263	-	(21)	242	226	-	54,000	(30)	53,970	53,965
6th Issuance	EATE	43	15,273	(125)	15,191	15,184	-	38,182	(130)	38,052	41,843
7th Issuance	EATE	65	18,546	(172)	18,439	18,434	-	60,272	(239)	60,033	64,632
3rd Issuance	ECTE	328	28,994	(32)	29,290	36,408	-	-	-	-	1,987
4th Issuance	ECTE	59	-	(144)	(85)	(83)	-	75,000	(188)	74,812	74,777
2nd Issuance	ENTE	808	58,353	(18)	59,143	59,329	-	29,175	(2)	29,173	43,758
3rd Issuance - series I	ENTE	133	28,000	(21)	28,112	28,093	-	-	-	-	-
3rd Issuance - series II	ENTE	58	-	(13)	45	41	-	12,000	(19)	11,981	11,978
2nd Issuance	ETEP	225	16,235	(9)	16,451	16,502	-	8,117	(1)	8,116	12,173
3rd Issuance	ETEP	37	9,184	(104)	9,117	6,358	-	35,816	(146)	35,670	38,403
3rd Issuance	FGE	7,194	8,340	(1,319)	14,215	7,762	-	291,399	(10,225)	281,174	278,958
1st Issuance	STN	329	23,765	(29)	24,065	24,103	-	11,882	-	11,882	17,823
2nd Issuance	Transirapé	24	5,676	(50)	5,650	3,217	-	24,324	(124)	24,200	26,620
1st Issuance	Transleste	180	12,941	(56)	13,065	13,107	-	6,643	(19)	6,624	9,845
2nd Issuance	Transleste	24	-	(52)	(28)	(27)	-	30,000	(129)	29,871	29,859
2nd Issuance	Transudeste	34	12,245	(72)	12,207	12,209	-	30,612	(180)	30,432	33,476
1st Issuance	EBTE	78	21,999	(213)	21,864	21,855	-	71,502	(299)	71,203	76,656
1st Issuance	ETES	28	8,000	(49)	7,979	7,981	-	26,001	(158)	25,843	27,831
2nd Issuance - series I	ETAP	114	-	(247)	(133)	546	-	41,300	(855)	40,445	40,384
2nd Issuance - series II	ETAP	599	-	(490)	109	2,241	-	116,510	(2,676)	113,834	111,901
1st Issuance	ETVG	27	7,600	(41)	7,586	7,587	-	24,701	(133)	24,568	26,458
2nd Issuance	Verde 8	5,832	-	(470)	5,362	3,262	-	143,116	(2,508)	140,608	139,395
		19,089	440,024	(4,308)	454,805	470,896	-	1,220,118	(22,640)	1,197,478	1,256,136
Pre-operating											
2nd Issuance - series I	ETC	86	-	(182)	(96)	415	-	30,700	(630)	30,070	30,025
2nd Issuance - series II	ETC	445	-	(361)	84	1,670	-	86,646	(1,970)	84,676	83,239
1st Issuance	TCC	1,734	-	(2,478)	(744)	3,659	9,391	680,000	(21,055)	668,336	663,089
1st Issuance	TPE	2,728	-	(3,888)	(1,160)	5,778	14,778	1,070,000	(33,049)	1,051,729	1,043,465
2nd Issuance	EDTE	7,769	-	(993)	6,776	(988)	-	315,000	(9,648)	305,352	305,415
		12,762	-	(7,902)	4,860	10,534	24,169	2,182,346	(66,352)	2,140,163	2,125,233
Total – Debentures		50,923	462,250	(13,454)	499,719	508,893	24,169	4,063,483	(90,418)	3,997,234	4,033,896

b. The main characteristics of debentures are as follows:

Lenders/Creditors	Companies	Consolidated						
		Contracted conditions of debentures						
		Date of Engagement	Maturity	Contracted principal	Effective rate p.a.		Amortization of periodicity	
					Indexer	Interest (%)	Principal	Charges
Operating								
4th Issuance	Alupar	Feb-12	Feb-18	150,000	CDI	1.45	Semiannual	Semiannual
5th Issuance	Alupar	May-12	May-27	300,000	IPCA	7.80	Annual	Semiannual
6th Issuance	Alupar	Apr-15	Apr-21	250,000	IPCA	7.33	Annual	Semiannual
1st Issuance	Windepar	Dec-16	Dec-28	67,500	IPCA	7.63	Semiannual	Semiannual
3rd Issuance	EATE	Mar-14	Mar-19	270,000	CDI	1.15	Quarterly	Quarterly
4th Issuance	EATE	Aug-14	Aug-20	159,000	CDI	109.75	Quarterly	Quarterly
5th Issuance - series I	EATE	Sep-16	Sep-19	126,000	CDI	113.00	Monthly	Monthly
5th Issuance - series II	EATE	Sep-16	Sep-21	54,000	CDI	116.00	Monthly	Monthly
6th Issuance	EATE	Sep-17	Sep-22	70,000	CDI	107.75	Monthly	Monthly
7th Issuance	EATE	Jun-18	Jun-23	85,000	CDI	112.00	Monthly	Monthly
3rd Issuance	ECTE	May-15	Feb-20	70,000	CDI	2.15	Quarterly	Quarterly
4th Issuance	ECTE	Sep-17	Sep-22	75,000	CDI	107.75	Monthly	Monthly
2nd Issuance	ENTE	Aug-14	Aug-20	248,000	CDI	109.75	Quarterly	Quarterly
3rd Issuance - series I	ENTE	Sep-16	Sep-19	28,000	CDI	113.00	Monthly	Monthly
3rd Issuance - series II	ENTE	Sep-16	Sep-21	12,000	CDI	116.00	Monthly	Monthly
2nd Issuance	ETEP	Aug-14	Aug-20	69,000	CDI	109.75	Quarterly	Quarterly
3rd Issuance	ETEP	Jun-18	Jun-23	45,000	CDI	112.00	Monthly	Monthly
3rd Issuance	Ferreira Gomes	Jun-14	Dec-27	210,900	IPCA	6.47	Semiannual	Semiannual
1st Issuance	STN	Aug-14	Aug-20	101,000	CDI	109.75	Quarterly	Quarterly
2nd Issuance	Transirapé	Sep-17	Sep-22	30,000	CDI	107.75	Monthly	Monthly
1st Issuance	Transleste	Aug-14	Aug-20	55,000	CDI	109.75	Quarterly	Quarterly
2nd Issuance	Transleste	Sep-17	Jun-22	30,000	CDI	107.75	Monthly	Monthly
2nd Issuance	Transudeste	Sep-17	Sep-22	50,000	CDI	107.75	Monthly	Monthly
1st Issuance	EBTE	Jun-18	Jun-23	110,000	CDI	112.00	Monthly	Monthly
1st Issuance	ETES	Jun-18	Jun-23	40,000	CDI	112.00	Monthly	Monthly
1st Issuance	ETVG	Jun-18	Jun-23	38,000	CDI	112.00	Monthly	Monthly
2nd Issuance - series I	ETAP	Sep-18	Sep-23	41,300	CDI	112.00	Lump sum at the end	Semiannual
2nd Issuance - series II	ETAP	Sep-18	Sep-25	114,700	IPCA	6.17	Annual	Semiannual
2nd Issuance	Verde 08	Jul-18	Jul-25	140,000	IPCA	5.96	Lump sum at the end	Semiannual
Pre-operating								
2nd Issuance - series I	ETC	Sep-18	Sep-23	30,700	CDI	113.50	Lump sum at the end	Semiannual
2nd Issuance - series II	ETC	Sep-18	Sep-25	85,300	IPCA	6.17	Annual	Semiannual
1st Issuance	TCC	Sep-18	Sep-28	680,000	IPCA	6.53	Semiannual	Semiannual
1st Issuance	TPE	Sep-18	Sep-28	1,070,000	IPCA	6.53	Semiannual	Semiannual
2nd Issuance	EDTE	Dec-18	Dec-28	315,000	IPCA	NTN-B + 0,5%	Semiannual	Semiannual

The Company's and its subsidiaries and joint ventures maintain the monitoring of financial ratios defined in the agreement. Quantitative covenants of the Company and its subsidiaries are mainly related to financial indices obtained using EBITDA as the Coverage Ratio Debt Service ("DSCR") and Equity Index ("EI"), which are calculated annually, except for the contract debentures of Controlled Ferreira Gomes Energia S.A, which is required quarterly. Failure to comply with these covenants entails the early maturity of the debentures. At March 31, 2019, all covenants were met and these ratios were within the limits established in the Company's debt agreements in accordance with the explicit methodologies in their contracts of its subsidiaries and joint ventures.

Debentures of the Company and its subsidiaries are nonconvertible.

c. Changes in debentures are as follows:

Lenders/Creditors	Companies	Parent Company/ Consolidated					
		Opening Balance	Provision of charges	Monetary Variation	Principal Repayment	Charges repayment	Final balance
		12/31/2018					3/31/2019
5th Issuance	Alupar	376,671	6,999	3,298	-	-	386,968
6th Issuance	Alupar	303,319	6,180	3,180	-	-	312,679
		679,990	13,179	6,478	-	-	699,647
3rd Issuance	EATE	20,896	321	-	(20,844)	(373)	-
4th Issuance	EATE	66,093	1,007	-	(9,353)	(1,125)	56,622
5th Issuance - series I	EATE	126,511	2,162	-	-	(2,109)	126,564
5th Issuance - series II	EATE	54,191	948	-	-	(927)	54,212
6th Issuance	EATE	57,027	944	-	(3,818)	(910)	53,243
7th Issuance	EATE	83,066	1,427	-	(4,636)	(1,385)	78,472
3rd Issuance	ECTE	38,395	694	-	(9,002)	(797)	29,290
4th Issuance	ECTE	74,694	1,252	-	-	(1,219)	74,727
1st Issuance	Windepar	66,475	2,114	-	-	131	68,720
2nd Issuance	ENTE	103,087	1,570	-	(14,588)	(1,753)	88,316
3rd Issuance - series I	ENTE	28,093	487	-	-	(468)	28,112
3rd Issuance - series II	ENTE	12,019	213	-	-	(206)	12,026
2nd Issuance	ETEP	28,675	438	-	(4,059)	(487)	24,567
3rd Issuance	EETP	44,761	786	-	-	(760)	44,787
3rd Issuance	Ferreira Gomes	286,720	6,782	1,887	-	-	295,389
1st Issuance	STN	41,926	636	-	(5,901)	(714)	35,947
2nd Issuance	Transirapé	29,837	500	-	-	(487)	29,850
1st Issuance	Transleste	22,952	361	-	(3,235)	(389)	19,689
2nd Issuance	Transleste	29,832	498	-	-	(487)	29,843
2nd Issuance	Transudeste	45,685	745	-	(3,061)	(730)	42,639
1st Issuance	Verde 8	142,657	2,217	1,096	-	-	145,970
2nd Issuance	ETAP	40,930	771	-	-	(1,389)	40,312
1st Issuance	ETAP	114,142	1,860	1,309	-	(3,368)	113,943
2nd Issuance - series I	ETC	30,440	535	-	-	(1,001)	29,974
2nd Issuance - series II	ETC	84,909	973	1,292	-	(2,414)	84,760
1st Issuance	TCC	666,748	10,781	7,722	-	(17,659)	667,592
2nd Issuance - series I	TPE	1,049,243	16,965	12,152	-	(27,791)	1,050,569
2nd Issuance - series II	EBTE	98,511	1,696	-	(5,499)	(1,641)	93,067
1st Issuance	ETES	35,812	608	-	(2,000)	(598)	33,822
1st Issuance	ETVG	34,045	575	-	(1,900)	(566)	32,154
1st Issuance	EDTE	304,427	7,701	-	-	-	312,128
		4,542,789	81,746	31,936	(87,896)	(71,622)	4,496,953
		508,893					499,719
		4,033,896					3,997,234
		4,542,789					4,496,953

There were no additions or settlements in the three- months period ended at March 31, 2019:

d. The principal amounts for debentures, by index, are as follows:

Installments to become due by indexer	3/31/2019							
	Consolidated							
	R\$							
	2019	2020	2021	2022	2023	2024	Após 2024	Total
CDI	406,987	205,614	215,847	129,175	105,590	-	-	1,063,213
IPCA	78,892	233,390	234,806	83,017	197,353	398,206	2,311,948	3,537,612
(-) Costs to be repaid	(13,006)	(10,393)	(12,158)	(11,609)	(11,211)	(10,854)	(34,641)	(103,872)
	472,873	428,611	438,495	200,583	291,732	387,352	2,277,307	4,496,953

26. Provision for contingencies

- a. Provisions for contingencies and related judicial deposit balances at March 31, 2019 and December 31, 2018, by nature, are shown below:

	Consolidated			
	Liabilities		Assets	
	Provisions		Judicial deposits	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
<u>Judicial procedures</u>				
Tax	3,717	3,450	6,151	5,862
Civil	1,478	1,554	3,468	3,601
Land	-	-	13,893	11,964
Labor	6,464	6,124	2,723	2,478
<u>Administrative procedures</u>				
Regulatory (ANEEL)	-	-	30	28
	<u>11,659</u>	<u>11,128</u>	<u>26,265</u>	<u>23,933</u>
Current	856	1,071	-	-
Non-current	<u>10,803</u>	<u>10,057</u>	<u>26,265</u>	<u>23,933</u>
	<u>11,659</u>	<u>11,128</u>	<u>26,265</u>	<u>23,933</u>

- b. Changes in the provision for contingences are as follows:

Consolidated						
Opening balance	Entries	Atualizations	Reversal	Payments	Closing balance	
12/31/2018					3/31/2019	
<u>Judicial procedures</u>						
Tax	3,450	348	19	-	(100)	3,717
Civil	1,554	57	-	-	(133)	1,478
Labor	6,124	120	-	335	(115)	6,464
	11,128	525	19	335	(348)	11,659

The calculation of the amounts to be provisioned is based on the amounts in constant risk of the opinion of the external and internal lawyers responsible for conducting the lawsuits and judging our management, so that the amounts related to the claims that we believe are probable of loss likely.

The Company's management takes into consideration, for a detailed explanation in an Explanatory Note, legal claims whose value at risk of the case exceeds R\$ 2,000 for the claims related to the Company and R\$ 1,000 for the claims related to the Subsidiaries and / or are significant for the Company's business, such as public civil actions, regardless of the value at risk.

Not included in the explanatory notes are legal claims whose likelihood of loss is remote.

Possible Loss: Although such proceedings are not accrued by the Company and / or its subsidiaries, the following demands deserve special mention, with a possible loss:

(i) Tax Demands:

- Administrative Proceeding No. 10480729854201815, moved by the Federal Revenue Service of São Paulo in the face of subsidiary Sistema de Transmissão do Nordeste S.A. (STN), in process before the pending before the Federal Revenue Office of Recife / PE. This is the launch of IRPJ and CSLL as a result of the financial expenses with the payment of interest related to the debentures issued. The value at risk is approximately R\$ 15,802.
- Tax Enforcement No. 00008348820148110047, against the subsidiary Transmissora Matogrossense de Energia S.A. (TME). This is a Tax Execution requesting the difference in the collection of the ISS rate, in process before the Single Tax of Jauru, whose joint liability includes the companies Global Energia Elétrica SA and Mavi Engenharia e Construções Ltda., with a value at risk of approximately R\$ 1,217 (R\$ 1,216 as of 12/31/2018).
- Administrative Proceeding No. 000455/2014, drawn up by the Tax Office of the State of Roraima in the face of the Transnorte Energia SA (TNE), in process before the Court of Audit of the State of Roraima, aiming to analyze the legality of the tax benefits authorized by the Agreement of CONFAZ nº 143/2012 and Decree nº 14.982 / 2013. The value at risk estimate is R\$ 2,437 (R\$ 2,436 as of 12/31/2018).
- Tax Enforcement nº 08094733820178230010, in the face of the jointly controlled company Transnorte Energia S.A. (TNE), in process before the 2nd Public Finance Court of Boa Vista. This is a lawsuit filed for ICMS collection purposes initially ascertained in the Notice of Default No. 492/2015, whose value at risk is approximately R\$ 16,619 (R\$16,499 as of 12/31/2018).
- Administrative process no. 002issqn2018 in the face of controlled Verde 08, it is a requirement of supposed ISS debt arising from the services contracted for implementation The approximate value at risk is R\$ 1,253 (R\$1,253 as of 12/31/2018).
- Administrative Proceeding No. 109000001100000354/2017-19, in the face of the jointly controlled company Ferreira Gomes Energia S.A., it is a charge of ICMS by the State of Amapá, referring to the differential of the tax rate and ICMS due to anticipation resulting from unrecovered tax substitution, whose value at risk is approximately R \$ 4,577 (R\$4,576 as of 12/31/2018).
- Administrative Proceedings No 19515722963201238, filed by the Union against the controlled company Empresa Amazonense de Transmissão de Energia S.A. (EATE), in progress before the Federal Revenue Office in São Paulo/SP. It refers to the Notice of Tax Assessment issued for collection of IRPJ, CSLL, PIS and COFINS debts for the period of 2007. The approximate value at risk is R\$ 4,044 (R\$3,981 as of 12/31/2018).

(ii) Civil Claims:

- Civil class action No. 00099563820104013100 brought by the Federal Prosecutor's Office and by the Amapá State Prosecution Office, against the Company, Aneel, the director of Amapá State Environment and Territorial Planning Institute (IMAP) and the Amapá State Environment Office (SEMA/AP). This concerns a lawsuit referring to obligation to do and not to do for prevention of environmental damages, involving environmental permits. The amount under risk is approximately R\$ 1,620 (R\$1,607 as of 12/31/2018).

- Civil class action No. 00335301320054047100 filed by Núcleo Amigos da Terra Brasil against Environment Preservation Foundation Henrique Luís Roessler/RS (FEPAM), the Federal Government, Companhia Estadual de Geração e Transmissão de Energia Elétrica (CEEE-GT) and Companhia Estadual de Distribuição de Energia Elétrica (CEEE-D). The state of Rio Grande do Sul, subsidiary Ijuí Energia S.A. and Eletrosul Centrais Elétricas S.A. are assisting this proceeding. It is a civil class action filed for the purpose of discussing the environmental permit for the hydroelectric power plant of Passo São João (LP No. 710/2005-DL) and São José (LP nº 711/2005-DL).
- Civil Action No. 00016274120158030006 proposed by the Ministério Público do Estado Amapá, which requires compensation due to alleged material and moral damage caused by the subsidiary Ferreira Gomes Energia S / A to the environment. There is no value for the risk involved.
- Civil Action No. 001983412020148090142 filed by the Public Ministry of the State of Goiás against the Company and the State of Goiás with an injunction. This action has as objective to curb the granting of the preliminary license by SEMARH the Company, necessary for the construction of hydroelectric power plant 11 Green High. There is no value for the risk involved.
- Public Civil Action No. 00184082320134013200 proposed by the Federal Public Prosecutor's Office in relation to the Controlled Transporte for the preservation of allegedly offended indigenous rights. The approximate value at risk is R\$ 1,211 (R\$1,211 as of 12/31/2018).
- Public Civil Action No. 00013863320168030006 proposed by the State Prosecutor's Office of Amapá, in the face of the Controlled Company Ferreira Gomes Energia SA and others with the purpose of compelling the defendants to promote the full reparation of all environmental damages caused in the Municipality of Ferreira Gomes / AP, as well as How to take measures to minimize the deleterious effects related to the flood. The value at risk cannot be estimated.
- Revisional Action No. 00818741920118190001 rival bid Naturasul in the face of Controlled Ijuí Energia SA, which requires the revision of the contract for services. The value at risk estimate is R\$ 3,418 (R\$7,284 as of 12/31/2018).
- Implementing Action No. 00503424520108160001 proposed by Construtora Triunfo SA against the subsidiary Foz do Rio Claro Energia SA, which requires the revision of the contract for the provision of services. The value at risk estimate is R\$ 1,942 (R\$1,919 as of 12/31/2018).
- Implementing Action No. 00503433020108160001 proposed by Construtora Triunfo SA against the subsidiary Foz do Rio Claro Energia SA, which requires the revision of the contract for the provision of services. The value at risk estimate is R\$ 1,632 (R\$1,612 as of 12/31/2018).
- Monitoring Action No. 00465158420148160001 proposed by Construtora Triunfo S.A. against the subsidiary Foz do Rio Claro energia S.A., which requires ordered to pay arising from additional services related to the Contract Agreement. The value at risk estimate is R\$ 11,159 (R\$10,984 as of 12/31/2018).
- Collection Action nº 10688729020138260100 proposed by Cotesa – Desapropriações, Avaliações e Meio Ambiente. Against Ijuí Energia S.A., for alleged credit for services unforeseen and supervenient. The approximate value at risk is R\$ 5,934 (R\$5,808 as of 12/31/2018).
- Public Civil Action N. 00180326620154013200, filed by the Federal Public Prosecutor Office against the controlled company Transporte to preserve the allegedly offended indigenous rights. The approximate value at risk is R\$ 0.100 (R\$0.100 as of 12/31/2018).

- Collection Action No 00316184620178160001, filed by Construtora Triunfo S.A. against the controlled company Foz do Rio Claro Energia S.A., where the plaintiff requests the conviction regarding the fine by contract termination and loss of profits. The approximate value at risk is R\$ 10,194 (R\$10,194 as of 12/31/2018).

(iii) Labor claims:

- Labor Claim No 00172958320165160013, filed by the Urban Industries of the State of MA Employees' Union against the controlled company Empresa Amazonense de Transmissão de Energia S.A. (EATE), in progress before the Labor Court of Açailândia/MA. It is a Labor Claim that aims at the collection of overtime by breaks during work shifts, additional and reflexes by uninterrupted turns. The approximate value at risk is R\$7,886 (R\$8,578 as of 12/31/2018).

(iv) Arbitration: there are three arbitration procedures assessed as possible loss, to wit:

- Arbitral Procedure, established by supplier in face of the Subsidiary La Virgen S.A.C. in the city of Lima, Peru. This is an arbitration procedure to settle disputes arising from the La Virgen Small Hydroelectric Power Plant. The value at risk cannot currently be estimated.
- Arbitral Procedure, established by supplier in face of the Subsidiary La Virgen S.A.C. in the city of Lima, Peru. This is an arbitration procedure to settle disputes from the energy supply and associated electric energy contract. The value at risk cannot currently be estimated.
- Arbitral Procedure, initiated by a supplier against the controlled company Ferreira Gomes Energia S.A. It is an arbitration procedure aimed to settle a controversy arising from a "turn-key contract". The value at risk cannot currently be estimated.

(v) Environmental suits: There are seven Environmental Notice of Infraction with possible losses, which we quote below:

- Environmental Notice of Infraction No. 016158, issued by the Institute of Environment and Territorial Planning, in the face of the subsidiary Ferreira Gomes Energia S.A. for alleged noncompliance with the constraints of numbers 2.4 and 2.4.8 of L.O. 317/2014, and for alleged failure to present proof of compliance with the specific conditions for the second half of 2017, as well as for allegedly partially complying with conditions 2.1, 2.2, 2.2.2, 2.2.3, 2.4.1, 2.4. 3, 2.4.4, 2.4.5, 2.4.6 and 2.4.7 of said L.O. The approximate value at risk is R\$ 3,000 (R\$ 3,000 on 12/31/2018).
- Environmental Notice of Infraction No. 013596-A, issued by Instituto do Meio Ambiente e Ordenamento Territorial do Estado do Amapá - IMAP, due to the subsidiary Ferreira Gomes Energia SA to have the company allegedly caused significant changes in the environment. The value at risk estimate is R\$ 20,000 (R\$20,000 as of 12/31/2018).

We emphasize that in September 2015 the subsidiary Ferreira Gomes Energia SA signed a Conduct Adjustment Term in which suspended the ongoing administrative procedure in IMAP to its full implementation. Finally, compliance with the obligations assumed, will be extinguished.

- Environmental Notice of Infraction No. 014689-A, issued by the Environment and Spatial Planning Institute in the State of Amapá - IMAP, in the face of subsidiary Ferreira Gomes Energia SA to have the company allegedly caused significant changes in the environment, culminating in mortality of species of aquatic fauna of the Araguari river. The value at risk estimate is R\$ 30,000 (R\$30,000 as of 12/31/2018).

We emphasize that in October 2016 the subsidiary Ferreira Gomes Energia S.A. signed a Term of Adjustment of Conduct in which it suspended the administrative proceeding underway at IMAP until its full compliance.

- Environmental Notice of Infraction No 9073335-E (02001.003498/2015-72), issued by the Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA), against the subsidiary Transnorte Energia S.A., because the company allegedly failed to comply with the environmental restrictions set forth in the Installation License. The approximate value at risk is R\$ 1,305 (R\$1,276 as of 12/31/2018).
- Environmental Notice of Infraction No. 9137296-E (02553.000294/2018-86) proposed by Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis - IBAMA in the face of the subsidiary Transnorte Energia S.A., for alleged noncompliance with environmental condition. The approximate value at risk is R\$ 1,955 (R\$1,865 as of 12/31/2018).
- Environmental Notice of Infraction No 016154, issued by the Institute of Environment and Territorial Planning of the State of Amapá – IMAP, against the subsidiary Ferreira Gomes Energia S.A., because the company allegedly caused sensitive changes in the environment culminating in the mortality of aquatic fauna species of the Araguari river. The approximate value at risk is R\$ 7,000 (R\$7,000 as of 12/31/2018).
- Environmental Notice of Infraction No 16158, issued by the Institute of Environment and Territorial Planning of the State of Amapá – IMAP, in the face of the subsidiary Ferreira Gomes Energia S.A. because the company allegedly complied or partially complied with a number of conditions of the Operation License No. 317/2014. The approximate value at risk is R\$ 3,000 (R\$3,000 as of 12/31/2018).

(v) Criminal Demands: there are no judicial or administrative actions of a criminal nature with a possible risk of loss that, individually and, in the evaluation of our management, are considered relevant to our business.

(vii) Regulatory Demands

- Ordinary Action with injunction nº 0027834-41.2013.4.01.3400, proposed by Controlled Foz do Rio Claro Energia S.A., Ijuí Energia S.A., Usina Paulista de Energia Lavrinhas S.A. e Usina Paulista de Energia Queluz S.A., brought of Associação de Classe (APINE), against União Federal, aiming at the nullity of the application of the effects of CNPE Resolution No. 3, which, in short, aimed at including the hydroelectric generators in the apportionment of the cost of the dispatch of the Thermoelectric Power Plants outside the order of economic merit to guarantee the energy supply. Currently Generators are benefited by injunction preventing the application of the effects of this resolution. If the ruling is unfavorable, the subsidiaries of the Company's generation will have to register the System Service Charges title the amount of R\$ 9,679 (R\$9,683 as of 12/31/2018).

- Ordinary Action with injunction nº 0076295-10.2014.4.01.3400, proposed by Controlled Ferreira Gomes Energia S.A., against União Federal, aiming at the nullity of the application of the effects of CNPE Resolution No. 3, which, in short, aimed at including the hydroelectric generators in the apportionment of the cost of the dispatch of the Thermoelectric Power Plants outside the order of economic merit to guarantee the energy supply. The aggregate amount of Service Charges of the System to be registered in the Companies, if the injunction is not maintained, will be in the amount of R\$ 6,246 (R\$ 6,251 as of 12/31/2018).
- Ordinary Action with injunction nº 0003995-79.2016.4.01.3400, proposed by Company and Controlled ACE Comercializadora LTDA., Energia dos Ventos I S.A., Energia dos Ventos II S.A., Energia dos Ventos III S.A., Energia dos Ventos IV S.A. e Energia dos Ventos X S.A., against União Federal, aiming at the nullity of the application of the effects of CNPE Resolution No. 3, which, in short, aimed at including the hydroelectric generators in the apportionment of the cost of the dispatch of the Thermoelectric Power Plants outside the order of economic merit to guarantee the energy supply. Currently, the Company and the Subsidiaries are benefited by an injunction preventing the application of the effects of this resolution. The value added of Services Charges of the System to be registered in the companies, if the injunction is not maintained, will be in the amount of R\$ 287 on 03/31/2019.
- Annulment Action No 00598045420164013400, filed by the controlled company Empresa Regional de Transmissão de Energia S.A. (ERTE) against the Brazilian Electricity Regulatory Agency (ANEEL), in progress before the 2nd Federal District Court in Brasília/DF. It is an Annulment Action aimed to disregard the period of unavailability occurred in the LT on December 10, 2014, for purposes of applying the PVI values. The approximate value at risk is R\$ 2,229.

27. Equity

a. Authorized capital

Pursuant to paragraph 8 of the Articles of Incorporation, the Company is authorized to increase capital, subject to approval by the Board of Directors, regardless of amendment thereto, through issue of common and/or preferred shares, up to the limit of 1,000,000,000 (one billion) shares. It is also incumbent upon the Board of Directors to set the issue conditions, including price, terms and form of payment.

Within the authorized capital limit and according to the plan approved at the Annual General Meeting, the Company may grant stock options to its managing officers or employees, or individual providers of services to the Company or entities under its control.

Furthermore, the Company shareholders have preemptive rights to subscribe new shares or any convertible securities, for which the deadline for exercise is 30 (thirty) days. Such preemptive right may, however, at the Board of Director's discretion, be excluded or have the exercise term reduced, upon issue of shares, convertible debentures or subscription warrants which are placed on sale through the stock exchange or by public subscription, or through exchange of shares in a public offering for acquisition of control, under the terms of the Brazilian Corporation Law, within the authorized capital limit.

b. Capital

Capital increase through share subscription

On March 31, 2019, the Company's capital amounted to R\$ 2,981,996 (R\$ 2,981,996 as of December 31, 2018), comprising 596,955,970 (596,955,970 as of December 31, 2018) and 282,155,299 preferred shares (282,155,299 as of December 31, 2018), held as follows:

	3/31/2019				12/31/2018			
	Common		Preferred		Common		Preferred	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders								
Guarupart Participações Ltda	445,995,367	74.71	5,471,128	1.94	445,995,367	74.71	5,471,128	1.94
FI - FGTS	35,162,754	5.89	70,325,508	24.92	35,162,754	5.89	70,325,508	24.92
Outstanding shares	115,797,849	19.40	206,358,663	73.14	115,797,849	19.40	206,358,663	73.14
Total shares	596,955,970	100.00	282,155,299	100.00	596,955,970	100.00	282,155,299	100.00

c. Income reserve

- c.1) Legal reserve: Brazilian Corporation Law sets forth that the Company must transfer 5% of annual net income computed on the accounting records in accordance with accounting practices adopted in Brazil to legal reserve, not exceeding 20% of the Company capital. The legal reserve may be used for increasing capital or absorbing losses; however, it may not be used for dividend distribution purposes.
- c.2) Income reserve: The remaining income balance is maintained in an investment reserve account, to be allocated as determined at the General Meeting.

d. Capital reserve

The capital reserves arise from the profit or loss in transaction of capital and from reserve for reinvestment, as follows:

	Parent Company	
	3/31/2019	12/31/2018
Gain (loss) in capital transaction		
Empresa Amazonense de Transmissão de Energia S.A.	86,821	86,821
Empresa Catarinense de Transmissão de Energia S.A. (*)	(3,915)	(3,915)
Usina Paulista Lavrinhas de Energia S.A.	(4,747)	(4,747)
Usina Paulista Queluz de Energia S.A.	(3,000)	(3,000)
Foz do Rio Claro Energia S.A.	(31,987)	(31,987)
	<u>43,172</u>	<u>43,172</u>
Reserve for reinvestment		
Empresa Norte de Transmissão de Energia S.A.	466	466
Empresa Paraense de Transmissão de Energia S.A.	57	57
	<u>523</u>	<u>523</u>
	<u>43,695</u>	<u>43,695</u>

(*) Capital loss generated in the acquisition of the subsidiary ECTE shares.

e. Other comprehensive income

This refers to gain and loss on translation of the interim financial information of subsidiaries domiciled abroad, as demonstrated below:

	Parent Company	
	3/31/2019	12/31/2018
Balance at the beginning of the fiscal year	24,228	10,456
Exchange differences derived from the conversion of assets in overseas operations		
Subsidiaries:		
La Virgen S.A.C.	192	173
Risaralda Energía S.A.S.E.S.P.	13	41
Alupar Inversiones Peru S.A.C.	1,116	1,413
Alupar Colombia S.A.S.	979	3,187
Balance at the end of the exercise / fiscal year	<u>26,528</u>	<u>15,270</u>

f. Non-controlling shareholders

Proceeds paid as dividend and interest on equity refer to dividend and interest on equity declared to subsidiaries non-controlling shareholders.

28. Earnings per share

Earnings per share are presented by type and nature of the share. This presentation is consistent with the practice adopted in Brazil for trading and listing of shares in share lots. The Company has registered shares, with no par value.

The table below shows calculation of the weighted average of outstanding shares and earnings per share of the Company for the period ended March 31, 2019 and 2018:

	Parent Company	
	Period ended	
	3/31/2019	3/31/2018
Numerator:		
Net income for the period, entitled to the controlling shareholders	400,503	58,939
Denominator (in thousands of shares)		
Weighted average of the number of common shares (*)	147,195	596,956
Weighted average of the number of preferred shares (*)	69,573	282,155
Earnings per share		
Basic and diluted earnings per share: (*)	1.84762	0.06704
Basic and diluted earnings per share: (*)	1.84762	0.06704

(*) The Company does not have diluting instruments, such as, convertible instruments, options or subscription warrants.

29. Net operating revenue

	Parent Company		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Gross operating revenue				
Power transmission system				
Revenue from power transmission	-	-	170,404	44,225
Infrastructure revenue	-	-	701,168	29,307
Payment of financial assets from the concession	-	-	133,542	200,464
	-	-	1,005,114	273,996
Power generation system				
Power supply (Note 28)	105,135	15,505	230,671	121,292
	105,135	15,505	230,671	121,292
Total - Gross operating revenue	105,135	15,505	1,235,785	395,288
Taxes on gross operating revenue				
Social integration program - PIS	(2,806)	(256)	(6,341)	(3,873)
Social Security Financing Contribution - COFINS	(3,420)	(1,130)	(19,612)	(17,815)
Deferred PIS and Cofins	-	-	(49,224)	2,521
Tax on Circulation of Goods and Services - ICMS	-	-	-	(96)
Services Tax - ISS	-	-	(47)	(122)
IVA	-	-	(105)	-
	(6,226)	(1,386)	(75,329)	(19,385)
Regulatory charges for the concession				
Quote for global reserve for reversal - RGR	-	-	(7,228)	(7,795)
Research and Development - R&D	-	-	(1,459)	(1,430)
National Fund of scientific and technologic development - FNDCT	-	-	(1,459)	(1,430)
Brazilian Ministry of Mines and Energy (MME)	-	-	(731)	(713)
Fiscalization Fee for the electric power services - TFSEE	-	-	(1,564)	(1,561)
Deferred RGR and TFSEE	-	-	(2,220)	2,531
	-	-	(14,661)	(10,398)
Total - Deductions on gross operating revenue	(6,226)	(1,386)	(89,990)	(29,783)
Net operating revenue	98,909	14,119	1,145,795	365,505

30. Power supply and electricity purchased for resale

	Parent company						Consolidated					
	3/31/2019			3/31/2018			3/31/2019			3/31/2018		
	MWh *	Average Price	Amount	MWh *	Average Price	Amount	MWh *	Average Price	Amount	MWh *	Average Price	Amount
Power supply												
Bilateral agreement – free environment	-	-	-	-	-	-	(151,964)	(79)	11,938	82,936	173	14,320
Bilateral agreement – free environment - trade	536,176	165	88,307	64,422	159	10,250	623,534	184	114,534	90,762	273	24,814
Bilateral agreement – regulated environment	-	-	-	6,483	201	1,302	471,008	157	73,982	248,314	294	72,904
MRE and Spot (short term power)	-	-	16,828	-	-	3,953	-	-	30,217	-	-	9,254
Total - Gross operating revenue			105,135			15,505			230,671			121,292
Electric power purchased power for resale												
Bilateral agreement – free environment	(597,088)	94	(56,369)	(100,146)	99	(18,983)	(1,653,118)	34	(56,635)	(157,204)	100	(15,642)
MRE / Spot and other adjustments	-	-	(37,952)	-	-	(225)	-	-	(74,632)	-	-	(6,486)
(-) Credit of Pls/Cofins Power	-	-	5,852	-	-	3,727	-	-	7,453	-	-	5,250
			(88,469)			(15,481)			(123,814)			(16,878)

31. Operating costs and expenses

	Parent Company							
	Period ended							
	3/31/2019				3/31/2018			
	Operating expenses		Costs of services rendered	Total	Operating expenses		Costs of services rendered	Total
	General and administratives expenses	Others			General and administratives expenses	Others		
Personnel	(3,823)	-	(125)	(3,948)	(3,916)	-	(132)	(4,048)
Material	(36)	-	-	(36)	(28)	-	-	(28)
Third parties services	(2,746)	-	(61)	(2,807)	(1,745)	-	(57)	(1,802)
Depreciation and amortization	(309)	-	-	(309)	(304)	-	-	(304)
Others	(1,254)	(419)	-	(1,673)	(655)	(233)	-	(888)
Total	(8,168)	(419)	(186)	(8,773)	(6,648)	(233)	(189)	(7,070)

	Consolidated									
	Period ended									
	3/31/2019					3/31/2018				
	Operating costs		Operating expenses		Total	Operating costs		Operating expenses		Total
	Costs of services rendered	Infrastructure cost (*)	General and administratives expenses	Others		Costs of services rendered	Infrastructure cost (*)	General and administratives expenses	Others	
Personnel	(11,323)	(6,485)	(11,519)	-	(29,327)	(11,470)	(3,078)	(11,621)	-	(26,169)
Material	(4,666)	(38,374)	(166)	-	(43,206)	(2,318)	(76)	(98)	-	(2,492)
Third parties services	(11,279)	(41,563)	(6,113)	-	(58,955)	(10,262)	(9,535)	(5,296)	-	(25,093)
Depreciation and amortization	-	-	(1,284)	-	(1,284)	1	-	(1,350)	-	(1,349)
Provision (reversal) for contingencies	(582)	-	-	-	(582)	(11,257)	-	-	(256)	(11,513)
Rents	(1,945)	(44)	(1,347)	-	(3,336)	(1,473)	(21)	(1,195)	-	(2,689)
Insurances	(3,402)	(980)	(96)	-	(4,478)	(3,094)	(2)	(70)	-	(3,166)
Others	(526)	(87,257)	(912)	(424)	(89,119)	(13,744)	(6,658)	(618)	-	(21,020)
Total	(33,723)	(174,703)	(21,437)	(424)	(230,287)	(53,617)	(19,370)	(20,248)	(256)	(93,491)

32. Financial income and expenses

	Parent Company		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Financial Revenues				
Revenues of financial investments	10,208	12,800	18,432	20,784
Others	1,013	536	2,463	1,189
Total	11,221	13,336	20,895	21,973
Financial Expenses				
Charges on loans and financing	(19,673)	(13,104)	(82,562)	(69,278)
Monetary and exchange adjustment on loans and financing	1	(7,132)	6,222	(11,121)
Others	(150)	(271)	(2,375)	(3,741)
Total	(19,822)	(20,507)	(78,715)	(84,140)
Total Net	(8,601)	(7,171)	(57,820)	(62,167)

33. Income tax and social contribution

a. Reconciliation of the effective nominal rate for the period ended March 31, 2019 and 2018 is as follows:

	Consolidated	
	3/31/2019	3/31/2018
a) Composition of taxes on income:		
In the line taxes:		
Current	(21,030)	(27,576)
Deferred	(82,279)	(14,555)
Total	(103,309)	(42,131)
b) Statement of tax calculation – Expense:		
Income before taxes	750,230	171,560
Nominal rate	34%	34%
Expectation of expenses on taxes at nominal rates	(255,078)	(58,330)
Adjustment for assessment of effective IRPJ and CSLL:		
Expenses and provisions indeductible	-	871
Reversion of effect of aliquot presumed	6,231	5,625
Reversion of effect of companies on abroad	(429)	(527)
Others	-	(11,590)
	(249,276)	(63,951)
Fiscal incentive	145,967	(2,216)
Rounet Law/Sport/Fia	-	23,120
Adjustment of Previous Years	-	916
Expense from effective income tax and social contribution	(103,309)	(42,131)
c) Effective tax rate	-13.8%	-24.6%

(*) Federal tax benefits which guarantee a 75% income tax reduction in the region of the Superintendence Authority for the Development of the Amazon (SUDAM) and the Superintendence Authority for the Development of the Northeast (SUDENE).

- b. The breakdown by company concerning income tax and social contribution calculation regime, including PIS/COFINS rates of subsidiaries is shown below:

Companies	Referred to Fiscal Year 2019		
	Pis / Cofins	Sudam / Sudene benefit up to:	Tax Regime
Direct Subsidiaries:			
Alupar Inversiones Peru S.A.C.	Not applicable	Not applicable	Not applicable
Transminas Holding S.A.	9.25%	Not applicable	Taxable profit
Alupar Chile Inversiones SpA	Not applicable	Not applicable	Not applicable
Foz do Rio Claro Energia S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Ijuí Energia S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Usina Paulista Lavrinhas de Energia S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Usina Paulista Queluz de Energia S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Ferreira Gomes Energia S.A. (**)	9.25%	2026	Taxable profit
Geração de Energia Termoeletrica e Participações S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Risaralda Energia S.A.S.E.S.P.	Not applicable	Not applicable	Not applicable
Alupar Colômbia S.A.S	Not applicable	Not applicable	Not applicable
Verde 8 Energia S.A.	9.25%	Not applicable	Taxable profit
Agua Limpa S.A.	9.25%	Not applicable	Taxable profit
La Virgen S.A.C.	Not applicable	Not applicable	Not applicable
Empresa Amazonense de Transmissão de Energia S.A. - EATE (*)	Mixed regime - Bid 3.65% and New facilities basic grid 9.25%	2023	Taxable profit
Sistema de Transmissão Nordeste S.A. – STN (*)	3.65%	2025	Taxable profit
Empresa de Transmissão do Espírito Santo S.A. - ETES	9.25%	2019	Taxable profit
Empresa Paraense de Transmissão de Energia S.A. - ETEP (*)	3.65%	2025	Taxable profit
Empresa Norte de Transmissão de Energia S.A. - ENTE (*)	3.65%	2025	Taxable profit
Empresa Regional de Transmissão de Energia S.A. - ERTE (*)	3.65%	2024	Profit computed as a percentage of revenue
Empresa Catarinense de Transmissão de Energia S.A. – ECTE (*)	3.65%	Not applicable	Taxable profit
Empresa de Transmissão de Energia do Mato Grosso S.A. - ETEM	9.25%	2024	Taxable profit
Empresa de Transmissão de Varzea Grande S.A. - ETVG	9.25%	2024	Taxable profit
Empresa Litorânea de Transmissão de Energia S.A. - ELTE	9.25%	Not applicable	Taxable profit
Lumitrans - Companhia Transmissora de Energia Elétrica	3.65%	Not applicable	Profit computed as a percentage of revenue
Sistema de Transmissão Catarinense S.A. – STC	3.65%	Not applicable	Profit computed as a percentage of revenue
ACE Comercializadora Ltda	9.25%	Not applicable	Taxable profit
AF Energia S.A.	9.25%	Not applicable	Taxable profit
Windepar Holding S.A.	9.25%	Not applicable	Taxable profit
Empresa Transmissora Agreste Potiguar S.A.	9.25%	Not applicable	Taxable profit
Empresa Transmissora Capixaba S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Transmissora Caminho do Café S.A.	9.25%	Not applicable	Taxable profit
Transmissora Paraíso de Energia S.A.	9.25%	Not applicable	Taxable profit
Transmissora Serra da Mantiqueira	9.25%	Not applicable	Taxable profit
Transmissoras Reunidas S.A.	9.25%	Not applicable	Taxable profit

(*) In accordance with Law 10,637/2002, the concession contracts of electric utilities entered into before October 31, 2003 are subject to the deduction of 3.65% PIS/COFINS.

(**) On October 08, 2018 was published in the D.O. the recognition of the special taxation regime applicable to companies belonging to the Electric Energy Trading Chamber (CCEE), created by art. 47 of Law 10,637 / 2002, in which the company started to tax the revenues from these transactions at the rate of cumulative (3.65%) in the PIS and COFINS contributions.

Companies	Referred to Fiscal Year 2019		
	Pis / Cofins	Sudam / Sudene benefit up to:	Tax Regime
Indirect Subsidiaries:			
Empresa Brasileira de Transmissão de Energia S.A.	9.25%	2020	Taxable profit
Companhia Transleste de Transmissão	3.65%	Not applicable	Profit computed as a percentage of revenue
Companhia Transudeste de Transmissão	3.65%	Not applicable	Profit computed as a percentage of revenue
Companhia Transirapé de Transmissão	3.65%	2025	Profit computed as a percentage of revenue
Empresa Santos Dumont de Energia S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Empresa de Transmissão Serrana S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Empresa Sudeste de Transmissão de Energia S.A.	9.25%	Not applicable	Taxable profit
Energia dos Ventos I S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Energia dos Ventos II S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Energia dos Ventos III S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Energia dos Ventos IV S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Energia dos Ventos X S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Transmissora Colombiana de Energia S.A.S ESP	Not applicable	Not applicable	Not applicable
Empresa Diamantina de Transmissão de Energia S.A.	9.25%	Not applicable	Taxable profit

Companies	Referred to Fiscal Year 2019		
	Pis / Cofins	Sudam / Sudene benefit up to:	Tax Regime
Direct jointly-controlled:			
Transmissora Matogrossense de Energia S.A – TME	9.25%	2024	Taxable profit
Transnorte Energia S.A. - TNE	9.25%	Not applicable	Taxable profit
Empresa de Transmissão Baiana S.A.	9.25%	Not applicable	Taxable profit

34. Related parties

a. Transactions with related parties

The Company is controlled by Guarupart Participações Ltda. All the related party transactions are as follows:

Related party / transaction	Parent Company				Consolidated			
	ASSETS		LIABILITIES		ASSETS		LIABILITIES	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Balance sheet								
Current								
Cash and cash equivalents								
Caixa Econômica Federal (*)	228,638	558,638	-	-	228,638	558,638	-	-
	228,638	558,638	-	-	228,638	558,638	-	-
Short-term investment								
Caixa Econômica Federal (*)	486,325	158,469	-	-	486,325	158,469	-	-
	486,325	158,469	-	-	486,325	158,469	-	-
Debentures								
FI FGTS - 5th Issuance	-	-	31,446	24,258	-	-	31,446	24,258
	-	-	31,446	24,258	-	-	31,446	24,258
Trade accounts receivable - Purchased power free environment								
Usina Paulista Lavrinhas de Energia S.A.	1,812	667	-	-	1,812	667	-	-
Usina Paulista Queluz de Energia S.A.	1,812	667	-	-	1,812	667	-	-
Foz do Rio Claro Energia S.A.	-	423	-	-	-	423	-	-
Ijuí Energia S.A.	-	968	-	-	-	968	-	-
Ferreira Gomes Energia S.A.	4,698	-	-	-	4,698	-	-	-
	8,322	2,725	-	-	8,322	2,725	-	-
Suppliers								
Ferreira Gomes Energia S.A - Purchase environment free energy	-	-	5,680	5,680	-	-	5,680	5,680
Empresa de Transmissão Baiana S.A. - Commitment of payment	-	-	12,000	12,000	-	-	12,000	12,000
Verde 8 Energia S.A. - Purchase environment free energy	-	-	1,388	1,388	-	-	1,388	1,388
	-	-	19,068	19,068	-	-	19,068	19,068
Suppliers receivable - Repayment of expenses								
Verde 8 Energia S.A.	18,067	17,497	-	-	-	-	-	-
	18,067	17,497	-	-	-	-	-	-
Loan Agreements								
Windepar	46,268	45,722	-	-	-	-	-	-
	46,268	45,722	-	-	-	-	-	-
	64,335	63,219	-	-	-	-	-	-
Dividends receivable								
Transminas Holding S.A.	4,485	4,485	-	-	-	-	-	-
Sistema de Transmissão Nordeste S.A.	1,182	1,182	-	-	-	-	-	-
Empresa Catarinense de Transmissão de Energia S.A.	5,510	5,510	-	-	-	-	-	-
Foz do Rio Claro Energia S.A.	4,559	4,559	-	-	-	-	-	-
Ijuí Energia S.A.	3,402	9,258	-	-	-	-	-	-
Usina Paulista Lavrinhas de Energia S.A.	2,610	2,610	-	-	-	-	-	-
Usina Paulista Queluz de Energia S.A.	13,515	13,515	-	-	-	-	-	-
Empresa de Transmissão do Espírito Santo S.A.	1,646	7,059	-	-	-	-	-	-
Transmissora Matogrossense de Energia S.A.	17,312	17,312	-	-	17,312	17,312	-	-
Empresa de Transmissão de Energia do Mato Grosso S.A.	3,759	3,759	-	-	-	-	-	-
Empresa de Transmissão de Varzea Grande S.A.	1,630	1,630	-	-	-	-	-	-
Transnorte Energia S.A.	75	75	-	-	75	75	-	-
Ferreira Gomes Energia S.A.	7,783	7,783	-	-	-	-	-	-
Verde 8 Energia S.A.	997	997	-	-	-	-	-	-
	68,465	79,734	-	-	17,387	17,387	-	-
Dividends payable								
Empresa Amazonense de Transmissão de Energia S.A.	-	-	131,868	131,868	-	-	156,973	158,192
	-	-	131,868	131,868	-	-	156,973	158,192
Non-current								
Advances for future capital increase								
Transmissora Reunidas S.A.	7	-	-	-	-	-	-	-
Alupar Inversiones Peru S.A.C.	75,144	75,144	-	-	-	-	-	-
ACE Comercializadora Ltda.	1,100	1,100	-	-	-	-	-	-
AF Energia S.A.	530	530	-	-	-	-	-	-
Água Limpa S.A.	380	360	-	-	-	-	-	-
Empresa Litorânea de Transmissão de Energia S.A.	9,457	9,457	-	-	-	-	-	-
Windepar Holding S.A.	85,890	79,880	-	-	-	-	-	-
Alupar Colômbia S.A.S.	2,126	705	-	-	-	-	-	-
Alupar Chile Inversiones SpA	2,849	2,847	-	-	-	-	-	-
	177,483	170,023	-	-	-	-	-	-
Debentures								
FI FGTS - 5th Issuance	-	-	355,522	352,413	-	-	355,522	352,413
	-	-	355,522	352,413	-	-	355,522	352,413

Related party / transaction	Parent Company / Consolidated	
	Period ended	
	3/31/2019	3/31/2018
Statements of income		
Revenue / Cost with electric power	59,104	22,118
Alupar Investimento S.A	17,857	15,791
Ferreira Gomes Energia S.A - Purchased power for resale	15,055	-
Usina Paulista Queluz Energia S.A. - Purchased power for resale	8,921	2,813
Usina Paulista Lavrinhas Energia S.A. - Purchased power for resale	8,921	2,813
Foz do Rio Claro Energia S.A. - Purchased power for resale	1,010	536
Ijuí Energia S.A. - Purchased power for resale	-	165
Verde 8 Energia S.A. - Purchased power for resale	7,340	-
Cost with electric power in the year	59,104	22,118
Financial Revenues	41,068	12,862
Caixa Econômica Federal (*) - Financial investments	40,498	12,862
Verde 8 Energia S.A. - Interest on Project Sales	570	-
Financial Expenses	(10,297)	(11,144)
FI FGTS - 5ª Issuance	(10,297)	(11,144)
Financial results	30,771	1,718

(*) Brazil's Federal Savings and Loans Bank (CEF) manages FI-FGTS, which is a shareholder of the Company.

b. Guarantees

b.1) Transactions of guarantees between Company, subsidiaries and joint ventures relating to loans, financing and debentures are listed below:

Authorization Date	Authorizing Body	Secured Company	Guarantor Company	Agreement	Guarantee	Amount of the Agreement	Beginning of the Agreement	Termination of the Agreement	Debt balance of the agreement as of 03/31/2019
12/12/11	Board of Directors	ETEM	Alupar	Financing - BNDES – 11.2.1030-1	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	46,800	12/21/11	04/15/26	24,779
11/07/11	Board of Directors	ETVG	Alupar	Credit Note No. 40/00039-7	Posting of guarantees and pledge of shares	17,835	12/23/11	12/01/26	-
12/26/12	Board of Directors	FGE	Alupar	Financing - BNDES - agreement 12.2.1390.0	Posting of Guarantees (Common Guarantee), Right on Receivables from Granting Power, Credit Rights, Power Purchase Agreement, Credit Rights Centralizing Account, Reserve Account BNDES, Reserve Account O&M and Insurance Company Account.	470,600	12/28/12	04/15/31	354,485
02/11/08	Board of Directors	Foz	Alupar	Financing - BNDES	Irrestrict surety	201,630	04/09/08	03/15/27	125,314
02/11/08	Board of Directors	Ijui	Alupar	Financing - BNDES	Irrestrict surety	168,200	04/09/08	09/15/27	113,422
02/01/08	Board of Directors	Lavrinhas	Alupar	Financing - BNDES - 08.02.0976.1	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	111,185	03/11/09	04/15/25	58,394
06/14/10	Board of Directors	Lavrinhas	Alupar	Financing - BNDES	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	16,875	09/08/10	04/15/25	7,929
02/01/08	Board of Directors	Queluz	Alupar	Financing - BNDES 08.2.0975.1	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	114,677	03/11/09	01/15/25	56,667
07/21/10		Queluz	Alupar	Financing - BNDES 10.2.0478.1	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	27,716	08/03/10	01/15/25	12,410
12/15/08	General Meeting	STN	Alupar	Financing - BNB	Ratification of pledge of shares, considering that they were held by Alupar as from 09.26.2007	299,995	06/25/04	06/25/24	93,911
06/06/11	Board of Directors	TME	Alupar	Commercial Credit Note No. 20.00474-5	Posting of guarantees and pledge of shares	80,000	02/07/11	02/01/29	63,052
11/16/10	Board of Directors	TME	Alupar	Commercial Credit Note No. 20.00487-7	Posting of guarantees and pledge of shares	87,300	02/27/12	06/15/26	47,718
07/13/10	Board of Directors	Transirapé	Alupar	Commercial Credit Note No. 147.068/10	Posting of surety for the purchase of assets through FINAME proceeds	1,187	06/30/10	07/15/20	176
10/23/14	Board of Directors	Transirapé	Transminas e EATE	Financing - BDMG - agreement 193.292/14	Pledge of Shares, fiduciary assignment during the construction phase of 30% of the RAP project, during project operation phase 25% of RAP, credit rights.	5,893	10/23/14	10/15/29	4,645
12/27/13	Board of Directors	ETSE	ECTE, Alupar, CELESC e TAESA	Financing - BNDES - agreement 13.2.1413.1	Fiduciary assignment of credit rights from Concession Agreement; Fiduciary Assignment of Credit Rights of CPST; Pledge of Shares (ECTE) + Surety	78,473	12/27/13	12/15/28	52,173
08/08/13	General Meeting	Transleste	EATE	Financing - BDMG - agreement 127.315	Pledge of Shares	47,000	03/10/05	02/10/25	14,640
08/08/13	General Meeting	Transleste	EATE	Financiamento - BNB - Contrato 05974828-A	Pledge of Shares	15,000	03/10/05	03/01/25	4,511
12/10/13	Board of Directors	Transirapé	EATE	Financing - BDMG - agreement 177.906/13	Pledge of Shares	19,761	12/27/13	01/15/24	11,532
03/12/12	General Meeting	Alupar	Guarupart	Debentures – 5th Emission	Guarantee	300,000	05/15/12	05/30/27	387,074
05/30/14	Board of Directors	FGE	Alupar	Debentures – 3rd Emission	Guarantee, pledge of shares and fiduciary assignment	210,900	06/15/14	12/15/27	306,933
12/11/17	General Meeting	ETAP	Alupar	Debentures – 2nd Emission	Guarantee	156,000	09/15/18	09/15/25	158,523
12/11/17	General Meeting	ETC	Alupar	Debentures – 2nd Emission	Guarantee	116,000	09/15/18	09/15/25	84,760
03/10/17	Board of Directors	La Virgen	Alupar	Guarantee letter	Guarantee agreement	\$ 80,000	03/10/17	03/10/32	Soles \$260.864
-	Board of Directors	Risaralda	Alupar	Guarantee letter	Guarantor in the Loan Agreement of 05/29/2018	COP \$120.000.000	05/30/18	05/30/25	Pesos \$119.249
-	Board of Directors	Risaralda	Alupar	Guarantee letter	Guarantee if the Bank Guarantee is executed	COP \$14.104.515	03/01/17	02/28/19	-
09/22/17	Board of Directors	Alupar Inversiones Peru	Alupar	Guarantee letter	Guarantee	US 30.000.000	09/22/17	09/22/20	Soles \$82.259
12/14/15	Board of Directors	EDV I	Alupar/ Windepar			57,990	02/11/16	10/15/32	54,472
12/14/15	Board of Directors	EDV II	Alupar/ Windepar			32,220	02/11/16	10/15/32	30,749
12/14/15	Board of Directors	EDV III	Alupar/ Windepar	Financing - BNDES - nº 15.2.0778.1	Interpretation guarantees - Alupar: corporate surety, pledge of shares, chattel mortgage, credit rights of CCEARs, the CCVEs (3.2 MW), other CVEE contracts in ACL / ACR, arising from the project revenues rights, Account rights centralizing, Account Debt service Reserve, the O & M Agreement and Special Reserve Account - Windepar: Special Account Rights Reserve Holding and mutuos contracts and corporate guarantee.	49,007	02/11/16	10/15/32	47,001
12/14/15	Board of Directors	EDV IV	Alupar/ Windepar			81,047	02/11/16	10/15/32	72,108
12/14/15	Board of Directors	EDV X	Alupar/ Windepar			47,042	02/11/16	10/15/32	39,411
01/27/16	Board of Directors	Transirapé	Transminas/ EATE	Financing - BDMG - nº 215.411/16	Pledge of shares, fiduciary assignment during the construction phase of the 30% RAP project, during the project operation phase of 25% of RAP, credit rights	4,000	04/01/16	04/15/26	3,541
01/29/16	Board of Directors	Transirapé	Transminas/ EATE	Financing - BDMG - nº 215.485/16	Pledge of shares, fiduciary assignment during the construction phase of the 30% RAP project, during the project operation phase of 25% of RAP, credit rights	4,469	04/05/16	04/15/21	3,198
11/21/16	Board of Directors	Windepar	Alupar, Energia dos Ventos I, Energia dos Ventos II, Energia dos Ventos III, Energia dos Ventos IV e Energia dos Ventos X	Debentures – 1st Emission	Guarantors, Pledge of Shares of the Issuer, Pledge of the Shares of the EDVs, receivables from the Energy Trading Contracts in the Regulated Environment ("CCEAR's"), credit rights from the Energy Purchase and Sale Agreement (CCVEs), credit rights arising from any other energy sales agreements that may be entered into by the EDVs in the Free Contracting Environment (ACL) or in the Regulated Contracting Environment (ACR), any other rights and / or revenues arising from the Projects, rights to the "Centralizing Account", "O & M Reserve Account" and "Special Reserve Account" fiduciary assignment on the "Special Reserve Account of the Holding", "Debenture Debt Service Reserve Account", "Debenture Payment Account", loan agreements, any other rights and / or revenues arising from the Projects,	67,500	12/15/16	12/15/28	73,814

b.2) Transactions of guarantees between Company, subsidiaries and joint ventures regarding supply contracts, supervision of erection, commissioning supervision, bail and leasing non-residential property are listed below:

Authorization Date	Authorizing Body	Secured Compant	Guarantor Company	Agreement	Guarantee	Amount of the Agreement	Beginning of the Agreement	Termination of the Agreement	Debt balance of the agreement as of 03/31/2018	
03/14/11	Board of Directors	Foz	Alupar	Guarantee	Posting of Guarantee on Surety No. 100411020056900 derived from the amounts questioned in the records of Enforcement of Debt Instrument Action brought by Construtora Triunfo related to Foz.	2,435	02/10/11	Indeterminat	The guarantee will be extinguished as soon as the action is judged.	
03/14/11	Board of Directors	Foz	Alupar	Guarantee	Posting of Guarantee on Surety No. 100411020057200 derived from the amounts questioned in the records of Enforcement of Debt Instrument Action brought by Construtora Triunfo related to Foz.	1,556	02/10/11	Indeterminat	The guarantee will be extinguished as soon as the action is judged.	
03/14/11	Board of Directors	Foz	Alupar	Guarantee	Posting of Guarantee on Surety No. 100411030052800 derived from the amounts questioned in the records of Enforcement of Debt Instrument Action brought by Construtora Triunfo related to Foz.	2,113	03/04/11	03/06/19	The guarantee will be extinguished as soon as the action is judged.	
12/03/12	Board of Directors	Foz	Alupar	Guarantee	Private Instrument of Constitution of Guarantee by Posting of Guarantee No. 181386812-ONS	893	12/03/12	11/30/18	14	
05/29/14	Board of Directors	AF	Alupar	Rental contract of non residential realty - Sky - Complex No. 151 e 152	Surety	148 monthly	06/01/14	06/01/19	2,664	
05/29/14	Board of Directors	Alupar	Guarupart	Rental contract of non residential realty - Sky - Complex No. 161 e 162	Surety	148 monthly	06/01/14	06/01/19	2,664	
N/A	N/A	TCE	Alupar	Guarantee	Guarantee the bank guarantee provided in favor of XM Company of Experts in Markets S.A. E.S.P.	COP \$ 53,259,299,347	11/30/16	03/01/22	-	
N/A	N/A	TCE	Alupar	Nueva Esperanza 500 KV La Virginia 500KV in Colombia	Guarantee if the Bank Guarantee is executed.	N/A	12/18/17	10/16/21	-	
N/A	N/A	La Virgen Verde 8	Alupar	Bridge loan contract	Corporate aval	\$ 80,000	03/10/17	03/10/32	Soles	\$260.864
N/A	N/A		Alupar	Debenture - 2nd Issuance	Guarantor	140,000	07/15/18	07/15/25		
-	-	EDV I	Alupar	Guarantee letter	Private Instrument for the Establishment of Collateral n. 1001418090004800 - ONS	40	09/17/18	09/17/19	40	
-	-	EDV II	Alupar	Guarantee letter	Private Instrument for the Establishment of Collateral n. 1001418090004900 - ONS	10	09/17/18	09/17/19	10	
-	-	EDV III	Alupar	Guarantee letter	Private Instrument for the Establishment of Collateral n. 1001418090005000 - ONS	31	09/17/18	09/17/19	31	
-	-	EDV IV	Alupar	Guarantee letter	Private Instrument for the Establishment of Collateral n. 1001418090005100 - ONS	25	09/17/18	09/17/19	25	
-	-	EDV X	Alupar	Guarantee letter	Private Instrument for the Establishment of Collateral n. 1001418090005200 - ONS	27	09/17/18	09/17/19	27	
-	-	FGE	Alupar	Guarantee letter	Private Instrument for the Establishment of Collateral n. 180220317 - NOS	3,483	07/04/18	07/01/19	3,483	

c. Key management personnel compensation

At the Extraordinary General Meeting held on April 29, 2019, Company shareholders approved the global compensation of the Board of Directors' and Executive Board's members for the fiscal year ended 2019 up to R\$ 11,080, R\$ 1,108 of which refers to compensation of the members of the Board of Directors and R\$ 9,972 referring to the compensation of the Executive Board.

	Parent Company		Consolidated	
	3/31/2019	3/31/2018	3/31/2019	3/31/2018
Benefits (i)	1,515	1,436	3,241	3,259
Compensation of the board	226	198	644	477
Total	1,741	1,634	3,885	3,736

	Consolidated	
	3/31/2019	3/31/2018
Pre-operating companies		
Benefits (i)	1,695	1,289
Total	1,695	1,289

(i) These refer to wages, salaries and nonmonetary benefits (such as health care plan, dental care, housing, vehicles and free or subsidized services or items), other retirement benefits, profit sharing and bonuses.

d. Transactions and balances with other related parties

At March 31, 2019, the Company, subsidiaries, and joint ventures do not have balances involving other related parties.

35. Financial instruments

35.1. General considerations

The Company and its subsidiaries have operations with financial instruments, whose limits of exposure to credit risks are approved and periodically reviewed by management. The Company and its subsidiaries limit their credit risks by investing funds in top-tier financial institutions.

35.2. Fair value

Below is a summary of the book value and fair value of the Company's financial instruments presented in the interim financial information and financial statements, respectively:

	Consolidated				Classification
	3/31/2019		12/31/2018		
	Carrying value	Fair value	Carrying value	Fair value	
<u>Financial Assets</u>					
Cash and cash equivalents	2,907,339	2,907,339	2,975,423	2,975,423	Fair value through profit or loss
Short-term investments	486,325	486,325	513,756	513,756	Fair value through profit or loss
Marketable securities	112,998	112,998	110,971	110,971	Fair value through profit or loss
Trade account receivables	399,132	399,132	336,477	336,477	Amortised cost
	<u>3,905,794</u>	<u>3,905,794</u>	<u>3,936,627</u>	<u>3,936,627</u>	
<u>Financial liabilities</u>					
Suppliers	361,105	361,105	293,192	293,192	Amortised cost
Loans and receivables - principal and charges	1,883,467	1,883,467	1,860,481	1,860,481	Amortised cost
Debentures- principal and charges	4,496,953	4,487,468	4,542,789	4,527,012	Amortised cost
	<u>6,741,525</u>	<u>6,732,040</u>	<u>6,696,462</u>	<u>6,680,685</u>	

The Company classifies and discloses their financial instruments as follows:

Cash and cash equivalents, short-term investments, accounts receivable from clients, marketable securities, service concession financial assets and trade accounts payable approximate respective carrying value.

Loans, financing and debt charges (net of unamortized costs):

(i) BNDES: since this is a long-term agreement, it is not included within the scope of CPC 12, which defines that this type of liability is not subject to application of the present value concept at rates other than those to which these loans and financing are already subject, due to the fact that Brazil does not have a consolidated market for this type of long-term debt, and the offer of loans is restricted to one government agency only. In view of the foregoing, the Company used the same concept for determining fair value for these loans, financing and debt charges.

(ii) FCO Banco do Brasil: Since the amounts payable are adjusted by reference to the TJLP (reference interest rate of the Federal Government), the fair value of this debt is its carrying value, since market rates are reflected for this financial instrument;

The fair value of debentures that have an active market does not significantly differ from accounting balance, since the unit price variation in the secondary market disclosed in the website www.debentures.com.br approximates carrying value. At March 31, 2019, minimum and maximum unit price percentages for debentures with an active market were as follows:

Unaudited information 31/03/2019			
Code of the Asset		% Minimum UP	% Minimum UP
Alupar Investimento S.A.	APAR16	102.99	108.36
Empresa Norte de Transmissão de Energia S.A.	ENTE12	99.57	100.29
Empresa Paraense de Transmissão de Energia S.A.	ETEP12	99.36	100.00
Empresa Amazonense de Transmissão de Energia S.A.	EATE14	99.93	100.14
Empresa Amazonense de Transmissão de Energia S.A.	EATE25	100.00	102.12
Windepar Holding S.A.	WDPR11	102.21	110.88

The debentures of the subsidiaries ETEP, ECTE, Ferreira Gomes and Transirapé, Transleste, Transudeste, Verde 8, ETAP e ETC that are not priced in the active market, based on the debentures of the Company, subsidiaries and joint ventures with similar characteristics, performed the fair value calculation and did not identify any significant differences. No financial instruments were reclassified in the three-month period ended March 31, 2019.

35.3 Fair value measurement

The Company classifies and discloses the fair value of financial instruments based on measurement techniques.

Level I - Quoted prices in active and known public markets for identical assets and liabilities;

Level II - other techniques for which all data that has significant effect on the recorded fair value is observable, whether directly or indirectly; and

Level III - techniques that use data that has significant effect on the recorded fair value that is not based on observable market data.

	Consolidated		
	03/31/2019	Measurement of fair value	
		Level I	Level II
<u>Financial Assets</u>			
Cash and cash equivalents	2,907,339	-	2,907,339
Short-term investments	486,325	-	486,325
Marketable securities	112,998	-	112,998
	<u>3,506,662</u>	<u>-</u>	<u>3,506,662</u>
<u>Financial liabilities</u>			
Loans, financing and debentures	6,380,420	-	6,380,420
	<u>6,380,420</u>	<u>-</u>	<u>6,380,420</u>

	Consolidated		
	12/31/2018	Measurement of fair value	
		Level I	Level II
<u>Financial assets</u>			
Cash and cash equivalents	2,975,423	-	2,975,423
Short-term investments	513,756	-	513,756
Marketable securities	110,971	-	110,971
	<u>3,600,150</u>	<u>-</u>	<u>3,600,150</u>
<u>Financial liabilities</u>			
Loans, financing and debentures	6,403,270	-	6,403,270
	<u>6,403,270</u>	<u>-</u>	<u>6,403,270</u>

Throughout for the period ended March 31, 2019, there were no transfers between level I and level II fair value measurements, or transfers between level III and level II fair value measurements.

35.4 Liquidity information

The policy of the Company and its subsidiaries is to eliminate market risks, thus avoiding exposure to market value fluctuations, operating only with instruments that enable risk control. The Company and its subsidiaries do not make speculative investments in derivatives or other risky assets. The results obtained from these transactions are consistent with the policies and strategies defined by Company management.

The Company's Board of Directors is generally responsible for establishing and supervising the Company risk management model. The Board of Directors established a Finance, Audit and Related Parties Committee.

The Company and its subsidiaries have a significant level of debt due to the need for a large volume of funds to make investments. At March 31, 2019, total consolidated debt (sum of loans, financing and debentures of current and noncurrent liabilities) was R\$ 6,380,420 being 10.92% of this amount (or R\$ 696,748). As such, significant adverse changes in interest rates in the Brazilian economy would impact the Company and its subsidiaries causing an increase in future expenditure with financing charges or inability to renegotiate the payment deadline, which could reduce net income and consequently the ability to meet contractual obligations and the amounts available for distribution to shareholders as dividends and other earnings. In addition, the Company may incur additional debt in the future to fund acquisitions, investments or other purposes, as well as to conduct its operations, subject to the restrictions applicable to existing debt.

If the Company and its subsidiaries incur additional debt, the risks associated with its financial leverage may increase, such as the possibility of failing to generate enough cash to pay principal, interest and other charges on debt or distribute dividends to shareholders. Moreover, if there is breach of certain covenants on maintenance of financial ratios, the early maturity of debts previously contracted may occur, which may significantly impact the ability of the Company and its subsidiaries to meet their obligations. In the event of early maturity of debts, assets and cash flows may be insufficient to repay the outstanding balance of financing agreements. If the Company cannot service its debt levels or those of its subsidiaries and/or incur additional debt, this may adversely affect their business, operating and financial results and cash flows.

At March 31, 2019, the Company consolidated capital structure is comprised of 42.8% of own funds against 57.2% of third-party capital (57.0% of own funds and 43.0% of third-party capital on December 31, 2018).

The Company and its subsidiaries have a debt-equity relation of 92.24% at March 31, 2019 and 103.93% at December 31, 2018).

35.5 Quantitative and qualitative information on financial instruments

Sensitivity analysis of financial investments- consolidated

In order to analyze the sensitivity of the short-term investment rate to which Company and subsidiaries were exposed at March 31, 2019, five different scenarios were defined. The SELIC/CDI projected rates were obtained based on the FOCUS report of March 29, 2019 and defined as a probable scenario, based on which the variations of 25% and 50% were calculated.

Gross financial income was calculated for each scenario, not taking into consideration the taxes levied on yield from these investments. The portfolio base date used was March 31, 2019, with a one-year projection and checking CDI sensitivity in each scenario.

Financial investments - Consolidated	Indexer	Position on 03.31.2019 (*)	Projection Financial Revenues - One Year				
			Probable Scenario	Risk of decrease		Risk of increase	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
CDI			1.78%	0.89%	1.34%	2.23%	2.67%
Financial investments (Cash Equivalents)	CDI	2,818,078	50,232	25,116	37,674	62,790	75,348
Financial Investments (Short-term investments)	CDI	486,325	8,669	4,334	6,502	10,836	13,003
Financial Investments (Marketable securities)	CDI	112,998	2,014	1,007	1,511	2,518	3,021

Sensitivity analysis of interest rate risk - consolidated

For the purpose of assessing the sensitivity of the debt rates to which the Company was subject at base date March 31, 2019, 05 scenarios were defined. As a probable scenario, adopted by the Company, projected CDI and IPCA were obtained based on the Focus report of March 29, 2019 published by the Central Bank of Brazil. In the case of TJLP, the rate used was the last one published by Brazil's Monetary Council (CMN), based on which scenarios I and II with 25% and 50% decrease in risk and scenarios III and IV with 25% and 50% increase in risk, respectively, were calculated.

For each scenario, gross financial expense was calculated, not taking into consideration the taxes levied, and the maturity flow of each agreement over a year. The portfolio base date used was March 31, 2019, with a one-year projection and checking sensitivity of the rates in each scenario.

Loans and financing – (National currency) - Consolidated	Interest rate p.a.	Position on 03.31.2019 (*)	Projection Financial Expenses - One Year				
			Probable Scenario	Risk of decrease		Risk of increase	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
TJLP			6.98%	3.49%	5.24%	8.73%	10.47%
TJLP +	0.00%	2,156	150	75	113	188	226
TJLP +	1.93%	114,863	10,389	6,303	8,346	12,433	14,476
TJLP +	2.02%	31,429	2,873	1,754	2,314	3,433	3,992
TJLP +	2.04%	781	72	44	58	85	99
TJLP +	2.18%	243,741	22,699	14,006	18,352	27,045	31,391
TJLP +	2.22%	20,312	1,900	1,176	1,538	2,263	2,625
TJLP +	2.34%	259,585	24,618	15,346	19,982	29,254	33,890
TJLP +	2.44%	149,312	14,320	8,982	11,651	16,989	19,659
TJLP +	3.17%	113,422	11,764	7,680	9,722	13,806	15,848
TJLP +	3.50%	4,645	498	330	414	582	666
TJLP +	6.00%	3,198	429	310	369	488	547
Total		943,444	89,712	56,006	72,859	106,566	123,419

Debentures – (National currency) - Consolidated	Interest rate p.a.	Position on 03.31.2019 (*)	Projection Financial Expenses - One Year				
			Probable Scenario	Risk of decrease		Risk of increase	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
CDI			1.78%	0.89%	1.34%	2.23%	2.67%
CDI +	1.10%	30,024	871	600	735	1,006	1,141
CDI +	1.08%	19,764	569	391	480	658	747
CDI +	1.15%	-	-	-	-	-	-
CDI +	107.75%	158,581	176,744	173,807	175,275	178,212	179,680
CDI +	112.00%	325,270	376,594	370,448	373,521	379,667	382,740
CDI +	113.00%	154,730	180,720	177,782	179,251	182,188	183,657
CDI +	113.50%	30,786	36,114	35,528	35,821	36,407	36,700
CDI +	116.00%	66,321	79,486	78,209	78,847	80,124	80,763
IPCA			3.77%	1.89%	2.83%	4.71%	5.66%
IPCA +	3.28%	322,769	23,154	16,871	20,012	26,296	29,438
IPCA +	5.96%	148,948	14,821	11,846	13,334	16,308	17,796
IPCA +	6.17%	204,200	20,767	16,681	18,724	22,810	24,854
IPCA +	6.47%	306,933	32,174	26,014	29,094	35,254	38,334
IPCA +	6.53%	1,778,631	187,578	151,861	169,719	205,436	223,294
IPCA +	7.33%	315,243	35,863	29,485	32,674	39,052	42,241
IPCA +	7.80%	387,074	45,923	38,057	41,990	49,855	53,788
IPCA +	8.50%	73,814	9,294	7,784	8,539	10,048	10,803
Total		4,600,825	1,503,757	1,413,541	1,458,649	1,548,865	1,593,973

(*) This refers to the principal amount of debts, excluding charges and also loans and financing, which are remunerated at a fixed rate.

35.6 Risk factors that may affect Company business and of its subsidiaries

The major risk factors that may affect Company business and of its subsidiaries are as follows:

35.6.1 Credit risk

This refers to any inability of the Company to realize its rights deriving from accounts receivable from concession operators and permission holders; cash and cash equivalents and short-term investments.

a) Trade accounts receivable

The ability of our electric energy generation and transmission subsidiaries to receive payments owed by consumers depends on the credit capacity of these consumers and Company capacity to collect these payments.

b) Cash and cash equivalents and short-term investments

This refers to the risk associated with financial investments held with financial institutions, which are subject to market actions, and associated risks, especially lack of guarantees for the amounts invested, which may result in the loss of these amounts. Such risk is reduced by management when selecting top-tier financial institutions (Banco do Brasil S.A., Banco Santander S.A., Banco Itaú S.A., CEF and Banco do Nordeste do Brasil S.A.), without establishing concentration limits, and following internal policies regarding assessment of investments in relation to the equity of the financial institutions.

35.6.2. Liquidity risk

At March 31, 2019, the Company presents cash and cash equivalents, short-term investments and marketable securities in current and noncurrent assets amounting approximately to R\$ 3,501,598 on a consolidated basis. The Company's cash generation is sufficient to cover short-term commitments and for its acquisition and investment program.

Additionally, our risk management aims at avoiding any financial risks, which may be added to our business. As regards cash, our short-term investments are managed considering a conservative approach, focused on the availability of funds to cover our needs. We seek out best profitability, always taking into consideration the risk and liquidity limits and the concentration of investments. We regularly follow up on the rates contracted and compare them to market rates.

The table below summarizes the maturity profile of the Company's financial liabilities at March 31, 2019 based on contractual undiscounted payments including principal and financial charges.

Year ended on December 31, 2018 - Consolidated	Less than 3 months	From 3 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Suppliers	359,306	1,799	-	-	-	361,105
Loans and financing - principal and charges	57,268	139,479	388,325	608,869	689,526	1,883,467
Debentures	98,966	388,200	463,683	1,193,697	2,352,407	4,496,953
Total	515,540	529,478	852,008	1,802,566	3,041,933	6,741,525

Another important aspect is that 89.03% of the consolidated debt refers to indebtedness of subsidiaries (89.38% at December 31, 2018), most of which referring to project financing, raised with BNDES and other fostering institutions. Approximately 38.90% of the total consolidated debt refers to the companies in the pre-operating phase (43.31% at December 31, 2018).

35.6.3. Market risks

Hydrological risk:

The power supply of the Sistema Interligado Nacional (SIN) stems, for the most part by hydroelectric plants. As the ONS operates in optimized SIN and centralized dispatch system, each hydroelectric plant, including the Company, subsidiaries and joint ventures, are subject to variations in the hydrological conditions verified, both in the geographical region in which it operates and in other regions of the country.

Therefore, with a goal of mitigating the risk of each individual hydrological SIN basin, created the Mecanismo de Realocação de Energia - MRE to share hydrological risk of the various basins of the SIN. The MRE is a mechanism that seeks to divide the energy production from hydroelectric plants in proportion to the physical guarantee for each project, regardless of their individual production regime. When the SRM mills set does not produce enough energy to meet the entire physical guarantee of this set, there is a deficit situation, usually known by the acronym "Generation Scaling Factor (GSF)" or Factor Adjustment MRE, which can result in negative financial exposure for hydraulic generators.

However, it emphasizes that the whole of hydroelectricity capacity of generation subsidiaries is part of the Mecanismo de Realocação de Energia (MRE), which distributes the hydrological risk for all plants linked to MRE.

The combination of three factors: (i) low energy storage level in SIN reservoirs (ii) permanence of the current high thermoelectric dispatch scenario (iii) the obligation to deliver physical collateral - could result in a company's market exposure short-term energy, which could affect its future financial results.

Non-contracting risk:

Currently, all the hydroelectric resources of the generation subsidiaries are being sold to ACR and ACL, being approximately 15% non-contracted from 2017 when combined with the resources of the Company's controlled energy market.

As from 2017, the revenues of generation subsidiaries are also subject to the contracting price of this energy. Any leftover or lack of energy will have its price determined in short-term market conditions, ie, Settlement Price of Differences (PLD).

Transmission subsidiaries may experience operational difficulties and unforeseen interruptions caused by events beyond their control. These adverse events may occur in the form of accidents, equipment or process breakdown or failure, performance below expected availability levels, ineffectiveness of transmission assets and disasters (explosions, fires, natural phenomena, landslides, sabotage or other similar events). The insurance coverage of our subsidiaries may not be sufficient to cover all costs and losses due to damages to their assets and / or service interruptions, causing a material adverse effect on the business. In addition, all revenue obtained from the implementation, operation and maintenance of the facilities of our transmission subsidiaries is related to the availability of the services. According to the transmission concession contracts, the application of penalties determined by the level and / or duration of the unavailability of the services. In addition, if operations are interrupted or the quality standards set forth in the electricity transmission concession contracts are not met, the subsidiaries may be required to pay damages. Therefore, any interruptions in the provision of electricity transmission

services caused by events beyond the control of the transmission subsidiaries may cause a material adverse effect on the subsidiaries' businesses, financial condition and results of operations.

35.6.4. Currency risk

The Company and its subsidiaries do not use derivative financial instruments to hedge or reduce financial costs from financing operations and purchase agreements pegged to foreign currencies, since exposure to debt denominated in foreign currency of Company and its subsidiaries represent only 10.99% of the total consolidated debt (5.30% at December 31, 2018).

According to financial policies, the Company and its subsidiaries have no transactions involving financial instruments of a speculative nature.

35.6.5. Regulatory risk

The subsidiaries activities as well as activities of their competitors are ruled and supervised by ANEEL. Any change in the regulatory environment may impact Company activities.

35.6.6 Financial risk

This refers to the risk associated with financial investments held with financial institutions that are subject to market actions and associated risks, especially lack of guarantees for the amounts invested, which may result in the loss of these amounts. Such risk is reduced by management when selecting top-tier financial institutions, with the establishment of concentration limits.

35.6.7 Debt acceleration risk

Under loan, financing and debenture agreements, the Company and its subsidiaries have covenants usually applicable to these transactions, which require that financial ratios, cash generation and other indices are met (See Notes 24 and 25).

35.6.8 Capital structure risk

This risk arises from the choice that the Company and its subsidiaries make between own capital (capital contributions and retained earnings) and third party capital to fund operations.

In order to mitigate liquidity risk and optimize weighted average cost of capital, the Company and its subsidiaries permanently monitor debt levels in relation to market standards and compliance with indices (covenants) provided for in loan and financing agreements. Under certain circumstances, new loans may be taken out and swap operations may be contracted in order to avoid fluctuations in the financial cost of transactions, among other instruments that the Company and its subsidiaries may deem necessary.

On the March 31, 2019 and December 31, 2018 the Company and its subsidiaries calculate net debt as loans and financing, less cash and cash equivalents, short-term investments and marketable securities, as follows:

	Parent Company		Consolidated	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Loans and financing (net of cost to be amortized)				
Current	-	-	(197,029)	(197,184)
Non-current	-	-	(1,686,438)	(1,663,297)
Debentures (net of costs to be amortized)				
Current	(40,054)	(27,463)	(499,719)	(508,893)
Non-current	(659,593)	(652,527)	(3,997,234)	(4,033,896)
Total debt	(699,647)	(679,990)	(6,380,420)	(6,403,270)
Cash and cash equivalents	249,251	231,878	2,907,339	2,975,423
Short-term investments	486,325	513,756	486,325	513,756
Marketable securities (current and non-current)	-	-	112,998	110,971
Net debt	35,929	65,644	(2,873,758)	(2,803,120)
Shareholders' equity	4,730,851	4,328,048	6,917,133	6,261,709
Net debt rate	(0.01)	(0.02)	0.42	0.45

36. Segment information

The operating segments of Alupar consist of transmission and generation of energy.

The key indicators used by the Company's main decision makers are net income and EBITDA. No adjustment is made to the EBITDA.

Revenues, costs and operating expenses for the period ended March 31, 2019 are presented in a consolidated manner in the table below:

	Period ended				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	03/31/2019							
	Transmission (*)	Generation	Holding (a)	Others (b)				
Gross operating revenue	1,158,347	184,670	-	106,905	1,449,922	(153,233)	(60,904)	1,235,785
Power transmission revenue	170,750	-	-	-	170,750	(346)	-	170,404
Infrastructure revenue	960,521	-	-	-	960,521	(259,353)	-	701,168
Remuneration of concession asset	27,076	-	-	-	27,076	106,466	-	133,542
Power supply	-	184,670	-	105,135	289,805	-	(59,134)	230,671
Consulting and advisory in regulatory area	-	-	-	-	-	-	-	-
Operation and maintenance services	-	-	-	1,770	1,770	-	(1,770)	-
Deduction from gross operating revenue	(88,017)	(9,933)	-	(6,436)	(104,386)	14,396	-	(89,990)
Net operating revenue	1,070,330	174,737	-	100,469	1,345,536	(138,837)	(60,904)	1,145,795
Cost of service								
Cost with electric power								
Purchased power for resale	-	(94,479)	-	(88,469)	(182,948)	-	59,134	(123,814)
Charges for the use of electric network- CUST	-	(7,269)	-	-	(7,269)	-	-	(7,269)
Financial compensation for the use of hydic resources - CFURH	-	(3,436)	-	-	(3,436)	-	-	(3,436)
Cost of operation								
Costs of services rendered	(22,406)	(12,566)	-	(2,081)	(37,053)	1,560	1,770	(33,723)
Infrastructure cost	(201,091)	-	-	-	(201,091)	26,388	-	(174,703)
Depreciation / Amortization	(1)	(25,471)	-	(8)	(25,480)	-	-	(25,480)
	(223,498)	(143,221)	-	(90,558)	(457,277)	27,948	60,904	(368,425)
Gross profit	846,832	31,516	-	9,911	888,259	(110,889)	-	777,370
Operating expenses and revenues								
General and administrative	(8,662)	(4,318)	(8,882)	(4)	(21,866)	429	-	(21,437)
Share of profit of equity-method investees	-	-	430,888	-	430,888	-	(378,582)	52,306
Other revenues	7	228	-	-	235	-	-	235
Other expenses	(4)	(1)	(419)	-	(424)	-	-	(424)
	(8,659)	(4,091)	421,587	(4)	408,833	429	(378,582)	30,680
EBIT	838,173	27,425	421,587	9,907	1,297,092	(110,460)	(378,582)	808,050
Depreciation / Amortization	617	25,718	421	8	26,764	-	-	26,764
EBITDA	838,790	53,143	422,008	9,915	1,323,856	(110,460)	(378,582)	834,814
Financial expenses and revenues								
Financial expenses	(26,270)	(32,378)	(22,792)	(7)	(81,447)	2,732	-	(78,715)
Debt charges	(24,148)	(36,513)	(24,451)	-	(85,112)	2,550	-	(82,562)
Currency variations	(527)	4,920	1,829	-	6,222	-	-	6,222
Others	(1,595)	(785)	(170)	(7)	(2,557)	182	-	(2,375)
Financial revenues	4,762	4,600	12,212	15	21,589	(694)	-	20,895
Revenues of financial investments	4,291	3,984	10,611	15	18,901	(469)	-	18,432
Others	471	616	1,601	-	2,688	(225)	-	2,463
	(21,508)	(27,778)	(10,580)	8	(59,858)	2,038	-	(57,820)
Pretax income	816,665	(353)	411,007	9,915	1,237,234	(108,422)	(378,582)	750,230
Current income and social contribution taxes	(17,353)	(4,095)	(116)	(42)	(21,606)	576	-	(21,030)
Deferred income and social contribution taxes	(118,089)	8,034	-	-	(110,055)	27,776	-	(82,279)
	(135,442)	3,939	(116)	(42)	(131,661)	28,352	-	(103,309)
Consolidated net profit	681,223	3,586	410,891	9,873	1,105,573	(80,070)	(378,582)	646,921
Interest of non-controlling	-	-	-	-	-	-	(246,418)	(246,418)
Alupar net profit	681,223	3,586	410,891	9,873	1,105,573	(80,070)	(625,000)	400,503
Operating assets	417,557	4,477,059	170,976	636	5,066,228	(217,808)	(112,423)	4,735,997
Operating liabilities	188,634	441,354	96,276	1,272	727,536	(14,687)	(18,863)	693,986

(a) Holding company comprises financial and investment activities not associated with reportable operating segments

(b) Other comprise segments of trading of energy and O&M services which are immaterial to be reported separately.

The eliminations of operating income and expenses for the period ended March 31, 2019 are presented below:

	Period ended					Total eliminations	Total consolidated
	03/31/2019						
	Subtotal	Eliminations					
Transmission (*)		Generation	Holding	Others			
Gross operating revenue	1,449,922	(153,233)	(59,134)	-	(1,770)	(214,137)	1,235,785
Power transmission revenue	170,750	(346)	-	-	-	(346)	170,404
Infrastructure revenue	960,521	(259,353)	-	-	-	(259,353)	701,168
Remuneration of concession asset	27,076	106,466	-	-	-	106,466	133,542
Power supply	289,805	-	(59,134)	-	-	(59,134)	230,671
Consulting and advisory in regulatory area	-	-	-	-	-	-	-
Operation and maintenance services	1,770	-	-	-	(1,770)	(1,770)	-
Deduction from gross operating revenue	(104,386)	14,396	-	-	-	14,396	(89,990)
Net operating revenue	1,345,536	(138,837)	(59,134)	-	(1,770)	(199,741)	1,145,795
Cost of service							
Cost with electric power							
Purchased power for resale	(182,948)	-	-	-	59,134	59,134	(123,814)
Charges for the use of electric network- CUST	(7,269)	-	-	-	-	-	(7,269)
Financial compensation for the use of hydric resources - CFURH	(3,436)	-	-	-	-	-	(3,436)
Cost of operation							
Costs of services rendered	(37,053)	1,560	1,770	-	-	3,330	(33,723)
Infrastructure cost	(201,091)	26,388	-	-	-	26,388	(174,703)
Depreciation / Amortization	(25,480)	-	-	-	-	-	(25,480)
	(457,277)	27,948	1,770	-	59,134	88,852	(368,425)
Gross profit	888,259	(110,889)	(57,364)	-	57,364	(110,889)	777,370
Operating expenses and revenues							
General and administrative	(21,866)	429	-	-	-	429	(21,437)
Share of profit of equity-method investees	430,888	-	-	(378,582)	-	(378,582)	52,306
Other revenues	235	-	-	-	-	-	235
Other expenses	(424)	-	-	-	-	-	(424)
	408,833	429	-	(378,582)	-	(378,153)	30,680
EBIT	1,297,092	(110,460)	(57,364)	(378,582)	57,364	(489,042)	808,050
Depreciation / Amortization	26,764	-	-	-	-	-	26,764
EBITDA	1,323,856	(110,460)	-	(378,582)	57,364	(489,042)	834,814
Financial expenses and revenues							
Financial expenses	(81,447)	2,732	-	-	-	2,732	(78,715)
Debt charges	(85,112)	2,550	-	-	-	2,550	(82,562)
Currency variations	6,222	-	-	-	-	-	6,222
Others	(2,557)	182	-	-	-	182	(2,375)
Financial revenues	21,589	(694)	-	-	-	(694)	20,895
Revenues of financial investments	18,901	(469)	-	-	-	(469)	18,432
Others	2,688	(225)	-	-	-	(225)	2,463
	(59,858)	2,038	-	-	-	2,038	(57,820)
Pretax income	1,237,234	(108,422)	(57,364)	(378,582)	57,364	(487,004)	750,230
Current income and social contribution taxes	(21,606)	576	-	-	-	576	(21,030)
Deferred income and social contribution taxes	(110,055)	27,776	-	-	-	27,776	(82,279)
	(131,661)	28,352	-	-	-	28,352	(103,309)
Consolidated net profit	1,105,573	(80,070)	(57,364)	(378,582)	57,364	(458,652)	646,921
Interest of non-controlling	-	(238,808)	(2,512)	(5,098)	-	(246,418)	(246,418)
Alupar net profit	1,105,573	(318,878)	(59,876)	(383,680)	57,364	(705,070)	400,503
Operating assets	5,066,228	(217,808)	-	(112,423)	-	(330,231)	4,735,997
Operating liabilities	727,536	(14,687)	-	(18,863)	-	(33,550)	693,986

Operating revenues, costs and expenses for the period ended March 31, 2018 are presented on a consolidated basis in the table below:

	Period ended				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission (*)	Generation	Holding (a)	Others (b)				
Gross operating revenue	298,327	127,905	-	17,940	444,172	(23,655)	(25,229)	395,288
Power transmission revenue	46,034	-	-	-	46,034	(1,809)	-	44,225
Infrastructure revenue	34,398	-	-	-	34,398	(4,415)	(676)	29,307
Remuneration of concession financial asset	217,895	-	-	-	217,895	(17,431)	-	200,464
Power supply	-	127,905	-	15,505	143,410	-	(22,118)	121,292
Consulting and advisory in regulatory area	-	-	-	-	-	-	-	-
Operation and maintenance services	-	-	-	2,435	2,435	-	(2,435)	-
Deduction from gross operating revenue	(25,771)	(9,207)	-	(1,707)	(36,685)	1,850	-	(34,835)
Net operating revenue	272,556	118,698	-	16,233	407,487	(21,805)	(25,229)	360,453
Cost of service								
Cost with electric power								
Purchased power for resale	-	(23,515)	-	(15,481)	(38,996)	-	22,118	(16,878)
Charges for the use of electric network- CUST	-	(7,077)	-	-	(7,077)	-	-	(7,077)
Financial compensation for the use of hydic resources - CFURH	-	(1,993)	-	-	(1,993)	-	-	(1,993)
Cost of operation								
Costs of services rendered	(19,777)	(33,785)	-	(4,072)	(57,634)	1,582	2,435	(53,617)
Infrastructure cost	(23,784)	-	-	-	(23,784)	4,414	-	(19,370)
Depreciation / Amortization	(1)	(23,176)	-	(6)	(23,183)	-	-	(23,183)
	(43,562)	(89,546)	-	(19,559)	(152,667)	5,996	24,553	(122,118)
Gross profit	228,994	29,152	-	(3,326)	254,820	(15,809)	(676)	238,335
Operating expenses and revenues								
General and administrative	(9,518)	(3,825)	(7,616)	(3)	(20,962)	714	-	(20,248)
Share of profit of equity-method investees	-	-	82,039	-	82,039	-	(71,329)	10,710
Other revenues	-	134	-	-	134	-	-	134
Other expenses	-	(23)	(233)	-	(256)	-	-	(256)
	(9,518)	(3,714)	74,190	(3)	60,955	714	(71,329)	(9,660)
EBIT	219,476	25,438	74,190	(3,329)	315,775	(15,095)	(72,005)	228,675
Depreciation / Amortization	696	23,391	438	7	24,532	-	-	24,532
EBITDA	220,172	48,829	74,628	(3,322)	340,307	(15,095)	(72,005)	253,207
Financial expenses and revenues								
Financial expenses	(30,354)	(32,599)	(23,920)	(13)	(86,886)	2,746	-	(84,140)
Debt charges	(28,807)	(32,875)	(23,581)	-	(85,263)	2,594	-	(82,669)
Currency variations	(16)	2,142	4	-	2,130	-	-	2,130
Others	(1,531)	(1,866)	(343)	(13)	(3,753)	152	-	(3,601)
Financial revenues	5,062	3,306	13,925	10	22,303	(330)	-	21,973
Revenues of financial investments	4,520	3,226	13,393	10	21,149	(328)	-	20,821
Others	542	80	532	-	1,154	(2)	-	1,152
	(25,292)	(29,293)	(9,995)	(3)	(64,583)	2,416	-	(62,167)
Pretax income	194,184	(3,855)	64,195	(3,332)	251,192	(12,679)	(72,005)	166,508
Current income and social contribution taxes	(24,402)	(3,525)	(145)	-	(28,072)	496	-	(27,576)
Deferred income and social contribution taxes	(15,456)	(1,795)	-	-	(17,251)	2,696	-	(14,555)
	(39,858)	(5,320)	(145)	-	(45,323)	3,192	-	(42,131)
Consolidated net profit	154,326	(9,175)	64,050	(3,332)	205,869	(9,487)	(72,005)	124,377
Interest of non-controlling	-	-	-	-	-	-	(70,490)	(70,490)
Alupar net profit	154,326	(9,175)	64,050	(3,332)	205,869	(9,487)	(142,495)	53,887
Operating assets	7,711,824	4,585,816	5,492,261	1,492	17,791,393	(891,793)	(4,894,066)	12,005,534
Operating liabilities	3,254,196	2,291,500	1,161,892	10,638	6,718,226	(297,292)	(386,323)	6,034,611

(a) Holding company comprises financial and investment activities not associated with reportable operating segments

(b) Other comprise segments of trading of energy and O&M services which are immaterial to be reported separately.

Eliminations of operating income and expenses for the period ended March 31, 2018 are presented below:

	Period ended					Total eliminations	Total consolidated
	3/31/2018						
	Subtotal	Eliminations					
Transmission (*)		Generation	Holding	Others			
Gross operating revenue	444,172	(24,331)	(22,118)	-	(2,435)	(48,884)	395,288
Power transmission revenue	46,034	(1,809)	-	-	-	(1,809)	44,225
Infrastructure revenue	34,398	(5,091)	-	-	-	(5,091)	29,307
Remuneration of concession financial asset	217,895	(17,431)	-	-	-	(17,431)	200,464
Power supply	143,410	-	(22,118)	-	-	(22,118)	121,292
Consulting and advisory in regulatory area	-	-	-	-	-	-	-
Operation and maintenance services	2,435	-	-	-	(2,435)	(2,435)	-
Deduction from gross operating revenue	(32,724)	2,941	-	-	-	2,941	(29,783)
Net operating revenue	411,448	(21,390)	(22,118)	-	(2,435)	(45,943)	365,505
Cost of service							
Cost with electric power							
Purchased power for resale	(38,996)	-	-	-	22,118	22,118	(16,878)
Charges for the use of electric network- CUST	(7,077)	-	-	-	-	-	(7,077)
Financial compensation for the use of hydric resources - CFURH	(1,993)	-	-	-	-	-	(1,993)
Cost of operation	-	-	-	-	-	-	-
Costs of services rendered	(57,634)	1,582	2,435	-	-	4,017	(53,617)
Infrastructure cost	(23,784)	4,414	-	-	-	4,414	(19,370)
Depreciation / Amortization	(23,183)	-	-	-	-	-	(23,183)
	(152,667)	5,996	2,435	-	22,118	30,549	(122,118)
Gross profit	258,781	(15,394)	(19,683)	-	19,683	(15,394)	243,387
Operating expenses and revenues							
General and administrative	(20,962)	714	-	-	-	714	(20,248)
Share of profit of equity-method investees	82,039	-	-	(71,329)	-	(71,329)	10,710
Other revenues	134	-	-	-	-	-	134
Other expenses	(256)	-	-	-	-	-	(256)
	60,955	714	-	(71,329)	-	(70,615)	(9,660)
EBIT	319,736	(14,680)	(19,683)	(71,329)	19,683	(86,009)	233,727
Depreciation / Amortization	24,532	-	-	-	-	-	24,532
EBITDA	344,268	(14,680)	(19,683)	(71,329)	19,683	(86,009)	258,259
Financial expenses and revenues							
Financial expenses	(86,886)	2,746	-	-	-	2,746	(84,140)
Debt charges	(85,263)	2,594	-	-	-	2,594	(82,669)
Currency variations	2,130	-	-	-	-	-	2,130
Others	(3,753)	152	-	-	-	152	(3,601)
Financial revenues	22,303	(330)	-	-	-	(330)	21,973
Revenues of financial investments	21,149	(328)	-	-	-	(328)	20,821
Others	1,154	(2)	-	-	-	(2)	1,152
	(64,583)	2,416	-	-	-	2,416	(62,167)
Pretax income	255,153	(12,264)	(19,683)	(71,329)	19,683	(83,593)	171,560
Current income and social contribution taxes	(28,072)	496	-	-	-	496	(27,576)
Deferred income and social contribution taxes	(17,251)	2,696	-	-	-	2,696	(14,555)
	(45,323)	3,192	-	-	-	3,192	(42,131)
Consolidated net profit	209,830	(9,072)	(19,683)	(71,329)	19,683	(80,401)	129,429
Interest of non-controlling	-	(73,749)	6,300	(3,041)	-	(70,490)	(70,490)
Alupar net profit	209,830	(82,821)	(13,383)	(74,370)	19,683	(150,891)	58,939
Operating assets	17,791,393	(891,793)	-	(4,894,066)	-	(5,785,859)	12,005,534
Operating liabilities	6,718,226	(297,292)	-	(386,323)	-	(683,615)	6,034,611

37. Employee benefits

The Company and its subsidiaries offer employee benefits that basically comprise: health care insurance plans, transportation vouchers, meal tickets, educational support and private pension plans, which, in turn, provide supplementary retirement plans. The retirement plan is a defined contribution type, being used the financial system of capitalization, the actuarial calculation of reserves.

Benefits awarded to Company employees and those of its subsidiaries are as follows:

	Consolidated	
	3/31/2019	3/31/2018
Health care and transportation voucher	1,515	1,379
Private pension plan (*)	355	314
Education	-	-
Meal allowance	956	1,236
Others	251	223
Total	3,077	3,152

(*) The Company and its subsidiaries sponsor supplementary retirement plans for their employees. A private bank is the entity responsible for managing the benefit plans sponsored by Company and its subsidiaries. Costing of the defined contribution installments plan is balanced between the Company and its subsidiaries and the employees. The costing of the defined contribution installment is based on a percentage freely chosen by the participant (1% on the contribution salary not exceeding 8%, varying in accordance with the employee's age bracket) and the Company and its subsidiaries will contribute in the amount of 100% of the contribution made by the participant.

38. Insurance

Insurance effective at March 31, 2019 is as follows:

Consolidated		
03/31/2019		
	Secured amount	Total premium
Comprehensive Business	19,450	15
Civil liability	3,342,424	1,998
Risks of engineering	284,005	313
Corporate fraud	5,000	55
Nominated / operational risks	11,380,807	7,316
Vehicles	Tabela	165
Equipment Risk Insurance	498	4
Accomplishment true	374,941	6,189
Related searches	4,898	124
Performance Guarantee Insurance	80,356	644
ANEEL Guarantee Insurance	3,798	24

39. Commitments

On March 31, 2019, the subsidiaries in the pre-operational phase maintained contracts for the provision of services, environmental expenses and supply of materials for the construction of the respective projects, in the amount of R\$ 1,528,741. (Of which: R\$ 340,331 ETB, R\$ 84,066 TSM, R\$ 676,481 TPE, R\$ 196,920 TCC, R\$ 131,122 ETAP, R\$ 99,821).

40. Subsequent events

Advances for future capital contributions

Advances for future capital contributions made by the Company after three-month period ended March 31, 2019 are as follows:

Subsidiaries	Date	Amount
Empresa Litorânea de Transmissão de Energia S.A.	4/4/2019	2,000
Empresa Litorânea de Transmissão de Energia S.A.	5/1/2019	2,000
		4,000

Start up of the ETAP

On April 6, 2019, the Power Transmission Company Agreste Potiguar SA ("ETAP") obtained authorization to start commercial operations, anticipating in approximately 9 months its planned energization, according to the schedule of the National Electric Energy Agency - ANEEL, for 12/27/2019. The investment of the project to be unitized will be approximately R \$ 175.0 million. Considering the revenue of the 2018_2019 cycle of R \$ 53.8 million, the RAP / CAPEX ratio will be approximately 30%. The project had the issuance of debentures in the amount of R \$ 156.0 million, under the terms of ICVM 476, being the 2nd series under Law No. 12,431, of June 2011, as announced to the market on September 21, 2018 ETAP was responsible for implementing Lot I of the 1st Stage of the Transmission Auction nº 013/2015, held in April 2016, composed of the following facilities: 230 kV Transmission Line João Câmara II - João Câmara III; Substation of 500 kV João Câmara III - 500/230 kV (9 + 1Res) x 300 MVA.

Officers' Statement on the financial statement

São Paulo, May 15, 2019

REPRESENTATION

FOR PURPOSES OF ARTICLE 25, PARAGRAPH 1, ITEM VI OF CVM RULE No. 480/09

As officers of Alupar Investimento S.A., a corporation headquartered in the city of São Paulo, São Paulo state, enrolled with the Brazilian IRS Registry of Legal Entities (CNPJ) under No. 08.364.948/0001-38 ("Company"), under the terms of item VI, paragraph 1, article 25 of CVM Rule No. 480, dated December 7, 2009, we hereby represent that we have reviewed, discussed and agreed with the Financial statement for the period ended March 31, 2019.

José Luiz de Godoy Pereira

*Second Chief Executive Officer and Chief
Administrative and Financial Officer and Chief
Investor Relations Officer*

Paulo Roberto de Godoy Pereira

Chief Executive Officer

Enio Luigi Nucci

Technical and Sales Officer

Officers' Statement on Independent Auditor's Report

São Paulo, May 15, 2019

REPRESENTATION

FOR PURPOSES OF ARTICLE 25, PARAGRAPH 1, ITEM V OF CVM RULE NO. 480/09

As officers of Alupar Investimento S.A., a corporation headquartered in the city of São Paulo, São Paulo State, enrolled with the Brazilian IRS Registry of Legal Entities (CNPJ) under No. 08.364.948/0001-38 ("Company"), under the terms of item V, paragraph 1, article 25 of CVM Rule No. 480, dated December 7, 2009, we hereby represent that we have reviewed, discussed and agreed with the conclusion expressed in the Independent Auditors' Report for the period ended March 31, 2019.

José Luiz de Godoy Pereira

Second Chief Executive Officer and Chief
Administrative and Financial Officer and Chief
Investor Relations Officer

Paulo Roberto de Godoy Pereira

Chief Executive Officer

Enio Luigi Nucci

Technical and Sales Officer