Quarterly Information - ITR

Alupar Investimento S.A.

September 30, 2017

Analysis of Consolidated Income

Net Operating Revenue - IFRS

Alupar and its subsidiaries recorded Adjusted Net Revenue of R$ 386.0 million in 3Q17, compared to R$ 375.3 million in 3Q16. When analyzing the Company's Net Revenue, we see that in 3Q17, it totaled R$ 392.1 million, compared to R$ 388.3 million recorded in 3Q16. However, this increase in Net Revenue, lower than the increase in Adjusted Net Revenue, is due exclusively to the fact that, in accordance with the IFRS standards, the total investment volume (Capex) made by our transmission companies are recorded as revenue. On the other hand, since these are investments and have no effect on the Company 's results, the same amount of revenue is excluded in the Cost – Infrastructure Cost. We disregarded this effect in the Company's revenues for analytical reasons, as detailed below:

Adjusted Net Revenue (R$ MM)						
	3Q17	3Q16	Var.%	9M17	9M16	Var.%
Energy Transmission Revenue	25.7	33.6	(23.4%)	83.6	84.9	(1.5%)
Infrastructure Revenue	6.1	13.0	(52.9%)	24.2	41.0	(41.0%)
Concession Asset Remuneration	234.8	267.5	(12.2%)	722.2	834.5	(13.5%)
Energy Supply	162.4	115.0	41.2%	425.9	342.7	24.3%
Gross Revenue	**429.0**	**429.1**	**-**	**1,255.9**	**1,303.1**	**(3.6%)**
Deductions	36.9	40.8	(9.4%)	113.9	112.5	1.3%
Net Revenue	**392.1**	**388.3**	**1.0%**	**1,142.0**	**1,190.6**	**(4.1%)**
Exclusion of Infrastructure Revenue	6.1	13.0	(52.9%)	24.2	41.0	(41.0%)
Adjusted Gross Revenue	**422.9**	**416.1**	**1.6%**	**1,231.7**	**1,262.1**	**(2.4%)**
Adjusted Net Revenue	**386.0**	**375.3**	**2.8%**	**1,117.8**	**1,149.6**	**(2.8%)**

The increase of 2.8% in Adjusted Net Revenue in 3Q17 resulted mainly due to the:

- Increase of R$ 47.4 million, or 41.2%, in **Energy Supply Revenue**, totaling R$ 162.4 million in 3Q17 compared to R$ 115.0 million in 3Q16, due to the: (a) adjustment to the energy sales contracts, which are adjusted for inflation (IPCA/IGP-M); (b) gain of R$ 17.0 million due to the sale of the exceeding energy due to the Company's seasonal strategy; (c) increase of R$ 7.5 million in wind farms Energia dos Ventos, as the project was not able to sell 100% of its energy due to the fact that some approvals for commercial operations were issued in 3Q16; (d) increase of R$ 9.1 million in SHPP Morro Azul's net revenue, due to the: (i) partial revenue in 3Q16, due to the start-up of operations in September 2016; and (ii) accounting of the accumulated revenue in 2Q17 and in the quarter, considering that, in 2Q17, by virtue of the change in the ERP (management system), the plant's figures were not consolidated.
- Reduction of R$ 32.7 million in **Revenue from Concession Asset Remuneration,** due to the decrease in the remuneration rates of the financial assets of the transmission companies, considering that, for calculation of such rate, inflation projections are used (IGP-M/IPCA), which were significantly reduced when comparing 3Q17 x 3Q16. For further information, see Explanatory Note 9 "Concession Financial Asset", and;
- Reduction of R$ 7.9 million in **Energy Transmission Revenue**, mainly due to the: (a) reduction of R$ 1.7 million in transmission company ETEM, due to the non-recurring costs to improve the transmission line in 3Q16; and (ii) reduction of R$ 4.2 million in transmission company ENTE, due to the Variable Portion the totaled R$ 2.9 million, due to the unavailable transmission functions and scheduled shutdowns.

Net Revenue totaled R$ 392.1 million in 3Q17, compared to R$ 388.3 million in 3Q16. This variation is explained, in addition to the abovementioned factors, by the decrease of R$ 6.9 million in **Infrastructure Revenue**, mainly due to: (a) start-up of operations of the ETVG's RBNI in March 2016 (1st phase) and June 2016 (2nd phase), Transirapé in November 2016 and STC in July 2016, a reduction of R$ 10.2 million; (b) supplementary payment, in the 3Q16, for the implementation of the ESDE's transmission asset, an impact of R$ 1.7 million; and (c) in contrast, transmission companies ETAP, ETC, TPE, TCC, ESTE and TSM, acquired in 2016 and 2017 auctions,

recorded an increase of R$ 4.9 million in this account. For further information on variations in the Infrastructure Revenue (Capex), please see the "Investments" section below.

Cost of Services - IFRS

In 3Q17, Cost of Services totaled R$ 94.7 million, a decrease of 2.0% compared to R$ 92.9 million in 3Q16. This variation is due to the: (a) decrease of R$ 0.6 million in **Cost of Services Rendered**, due to: (i) reduction of R$ 1.5 million in transmission company ETEM, due to the provision of non-recurring services to improve the transmission line in 3Q16; and (ii) in contrast, in the generation segment, an increase of R$ 1.0 million was recorded mainly due to the increase of R$ 2.7 million in SHPP Morro Azul and reduction of R$ 1.9 million in plant F. Gomes and SHPPs Queluz and Lavrinhas; (b) increase of R$ 7.6 million in **Energy Purchased for Resale**, which totaled R$ 22.5 million in 3Q17, compared to R$ 14.9 million in 3Q16, due exclusively to the seasonal strategy adopted for 2017 and GSF in 3Q17; (c) increase of R$ 0.6 million in **Hydro Resources - CFURH**, due to the greater energy generation in plants Foz do Rio Claro and Ijuí; (d) reduction of R$ 6.9 million in **Infrastructure Costs** due to the: (i) start-up of operations of the ETVG's RBNI in March 2016 (1st phase) and June 2016 (2nd phase), Transirapé in November 2016 and STC in July 2016, a reduction of R$ 10.2 million; (ii) supplementary payment, in the 3Q16, for the implementation of the ESDE's transmission asset, an impact of R$ 1.7 million; and (iii) in contrast, transmission companies ETAP, ETC, TPE, TCC, ESTE and TSM, acquired in 2016 and 2017 auctions, recorded an increase of R$ 4.9 million in this account and; (e) increase of R$ 0.8 million in **Depreciation/Amortization**, exclusively due to the start-up of operations of the wind farms Energia dos Ventos (March 2016) and SHPP Morro Azul (September 2016).

Cost of Services R$ (MM)						
	3Q17	3Q16	Var. %	9M17	9M16	Var. %
Cost of Services						
Cost of Services Rendered	33.1	33.7	(1.8%)	92.3	90.4	2.1%
Energy Purchased for Resale	22.5	14.9	51.1%	79.9	42.7	86.8%
Electric Grid Charges - CUST	7.2	6.8	5.7%	21.4	19.8	8.4%
Hydro Resources - CFURH	2.2	1.6	37.7%	7.1	7.9	(9.6%)
Infrastructure Cost	6.1	13.0	(52.9%)	24.2	41.0	(41.0%)
Depreciation/Amortization	23.6	22.8	3.4%	68.5	60.1	13.9%
Total	**94.7**	**92.9**	**2.0%**	**293.4**	**261.9**	**12.0%**

Operating Expenses - IFRS

In 3Q17, Operating Expenses totaled R$ 8.1 million, compared to R$ 12.6 million in 3Q16.

The reduction in this account resulted from the: (a) reduction of R$ 6.4 million in **Equity Pickup,** as a result of the reversal of dividends accrued in previous periods in the transmission companies; (b) reduction of R$ 9.8 million in **Others,** by virtue of the adoption of the IFRS practice in SHPP Morro Azul, which recorded implementation expenses incurred during the construction.

Operating Expenses R$ (MM)						
	3Q17	3Q16	Var. %	9M17	9M16	Var. %
Operating Expenses						
General and Administrative	8.4	8.0	4.7%	24.6	14.7	67.3%
Personnel and Management	9.8	11.1	(12.2%)	36.0	26.6	35.7%
Equity Pickup	(0.9)	(7.3)	(88.0%)	(15.8)	(23.0)	(31.4%)
Other	(10.3)	(0.5)	-	(10.1)	0.8	-
Depreciation/Amortization	1.1	1.2	(4.4%)	3.6	3.7	(2.0%)
Total	**8.1**	**12.6**	**(35.5%)**	**38.4**	**22.8**	**68.3%**

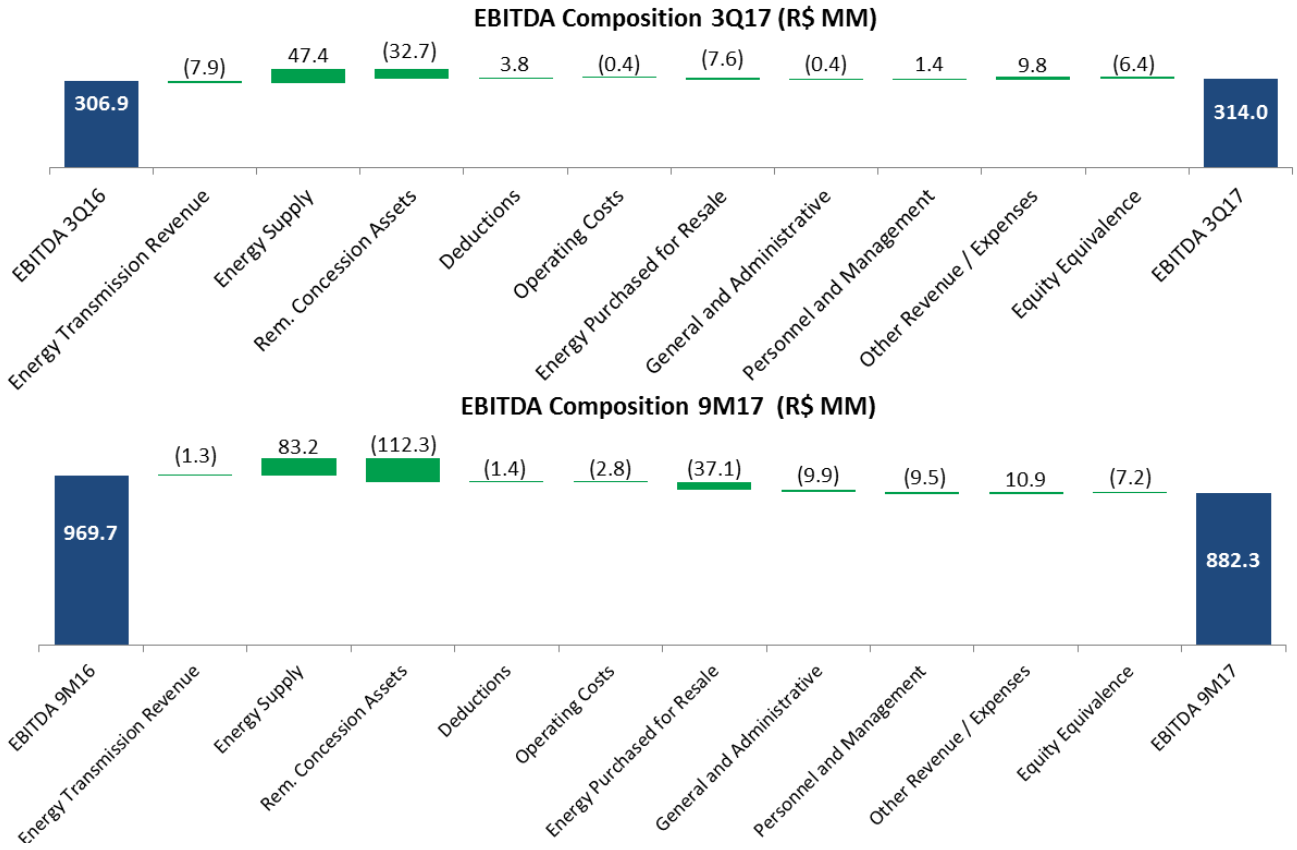
EBITDA - IFRS

In 3Q17, EBITDA totaled R$ 314.0 million, compared to R$ 306.9 million in 3Q16. The Adjusted EBITDA Margin, excluding Infrastructure Revenue, reached 81.3% against 81.8% recorded in the same period of the previous year.

This variation in EBITDA is due to the: (a) increase of 2,8% in **Adjusted Net Revenue**, mainly due to the: (i) increase of R$ 47.4 million in energy supply revenue, and (ii) reduction of R$ 40.6 million in transmission segment revenue, which recorded a reduction of R$ 7.9 million in energy transmission revenue and a reduction of R$ 32.7 million in revenue from concession asset remuneration. For further information, see the "Net Operating Income - IFRS" section; (b) increase of R$ 7,6 million in **Energy Purchase**, totaling R$ 22.5 million in 3Q17 compared to R$ 14.9 million in 3Q16, due to the seasonal strategy adopted in 2017 and the GSF in 3Q17; (c) reduction of R$ 9.8 in **Other Income/Expenses**, mainly due to the reduction of R$ 10.3 million in SHPP Morro Azul, by virtue of the adoption of the IFRS practice, by recording the supplementary implementation expenses incurred during the construction; and (d) reduction of R$ 6.4 million in **Equity Pickup,** as a result of the reversal of dividends accrued in previous periods in the transmission companies.

EBITDA - IFRS (R$ MM)						
	3Q17	3Q16	Var.%	9M17	9M16	Var. %
Adjusted Gross Revenue	422.9	416.1	1.6%	1,231.7	1,262.1	(2.4%)
Deductions	(36.9)	(40.8)	(9.4%)	(113.9)	(112.5)	1.3%
Adjusted Net Revenue	386.0	375.3	2.8%	1.117.8	1.149.6	(2.8%)
Operating Costs	(42.5)	(42.1)	0.9%	(120.9)	(118.0)	2.4%
Energy Purchase	(22.5)	(14.9)	51.1%	(79.9)	(42.7)	86.8%
Operating Expenses	(7.9)	(18.7)	(57.9%)	(50.5)	(42.1)	20.1%
Equity Pickup	0.9	7.3	(88.0%)	15.8	23.0	(31.4%)
EBITDA	**314.0**	**306.9**	**2.3%**	**882.3**	**969.7**	**(9.0%)**
EBITDA Margin	**81.3%**	**81.8%**	**(0.5 p.p)**	**78.9%**	**84.4%**	**(5.5 p.p)**

EBITDA is broken down as follows:

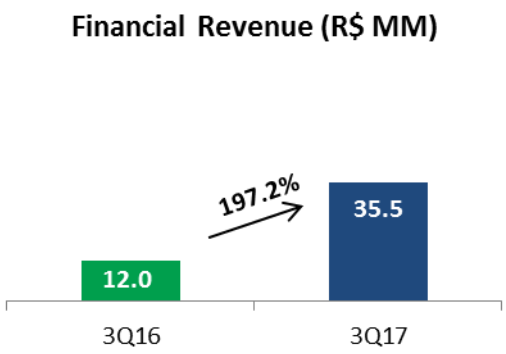


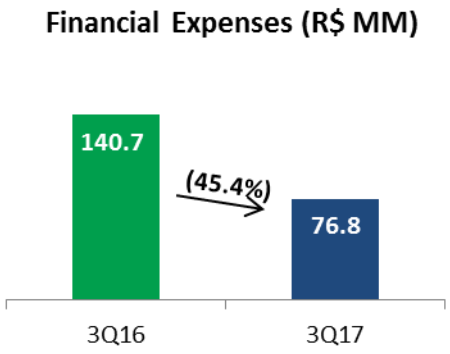
Financial Results

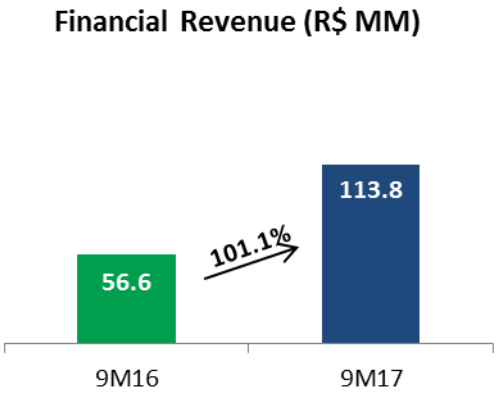
Totaled R$ 41.2 million in 3Q17, compared to R$ 128.7 million recorded in the same period of the previous year. This variation in the financial results was due to:

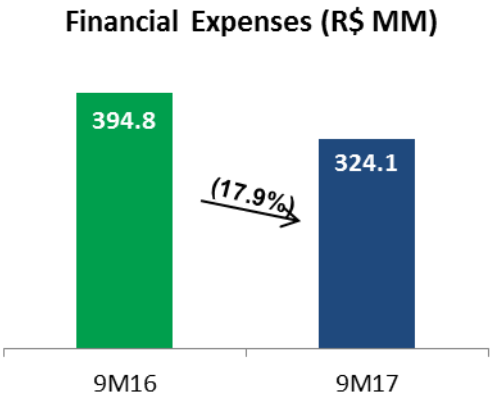
(a) increase of R$ 23.5 million in financial revenues, mainly due to the: (i) increase of R$ 10.9 million in financial revenues of Alupar - Holding, resulting from the increase in cash and cash equivalents, in the amount of R$ 991.1 million in this quarter, compared to R$ 438.5 million in 3Q16, mainly as a result of the capital increase of R$ 833.5 million, approved on April 4, 2017; (ii) increase of R$ 11.4 million in La Virgen's financial revenues, totaling R$ 3.3 million in this quarter compared to R$ (8.1) million recorded in 3Q16, considering the reclassification, in such quarter, of the exchange rate changes from supply agreements.

(b) reduction of R$ 63.9 million in financial expenses, mainly due to the: (i) reduction of consolidated gross debt from R$ 4.738 billion in 3Q16 to R$ 4.393 billion in 3Q17; (ii) decrease of the broad national consumer price index ("IPCA"), which was 0.59% in 3Q17, compared to 1.04% in 3Q16; (iii) reduction of the long-term interest rate ("TJLP"), beginning April 2017, from 7.5% p.a. to 7.0% p.a.; and (iv) reduction of the average interbank deposit rate ("CDI"), which was 2.25% in 3Q17, compared to 3.41% in 3Q16.







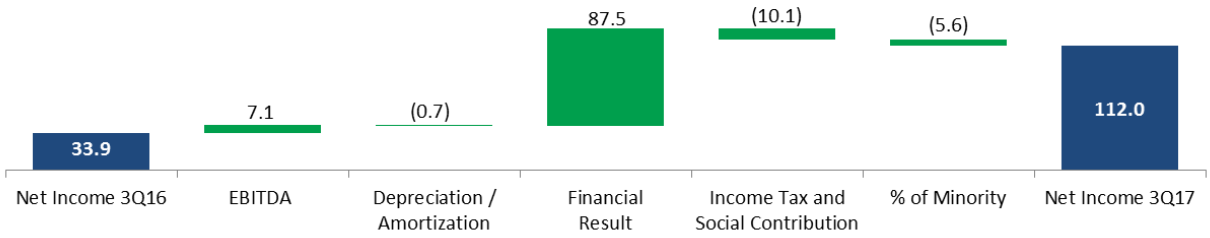


Net Income - IFRS

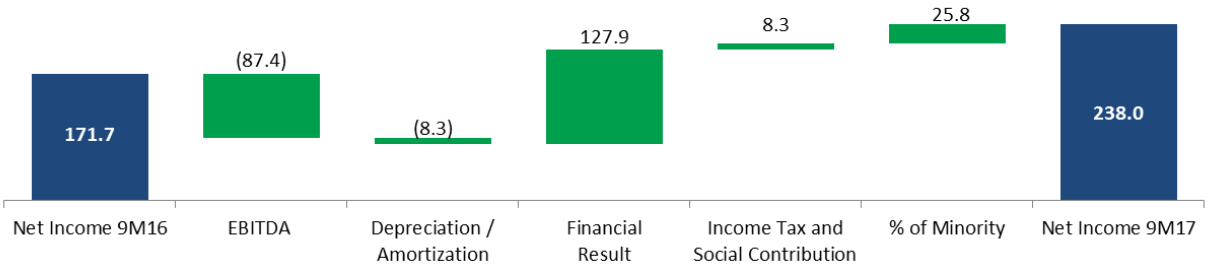
In 3Q17, net income totaled R$ 112.0 million, an increase of R$ 78.1 million compared to R$ 33.9 million reported in 3Q16.

This variation is a result of: (a) increase of R$ 7.1 million in **EBITDA**, as detailed above; and reduction of R$ 87.5 million in the **Financial Results** account, as detailed above; (b) increase of R$ 10.1 million in **IR/CSLL** mainly due to: (i) reserval of the provision for deferred income tax in SHPP Morro Azul, as a result of the loss recorded in 1Q17, which was reversed in this quarter, an impact of R$ 15.9 million; and (ii) in contrast, transmission companies ETEP, STN and ENTE recorded a reduction of R$ 6.4 million, due to the obtaining of the SUDAM/SUDENE tax benefits in August 2016, October 2016 and December 2016, respectively; and (c) increase of R$ 5.6 million in **Minorities %**, mainly due to the increase in profit recorded by ENTE, STN and La Virgen (exchange gains from supply agreements), which jointly represented an impact of R$ 7.0 million in this account.

Net Income Composition 3Q17 (R$ MM)



Net Income 9M17 (R$ MM)



Investments

In 3Q17, total investments in our companies amounted to approximately R$ 71.4 million, out of which R$ 10.7 million was allocated to the transmission segment, R$ 60.0 million to the generation segment and R$ 0.7 million for new business development, compared to R$ 19.5 million in 3Q16, out of which R$ 13.0 million was allocated to the transmission segment, R$ 3.4 million to the generation segment and R$ 3.1 million for new business development.

The investment volume in 3Q17 reflects the implementation of the SHPP Verde 08.

Investments (R$ MM)				
	3Q17	3Q16	9M17	9M16
Transmission	**10.7**	**13.0**	**28.8**	**41.0**
Transirapé	-	4.0	-	13.3
ELTE	0.2	0.5	0.4	2.6
ETVG	0.1	3.0	0.1	14.8
STC	-	3.3	-	7.8
ETAP	1.6	0.2	5.2	0.2
ETC	0.7	0.2	2.8	0.2
TCC	0.4	-	4.4	-
TPE	1.0	-	7.1	-
TCE	4.5	-	4.6	-
ESTE	0.7	-	1.8	-
TSM	0.8	-	0.8	-
EBTE	0.2	-	0.5	-
Other	0.5	1.8	1.1	2.1
Generation	**60.0**	**3.4**	**120.5**	**287.5**
Ferreira Gomes	0.1	0.3	0.7	0.6
Energia dos Ventos	5.6	0.9	8.8	59.6
La Virgen*	-	(19.5)	2.2	157.1
Morro Azul	11,4	18.1	11.4	44.2
Verde 08	43.5	4.7	87.6	7.8
Antônio Dias	-	0.5	0.2	1.7
Other	(0.6)	(1.6)	22.3	16.5
Holding	**0.7**	**3.1**	**7.1**	**6.5**
Total	**71.4**	**19.5**	**156.4**	**335.0**

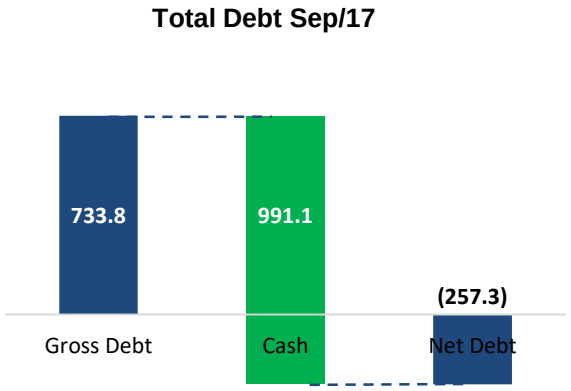
*Exchange gains from payment of suppliers.

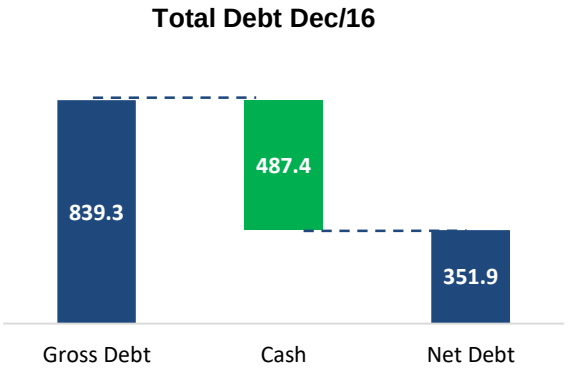
Debt

Alupar - Holding:

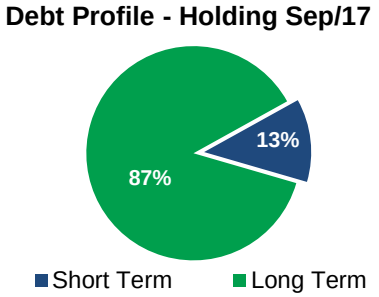
In September 2017, Alupar - Holding's gross debt totaled R$ 733.8 million, R$ 105.5 million lower than the R$ 839.3 million in December 16. This variation is explained by: (i) partial amortization and payment of interest on the IV debenture issue, totaling R$ 117.4 million; (ii) partial amortization and payment of interest on the V debenture issue, totaling R$ 35.8 million; (iii) payment of interest on the VI debenture issue, totaling R$ 10.2 million; (iv) partial amortization and payment of interest on the financing agreement with FINEP, totaling R$ 3.0 million; and (v) provisions for charges and monetary variations, an impact of R$ 60.9 million.

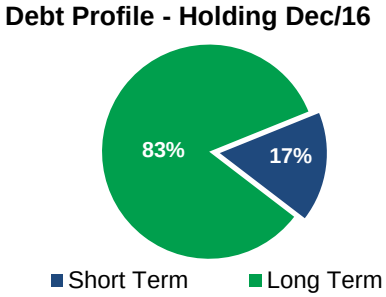
Alupar - Holding's cash and cash equivalents totaled R$ 991.1 million, compared to R$ 487.4 million recorded in December 2016. This variation is mainly explained by: (i) capital increase of R$ 833.5 million (R$ 807.8 million, net), approved on April 4, 2017; (ii) partial amortization and payment of interest on the holding's debt, as mentioned above, totaling R$ 166.4 million; (iii) payment of dividends in the amount of R$ 90.1 million on June 26, 2017 and R$ 60.1 million on July 24, 2017; (iv) dividend receipts in the amount of R$ 189.9 million; (v) contributions made in the projects, totaling R$ 174.5 million; (vi) tax payment in the amount of R$ 16.2 million, related to the disposal of the interest in Transchile; and (vii) tax refund of R$ 6.7 million.





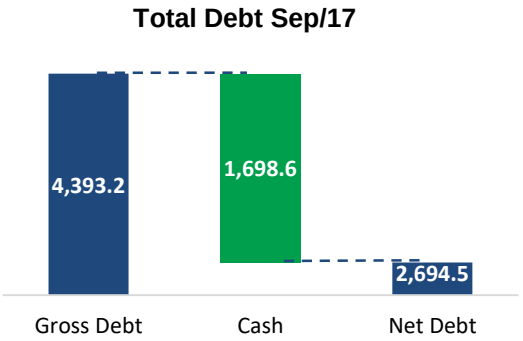
Alupar - Holding's gross debt consists mainly of debenture issues (99.7%), 6.9% of which is indexed to the CDI rate and 93.1% to the IPCA rate, with very long profiles, of which approximately 29% of the maturities occur after 2022. For further information on Alupar - Holding's debt, please see Explanatory Notes 22 "Borrowings and Financings" and 23 "Debentures" in the financial statements for 3Q17.
Below is the Alupar – Holding's debt profile:

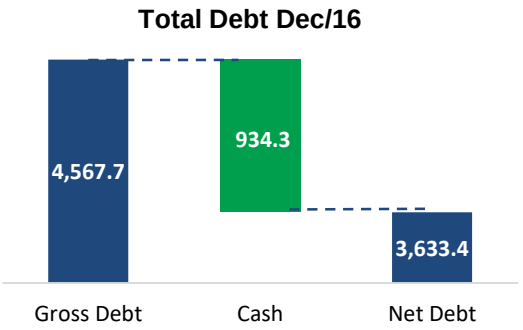




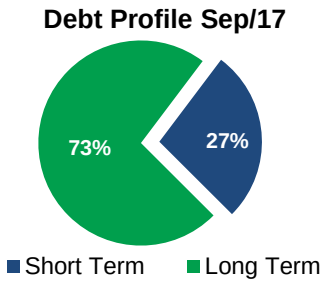
Consolidated:

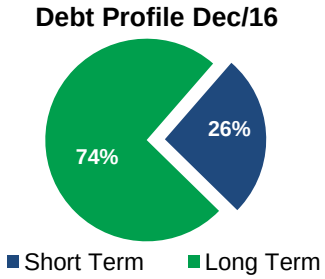
The consolidated gross debt of Alupar and its subsidiaries totaled R$ 4,393.2 million in September 2017, R$ 174.5 million lower than the R$ 4,567.7 million recorded in December 2016. This variation is mainly explained by: (i) partial amortization and payment of interest on Alupar - Holding's debt in the amount of R$ 166.4 million; (ii) provisions for charges and monetary variations on Alupar - Holding's debt in the amount of R$ 60.9 million; (iii) partial amortization of the subsidiaries' debts in the amount of R$ 398.0 million; (iv) payments of the subsidiaries' debt charges in the amount of R$ 222.1 million; (v) gains from the appreciation of the BRL against USD on the debts of the HPP La Virgen and the SHPP Morro Azul , an impact of R$ 53.2 million; (v) provisions for charges and monetary variations of subsidiaries, totaling R$ 245.2 million; and (vii) new borrowings entered into by the subsidiaries EATE, ECTE, Transleste, Transudeste, Transirape and Verde 8, in the amount of R$ 352.6 million.
Cash and cash equivalents totaled R$ 1,698.6 million, compared to R$ 934.3 million recorded in December 2016. This variation of R$ 764.3 million in cash is mainly due to Alupar – Holding's capital increase, in the amount of R$ 833.5 million, approved on April 4, 2017.
Net debt in September 2017 was R$ 2,694.5 million, R$ 938.9 million less than the R$ 3,633.4 million in December 2016.





Short-term debt in September 2017 totaled R$ 1,194.9 million, compared to R$ 1,184.9 million in December 2016.





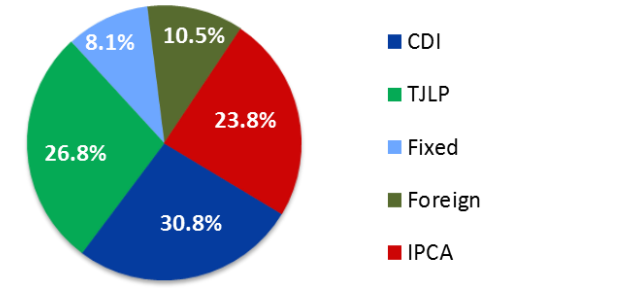
Out of the 27% in short-term debt, 49% or R$ 584.1 million refers to bridge loans.

Out of the consolidated gross debt, R$ 733.8 million refers to Alupar - Holding, as detailed above, R$ 3,210.7 million was allocated to operating companies whose account payables are compatible with the respective cash generation, and R$ 448.7 million refers to projects under implementation, out of which R$ 327.5 million was allocated to Alupar Peru/La Virgen to implement the HPP La Virgen, R$ 100.8 million was allocated to implement the SHPP Verde 8 and R$ 20.4 million was allocated to reinforce ETVG.

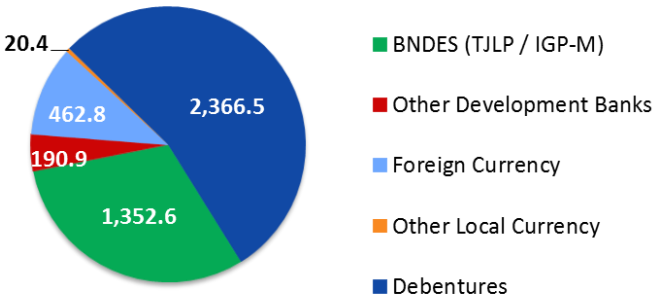
In 3Q17, debenture issues corresponded to R$ 2,366.5 million or 53.9% of total debt. The debentures issued by Alupar - Holding represented a balance of R$ 731.4 million and the issues of subsidiaries EATE, ECTE, ENTE, ETEP, STN, Ferreira Gomes, Transirapé, Transleste, Transudeste, Energia dos Ventos and Verde 8 represented a balance of R$ 1,635.1 million.

Foreign currency debt totaled R$ 462.8 million or 10.5% of total debt, whose debt was allocated to generation projects in Peru and Colombia.

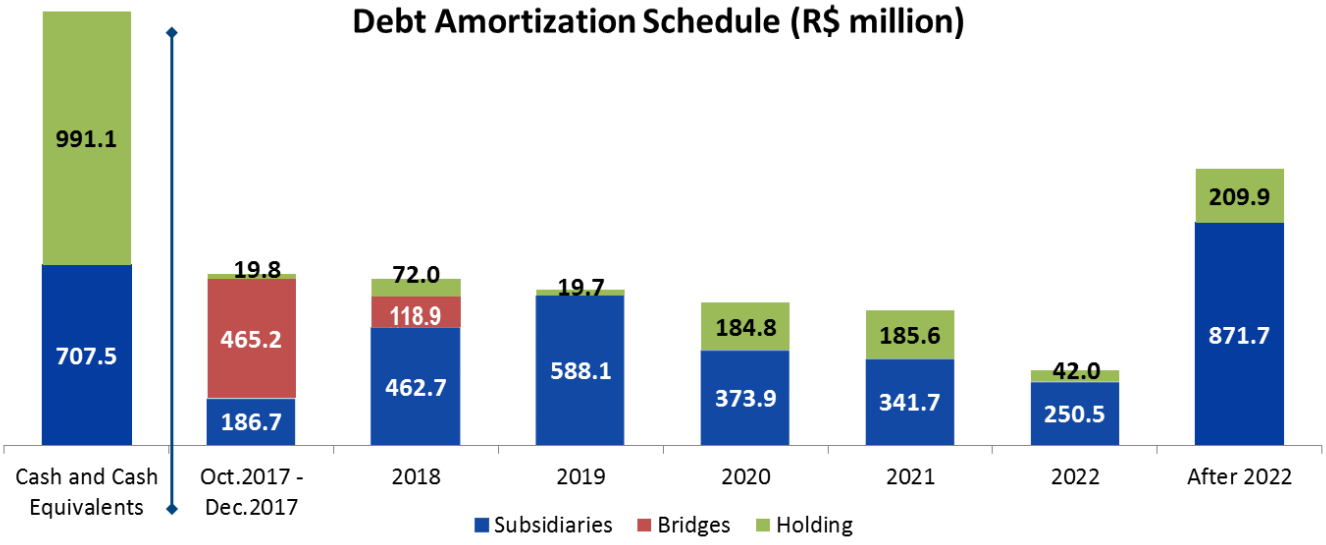
Gross Debt by Index (%)



Total Debt Composition (in thousands of R$)



Alupar's consolidated debt profile is quite favorable, compatible with the low risk involved in the Company's businesses, highly predictable revenues and strong operating cash generation of the electric power transmission and generation segments.



A free translation from Portuguese into English of the Independent Auditor's Report on individual quarterly information prepared in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS).

Report on review of Quarterly Information (ITR)

To Management and Shareholders of
Alupar Investimento S.A.
São Paulo, SP

Introduction
We have reviewed the accompanying individual and consolidated interim accounting information of Alupar Investimento S.A. (the "Company"), contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2017, comprising the balance sheet as of September 30, 2017 and the respective statements of income, comprehensive income for three and nine month periods then ended and changes in shareholders' equity and cash flows for the nine month period then ended, including the footnotes.

Management is responsible for the preparation of these individual and consolidated interim accounting information in accordance with the CPC 21(R1) and IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board - IASB, such as for the presentation of these information in accordance with the standards issued by the Brazilian Securities Commission - CVM, applicable to the preparation of Quarterly Information - ITR. Our responsibility is to express a conclusion on these interim accounting 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 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim 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 auditing standards 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 interim information
Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 issued by IASB, applicable to the preparation of the Quarterly Information - ITR and presented in accordance with the standards issued by the Securities and Exchange Commission of Brazil.
Other matters

Interim information of statement of value added

The individual and consolidated interim accounting information statements of value added (DVA) for the nine-month period ended September 30, 2017, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34, were submitted to the same review procedures followed together with the review of the Company's interim accounting information - ITR. In order to form our conclusion, we evaluated whether these statements are reconciled to the interim accounting information and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statements of value added mentioned above are not prepared, in all material respects, consistently with the individual and consolidated interim accounting information taken as a whole.

São Paulo, November 9, 2017

KPMG Auditores Independentes
CRC 2SP014428/O-6
Original in Portuguese signed by
Anselmo Neves Macedo
Accountant CRC 1SP160482/O-6

Alupar Investimento S.A.

Balance sheets
September 30, 2017 and December 31, 2016
(In thousands of reais)

	Note	Parent Company		Consolidated	
		9/30/2017	12/31/2016	9/30/2017	12/31/2016
ASSETS					
CURRENT		**1,095,991**	**603,899**	**3,175,523**	**2,577,166**
Cash and cash equivalents	**4**	602,939	271,916	1,178,556	613,734
Short-term investments	**5**	388,164	215,439	388,164	215,439
Marketable securities	**6**	-	-	127,291	100,805
Trade accounts receivable	**7**	27,744	17,551	207,297	207,017
Accounts receivables from related parties	**32**	4	4	-	-
Dividends receivable - related parties	**32**	48,261	61,683	7,335	7,335
Income tax and social contribution	**8**	21,033	26,276	53,154	49,656
Other taxes to be offset	**8**	1	22	1,959	3,802
Advances to suppliers		115	116	12,140	9,583
Inventories		-	-	1,256	588
Prepaid expenses		21	1,491	7,214	8,723
Financial asset from the concession	**9**	-	-	1,106,073	1,237,557
Other assets		7,709	9,401	85,084	122,927
NON-CURRENT		**3,617,743**	**3,334,581**	**7,794,240**	**7,652,835**
Trade accounts receivable	**7**	-	-	16,215	10,439
Advances for future capital increase - related parties	**32**	176,585	188,827	-	-
Marketable securities	**6**	-	-	4,627	4,295
Income tax and social contribution	**8**	-	-	31,733	36,506
Other taxes to be offset	**8**	-	-	7,475	7,566
Deferred income tax and social contribution	**18**	-	-	14,912	15,299
Advances to suppliers		-	-	1,180	2,394
Inventories		-	-	26,081	26,113
Guarantees and judicial deposits	**24**	2,589	2,380	23,089	13,257
Financial asset from the concession	**9**	-	-	3,227,944	3,214,062
Other assets		-	-	28,901	33,542
Investments in affiliates and jointly-controlled subsidiaries	**10**	260,637	244,634	340,978	325,502
Investments in subsidiaries	**11**	3,082,272	2,809,221	-	-
Investment properties	**13**	7,786	7,786	7,786	7,786
Property, plant and equipment	**14**	1,968	2,609	3,917,663	3,810,323
Intangible assets	**15**	85,906	79,124	145,656	145,751
TOTAL ASSETS		**4,713,734**	**3,938,480**	**10,969,763**	**10,230,001**

The notes are an integral part of these – quarterly information - ITR

Alupar Investimento S.A.

Balance sheets
September 30, 2017 and December 31, 2016
(In thousands of reais)

	Note	Parent Company		Consolidated	
		9/30/2017	12/31/2016	9/30/2017	12/31/2016
LIABILITIES					
CURRENT		**119,204**	**324,323**	**1,603,094**	**1,777,465**
Loans and financing	**22**	2,353	3,536	658,052	662,439
Debentures	**23**	89,765	135,078	536,874	522,445
Suppliers	**16**	23,716	15,420	130,458	166,502
Salaries, vacation and social charges		1,665	1,783	13,722	12,716
Income tax and social contribution payable	**17**	-	-	78,457	44,561
Other taxes payable		1,678	17,922	25,371	53,682
Provision for asset build up	**20**	-	-	39,626	42,979
Dividends payable - related parties		2	150,178	30,770	180,680
Provisions for environmental expenses	**19**	-	-	16,336	21,789
Regulatory and sectorial taxes	**21**	-	-	57,284	52,576
Provision for contingencies	**24**	-	-	77	277
Other obligations		25	406	16,067	16,819
NON-CURRENT		**651,799**	**714,975**	**3,702,106**	**3,894,725**
Loans and financing	**22**	-	1,466	1,368,612	1,558,146
Debentures	**23**	641,678	699,189	1,829,642	1,824,621
Advances for future capital increase p related parties		-	-	124	125
Other taxes payable		-	-	812	8
Current income tax and social contribution		-	-	1,485	1,485
Deferred income tax and social contribution	**18**	-	-	459,126	468,660
Provision for contingencies	**24**	2,925	2,877	7,310	6,490
Provisions for environmental expenses	**19**	-	-	734	904
Provision for asset build up	**20**	-	-	6,677	8,107
Other obligations		-	-	27,584	26,179
Provision for unsecured liabilities	**11**	7,196	11,443	-	-
SHAREHOLDERS' EQUITY		**3,942,731**	**2,899,182**	**3,942,731**	**2,899,182**
Subscribed and paid in capital	**25**	2,981,996	2,148,533	2,981,996	2,148,533
(-) Share issuance costs		(65,225)	(34,569)	(65,225)	(34,569)
Capital reserve	**25**	48,953	51,509	48,953	51,509
Earnings reserves	**25**	735,104	735,104	735,104	735,104
Retained earnings	**26**	238,031	-	238,031	-
Other comprehensive income	**25**	3,872	(1,395)	3,872	(1,395)
Interest of non-controlling shareholders	**12**	-	-	1,721,832	1,658,629
Shareholder's equity + interest of shareholders Non-controlling		**3,942,731**	**2,899,182**	**5,664,563**	**4,557,811**
TOTAL LIABILITIES		**4,713,734**	**3,938,480**	**10,969,763**	**10,230,001**

The notes are an integral part of these – Quarterly information - ITR

Alupar Investimento S.A.

Statements of Income
Three and nine-month periods ended on September 30, 2017 and 2016
(In thousands of reais, except earnings per share)

	Note	Parent company				Consolidated			
		9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016
GROSS OPERATING REVENUES									
Power transmission system		-	-	-	-	266,645	314,118	830,011	960,385
Power generation system		54,677	17,220	113,026	47,870	162,396	114,998	425,889	342,719
		54,677	**17,220**	**113,026**	**47,870**	**429,041**	**429,116**	**1,255,900**	**1,303,104**
DEDUCTIONS FROM GROSS OPERATING INCOME		**(5,090)**	**(1,626)**	**(10,545)**	**(4,429)**	**(36,942)**	**(40,780)**	**(113,919)**	**(112,512)**
NET OPERATING REVENUE	**27 and 28**	**49,587**	**15,594**	**102,481**	**43,441**	**392,099**	**388,336**	**1,141,981**	**1,190,592**
COST OF SERVICE									
Electric power costs									
Electric power purchased for resale	**28**	(50,298)	(22,461)	(118,874)	(48,761)	(22,495)	(14,888)	(79,873)	(42,748)
Charges from the use of electric power network - CUST		-	-	-	-	(7,204)	(6,818)	(21,448)	(19,789)
Financial compensation for the utilization of water resources - CFURH		-	-	-	-	(2,237)	(1,624)	(7,110)	(7,869)
Operating Cost									
Cost of services provided	**29**	(305)	(164)	(906)	(596)	(33,065)	(33,683)	(92,293)	(90,387)
Infrastructure Cost	**29**	-	-	-	-	(6,141)	(13,039)	(24,167)	(40,983)
Depreciation / amortization		-	-	-	-	(23,604)	(22,838)	(68,464)	(60,107)
		(50,603)	**(22,625)**	**(119,780)**	**(49,357)**	**(94,746)**	**(92,890)**	**(293,355)**	**(261,883)**
GROSS PROFIT		**(1,016)**	**(7,031)**	**(17,299)**	**(5,916)**	**297,353**	**295,446**	**848,626**	**928,709**
OPERATING EXPENSES/REVENUES									
Administrative and general	**29**	(5,965)	(5,797)	(21,178)	(19,120)	(19,347)	(20,387)	(64,230)	(44,945)
Share of profit of equity-method investees	**10 e 11**	114,764	65,056	280,268	276,267	872	7,253	15,769	22,980
Other revenues		(25)	208	(208)	1,440	(21)	697	(169)	2,070
Other expenses	**29**	82	(145)	(41)	(2,818)	10,369	(159)	10,223	(2,918)
		108,856	**59,322**	**258,841**	**255,769**	**(8,127)**	**(12,596)**	**(38,407)**	**(22,813)**
PROFIT BEFORE NET FINANCIAL EXPENSES		**107,840**	**52,291**	**241,542**	**249,853**	**289,226**	**282,850**	**810,219**	**905,896**
Financial expenses	**30**	(16,568)	(28,253)	(62,318)	(98,917)	(76,758)	(140,671)	(324,141)	(394,821)
Financial revenues	**30**	20,760	9,840	58,807	20,786	35,533	11,957	113,801	56,587
		4,192	**(18,413)**	**(3,511)**	**(78,131)**	**(41,225)**	**(128,714)**	**(210,340)**	**(338,234)**
INCOME BEFORE TAXES		**112,032**	**33,878**	**238,031**	**171,722**	**248,001**	**154,136**	**599,879**	**567,662**
Current income tax and social contribution	**31**	-	-	-	-	(27,399)	(33,326)	(97,043)	(94,437)
Deferred income tax and social contribution	**31**	-	-	-	-	(17,747)	(1,736)	(4,150)	(15,049)
		-	-	-	-	(45,146)	(35,062)	(101,193)	(109,486)
NET INCOME FOR THE YEAR		**112,032**	**33,878**	**238,031**	**171,722**	**202,855**	**119,074**	**498,686**	**458,176**
Attributable to Shareholders of the Parent Company		112,032	33,878	238,031	171,722	112,032	33,878	238,031	171,722
Attributable to Non-Controlling Shareholders	**12**	-	-	-	-	90,823	85,196	260,655	286,454
		112,032	**33,878**	**238,031**	**171,722**	**202,855**	**119,074**	**498,686**	**458,176**
Number of ON Shares						596,956	502,678	582,538	484,426
Number of PN Shares						282,155	178,307	252,077	171,884
Basic and diluted profit or loss per ON share:	**26**					0.12744	0.04975	0.28520	0.26165
Basic and diluted profit or loss per PN share:	**26**					0.12744	0.04975	0.28520	0.26165

The notes are an integral part of these – Quarterly information - ITR

Alupar Investimento S.A.

Statements of comprehensive income
Three and nine-month periods ended on September 30, 2017 and 2016
(In thousands of reais)

	Parent company				Consolidated			
	9/30/2017	9/30/2016	9/30/2017	3/31/2016	9/30/2017	9/30/2016	9/30/2017	3/31/2016
NET INCOME FOR THE PERIOD	**112,032**	**33,878**	**238,031**	**171,722**	**202,855**	**119,074**	**498,686**	**458,176**
Other comprehensive income – Cumulative translation adjustment - Transchile	-	1,013	-	(17,800)	-	1,013	-	(17,800)
Other comprehensive income – Cumulative translation adjustment – La Virgen	(840)	(896)	(1,176)	(4,518)	(840)	4,291	(1,176)	(7,726)
Other comprehensive income – Cumulative translation adjustment – Risaralda	14	260	57	(1,515)	14	260	57	(1,515)
Other comprehensive income – Cumulative translation adjustment – Alupar Peru	(3,444)	7,497	2,814	6,996	(3,444)	7,497	2,814	6,996
Other comprehensive income – Cumulative translation adjustment – Alupar Chile	2	20	-	157	2	20	-	157
Other comprehensive income – Cumulative translation adjustment – Alupar Colombia	-	-	3,572	-	-	-	3,572	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**107,764**	**41,772**	**243,298**	**155,042**	**198,587**	**132,155**	**503,953**	**438,288**
Attributable to Shareholders of the Parent Company					107,764	41,772	243,298	155,042
Attributable to Non-Controlling Shareholders					90,823	90,383	260,655	283,246

The notes are an integral part of these – Quarterly information - ITR

Alupar Investimento S.A.

Statements of changes in equity
Nine-month periods ended on September 30, 2017 and 2016
(In thousands of reais)

Period ended on September 30, 2017				Earnings reserves							
Description	Share capital	(-) Share issuance costs	Capital reserve	Legal reserve	Investments reserve (income)	Proposed additional dividend	Retained earnings	Other comprehensive income	Total parent company	Interest of non-controlling shareholders	Total consolidated
BALANCES ON DECEMBER 31, 2016	2,148,533	(34,569)	51,509	102,290	632,814	-	-	(1,395)	2,899,182	1,658,629	4,557,811
Comprehensive income											
Net income for the year	-	-	-	-	-	-	238,031	-	238,031	260,655	498,686
Cumulative conversion adjustments for the year	-	-	-	-	-	-	-	5,267	5,267	-	5,267
Capital Transactions with Shareholders											
Capital increase according to ARCA of April 04, 2017	833,463	-	-	-	-	-	-	-	833,463	-	833,463
Capital increase – non-controlling shareholders	-	-	-	-	-	-	-	-	-	26,076	26,076
Share issuance costs	-	(30,656)	-	-	-	-	-	-	(30,656)	-	(30,656)
Dividends declared to subsidiaries' non-controlling shareholders	-	-	-	-	-	-	-	-	-	(187,130)	(187,130)
Acquisition of non-controlling interest	-	-	(2,556)	-	-	-	-	-	(2,556)	-	(2,556)
Variation in non-controlling interest	-	-	-	-	-	-	-	-	-	(36,398)	(36,398)
BALANCES ON SEPTEMBER 30, 2017	**2,981,996**	**(65,225)**	**48,953**	**102,290**	**632,814**	**-**	**238,031**	**3,872**	**3,942,731**	**1,721,832**	**5,664,563**

Period ended on September 30, 2016				Earnings reserves							
Description	Share capital	(-) Share issuance costs	Capital reserve	Legal reserve	Investments reserve (income)	Proposed additional dividend	Retained earnings	Other comprehensive income	Total parent company	Interest of non-controlling shareholders	Total consolidated
BALANCES ON DECEMBER 31, 2015	1,625,227	(34,569)	52,749	86,750	661,027	75,617	-	43,276	2,510,077	1,556,969	4,067,046
Comprehensive income											
Net income for the year	-	-	-	-	-	-	171,722	-	171,722	286,454	458,176
Cumulative conversion adjustments for the year	-	-	-	-	-	-	-	(16,680)	(16,680)	(3,208)	(19,888)
Capital Transactions with Shareholders											
Capital increase according to AGOE of April 20, 2016	173,307	-	-	-	(173,307)	-	-	-	-	-	-
Capital increase according to AGE of May 19, 2016	349,999	-	-	-	-	-	-	-	349,999	-	349,999
Additional dividends proposed exceeding the minimum mandatory number	-	-	-	-	-	(629)	-	-	(629)	-	(629)
Payment of proposed additional dividends	-	-	-	-	-	(74,988)	-	-	(74,988)	-	(74,988)
Interest on equity stated to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(223,624)	(223,624)
Acquisition of non-controlling interest	-	-	(22,738)	-	-	-	-	-	(22,738)	-	(22,738)
Variation in non-controlling interest	-	-	-	-	-	-	-	-	-	23,539	23,539
Reinvestment reserve	-	-	21,498	-	-	-	-	-	21,498	-	21,498
BALANCES ON SEPTEMBER 30, 2016	**2,148,533**	**(34,569)**	**51,509**	**86,750**	**487,720**	**-**	**171,722**	**26,596**	**2,938,261**	**1,640,130**	**4,578,391**

The notes are an integral part of these – Quarterly information - ITR

Alupar Investimento S.A.

Statements of cash flows
Nine-month periods ended on September 30, 2017 and 2016
(In thousands of reais)

	Parent Company		Consolidated	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax, social contribution and non-controlling shareholders	238,031	171,722	599,879	567,662
ITEMS NOT AFFECTING CASH AND CASH EQUIVALENTS				
Depreciation and amortization	928	974	72,108	63,825
Share of profit of equity-method investees	(280,268)	(276,267)	(15,769)	(22,980)
Debt charges (including net monetary variations and foreign exchange fluctuations)	60,926	98,025	316,989	402,748
Other monetary and foreign exchange variations, net	450	124	4,340	13,931
Financial revenues	(59,022)	(16,387)	(91,032)	(23,137)
Write-offs of property, plant and equipment and intangible assets	-	27	5,952	5,664
Loss with investments	-	1,244	-	1,244
Other (operating) expenses revenue	-	-	(4)	(1)
	(38,955)	**(20,538)**	**892,463**	**1,008,956**
(INCREASE) DECREASE IN ASSETS				
Trade accounts receivables	(10,193)	995	(17,947)	(27,769)
Financial assets from the concession	-	-	117,241	(21,351)
Recoverable taxes	6,681	707	6,387	571
Advances to suppliers	1	95	(2,557)	9
Inventories	-	-	(1,157)	(593)
Other assets	3,055	(1,748)	(42,384)	(6,168)
	(456)	**53**	**59,583**	**(55,301)**
INCREASE (DECREASE) IN LIABILITIES				
Suppliers	8,047	(1,250)	(24,374)	(144,280)
Regulatory and sectorial taxes	-	-	3,835	4,372
Salaries, vacation and welfare charges	(118)	783	1,170	2,935
Taxes and contributions payable	(16,244)	(1,456)	(23,990)	(5,660)
Provision for recognition of assets	-	-	(4,783)	(2,921)
Advances from customers	-	-	(418)	(7,639)
Other liabilities	(414)	241	(44,613)	(17,919)
	(8,729)	**(1,682)**	**(93,173)**	**(171,112)**
CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	**(48,140)**	**(22,167)**	**858,873**	**782,543**
Payment of income tax and social contribution	-	-	(64,548)	(76,187)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	**(48,140)**	**(22,167)**	**794,325**	**706,356**
NET CASH FLOW GENERATED FROM (USED IN) INVESTING ACTIVITIES				
Capital contribution in "parent companies/investees with shared control"	-	(13,202)	-	-
Advances for future capital increase	(159,402)	(122,689)	-	-
Redemption from financial investments	879,008	184,230	883,736	191,169
Investments in financial applications	(994,290)	(309,804)	(1,017,045)	(318,618)
Dividends and interest on capital received	189,856	256,505	-	-
Acquisition of property, plant and equipment	(47)	(60)	(124,688)	(286,925)
Acquisition of intangible assets	(7,086)	(6,478)	(7,587)	(7,087)
NET CASH GENERATED FROM (USED IN) INVESTMENT ACTIVITIES	**(107,071)**	**(16,705)**	**(280,694)**	**(426,668)**
NET CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES				
Capital increase / issuance of shares	833,463	349,999	833,463	354,747
Share issuance costs	(30,656)	-	(30,656)	-
Capital reserve	-	-	-	(1)
Reinvestment reserve	-	-	-	(30)
Dividends and interests on capital paid	(150,176)	(99,984)	(331,251)	(352,620)
Borrowings and leasing	-	-	358,392	661,770
Interest paid (debt charges)	(42,800)	(48,921)	(264,915)	(321,692)
Payment of loans, financing, debentures and leasing	(123,597)	(42,544)	(522,336)	(545,857)
NET CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES	**486,234**	**158,550**	**42,697**	**(203,683)**
EXCHANGE RATE CHANGES IN EFFECT ON CASH AND CASH EQUIVALENT	-	-	8,494	(39,319)
NET INCREASE OF CASH AND CASH EQUIVALENTS	**331,023**	**119,678**	**564,822**	**36,686**
STATEMENT OF INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
Balance at beginning of year	271,916	134,631	613,734	591,857
Balance in the end of year	602,939	254,309	1,178,556	628,543
NET DECREASE OF CASH AND CASH EQUIVALENTS	**331,023**	**119,678**	**564,822**	**36,686**

The notes are an integral part of these – Quarterly information - ITR

Alupar Investimento S.A.

Statements of value added
Nine-month periods ended on September 30, 2017 and 2016
(In thousands of reais)

	Parent Company		Consolidated	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
REVENUES				
Revenue from power transmission	-	-	83,637	84,889
Infrastructure revenue	-	-	24,166	40,983
Payment of financial assets from the concession	-	-	722,208	834,513
Power supply	113,026	47,870	425,889	342,719
Other revenues	(208)	1,440	(169)	2,070
	112,818	49,310	1,255,731	1,305,174
(-) INPUTS ACQUIRED FROM THIRD PARTIES				
Electric power purchased for resale	(118,874)	(48,761)	(79,873)	(42,748)
Charges from the use of electric power network (CUST)	-	-	(21,448)	(19,789)
Financial compensation for the utilization of water resources - CFURH	-	-	(7,110)	(7,869)
Infrastructure Cost	-	-	(24,167)	(40,983)
Outsourced services	(4,499)	(3,471)	(54,142)	(45,816)
Materials	(87)	(128)	(6,320)	(7,460)
Other operating costs	(206)	(2,659)	(2,631)	(13,456)
	(123,666)	(55,019)	(195,691)	(178,121)
(-) REINTEGRATION QUOTAS (DEPRECIATION)	(928)	(974)	(72,108)	(63,825)
VALUE ADDED RECEIVED THROUGH TRANSFER				
Equity accounting	280,268	276,267	15,769	22,980
Financial revenues	58,807	20,786	113,801	56,587
	339,075	297,053	129,570	79,567
VALUE ADDED TO DISTRIBUTE	**327,299**	**290,370**	**1,117,502**	**1,142,795**
DISTRIBUTION OF VALUE ADDED				
PERSONNEL				
Salaries and wages	10,431	8,974	46,564	35,425
Benefits	1,397	1,616	8,970	8,894
Food Provision Assistance	309	391	2,764	2,763
Medical care	768	819	4,426	4,213
Transportation Voucher	5	18	34	47
Pension plan	230	296	693	883
Other	85	92	1,053	988
F.G.T.S (Unemployment Guarantee Fund)	844	825	3,296	3,250
	12,672	11,415	58,830	47,569
TAXES, FEES AND CONTRIBUTIONS				
FEDERAL	12,926	6,892	226,058	227,696
INSS (National Institute of Social Security)	2,179	2,144	10,486	9,982
Regulatory charges for the concession	-	-	41,512	39,519
Income tax and social contribution	-	-	97,043	94,437
PIS and COFINS	10,545	4,429	70,999	66,728
IVA	-	-	-	-
Deferred income tax and social contribution	-	-	4,150	15,049
Other taxes and fees	200	319	1,866	1,981
STATE	7	15	1,211	6,005
ICMS (Value Added Tax on Sales and Services)	-	-	1,124	5,900
IPVA (Tax on the ownership of automobiles)	7	15	87	105
MUNICIPAL	120	105	492	533
IPTU (Municipal Property Tax)	120	105	203	166
Licensing fee	-	-	5	2
ISS (Services Tax)	-	-	284	365
	13,053	7,012	227,761	234,234
REMUNERATION OF THIRD PARTIES' CAPITAL				
Interest and foreign exchange variation	61,074	98,025	290,994	365,906
Rents	1,225	1,304	8,084	7,995
Other financial expenses	1,244	892	33,147	28,915
	63,543	100,221	332,225	402,816
PAYMENT ON CAPITAL				
Earnings reserves	238,031	171,722	238,031	171,722
Interest of non-controlling shareholders	-	-	260,655	286,454
	238,031	171,722	498,686	458,176
	327,299	**290,370**	**1,117,502**	**1,142,795**

The notes are an integral part of these – Quarterly information - ITR

Alupar Investimento S.A.

Summary of Notes to quarterly information - ITR

Operations ..... Note 1
Basis of preparation and presentation of quarterly information - ITR ..... Note 2
Summary of significant accounting policies ..... Note 3
Cash and cash equivalents ..... Note 4
Short-term investments ..... Note 5
Marketable securities ..... Note 6
Trade accounts receivable ..... Note 7
Other taxes to be offset ..... Note 8
Financial asset from the concession ..... Note 9
Investments in affiliates and jointly-controlled subsidiaries ..... Note 10
Investments in subsidiaries ..... Note 11
Non-controlling Interest ..... Note 12
Investment properties ..... Note 13
Property, plant and equipment ..... Note 14
Intangible assets ..... Note 15
Suppliers ..... Note 16
Income tax and social contribution payable ..... Note 17
Deferred income tax and social contribution ..... Note 18
Provision for environmental expenses ..... Note 19
Provision for recognition of assets ..... Note 20
Regulatory and sectorial taxes ..... Note 21
Loans and financing ..... Note 22
Debentures ..... Note 23
Provision for contingencies ..... Note 24
Shareholders' Equity ..... Note 25
Earnings per share ..... Note 26
Net operating revenue ..... Note 27
Power supply and electric power purchased for resale ..... Note 28
Operating costs and expenses ..... Note 29
Financial income and expenses ..... Note 30
Income tax and social contribution ..... Note 31
Related parties ..... Note 32
Financial instruments ..... Note 33
Segment information ..... Note 34
Employee benefits ..... Note 35
Insurance ..... Note 36
Subsequent events ..... Note 37

Alupar Investimento S.A.

Notes to Quarterly information
Year ended September 30, 2017
(In thousands of reais)

1. Operations

Alupar Investimento SA ("Company" or "Alupar") is a publicly-traded corporation whose shares are traded on the BM & FBOVESPA ("BOVESPA") under the trading code ALUP 11. The Company is domiciled in Brazil, with headquarters at street Gomes de Carvalho, No. 1,996 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 7.110 km in transmission concession lines, of which about 4,750 km are in operation and 2,360 km are in the pre-operating phase. As detailed in the following table:

Companies	Localization/Connection	ANEEL Concession Agreement No.	Concession Period		Start date of Operation	Line extension	Tension	RAP/RBNI (Ciclo 2017-2018)	Contract adjustment rate	50% reduction of RAP as from the 16th year of operation	Expected taxation review
			Start	End							
Empresa Paraense de Transmissão de Energia S.A.	Tucuruí (PA) - Vila Conde (PA)	043/2001	06/12/01	06/12/31	08/25/02	323 km	500KV	56,367	IGP-M	Yes	No
Empresa Norte de Transmissão de Energia S.A.	Tucuruí (PA) - Açailândia (MA)	085/2002	12/11/02	12/11/32	02/12/05	464 km	500 Kv	225,130	IGP-M	Yes	No
Empresa Regional de Transmissão de Energia S.A.	Vila Conde (PA) - Santa Maria (PA)	083/2002	12/11/02	12/11/32	09/15/04	179 km	230 Kv	50,533	IGP-M	Yes	No
Empresa Amazonense de Transmissão de Energia S.A.	Tucuruí (PA)- Presidente Dutra (PA)	042/2001	06/12/01	06/12/31	03/10/03	924 km	500 Kv	354,280	IGP-M	Yes	No
Empresa Catarinense de Transmissão de Energia S.A.	Campos Novos (SC) - Blumenau (SC)	088/2000	11/01/00	11/01/30	03/26/02	253 km	525 Kv	47,529	IGP-M	Yes	No
Sistema de Transmissão Nordeste S.A.	Teresina (PI) - Fortaleza (CE)	005/2004	02/18/04	02/18/34	01/01/06	541 km	500 Kv	180,122	IGP-M	Yes	No
Companhia Transleste de Transmissão	Irapé (MG) - Montes Claros (MG)	009/2004	02/18/04	02/18/34	12/18/05	150 km	345 Kv	40,804	IGP-M	Yes	No
Companhia Transudeste de Transmissão	Itutinga (MG) - Juíz de Fora (MG)	005/2005	03/04/05	03/04/35	02/23/07	140 km	345 Kv	25,291	IGP-M	Yes	No
Companhia Transirapé de Transmissão	Irapé (MG) - Araçuí (MG)	012/2005	03/15/05	03/15/35	05/23/07	65 km	230 Kv	33,123	IGP-M	Yes	No
Sistema de Transmissão Catarinense S.A.	Barra Grande (SC) - Lages (SC) - Rio Sul (SC)	006/2006	04/27/06	04/27/36	11/08/07	195 km	230 Kv	43,982	IPCA	Yes	No
Lumitrans - Companhia Transmissora de Energia Elétrica	Machadinho (SC) - Campos Novos (SC)	007/2004	02/18/04	02/18/34	10/03/07	51 km	525 Kv	26,629	IGP-M	Yes	No
Empresa de Transmissão do Espirito Santo S.A.	Verona (ES) - Mascarenhas (ES)	006/2007	04/20/07	04/20/37	12/12/08	107 km	230 Kv	14,099	IPCA	Yes	Yes
Empresa Brasileira de Transmissão de Energia S.A.	Juba (MG) - Juína (MG)	011/2008	10/16/08	10/16/38	06/30/11	775 km	230 Kv	46,971	IPCA	No	Yes
Transmissora Matogrossense de Energia S.A.	Jauru (MT) - Cuiabá (MT)	023/2009	11/19/09	11/19/39	11/22/11	348 km	500/230 Kv	50,104	IPCA	No	Yes
Empresa Santos Dumont de Energia S.A.	Substation Santos Dummond (MG)	025/2009	11/19/09	11/19/39	02/06/13	Substation	138/345 Kv	13,097	IPCA	No	Yes
Empresa de Transmissão de Energia do Mato Grosso S.A.	Nova Mutum (MT) - Nobres (MT) - Cuiabá (MT)	005/2010	07/12/10	07/12/40	12/16/11	235 km	230 Kv	12,530	IPCA	No	Yes
Empresa de Transmissão de Varzea Grande S.A.	Substation Várzea Grande (MT)	018/2010	12/23/10	12/23/40	12/23/12	Substation	138/230 Kv	10,730	IPCA	No	Yes
Transnorte Energia S.A.	Boa Vista (RR) - Equador (RR) - Lechuga (AM)	003/2012	01/25/12	01/25/42	Pre-operating	715 km	500 Kv	6,136	IPCA	No	Yes
Empresa de Transmissão Serrana S.A.	Sub. Abdon Batista / Gaspar (SC)	006/2012	05/10/12	05/10/42	01/19/15	Substation	230/525 Kv 138/230 Kv	19,591	IPCA	No	Yes
Empresa Litorânea de Transmissão de Energia S.A.	Henry Borden (SP) - Manoel da Nóbrega (SP)	016/2014	09/05/14	09/05/44	Pre-operating	SE+40 Km	230/345 Kv	28,865	IPCA	No	Yes
Empresa Transmissora Agreste Potiguar S.A.	Rio Grande do Norte (RN)	013/2016	09/02/16	09/02/46	Pre-operating	10 km	500/230 Kv	48,487	IPCA	No	Yes
Empresa Transmissora Capixaba S.A.	Substation Rio Novo do Sul (ES)	020/2016	09/02/16	09/02/46	Pre-operating	Substation	345/138 Kv	28,147	IPCA	No	Yes
Transmissora Caminho do Café S.A.	Minas Gerais (MG) - Espírito Santo (ES)	006/2017	02/09/22	02/09/52	Pré-operating	288 km	500 kV	145,986	IPCA	No	Yes
Transmissora Paraíso De Energia S.A.	Bahia (BA) - Minas Gerais (MG)	002/2017	02/09/22	02/09/52	Pré-operating	541 km	500 kV	214,700	IPCA	No	Yes
Empresa Sudeste de Transmissão de Energia S.A.	Mesquita (MG) - João Neiva (ES)	019/2017	02/10/17	02/10/47	Pré-operating	236 km	500 Kv	101,020	IPCA	No	Yes
Transmissora Serra da Mantiqueira	São Paulo (SP) - Rio de Janeiro (RJ)	037/2017	08/11/17	08/11/47	Pre-operating	330 km	500 Kv	99,109	IPP	No	Yes
Transmissora Colombiana de Energia S.A.S ESP	Virginia-Nueva Esperanza - Colombia	UPME 07-201	N/A	N/A	Pre-operating	200 km	500 Kv	N/A	IPP	No	Yes
Total						**7,110 km**		**1,923,363**			

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 – Hydroeletric 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.

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 Araguari - 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	11.8
Energia dos Ventos II S.A.	Aracati (CE)	Ordinance 428/12	07/16/12	07/16/47	05/13/16	12.6	6.0
Energia dos Ventos III S.A.	Aracati (CE)	Ordinance 433/12	07/19/12	07/19/47	03/03/16	18.9	9.6
Energia dos Ventos IV S.A.	Aracati (CE)	Ordinance 442/12	07/24/12	07/24/47	03/02/16	27.3	14.8
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 Termoelétrica e Participações S.A.	Rio de Janeiro (RJ)	N/A	N/A		Pre-operating	-	-
Risaralda Energía S.A.S.E.S.P. (*)	Rio Risaralda (PCH Morro Azul)	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
Agua 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		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

The Administration of Company authorized the conclusion of the accompanying quarterly information on a Meeting of November 09, 2017.

2.1. Statement of compliance

The individual and consolidated quarterly 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.

2.2. Basis of preparation and presentation

All amounts presented in these quarterly information are stated in thousands of Brazilian Real, unless otherwise stated. As the figures were rounded, the amounts reported herein may not precisely add up to the totals presented.

2.3. Estimates and judgement

The accounting estimates involved in the preparation of the quarterly information were based on both objective and subjective factors and are in line with management's judgment in determining the appropriate amounts to be recorded in the quarterly information.

Significant items subject to those estimates and assumptions include: valuation of financial assets at fair value, allowance for doubtful accounts, concession financial assets, provisions, including provision for litigation and provision for assets built up.

Settlement of transactions involving those estimates may result in amounts significantly different from those recorded in the quarterly information due to level of judgment inherent in determining such of estimates. The Company reviews its estimates at each reporting date, and if changes in estimates are required, they will be recognized prospectively.

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

2.4.1. Functional and reporting currency

This quarterly 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 quarterly information includes the Company and its subsidiaries. The quarterly information of subsidiaries are included in the consolidated quarterly information from the date that control commences until the date that control no longer exists. 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.

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 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 (%)	
			9/30/2017	12/31/2016
Direct subsidiary:				
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. (b)	"Foz"	Generation	69.83	66.06
Ijuí Energia S.A. (c)	"Ijuí"	Generation	86.66	86.66
Usina Paulista Lavrinhas de Energia S.A.	"Lavrinhas"	Generation	64.19	64.19
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 Termoelétrica e Participações S.A.	"GET"	Generation	51.00	51.00
Risaralda Energía S.A.S.E.S.P.	"Risaralda"	Generation	0.34	-
Forquilha IV Energia S.A.	"Forquilha IV"	Generation	99.99	99.99
Verde 8 Energia S.A.	"Verde 8"	Generation	99.90	99.90
Agua Limpa S.A.	"Agua Limpa"	Generation	90.00	90.00
La Virgen S.A.C.	"La Virgen"	Generation	6.71	12.53
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 Espirito 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	99.99	99.99
Windepar Holding S.A. (a)	"Windepar"	Holding	100.00	100.00
Empresa Transmissora Agreste Potiguar S.A.	"ETAP"	Transmission	99.98	99.98
Empresa Transmissora Capixaba S.A.	"ETC"	Transmission	99.98	99.98
Alupar Colombia S.A.S	"Alupar Colombia"	Holding	100.00	100.00
Transmissora Caminho do Café S.A.	"TCC"	Transmission	51.00	-
Transmissora Paraíso De Energia S.A.	"TPE"	Transmission	51.00	-
Transmissora Serra da Mantiqueira	"TSM"	Transmission	51.00	-

Description	Abbreviation	Activity	Interest (%)	
			9/30/2017	12/31/2016
Indirect subsidiaries:				
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
Empresa Sudeste de Transmissão de Energia S.A.	"ESTE"	Transmission	49.97	49.97
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	99.90	-
La Virgen S.A.C. (v)	"La Virgen"	Generation	74.55	52.47
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 Energía S.A.S.E.S.P. (ix)	"Risaralda"	Generation	99.62	99.97
Transmissora Colombiana de Energia S.A.S ESP (ix)	"TCE"	Transmission	99.00	99.00

(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) Constitution of TCC and TPE – Auctions of transmission

On January 4, 2017, the Company constituted the companies Transmissora Caminho do Café S.A. – TCC and Transmissora Paraiso de Energia S. A. - TPE. with capital of de R$ 1 (one thousand reais) each one, with emission of 1,000 shares common each.

b) Constitution of TSM – Auctions of transmission

On June 21, 2017, the Company constituted the company Transmissora Serra da Mantiqueira S.A. – TSM with capital of de R$ 1 (one thousand reais), with emission of 1,000 shares.

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

Description	Abbreviation	Activity	Interest (%)	
			9/30/2017	12/31/2016
Investees with shared control:				
Transmissora Matogrossense de Energia S.A	"TME"	Transmission	46.00	46.00
Transnorte Energia S.A.	"TNE"	Transmission	51.00	51.00

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 32). 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.

3. Summary of significant accounting practices

The financial statements for the year ended December 31, 2016 were prepared and presented by the agreement with the Company the international accounting standards IFRS issued by the International Accounting Standards Board (IASB) and also in accordance with the accounting practices adopted in Brazil, in effect until December 31, 2016. The significant accounting policies adopted by the Company to prepare its financial statements - ITR for the three and nine months ended September 30, 2017 were applied consistently with those disclosed in note 3 the financial statements for the year ended December 31, 2016, therefore, should be read together.

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.

The following changes to the existing standards have been published and will be mandatory for subsequent accounting periods. There was no early adoption of these standards and changes in standards by the Company.

Standard	Effective Date	Main points introduced by the standard	Impacts of the adoption
IFRS 9 - Financial Instruments	January 1, 2018	The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change which is due to an entity's own credit risk is recorded in Other comprehensive income rather than the Statement of profit or loss.	The Company's Management has initiated a preliminary assessment and understands that the application of the aforementioned pronouncements to be adopted in its quarterly information on the required dates may have some effect on the previously reported balances. However, it is not possible to provide a reasonable estimate of this effect until a detailed review is made at the time of actual adoption.
IFRS 15 - Revenue Recognition	January 1, 2018	This accounting standard establishes the accounting principles to determine and measure revenue and when the revenue should be recognized.	
IFRS 16 - Leases	January 1, 2019	This accounting standard replaces the previous leases standard, IAS 17 Leases, and related interpretations and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e., the customers ('lessees') and the suppliers ('lessor'). Lessees are required to recognize a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts, except for certain short term leases and leases of low-value assets. For lessors, the accounting stays almost the same and continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.	

Early adoption of IFRS not published by CPC is not permitted for entities that disclose their financial statements in accordance with accounting practices adopted in Brazil

4. Cash and cash equivalents

Cash and cash equivalents:	Average compensation - % CDI		Parent Company	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Financial investments classified as cash equivalents				
Cash available (Cash and banks)	-	-	734	198
Investment Funds (*)	98.21%	97.09%	558,542	196,047
Repurchase agreements	93.06%	90.00%	43,650	60,114
Automatic investments	20.00%	20.00%	13	94
Investments abroad	0.00%	0.56%	-	15,463
Total			**602,939**	**271,916**

Cash and cash equivalents:	Average compensation - % CDI		Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Financial investments classified as cash equivalents				
Cash available (Cash and banks)	-	-	43,034	81,403
Investment Funds (*)	98.18%	97.09%	586,903	196,047
Bank deposit certificates	96.45%	98.50%	276,457	108,397
Repurchase agreements	93.06%	90.00%	43,650	60,114
Other investment funds	100.39%	96.69%	222,391	144,142
Automatic investments	68.14%	53.72%	6,121	8,168
Investments abroad	0.00%	0.56%	-	15,463
Total			**1,178,556**	**613,734**

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, not occurring, so risk of significant change in value in the event of early redemption, and are considered financial instruments measured at fair value against income.

(*) These refer to FI – Energia Exclusive Fund, whose portfolio breakdown is as follows:

	Consolidated	
	9/30/2017	12/31/2016
Portfolio Composition		
Repurchase agreements – National Treasury Notes	558,564	196,058
Government Bonds – Financial Treasury Bills	373,923	160,248
Private bonds - Bank deposit certificates	26,971	55,191
Amounts payable	(23)	(13)
Cash and Cash Equivalents	(1)	2
Other quota holders	(12,728)	-
Total - FI Energia	**946,706**	**411,486**
Registered in cash and cash equivalents	558,542	196,047
Registered in short-term investments	388,164	215,439
Total - FI Energia	**946,706**	**411,486**

5. Short-term investments

Short-term investments:	Average compensation - % CDI		Parent Company/Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Financial investments classified as short-term investments				
Investment Funds	93.06%	90.00%	388,164	215,439
			388,164	215,439

Financial investments classified as short-term investments:

Refer Exclusively to Investment Funds (FI) - Energia, as evidenced in note 4, and is substantially comprised of Brazilian Treasury securities and bank deposit certificates, and is measured at fair value through profit or loss.

6. Marketable securities

Marketable securities account is broken down as follows:

Marketable securities:	Average compensation - % CDI		Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Financial investments classified as marketable securities				
Current				
Other investment funds	85.91%	88.31%	117,449	89,984
Repurchase agreements	100.80%	100.80%	9,842	10,821
			127,291	100,805
Non-Current				
Other investment funds	96.26%	95.36%	4,627	4,295
			4,627	4,295
			131,918	105,100

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).

7. Trade accounts receivable

a) Trade accounts receivable are as follows:

	Parent company		Consolidated						
	Balances overdue			Balances overdue (*)					
	9/30/2017	12/31/2016	Current	Up to 30 days	From 31 to 60 days	From 61 to 360 days	More than 361 days	9/30/2017	12/31/2016
Power transmission system									
Transmission charges billed	-	-	110,382	588	55	4,361	11,667	127,053	144,260
	-	-	110,382	588	55	4,361	11,667	127,053	144,260
Power generation system									
Bilateral agreement – regulated environment	-	-	30,432	-	-	240	119	30,791	30,136
Bilateral agreement – free environment	-	-	8,736	-	-	-	-	8,736	13,376
MRE and Spot (short-term energy)	27,744	17,551	56,932	-	-	-	-	56,932	29,684
	27,744	17,551	96,100	-	-	240	119	96,459	73,196
	27,744	17,551	206,482	588	55	4,601	11,786	223,512	217,456
Current	27,744	17,551						207,297	207,017
Non-Current	-	-						16,215	10,439
Total	27,744	17,551						223,512	217,456

During the nine-month period ended September 30, 2017, no allowance for bad debts, was recorded, due to the non-presentation of historical losses on receivables, 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							
	12/31/2016	Provision	Provision reversal	Invoicing	Receipt	Transfer of trade accounts receivable	Interest	9/30/2017
Power transmission system								
Transmission charges billed	144,260	-	-	969,044	(965,122)	(21,129)	-	127,053
(-) Provision for variable amount	-	-	-	(420)	420	-	-	-
Transmission system connection agreement (CCT)	-	-	-	-	-	-	-	-
Contracts for facilities sharing (CCI)	-	-	-	119	(119)	-	-	-
	144,260	-	-	968,743	(964,821)	(21,129)	-	127,053
Power generation system								
Bilateral agreement – regulated environment	30,136	7,888	(7,945)	205,735	(205,062)	-	39	30,791
Bilateral agreement – free environment	18,822	136,845	(134,127)	177,896	(178,007)	-	-	21,429
MRE and Spot (short-term energy)	24,238	40,442	(3,112)	2,267	(19,596)	-	-	44,239
Others	-	-	-	-	-	-	-	-
	73,196	185,175	(145,184)	385,898	(402,665)	-	39	96,459
	217,456	185,175	(145,184)	1,354,641	(1,367,486)	(21,129)	39	223,512

8. 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:

Other taxes to be off set:

	Parent company		Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Current				
Income tax and social contribution to be offset				
Corporate income tax - IRPJ	-	-	19,440	18,002
Social Contribution on Net Income - CSLL	32	-	7,393	1,745
Withholding income tax - IRRF	21,001	26,276	26,320	29,909
	21,033	26,276	53,153	49,656
Other taxes to be offset				
Social integration program - PIS	-	-	112	-
Social Security Financing Contribution - COFINS	-	-	669	-
Withholdings – Law 10833 PIS, COFINS and CSLL	-	-	472	1,743
Others	1	22	706	2,059
	1	22	1,959	3,802
Non-Current				
Income tax and social contribution to be offset				
Corporate income tax - IRPJ	-	-	21,258	24,768
Social Contribution on Net Income - CSLL	-	-	7,281	8,544
Withholding income tax - IRRF	-	-	3,194	3,194
	-	-	31,733	36,506
Other taxes to be offset				
Social Security Financing Contribution - COFINS	-	-	6,080	6,142
Others	-	-	1,395	1,424
	-	-	7,475	7,566
	21,034	**26,298**	**94,320**	**97,530**

9. Financial asset from the concession

a) Financial asset from the concession:

Public electric power transmission services rendered by Company's subsidiaries and joint ventures are governed by Public Electric Power Service Concession Arrangements entered into with the Federal Government – Granting Authority. These service concession arrangements establish the services that the operator shall provide, those that will receive the services and the price thereof.

Company's subsidiaries and joint ventures made calculations to determine the new estimated indemnity for returnable assets upon termination of the service concession arrangement with relation to financial assets, which did not result in significant impacts on the quarterly information as of September 30, 2017.

Based on the characteristics provided for in the electric power transmission service concession arrangement of the subsidiaries and joint ventures of the Company, such subsidiaries and joint ventures decided to adopt ICPC 01 (R1) – Service Concession Arrangements. ICPC 01 (R1) – Service Concession Arrangements provides for the conditions to recognize public service concessions to private operators, in order to reflect the electric power transmission business, covering the estimated portion of investments made and not amortized or depreciated until the end of the concession classified as financial asset, since there is an unconditional right to receive cash or other financial asset directly from the granting authority.

The infrastructures arising from transmission activities that were originally represented by PP&E of subsidiaries and joint ventures are or will be recovered by means of two cash flows, as follows:

- A portion of Allowed Annual Revenue (RAP) received during the term defined by the service concession arrangement;

- A portion as indemnity for returnable assets at the end of the concession, which will be received directly from the Granting Authority or those appointed thereby, considering that this portion of financial assets is guaranteed by the service concession arrangement and is included in the cash flow model, in addition to being recognized, as a conservative assumption adopted by management, at the net carrying value thereof measured at the historical cost.

- This indemnity will be paid based on the portion of investments related to returnable assets, yet not amortized or depreciated, made in order to guarantee that the services will continue as a going concern and will be updated.

b) Criteria for adjusting transmission tariffs

The service concession arrangements establish the revenue that the transmission subsidiaries will receive over the concession period, which is stable and predictable. RAP is taken out from the granting authority when concessions are granted and is subject to the availability of electrical grids rather than the volume of electric power transmitted. In accordance with subsidiaries' transmission agreements, RAPs are adjusted on an annual basis, in July, based on the annual variation of IGP-M or IPCA, as provided for in the agreements. Direct subsidiaries ETEM, ETES, ETVG and ELTE, joint ventures TME and TNE, indirect subsidiaries EBTE, ESDE and ETSE, are subject to a tariff review every 5 years, during all concession term. Until the 15th year of concession, this review is related essentially to the cost of debt variation, only contingent upon the Long-term Interest Rate ("TJLP") variation (calculated by the moving average of five years thereof), as provided for in invitations to bid for electrical grids. The service concession arrangements of direct subsidiaries EATE, ECTE, ENTE, ERTE, ETEP, ETES, STN, and indirect subsidiaries Transirapé, Transleste, Transudeste and direct and direct subsidiaries Lumitrans and STC provide for that, as from the 16th year of operation, RAP will decrease by 50% of the amount of the 15th year until the end of the concession. The direct subsidiaries ETAP, ETC, TPE and TCC are subject to three tariff revisions, the first in the 5th year the second in the 10th year and the third in the 15th year. This review is primarily related to changes in debt costs, linked to the Long-Term Interest Rate ("TJLP") (calculated by the moving average five years of that rate), as governed by the bidding documents of transmission lines.

The service concession arrangements granted by ANEEL prior to the publication of Administrative Ruling ANEEL No. 230, of September 12, 2006, which was repealed by Administrative Ruling No. 490, of May 29, 2012, do not contain a provision that authorizes the periodic tariff review of RAP. This is due to the fact that the respective invitations to bid did not contain such provision, allowing the projection of RAP contained in financial proposals without considering any periodic reviews.

c) Reinforcements, Improvements a Revenue in connection with the construction

The Granting Authority may unilaterally amend the service concession arrangements, including when there are changes in the project or in previously agreed specifications. The operator is ensured financial and economic balance in connection with the service concession arrangement that can be granted an additional revenue is provided for repayment of investments made in the implementation of such changes.

As far as improvements are concerned, they are included in the subject matter of each concession, and support the appropriate continuity of service provision. Improvements include the installation, replacement or repair of equipment or adequacy of these installations in order to keep the adequate rendering of services to electric energy transmission according to the corresponding service concession arrangement, Normative Resolutions and network procedures. Costs incurred with improvements are recorded according to the Electric Energy Public Service Accounting Manual, in order to be considered in subsequent RAP reviews.

Reinforcement is the installation, replacement or rebuild in transmission existing facilities, as recommended by the transmission system expansion plans, and previously authorized by ANEEL, to increase transmission capacity or SIN reliability or connection of users. Certain types of reinforcement may be implemented directly by the transmission operators, without previous authorization by ANEEL, provided that there is an ONS request supported by the need to expand capacity or SIN reliability.

d) Changes in concession financial assets by subsidiary is as follows:

	Consolidated						
	Payment rate of the financial asset – p.a.	12/31/2015	Revenue from power transmission	Concession asset payment	Infrastructure revenue	Receipt	12/31/2016
Direct subsidiary:							
Empresa Amazonense de Transmissão de Energia S.A.	35.95%	879,500	24,696	309,593	-	(393,666)	820,123
Sistema de Transmissão Nordeste S.A.	18.80%	683,502	21,214	149,905	752	(168,016)	687,357
Empresa Norte de Transmissão de Energia S.A.	34.50%	567,185	12,992	194,471	-	(206,886)	567,762
Sistema de Transmissão Catarinense S.A.	17.83%	228,726	4,391	37,085	7,774	(43,718)	234,258
Empresa Catarinense de Transmissão de Energia S.A.	34.44%	179,514	5,412	52,576	-	(80,207)	157,295
Empresa Paraense de Transmissão de Energia S.A.	36.66%	173,511	9,517	61,258	-	(90,738)	153,548
Empresa Regional de Transmissão de Energia S.A.	32.35%	139,146	6,578	41,647	-	(46,738)	140,633
Empresa de Transmissão de Energia do Mato Grosso S.A.	12.11%	108,149	5,700	13,972	49	(13,160)	114,710
Lumitrans - Companhia Transmissora de Energia Elétrica	22.95%	99,054	2,470	23,005	-	(23,789)	100,740
Empresa de Transmissão do Espirito Santo S.A.	15.74%	88,582	2,650	12,575	35	(14,965)	88,877
Empresa de Transmissão de Varzea Grande S.A.	15.20%	64,198	1,563	11,156	14,783	(8,544)	83,156
Empresa Litorânea De Transmissão de Energia S.A.	14.04%	5,965	-	1,071	2,705	-	9,741
Empresa Transmissora Agreste Potiguar S.A.	17.46%	-	-	8	2,326	-	2,334
Empresa Transmissora Capixaba S.A.	18.21%	-	-	8	1,193	-	1,201
		3,217,032	97,183	908,330	29,617	(1,090,427)	3,161,735
Indirect subsidiaries:							
Empresa Brasileira de Transmissão de Energia S.A.	10.30%	550,659	5,515	53,807	-	(44,545)	565,436
Companhia Transleste de Transmissão	22.48%	153,222	3,885	32,936	-	(36,950)	153,093
Companhia Transudeste de Transmissão	22.48%	101,243	2,211	21,885	-	(23,297)	102,042
Companhia Transirapé de Transmissão	17.89%	137,157	3,191	26,937	16,758	(28,671)	155,372
Empresa Santos Dumont de Energia S.A.	15.20%	97,129	1,079	14,633	1,704	(11,361)	103,184
Empresa de Transmissão Serrana S.A.	13.74%	210,772	1,860	28,397	(8,264)	(22,008)	210,757
		1,250,182	17,741	178,595	10,198	(166,832)	1,289,884
		4,467,214	114,924	1,086,925	39,815	(1,257,259)	4,451,619
Current		1,190,907					1,237,557
Non-Current		3,276,307					3,214,062
		4,467,214					**4,451,619**

		Consolidated							
		Payment rate of the financial asset – p.q.	Payment rate of the financial asset – p.a.	12/31/2016	Revenue from power transmission	Concession asset payment	Infrastructure revenue	Receipt	9/30/2017
Direct subsidiary:	**Direct subsidiary:**								
Empresa Amazonense de Transmissão de Energia S.A.	EATE	7.58%	33.94%	820,123	20,323	188,578	-	(288,140)	740,884
Sistema de Transmissão Nordeste S.A.	STN	4.90%	21.09%	687,357	13,672	102,724	795	(128,561)	675,987
Empresa Norte de Transmissão de Energia S.A.	ENTE	7.48%	33.45%	567,762	7,497	129,253	-	(159,191)	545,321
Sistema de Transmissão Catarinense S.A.	STC	4.01%	17.03%	234,258	3,007	28,194	-	(35,157)	230,302
Empresa Catarinense de Transmissão de Energia S.A.	ECTE	7.28%	32.46%	157,295	5,676	35,097	-	(49,489)	148,579
Empresa Paraense de Transmissão de Energia S.A.	ETEP	7.87%	35.41%	153,548	7,193	35,340	-	(60,237)	135,844
Empresa Regional de Transmissão de Energia S.A.	ERTE	6.82%	30.22%	140,633	3,129	29,580	-	(36,348)	136,994
Empresa de Transmissão de Energia do Mato Grosso S.A.	ETEM	2.50%	10.38%	114,710	1,839	9,588	161	(9,662)	116,636
Lumitrans - Companhia Transmissora de Energia Elétrica	Lumitrans	5.06%	21.83%	100,740	1,589	15,683	-	(19,221)	98,791
Empresa de Transmissão do Espirito Santo S.A.	ETES	3.60%	15.20%	88,877	1,892	9,707	80	(11,615)	88,941
Empresa de Transmissão de Varzea Grande S.A.	ETVG	3.80%	16.09%	83,156	842	9,166	135	(15,137)	78,162
Empresa Litorânea De Transmissão de Energia S.A.	ELTE	3.38%	14.20%	9,741	-	1,039	406	-	11,186
Empresa Transmissora Agreste Potiguar S.A.	ETAP	4.20%	17.88%	2,334	-	506	5,200	-	8,040
Empresa Transmissora Capixaba S.A.	ETC	4.36%	18.60%	1,201	-	314	2,768	-	4,283
Transmissora Caminho do Café S.A.	TCC	5.40%	23.40%	-	-	235	4,431	-	4,666
Transmissora Paraíso de Energia S.A.	TPE	5.09%	21.97%	-	-	348	7,113	-	7,461
Empresa Sudeste de Transmissão de Energia S.A.	ESTE	5.46%	23.69%	-	-	112	1,768	-	1,880
Transmissora Serra da Mantiqueira	TSM	3.29%	13.81%	-	-	-	762	-	763
				3,161,735	66,659	595,464	23,619	(812,758)	3,034,720
Indirect subsidiaries:	**Indirect subsidiaries:**								
Empresa Brasileira de Transmissão de Energia S.A.	EBTE	2.29%	9.50%	565,436	5,555	37,926	547	(36,471)	572,993
Companhia Transleste de Transmissão	Transleste	5.20%	22.48%	153,093	3,384	23,832	-	(29,458)	150,851
Companhia Transudeste de Transmissão	Transudeste	4.40%	18.80%	102,042	1,759	15,913	-	(18,215)	101,499
Companhia Transirapé de Transmissão	Transirapé	2.29%	9.50%	155,372	2,580	20,440	-	(24,318)	154,074
Empresa Santos Dumont de Energia S.A.	ESDE	3.41%	14.34%	103,184	1,990	10,495	-	(10,119)	105,550
Empresa de Transmissão Serrana S.A.	ETSE	2.70%	11.25%	210,757	1,710	18,138	-	(16,275)	214,330
				1,289,884	16,978	126,744	547	(134,856)	1,299,297
				4,451,619	83,637	722,208	24,166	(947,614)	4,334,017
Current	Current			1,237,557					1,106,073
Non-Current	Non-Current			3,214,062					3,227,944
				4,451,619					**4,334,017**

At September 30, 2017, there are no overdue items recorded in service concession financial assets.

The Allowed Annual Revenue (RAP) of each transmission subsidiary of The Company, subsidiaries and joint ventures, in accordance with Authorizing Resolution No. 2.255 of June 23, 2017, is broken down as follows:

Ciclo 2017-2018	Basic Network		Basic Network - Frontier		DIT (e) (Exclusive)		Total	Calculation of adjustment amount (PA)	Net Total
	RBL (a)	RBNI (b)	RBL (a)	RBNI (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 Espirito Santo S.A.	8,057	90	-	4,076	-	1,875	14,099	(487)	13,612
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**

The breakdown of the Allowed Annual Revenue (RAP) for each transmission subsidiary of The Company, subsidiaries and joint ventures, according to Ratification Ruling No. 2.098 of June 28, 2016, was as follows:

Cycle 2016-2017	Basic Network		Basic Network - Frontier		DIT (e) (Exclusive)		Total	Calculation of adjustment amount (PA)	Net Total
	RBL (a)	RBNI (b)	RBL (a)	RBNI (b)	RPEC (c)	RCDM (d)			
Concession									
Empresa Amazonense de Transmissão de Energia S.A.	415,595	6,675	-	-	-	-	422,270	(32,293)	389,977
Empresa Norte de Transmissão de Energia S.A.	221,644	-	-	-	-	-	221,644	(16,211)	205,433
Sistema de Transmissão Nordeste S.A.	177,333	-	-	-	-	-	177,333	(12,981)	164,352
Empresa Paraense de Transmissão de Energia S.A.	96,563	-	-	-	-	-	96,563	(7,037)	89,527
Empresa Catarinense de Transmissão de Energia S.A.	79,723	-	-	-	-	-	79,723	(6,839)	72,884
Empresa Regional de Transmissão de Energia S.A.	39,167	10,584	-	-	-	-	49,750	(3,642)	46,109
Empresa Brasileira de Transmissão de Energia S.A.	38,970	2,462	2,561	-	407	-	44,400	(3,208)	41,193
Sistema de Transmissão Catarinense S.A.	26,796	1,210	7,288	2,128	327	3,774	41,522	(1,512)	40,009
Companhia Transleste de Transmissão	40,172	-	-	-	-	-	40,172	(2,941)	37,231
Companhia Transirapé de Transmissão	17,144	4,225	3,905	2,765	318	844	29,201	(1,412)	27,789
Lumitrans - Companhia Transmissora de Energia Elétrica	26,206	-	-	-	-	-	26,206	(1,918)	24,288
Companhia Transudeste de Transmissão	24,899	-	-	-	-	-	24,899	(1,823)	23,076
Empresa de Transmissão Serrana S.A.	16,361	73	2,508	1,598	1,041	-	21,582	(1,527)	20,054
Empresa de Transmissão do Espirito Santo S.A.	7,981	94	-	4,274	-	1,959	14,308	(574)	13,734
Empresa Santos Dumont de Energia S.A.	8,134	-	3,621	-	885	-	12,640	(557)	12,083
Empresa de Transmissão de Energia do Mato Grosso S.A.	12,045	-	-	-	-	-	12,045	(938)	11,107
Empresa de Transmissão de Varzea Grande S.A.	1,164	2,418	2,437	2,521	425	746	9,712	364	10,076
	1,249,897	**27,740**	**22,320**	**13,286**	**3,404**	**7,323**	**1,323,970**	**(95,048)**	**1,228,921**

(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.

10. Investments in affiliates and jointly-controlled subsidiaries

Changes in investments are as follows:

Consolidated					
Investments evaluated by equity accounting:	Balance on 12/31/2016	Additions	Dividends / Interest on equity	Equity accounting	Balance on 09/30/2017
Investees with shared control					
Transmissora Matogrossense de Energia S.A	89,964	5,520	-	10,620	106,104
Transnorte Energia S.A.	154,669	-	-	(136)	154,533
Total - Interest in investees with shared control	**244,633**	**5,520**	**-**	**10,484**	**260,637**
Indirect investments					
Companhia Transleste de Transmissão (*)	4,067	-	-	814	4,881
Companhia Transudeste de Transmissão (*)	4,273	-	-	645	4,918
Companhia Transirapé de Transmissão (*)	4,890	-	-	738	5,628
Empresa Regional de Transmissão de Energia S.A. (*)	14,483	-	(929)	244	13,798
Sistema de Transmissão Catarinense S.A. (**)	22,702	-	(2,931)	2,331	22,102
Empresa Regional de Transmissão de Energia S.A. (**)	30,454	-	(1,953)	513	29,014
Total - Indirect investments	**80,869**	**-**	**(5,813)**	**5,285**	**80,341**
Total - Other equity interests	**325,502**	**5,520**	**(5,813)**	**15,769**	**340,978**

(*) 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:

Consolidated					
Investments evaluated by equity accounting:	**Balance on 12/31/2016**	**Additions**	**Dividends / Interest on equity**	**Equity accounting**	**Balance on 09/30/2017**
Investees with shared control					
Transmissora Matogrossense de Energia S.A	89,964	5,520	-	10,620	106,104
Transnorte Energia S.A.	154,669	-	-	(136)	154,533
Total - Interest in investees with shared control	**244,633**	**5,520**	**-**	**10,484**	**260,637**
Indirect investments					
Companhia Transleste de Transmissão (*)	4,067	-	-	814	4,881
Companhia Transudeste de Transmissão (*)	4,273	-	-	645	4,918
Companhia Transirapé de Transmissão (*)	4,890	-	-	738	5,628
Empresa Regional de Transmissão de Energia S.A. (*)	14,483	-	(929)	244	13,798
Sistema de Transmissão Catarinense S.A. (**)	22,702	-	(2,931)	2,331	22,102
Empresa Regional de Transmissão de Energia S.A. (**)	30,454	-	(1,953)	513	29,014
Total - Indirect investments	**80,869**	**-**	**(5,813)**	**5,285**	**80,341**
Total - Other equity interests	**325,502**	**5,520**	**(5,813)**	**15,769**	**340,978**

Consolidated								
Company	**9/30/2017**				**12/31/2016**			
	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**		
		Common	**Preferred**	**Total**		**Common**	**Preferred**	**Total**
Investees with shared control								
Transmissora Matogrossense de Energia S.A	109,793,590	50,505,051	-	50,505,051	97,793,590	44,985,051	-	44,985,051
Transnorte Energia S.A.	298,705,100	152,339,601	-	152,339,601	298,705,100	152,339,601	-	152,339,601
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

Consolidated						
Company	**9/30/2017**			**12/31/2016**		
	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	230,664	46.00%	106,104	195,577	46.00%	89,965
Transnorte Energia S.A.	303,006	51.00%	154,533	303,273	51.00%	154,670
Indirect investments						
Companhia Transleste de Transmissão (*)	97,574	10.00%	4,881	81,292	10.00%	4,064
Companhia Transudeste de Transmissão (*)	98,335	10.00%	4,918	85,439	10.00%	4,273
Companhia Transirapé de Transmissão (*)	112,516	10.00%	5,628	97,761	10.00%	4,890
Empresa Regional de Transmissão de Energia S.A. (*)	152,607	18.08%	13,798	160,182	18.08%	14,483
Sistema de Transmissão Catarinense S.A. (**)	239,528	18.45%	22,102	246,031	18.45%	22,702
Empresa Regional de Transmissão de Energia S.A. (**)	152,607	38.02%	29,014	160,182	38.02%	30,455
			340,978			325,502

Company	Consolidated								
	Data from investees with shared control/from direct investments								
	9/30/2017								
	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	78,659	334,773	34,620	148,148	55,529	(17,681)	(8,126)	(6,035)	23,687
Transnorte Energia S.A.	15,906	292,189	1,742	3,347	2,380	(3,382)	588	147	(267)
Indirect investments									
Companhia Transleste de Transmissão (*)	85,708	120,964	28,001	81,097	24,947	(3,277)	(4,124)	(1,265)	16,281
Companhia Transudeste de Transmissão (*)	84,812	79,079	12,686	52,870	16,269	(1,701)	(996)	(676)	12,896
Companhia Transirapé de Transmissão (*)	77,060	122,215	27,011	59,748	21,172	(2,493)	(3,049)	(876)	14,754
Empresa Regional de Transmissão de Energia S.A. (*) (**)	70,536	91,429	5,070	4,288	29,867	(3,025)	2,225	(1,789)	27,278
Sistema de Transmissão Catarinense S.A. (**)	58,368	193,475	4,570	7,745	28,535	(2,863)	898	(1,308)	25,262

Company	Consolidated								
	Data from investees with shared control/from direct investments								
	12/31/2016								
	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	69,376	322,304	43,360	152,743	75,247	(32,335)	(10,716)	(7,150)	25,046
Transnorte Energia S.A.	16,629	291,775	1,596	3,535	7,828	(5,688)	(50)	(1,473)	617
Indirect investments									
Companhia Transleste de Transmissão (*)	50,168	122,568	27,973	63,471	34,011	(2,425)	(8,649)	(1,636)	21,301
Companhia Transudeste de Transmissão (*)	31,155	79,223	21,747	3,192	22,324	(2,136)	(3,408)	(1,017)	15,763
Companhia Transirapé de Transmissão (*)	40,346	123,105	24,795	40,895	44,728	(19,732)	(4,352)	(1,650)	18,994
Empresa Regional de Transmissão de Energia S.A. (*) (**)	75,969	94,480	5,832	4,435	44,638	(6,445)	1,719	(2,273)	37,639
Sistema de Transmissão Catarinense S.A. (**)	62,656	198,639	7,437	7,827	45,894	(12,136)	743	(2,109)	32,392

(*) Indirect interest in subsidiary EATE
(**) Indirect interest in subsidiary ENTE

TNE

The Transnorte Energia is a company formed in a partnership between Alupar (51%) / Eletronorte (49%), to implement the transmission system that connects the state of Roraima to the Sistema Interligado Nacional (SIN) in Lechuga Substation in state of Amazonas, covering approximately 715.0 km of 500 kV line, double circuit, with 02 new substations, the 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 city of Boa Vista (RR).

The company holds a 51% in TNE and jointly control the operations and decisions of the joint ventures, records operations of the TNE consolidated using the equity method.

This project has a documented and justified displacement of its implementation schedule, depending on their environmental licensing process, especially with regard to the study of the indigenous component.

After discussions, including public agencies, could not get so far, the environmental licensing of the transmission line, considering that the FUNAI did not provide conclusive demonstration as to the environmental feasibility of the project. This lack makes it impossible IBAMA to issue the relevant permits, although the analysis of such a body point towards environmental viability of the project.

After three years without a solution to the TNE were presented, the consortium filed on September 02, 2015, ANEEL (Agência Nacional de Energia Elétrica), an application for amicable termination of the Concession Agreement 003/2012 - ANEEL. If there was this impasse, the line was auctioned in September 2011 should have been in operation since January 2015, having as main objective the reduction of thermal generation in the state of Roraima, as this state is the only one who is outside the SIN.

The reasons that take the claim is: a) legal impediment because of governmental licenses; b) insecurity caused by the legal recognition of nullity of ANEEL auction No. 004/2011, the environmental licensing process for the project and the concession contract nº003 / 2012, by merit of judgment in the proceedings Public Civil Action No. 18408-23.2013.4.01 .3200; c) a financial underbalance because of delay of environmental licensing by inevitable facts and by force majeure.

Currently, there is a judgment given in a preliminary suspension of action (Case No 0076128-42.2013.4.01.0000), which is being processed before the Federal Court of the 1st Region, determining the suspension of the express command in the sentence handed down in the records the civil action cited. This decision will be effective until the final and unappealable decision on the merits of the main action.

Nevertheless, on December 09, 2015, the Brazilian Institute of Environment and Renewable Natural Resources - IBAMA has issued the Preliminary License to Transnorte Energy on the line Transmission 500 kV Lechuga - Ecuador - Boa Vista and substations associated, other reasons motivating friendly termination request remain unresolve

On September 15, 2016, ANEEL, through Technical Note 0348/2016 SCT ANEEL - Case 4850000484212 / 2015.11 Concession Contract 003/2012 ANEEL, advised in accepting the request of Transnorte Energia S.A. and on merit to grant it, recognizing That there are elements for the termination of Concession Agreement n ° 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, by means of distort, pursuant to article 472 of the Civil Code, or other form to take adequate care;
b) Decision on the value and form of payment of indemnification due to Transnorte Energia S.A,
c) Reversion to the Union of the assets in service of the SE Boa Vista 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 revised the minimum realizable values of amounts actually spent on the development project and made to record a provision to reduce the likely financial assets recovery value of R $ 44,020 (equivalent effect only 51% of this value in the subsidiary) in order to reflect the values of the items that are election object return the grant.

Following the request for friendly termination by the consortium, on December 13, 2016, the board of ANEEL unanimously voted and approved the publication of Dispatch no. 3,265, on December 19, 2016, with recommendations to: (i) host The petition of TNE and, on merit, give it partial approval recognizing that there are elements for 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 Concession Agreement, by way of breach, pursuant to article 472 of the Civil Code, or any other form it deems appropriate;

(B) in the event of breach of the Contract, appoint a body or entity of the federal administration, in this case Eletronorte, to continue the provision of the public transmission service related to the CER of SE Boa Vista, until a subsequent 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 breach 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 occurred 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 Ministério de Minas e Energia (MME) regarding the extinction of the concession and the amount of compensation.

TNE maintains ongoing property, plant and equipment related to studies and environmental and licensing projects already incurred throughout the project, for which we are already part of our request for friendly termination of restitution through indemnification of these amounts.

While these issues are not resolved, the TNE declares that the execution of the project is not viable remaining request to ANEEL the amicable termination of the concession contract with the payment of compensation for losses and damages suffered by the Company.

On September 30, 2017 the Company has no costs or costs involved that have not been recorded.

We emphasize that the SE Boa Vista is - in commercial operation since May 2015, generating revenue equivalent to 4% of the Receita anual permitida- RAP total venture.

11. Investments in subsidiaries

Parent company							
Investments evaluated by equity accounting:	Balance on 12/31/2016	Additions	Cumulative translation adjustments	Dividends / Interest on equity	Equity accounting	Transfer for unsecured liabilities	Balance on 09/30/2017
Subsidiaries							
Transminas Holding S.A.	67,570	-	-	-	12,643	-	80,213
Foz do Rio Claro Energia S.A.	123,338	9,596	-	-	7,019	-	137,397
Ijuí Energia S.A.	253,756	-	-	-	12,187	-	265,943
Usina Paulista Lavrinhas de Energia S.A.	88,205	-	-	-	9,889	-	98,094
Usina Paulista Queluz de Energia S.A.	116,965	-	-	-	10,122	-	127,087
Ferreira Gomes Energia S.A	823,617	7,252	-	-	21,322	-	852,191
Alupar Inversiones Peru S.A.C.	-	-	-	-	-	69,828	69,828
Empresa Amazonense de Transmissão de Energia S.A.	355,611	-	-	(63,917)	72,858	-	364,552
Sistema de Transmissão Nordeste S.A.	204,212	-	-	(21,743)	35,022	-	217,491
Empresa de Transmissão do Espirito Santo S.A.	64,325	-	-	-	6,297	-	70,622
Empresa Paraense de Transmissão de Energia S.A.	82,399	-	-	(13,356)	14,765	-	83,808
Empresa Norte de Transmissão de Energia S.A.	183,464	-	-	(45,343)	48,305	-	186,426
Empresa Regional de Transmissão de Energia S.A.	35,175	-	-	(763)	(900)	-	33,512
Empresa Catarinense de Transmissão de Energia S.A.	85,616	-	-	(22,469)	14,198	-	77,345
Empresa de Transmissão de Energia do Mato Grosso S.A.	45,408	-	-	-	3,277	-	48,685
Empresa de Transmissão de Varzea Grande S.A.	20,201	25,449	-	-	4,648	-	50,298
Empresa Litorânea de Transmissão de Energia S.A.	966	-	-	263	1,026	-	2,255
Lumitrans - Companhia Transmissora de Energia Elétrica	16,863	-	-	(2,756)	2,116	-	16,223
Sistema de Transmissão Catarinense S.A.	49,206	-	-	(6,353)	5,052	-	47,905
Risaralda Energía S.A.S.E.S.P.	-	-	57	-	6	-	63
Verde 8 Energia S.A.	-	-	-	-	-	60,589	60,589
La Virgen S.A.C.	20,381	-	(1,176)	-	977	-	20,182
Empresa Transmissora Agreste Potiguar S.A.	11	-	-	2	491	-	504
Empresa Transmissora Capixaba S.A.	10	-	-	2	290	-	302
Transmissora Paraíso Energia S.A.	-	-	-	3	176	-	179
Transmissora Caminho do Café S.A.	-	-	-	3	119	-	122
Windepar Holding S.A.	160,572	-	-	-	(6,604)	-	153,968
Alupar Colômbia S.A.S.	11,350	-	3,572	-	1,565	-	16,487
Transmissora Serra da Mantiqueira S.A.	-	1	-	-	-	-	1
Total	**2,809,221**	**42,298**	**2,453**	**(176,427)**	**276,866**	**130,417**	**3,082,272**

Changes in the provision for capital deficiency

Parent company						
Investments evaluated by equity accounting:	**Balance on 12/31/2016**	**Additions**	**Cumulative translation adjustments**	**Equity accounting**	**Transfer for unsecured liabilities**	**Balance on 09/30/2017**
Subsidiaries						
Alupar Inversiones Peru S.A.C.	(7,151)	78,275	2,814	(4,110)	(69,828)	-
Alupar Chile Inversiones SpA	(1,523)	-	-	-	-	(1,523)
Geração de Energia Termoelétrica e Participações S.A.	(393)	-	-	-	-	(393)
ACE Comercializadora Ltda.	(1,032)	-	-	(24)	-	(1,056)
AF Energia S.A.	(1,319)	-	-	(2,879)	-	(4,198)
Verde 8 Energia S.A.	(11)	60,659	-	(57)	(60,591)	-
Agua Limpa S.A.	(14)	-	-	(12)	-	(26)
Total	**(11,443)**	**138,934**	**2,814**	**(7,082)**	**(130,419)**	**(7,196)**

Controladora								
Empresa	**30/09/2017**				**31/12/2016**			
	Capital social - quantidade de ações ou quotas total	**Quantidade de ações ou quotas detidas pela Companhia**			**Capital social - quantidade de ações ou quotas total**	**Quantidade de ações ou quotas detidas pela Companhia**		
		Ordinárias	**Preferenciais**	**Total**		**Ordinárias**	**Preferenciais**	**Total**
Controladas								
Alupar Inversiones Peru S.A.C.	102,321,612	102,321,611	-	102,321,611	4,222,679	4,222,678	-	4,222,678
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	31,409,499	499	31,409,998
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	4,099,180	71,816,358
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.	67,383,430	43,252,860	-	43,252,860	67,383,430	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	784,828,529	784,828,528	-	784,828,528	783,828,529	783,828,528	-	783,828,528
Geração de Energia Termoelétrica 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 Espirito 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	9,398,795	9,398,794	-	9,398,794
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.	40,000	39,997	-	39,997	40,000	39,997	-	39,997
Boa Vista Participações S.A.	1,000	800	-	800	1,000	800	-	800
Risaralda Energía S.A.S.E.S.P.	29,093	100	-	100	29,093	29,083	-	29,083
Forquilha IV Energia S.A.	10,000	9,999	-	9,999	10,000	9,999	-	9,999
Verde 8 Energia S.A.	60,660,380	60,660,379	-	60,660,379	1,000	999	-	999
Agua Limpa S.A.	10,000	9,000	-	9,000	10,000	9,000	-	9,000
La Virgen S.A.C.	210,348,003	14,106,986	-	14,106,986	84,805,717	10,622,161	-	10,622,161
Empresa Transmissora Agreste Potiguar S.A.	5,000	4,999	-	4,999	5,000	4,999	-	4,999
Empresa Transmissora Capixaba S.A.	5,000	4,999	-	4,999	5,000	4,999	-	4,999
Transmissora Paraíso Energia S.A.	5,000	2,550	-	2,550	-	-	-	-
Transmissora Caminho do Café S.A.	5,000	2,550	-	2,550	-	-	-	-
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.	29,399,477,030	29,399,477,030	-	29,399,477,030	29,399,477,030	29,399,477,030	-	29,399,477,030
Transmissora Serra da Mantiqueira S.A.	1,000	510	-	510	-	-	-	-

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

Parent company								
Company	9/30/2017				12/31/2016			
	Shareholders' Equity (unsecured 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 shareholder s' equity			on the capital stock	on shareholders' equity
Subsidiaries								
Alupar Inversiones Peru S.A.C.	69,830	-	100.00%	69,828	(7,150)	-	100.00%	(7,151)
Alupar Chile Inversiones SpA	(1,521)	-	100.00%	(1,523)	(1,521)	-	100.00%	(1,523)
Transminas Holding S.A.	114,560	-	70.02%	80,213	96,505	-	70.02%	67,570
Foz do Rio Claro Energia S.A.	196,749	-	69.83%	137,397	186,697	-	66.06%	123,338
Ijuí Energia S.A.	306,888	-	86.66%	265,943	292,825	-	86.66%	253,756
Usina Paulista Lavrinhas de Energia S.A.	152,819	-	64.19%	98,094	137,413	-	64.19%	88,205
Usina Paulista Queluz de Energia S.A.	184,638	-	68.83%	127,087	169,933	-	68.83%	116,965
Ferreira Gomes Energia S.A	852,191	-	100.00%	852,191	823,619	-	100.00%	823,617
Geração de Energia Termoelétrica e Participações S.A.	(773)	-	51.00%	(393)	(773)	-	51.00%	(393)
Empresa Amazonense de Transmissão de Energia S.A.	728,848	-	50.02%	364,552	710,972	-	50.02%	355,611
Sistema de Transmissão Nordeste S.A.	426,454	-	51.00%	217,491	400,415	-	51.00%	204,212
Empresa de Transmissão do Espirito Santo S.A.	70,623	-	100.00%	70,622	64,324	-	100.00%	64,325
Empresa Paraense de Transmissão de Energia S.A.	167,564	-	50.02%	83,808	164,748	-	50.02%	82,399
Empresa Norte de Transmissão de Energia S.A.	372,769	-	50.01%	186,426	366,846	-	50.01%	183,464
Empresa Regional de Transmissão de Energia S.A.	152,607	-	21.96%	33,512	160,182	-	21.96%	35,175
Empresa Catarinense de Transmissão de Energia S.A.	154,621	-	50.02%	77,345	171,153	-	50.02%	85,616
Empresa de Transmissão de Energia do Mato Grosso S.A.	77,535	-	62.79%	48,685	72,318	-	62.79%	45,408
Empresa de Transmissão de Varzea Grande S.A.	50,298	-	100.00%	50,298	20,201	-	100.00%	20,201
Empresa Litorânea de Transmissão de Energia S.A.	2,256	-	99.99%	2,255	967	-	99.99%	966
Lumitrans - Companhia Transmissora de Energia Elétrica	108,155	-	15.00%	16,223	112,424	-	15.00%	16,863
Sistema de Transmissão Catarinense S.A.	239,528	-	20.00%	47,905	246,031	-	20.00%	49,206
ACE Comercializadora Ltda.	(1,055)	-	100.00%	(1,056)	(1,031)	-	100.00%	(1,032)
AF Energia S.A.	(4,198)	-	99.99%	(4,198)	(1,320)	-	99.99%	(1,319)
Risaralda Energía S.A.S.E.S.P.	18,352	-	0.34%	63	12,578	-	0.00%	-
Forquilha IV Energia S.A.	1	-	99.99%	-	(1)	-	99.99%	-
Verde 8 Energia S.A.	60,589	-	100.00%	60,589	(11)	-	99.90%	(11)
Agua Limpa S.A.	(29)	-	90.00%	(26)	(16)	-	90.00%	(14)
La Virgen S.A.C.	209,035	6,165	6.71%	20,182	113,515	6,165	12.53%	20,381
Empresa Transmissora Agreste Potiguar S.A.	504	-	99.98%	504	11	-	99.98%	11
Empresa Transmissora Capixaba S.A.	302	-	99.98%	302	11	-	99.98%	10
Transmissora Paraíso Energia S.A.	351	-	51.00%	179	-	-	0.00%	-
Transmissora Caminho do Café S.A.	238	-	51.00%	122	-	-	0.00%	-
Windepar Holding S.A.	153,978	-	100.00%	153,968	160,571	-	100.00%	160,572
Alupar Colômbia S.A.S.	16,487	-	100.00%	16,488	11,350	-	100.00%	11,350
Transmissora Serra da Mantiqueira S.A.	1	-	51.00%	1	-	-	0.00%	-
Total				**3,075,076**				**2,797,778**

Company	Parent Company							
	Data from subsidiaries/investees with shared control							
	9/30/2017							
	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.	163,107	93,277	-	(604)	10,864	(14,373)	-	(4,113)
Alupar Chile Inversiones SpA	384	1,905	-	-	-	-	-	-
Transminas Holding S.A.	130,783	16,223	-	(93)	18,012	144	(8)	18,055
Foz do Rio Claro Energia S.A.	381,033	184,284	59,011	(36,774)	-	(10,082)	(2,103)	10,052
Ijuí Energia S.A.	463,089	156,201	43,301	(18,798)	-	(8,598)	(1,843)	14,062
Usina Paulista Lavrinhas de Energia S.A.	249,632	96,813	41,451	(20,632)	-	(3,719)	(1,694)	15,406
Usina Paulista Queluz de Energia S.A.	290,707	106,069	41,516	(20,728)	-	(4,533)	(1,550)	14,705
Ferreira Gomes Energia S.A	1,625,948	773,757	143,412	(74,111)	-	(43,204)	(4,775)	21,322
Geração de Energia Termoelétrica e Participações S.A.	99	872	-	-	-	-	-	-
Empresa Amazonense de Transmissão de Energia S.A.	1,415,371	686,523	185,976	(21,330)	47,886	(43,202)	(23,665)	145,665
Sistema de Transmissão Nordeste S.A.	755,603	329,149	107,869	(13,504)	-	(13,374)	(12,320)	68,671
Empresa de Transmissão do Espirito Santo S.A.	100,028	29,405	10,379	(1,902)	-	(754)	(1,424)	6,299
Empresa Paraense de Transmissão de Energia S.A.	245,734	78,170	37,795	(6,961)	8,318	(4,098)	(5,534)	29,520
Empresa Norte de Transmissão de Energia S.A.	725,743	352,974	124,303	(9,756)	15,031	(17,796)	(15,194)	96,588
Empresa Regional de Transmissão de Energia S.A.	161,965	9,358	29,867	(3,025)	-	2,225	(1,789)	27,278
Empresa Catarinense de Transmissão de Energia S.A.	373,097	218,476	36,855	(5,475)	13,298	(8,034)	(8,259)	28,385
Empresa de Transmissão de Energia do Mato Grosso S.A.	125,121	47,586	10,536	(1,943)	-	(1,852)	(1,524)	5,217
Empresa de Transmissão de Varzea Grande S.A.	92,556	42,258	8,436	(944)	-	(1,998)	(846)	4,648
Empresa Litorânea de Transmissão de Energia S.A.	11,324	9,068	1,445	(419)	-	-	-	1,026
Lumitrans - Companhia Transmissora de Energia Elétrica	113,497	5,342	15,774	(1,513)	-	578	(731)	14,108
Sistema de Transmissão Catarinense S.A.	251,843	12,315	28,535	(2,863)	-	898	(1,308)	25,262
ACE Comercializadora Ltda.	45	1,100	-	(27)	-	3	-	(24)
AF Energia S.A.	1,950	6,148	5,981	(8,905)	-	46	-	(2,878)
Risaralda Energía S.A.S.E.S.P.	160,900	142,548	15,489	1,957	-	(9,384)	(6,242)	1,820
Forquilha IV Energia S.A.	1	-	-	1	-	1	-	2
Verde 8 Energia S.A.	169,639	109,050	-	(59)	-	-	-	(59)
Agua Limpa S.A.	7,372	7,401	-	(13)	-	-	-	(13)
La Virgen S.A.C.	512,488	303,453	697	(778)	-	14,653	-	14,572
Empresa Transmissora Agreste Potiguar S.A.	9,106	8,602	5,708	(5,217)	-	-	-	491
Empresa Transmissora Capixaba S.A.	5,296	4,994	3,084	(2,785)	-	-	(9)	290
Transmissora Paraíso Energia S.A.	9,298	8,947	7,459	(7,111)	-	-	-	348
Transmissora Caminho do Café S.A.	6,262	6,024	4,666	(4,431)	-	-	-	235
Windepar Holding S.A.	282,182	128,204	-	(597)	(261)	(5,747)	-	(6,605)
Alupar Colômbia S.A.S.	27,223	10,736	-	(215)	1,818	(32)	-	1,571
Transmissora Serra da Mantiqueira S.A.	760	759	760	(760)	-	-	-	-

Company	Parent company							
	Data from subsidiaries/investees with shared control							
	12/31/2016							
	Assets	Liabilities	Net revenue	Operating costs and expenses	Equity accounting	Financial Income	Current and deferred IRPJ and CSLL	Income (loss) for the year
Subsidiaries								
Alupar Inversiones Peru S.A.C.	142,509	149,658	-	(817)	12,954	(3,059)	-	9,078
Alupar Chile Inversiones SpA	34	1,555	-	(318)	-	(1)	-	(319)
Transminas Holding S.A.	115,226	18,721	-	(112)	22,972	178	(16)	23,022
Foz do Rio Claro Energia S.A.	371,961	185,264	59,962	(27,291)	-	(15,393)	(6,015)	11,263
Ijuí Energia S.A.	458,582	165,757	48,810	(25,617)	-	(14,300)	(2,096)	6,797
Usina Paulista Lavrinhas de Energia S.A.	241,710	104,297	54,169	(17,284)	-	(5,885)	(2,654)	28,346
Usina Paulista Queluz de Energia S.A.	284,854	114,921	54,101	(17,070)	-	(7,091)	(2,424)	27,516
Ferreira Gomes Energia S.A	1,609,899	786,280	166,834	(111,032)	-	(70,821)	5,040	(9,979)
Geração de Energia Termoelétrica e Participações S.A.	99	872	-	(1)	-	-	-	(1)
Empresa Amazonense de Transmissão de Energia S.A.	466,402	739,160	304,039	(29,580)	62,575	(81,235)	(22,610)	233,189
Sistema de Transmissão Nordeste S.A.	768,191	367,776	159,141	(20,444)	-	(26,514)	(30,423)	81,760
Empresa de Transmissão do Espirito Santo S.A.	97,165	32,841	12,944	(2,631)	-	(1,516)	(1,694)	7,103
Empresa Paraense de Transmissão de Energia S.A.	256,846	92,098	63,811	(9,606)	10,413	(10,050)	(5,441)	49,127
Empresa Norte de Transmissão de Energia S.A.	760,444	393,598	191,602	(14,840)	20,285	(37,414)	(16,967)	142,666
Empresa Regional de Transmissão de Energia S.A.	170,449	10,267	44,638	(6,445)	-	1,719	(2,273)	37,639
Empresa Catarinense de Transmissão de Energia S.A.	416,263	245,110	51,801	(6,049)	21,469	(18,207)	(6,686)	42,328
Empresa de Transmissão de Energia do Mato Grosso S.A.	121,602	49,284	17,759	(5,606)	-	(2,622)	(2,272)	7,259
Empresa de Transmissão de Varzea Grande S.A.	89,454	69,253	26,716	(16,425)	-	(920)	(3,653)	5,718
Empresa Litorânea de Transmissão de Energia S.A.	9,953	8,986	3,776	(2,725)	-	(1)	-	1,050
Lumitrans - Companhia Transmissora de Energia Elétrica	37,217	5,638	23,650	(3,199)	-	487	(983)	19,955
Sistema de Transmissão Catarinense S.A.	62,656	15,264	45,894	(12,136)	-	743	(2,109)	32,392
ACE Comercializadora Ltda.	71	1,102	8	(43)	-	8	-	(27)
AF Energia S.A.	2,315	3,635	9,895	(11,476)	-	60	-	(1,521)
Forquilha IV Energia S.A.	404	405	-	(5)	-	-	-	(5)
Verde 8 Energia S.A.	45,730	45,741	-	-	-	-	-	-
Agua Limpa S.A.	7,294	7,310	-	(14)	-	-	-	(14)
La Virgen S.A.C.	517,022	403,507	-	16,969	-	7,718	-	24,687
Empresa Transmissora Agreste Potiguar S.A.	3,019	3,008	2,334	(2,326)	-	-	-	8
Empresa Transmissora Capixaba S.A.	2,238	2,227	1,201	(1,193)	-	-	-	8
Windepar Holding S.A.	252,855	92,291	-	(201)	(17,711)	(278)	-	(18,190)
Alupar Colômbia S.A.S.	14,001	2,657	-	(281)	(1,482)	(924)	-	(2,687)

Windepar Holding S.A

The Windepar Holding S.A. participates in five wind power companies in Brazil, as follows:

Companies	Location / Connection	Authorizing Resolution No	Concession Term/ Authorization		Start date of Operation	Installed Capacity (MW)	Electric power guaranteed - MW	Power by Machine	ANEEL Authorization - Commercial operation start	
			Start Date	End					ANEEL Authorization	Commercial operation
Energia dos Ventos I S.A.	Aracati (CE)	431/2012	07/17/12	07/17/47	04/22/16	23.100 kW	11.8	2.100 kw	1.327/2016	04/22/16
Energia dos Ventos II S.A.	Aracati (CE)	428/2012	07/16/12	07/16/47	05/13/16	12.600 kW	5.8	2.100 kw	1.538/2016	05/13/16
Energia dos Ventos III S.A.	Aracati (CE)	433/2012	07/19/12	07/19/47	03/03/16	18.900 kW	9.6	2.100 kw	1.326/2016	03/03/16
Energia dos Ventos IV S.A.	Aracati (CE)	442/2012	07/24/12	07/24/47	03/02/16	27.300 kW	14.8	2.100 kw	690/2016	03/02/16
Energia dos Ventos X S.A.	Aracati (CE)	435/2012	07/19/12	07/19/47	03/02/16	16.800 kW	8.7	2.100 kw	1.051/2016	03/02/16
Total						**98,700 KW**				

The purpose of the controlled companies is the implementation, operation, maintenance and operation of wind power generation facilities, and their transmission system, associated with other complementary works, as described in Auction Notice No. 07/2011 - ANEEL. Linked to the authorization given by the Controlled Companies as Independent Producer of Electric Energy, Electric Energy Commercialization Contracts in the Regulated Environment ("CCEAR") entered into with several distribution concessionaires that participated in Auction # 07/2011, which had the purpose of Contracting (A-5/2011), in the Regulated Contracting Environment (ACR), promoted by ANEEL. The CCEARs are valid for the period from January 1, 2016 to December 31, 2035 and adjusted annually by the IPCA.

Transmission line implementation: Due to the expiration of the concession granted to SPE BR Transmissora Cearense de Energia Ltda, responsible for the construction and implementation of the Transmission of Restricted Interest Facility for Shared Connection of Generation Plants - ICG Substation Aracati III, in July 26, 2016, ANEEL published Despacho nº 1987, which establishes I) the interruption of the installation of the 138 kV restricted-interest facilities of the controlled companies; II) approves the change of the connection point of the controlled companies to the Russian Substation II, at 230 kV; III) establishes that the controlled companies, also known as EOL Goiabeira, EOL Ubatuba, EOL Santa Catarina, EOL Pitombeira and EOL Ventos de Horizonte jointly implant the restricted-interest transmission line in 230 kV to connect the CGEs - In the Russian Substation II, in up to 24 months, counted from the publication of said Office. For this reason, the controlled companies are exempt from the energy delivery provided in the CCEARs until the transmission line is finished.

In an attempt to compensate the aforementioned subsidiaries for the additional investment necessary not initially foreseen, ANEEL approved a discount on the Transmission System Use Rate (TUST) in favor of all generating plants in the amount of R $ 2,968 (restated annually by IPCA with Reference date April / 2016) until the deadline of December 31, 2035.

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, in addition to meeting the demand for electric power in the Santos region, composed of nine municipalities (Bertioga, Cubatão, Guarujá, Itanhaém, Mongaguá, Peruíbe, Praia Grande, Santos and São Vicente).

In the pre-operational phase, with commercial start-up expected to occur until 09/05/2017. The concession contract number 016/2014 for a term of 30 years, valid until 2044.

This project has a justifiable displacement in the schedule, regarding the environmental licensing.
The Preliminary License of the Domênico Rangoni substation 345/138 kV and its respective transmission lines was scheduled for October 2015, the preliminary license issued in March 2017.

Additionally, the issuance of the Preliminary License of the 230/88 kV Manoel da Nóbrega substation and its respective transmission line also scheduled for October 2015, however, due to the unfavorable manifestation of the Regional Protection Service for Flight of São Paulo (SRPV-SP), responsible for Santos Air Base, the issuance of the Previous License remains pending.

ELTE is making its best efforts to obtain the Environmental Licenses and continues with investments.

12. 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 12/31/2016	In capital increase / additions	In dividends and interest on equity declared	In income (loss) for the year	Variation on interest of non-controlling shareholders	In equity of subsidiaries in 9/30/2017
Direct subsidiary:						
Transminas Holding S.A.	28,934	-	-	5,414	-	34,348
Lumitrans - Companhia Transmissora de Energia Elétrica	5,622	-	(919)	706	-	5,409
Sistema de Transmissão Catarinense S.A.	45,393	-	(5,859)	4,659	-	44,193
Empresa Amazonense de Transmissão de Energia S.A.	355,361	-	(63,872)	72,807	-	364,296
Empresa Paraense de Transmissão de Energia S.A.	82,349	-	(13,348)	14,755	-	83,756
Empresa Catarinense de Transmissão de Energia S.A.	85,538	-	(22,449)	14,187	-	77,276
Empresa Norte de Transmissão de Energia S.A.	183,382	-	(45,322)	48,283	-	186,343
Empresa Regional de Transmissão de Energia S.A.	125,006	-	(27,199)	21,288	-	119,095
Empresa de Transmissão de Energia do Mato Grosso S.A.	26,909	-	-	1,941	-	28,850
Sistema de Transmissão Nordeste S.A.	196,202	-	(20,890)	33,650	-	208,962
Foz do Rio Claro Energia S.A.	63,359	-	-	3,033	(7,040)	59,352
Ijuí Energia S.A.	39,069	-	-	1,876	-	40,945
Usina Paulista Lavrinhas de Energia S.A.	49,208	-	-	5,518	-	54,726
Usina Paulista Queluz de Energia S.A.	52,968	-	-	4,583	-	57,551
Geração de Energia Termoelétrica e Participações S.A.	(380)	-	-	-	-	(380)
Risaralda Energía S.A.S.E.S.P.	-	-	-	1	4	5
La Virgen S.A.C. *	39,730	26,074	-	2,731	(29,362)	39,173
Agua Limpa S.A.	(2)	-	-	2	-	-
Transmissora Paraíso Energia S.A.	-	1	-	171	-	172
Transmissora Caminho do Café S.A.	-	1	-	115	-	116
	1,378,648	26,076	(199,858)	235,720	(36,398)	1,404,188
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	204,758	-	-	11,196	-	215,954
Companhia Transleste de Transmissão	47,963	-	-	9,605	-	57,568
Companhia Transudeste de Transmissão	50,408	-	-	7,609	-	58,017
Companhia Transirapé de Transmissão	57,680	-	-	8,704	-	66,384
	360,809	-	-	37,114	-	397,923
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	(14,473)	-	3,149	(2,465)	-	(13,789)
Companhia Transleste de Transmissão	(4,064)	-	-	(814)	-	(4,878)
Companhia Transudeste de Transmissão (**)	(4,270)	-	-	(645)	-	(4,915)
Companhia Transirapé de Transmissão	(4,889)	-		(735)	-	(5,624)
	(27,696)	-	3,149	(4,659)	-	(29,206)
Indirect investments (**)						
Empresa Regional de Transmissão de Energia S.A.	(30,440)	-	6,623	(5,184)	-	(29,001)
Sistema de Transmissão Catarinense S.A.	(22,692)	-	2,956	(2,336)	-	(22,072)
	(53,132)	-	9,579	(7,520)	-	(51,073)
	1,658,629	26,076	(187,130)	260,655	(36,398)	1,721,832

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	9/30/2017			12/31/2016		
	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%	114,560	34,348	29.98%	96,505	28,934
Lumitrans - Companhia Transmissora de Energia Elétrica	5.00%	108,155	5,409	5.00%	112,424	5,622
Sistema de Transmissão Catarinense S.A.	18.45%	239,528	44,193	18.45%	246,031	45,393
Empresa Amazonense de Transmissão de Energia S.A.	49.98%	728,848	364,296	49.98%	710,972	355,361
Empresa Paraense de Transmissão de Energia S.A.	49.98%	167,564	83,756	49.98%	164,748	82,349
Empresa Catarinense de Transmissão de Energia S.A.	49.98%	154,621	77,276	49.98%	171,153	85,538
Empresa Norte de Transmissão de Energia S.A.	49.99%	372,769	186,343	49.99%	366,846	183,382
Empresa Regional de Transmissão de Energia S.A.	78.04%	152,607	119,095	78.04%	160,182	125,006
Empresa de Transmissão de Energia do Mato Grosso S.A.	37.21%	77,535	28,850	37.21%	72,318	26,909
Sistema de Transmissão Nordeste S.A.	49.00%	426,454	208,962	49.00%	400,415	196,202
Foz do Rio Claro Energia S.A.	30.17%	196,749	59,352	33.94%	186,697	63,359
Ijuí Energia S.A.	13.34%	306,888	40,945	13.34%	292,825	39,069
Usina Paulista Lavrinhas de Energia S.A.	35.81%	152,819	54,726	35.81%	137,413	49,208
Usina Paulista Queluz de Energia S.A.	31.17%	184,638	57,551	31.17%	169,933	52,968
Geração de Energia Termoelétrica e Participações S.A.	49.00%	(773)	(380)	49.00%	(773)	(380)
Risaralda Energía S.A.S.E.S.P.	0.03%	18,352	5	0.00%	12,578	-
La Virgen S.A.C.	18.74%	209,035	39,173	35.00%	113,515	39,730
Agua Limpa S.A.	0.00%	(29)	-	10.00%	(16)	(2)
Transmissora Paraíso Energia S.A.	49.00%	351	172	0.00%	-	-
Transmissora Caminho do Café S.A.	49.00%	238	116	0.00%	-	-
Transmissora Serra da Mantiqueira S.A.	49.00%	-	-	0.00%	-	-
		3,610,909	1,404,188		3,413,766	1,378,648
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	49.00%	440,722	215,954	49.00%	417,873	204,758
Companhia Transleste de Transmissão	49.00%	97,574	57,568	59.00%	81,293	47,963
Companhia Transudeste de Transmissão	49.00%	98,335	58,017	59.00%	85,438	50,408
Companhia Transirapé de Transmissão	49.00%	112,516	66,384	59.00%	97,763	57,680
		749,147	397,923		682,367	360,809
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	49.00%	152,607	(13,789)	9.04%	160,182	(14,473)
Companhia Transleste de Transmissão	49.00%	97,574	(4,878)	5.00%	81,293	(4,064)
Companhia Transudeste de Transmissão (**)	49.00%	98,335	(4,915)	5.00%	85,438	(4,270)
Companhia Transirapé de Transmissão	49.00%	112,516	(5,624)	5.00%	97,763	(4,889)
		461,032	(29,206)		424,676	(27,696)
Indirect investments (**)						
Empresa Regional de Transmissão de Energia S.A.	49.00%	152,607	(29,001)	19.00%	160,182	(30,440)
Sistema de Transmissão Catarinense S.A.	49.00%	239,528	(22,072)	9.22%	246,031	(22,692)
		392,135	(51,073)		406,213	(53,132)
		5,213,223	1,721,832		4,927,022	1,658,629

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	9/30/2017			9/30/2016		
	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%	18,055	5,414	29.98%	16,742	5,019
Lumitrans - Companhia Transmissora de Energia Elétrica	5.00%	14,108	706	5.00%	15,150	758
Sistema de Transmissão Catarinense S.A.	18.45%	25,262	4,659	18.45%	23,640	4,359
Empresa Amazonense de Transmissão de Energia S.A.	49.98%	145,665	72,807	49.98%	178,401	89,169
Empresa Paraense de Transmissão de Energia S.A.	49.98%	29,520	14,755	49.98%	31,829	15,910
Empresa Catarinense de Transmissão de Energia S.A.	49.98%	28,385	14,187	49.98%	32,818	16,401
Empresa Norte de Transmissão de Energia S.A.	49.99%	96,588	48,283	49.99%	86,761	43,370
Empresa Regional de Transmissão de Energia S.A.	78.04%	27,278	21,288	78.04%	28,192	22,000
Empresa de Transmissão de Energia do Mato Grosso S.A.	37.21%	5,217	1,941	37.21%	5,223	1,943
Sistema de Transmissão Nordeste S.A.	49.00%	68,671	33,650	49.00%	80,630	39,508
Foz do Rio Claro Energia S.A.	30.17%	10,052	3,033	33.94%	8,062	2,736
Ijuí Energia S.A.	13.34%	14,062	1,876	13.34%	3,647	485
Usina Paulista Lavrinhas de Energia S.A.	35.81%	15,406	5,518	35.81%	20,757	7,433
Usina Paulista Queluz de Energia S.A.	31.17%	14,705	4,583	31.17%	19,993	6,231
Geração de Energia Termoelétrica e Participações S.A.	49.00%	-	-	49.00%	(1)	(1)
Risaralda Energía S.A.S.E.S.P.	0.03%	1,820	1	0.03%	(3,368)	(2)
La Virgen S.A.C. (*)	18.74%	14,572	2,731	35.00%	22,220	7,508
Agua Limpa S.A.	0.00%	(13)	2	10.00%	(14)	(3)
Transmissora Paraíso Energia S.A.	49.00%	348	171	0.00%	-	-
Transmissora Caminho do Café S.A.	49.00%	235	115	0.00%	-	-
Transmissora Serra da Mantiqueira S.A.	49.00%	-	-	0.00%	-	-
		529,936	235,720		570,682	262,824
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	49.00%	22,849	11,196	49.00%	23,816	11,669
Companhia Transleste de Transmissão	59.00%	16,281	9,605	59.00%	14,840	8,739
Companhia Transudeste de Transmissão	59.00%	12,897	7,609	59.00%	11,839	6,985
Companhia Transirapé de Transmissão	59.00%	14,753	8,704	59.00%	14,169	8,360
		66,780	37,114		64,664	35,753
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	9.04%	27,278	(2,465)	9.04%	28,192	(2,547)
Companhia Transleste de Transmissão	5.00%	16,281	(814)	5.00%	14,840	(741)
Companhia Transudeste de Transmissão	5.00%	12,897	(645)	5.00%	11,839	(591)
Companhia Transirapé de Transmissão	5.00%	14,753	(735)	5.00%	14,169	(708)
		71,209	(4,659)		69,040	(4,587)
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	19.00%	27,278	(5,184)	19.00%	28,192	(5,357)
Sistema de Transmissão Catarinense S.A.	9.22%	25,262	(2,336)	9.22%	23,640	(2,179)
		52,540	(7,520)		51,832	(7,536)
		720,465	260,655		756,218	286,454

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

Although not required by CPC 45 / IFRS 12, the Company reconciled the summarized financial reporting subsidiaries with non-controlling interests, with the total amounts present in the quarterly information.

13. Investment properties

	Parent Company/Consolidated	
	9/30/2017	12/31/2016
Opening balance	7,786	9,271
Write- offs	-	(1,485)
Final balance	**7,786**	**7,786**

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

14. Property, plant and equipment

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

Charts, for comparison purposes, with examples of some depreciation rates in accordance with Resolutions No. 674 of august 11, 2016 are as follows:

Hydraulic Generation	Resolution No. 674 (%)
Bus	2.50
Circuit breaker	3.03
Buildings	3.33
Water intake equipment	3.70
Water intake structure	2.86
Generator	3.33
Reservoirs, bus and water mains	2.00
Local communication system	6.67
Hydraulic turbine	2.50
Depreciation average rate, generation	3.32

Transmission	Resolution No. 674 (%)
Conductor	2.70
General equipment	6.25
System structure	2.70
Reconnectors	4.00
Depreciation average rate, transmission	3.91

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

	Consolidated								
	Average annual depreciation rate	12/31/2016	Additions	Write- offs	Transfers	Capitalization of net charges from financial revenues (b)	Profit/loss from the balance calculation	Others	9/30/2017
On service									
Historical cost									
Land		63,975	2,039	-	-	-	-	-	66,014
Reservoirs, bus and water mains		1,395,145	7	1	(209)	-	-	-	1,394,944
Buildings, civil works and improvements		416,630	8,085	-	(35)	-	-	-	424,680
Machinery and equipment		1,668,158	119	-	3,389	-	-	(171)	1,671,495
Vehicles		1,927	333	(187)	-	-	-	200	2,273
Furniture and fixtures		6,082	283	-	(160)	-	-	(42)	6,163
Total		**3,551,917**	**10,866**	**(186)**	**2,985**	**-**	**-**	**(13)**	**3,565,569**
Depreciation									
Reservoirs, bus and water mains	2.08%	(109,353)	(22,237)	-	-	-	-	206	(131,384)
Buildings, civil works and improvements	2.50%	(30,572)	(6,385)	-	-	-	-	9	(36,948)
Machinery and equipment	3.46%	(137,773)	(39,472)	-	-	-	-	(371)	(177,616)
Vehicles	28.59%	(975)	(391)	187	-	-	-	-	(1,179)
Furniture and fixtures	7.87%	(2,103)	(419)	-	-	-	-	145	(2,377)
Total Depreciation		**(280,776)**	**(68,904)**	**187**	**-**	**-**	**-**	**(11)**	**(349,504)**
Total in service		**3,271,141**	**(58,038)**	**1**	**2,985**	**-**	**-**	**(24)**	**3,216,065**
In progress		539,182	144,164	(1,262)	(2,985)	15,585	-	6,914	701,598
Total property, plant and equipment		**3,810,323**	**86,126**	**(1,261)**	**-**	**15,585**	**-**	**6,890**	**3,917,663**

	Consolidated								
	Average annual depreciation rate	12/31/2015	Additions	Write- offs	Transfers	Capitalization of net charges from financial revenues (b)	Profit/loss from the balance calculation	Others	12/31/2016
On service									
Historical cost									
Land		58,899	108	-	5,350	-	(382)	-	63,975
Reservoirs, bus and water mains		1,401,894	120	(1)	145	-	-	(7,013)	1,395,145
Buildings, civil works and improvements		331,119	33,590	-	60,963	-	(9,042)	-	416,630
Machinery and equipment		1,141,692	40,289	(3)	486,204	-	(24)	-	1,668,158
Vehicles		3,063	145	(1,215)	-	-	(66)	-	1,927
Furniture and fixtures		5,793	773	(114)	(150)	-	(220)	-	6,082
Total		**2,942,460**	**75,025**	**(1,333)**	**552,512**	**-**	**(9,734)**	**(7,013)**	**3,551,917**
Depreciation									
Reservoirs, bus and water mains	2.60%	(79,175)	(30,178)	-	-	-	-	-	(109,353)
Buildings, civil works and improvements	2.49%	(22,591)	(8,005)	-	-	-	24	-	(30,572)
Machinery and equipment	4.15%	(92,635)	(45,024)	-	-	-	14	(128)	(137,773)
Vehicles	12.74%	(1,543)	(267)	827	-	-	8	-	(975)
Furniture and fixtures	8.09%	(1,598)	(741)	56	-	-	51	129	(2,103)
Total Depreciation		**(197,542)**	**(84,215)**	**883**	**-**	**-**	**97**	**1**	**(280,776)**
Total in service		**2,744,918**	**(9,190)**	**(450)**	**552,512**	**-**	**(9,637)**	**(7,012)**	**3,271,141**
In progress		916,910	275,585	(1,118)	(552,512)	35,289	(22,982)	(111,990)	539,182
Total property, plant and equipment		**3,661,828**	**266,395**	**(1,568)**	**-**	**35,289**	**(32,619)**	**(119,002)**	**3,810,323**

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 September 30, 2017, the balance of this work in progress amounts to R$ 467,161.

-Verde 8: is a small hydroelectric plant that are going to have an installed capacity of 30.0 MW and is under construction. As of September 30, 2017, the balance of this work in progress amounts to R$ 78,515.

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 September 30, 2017 amounted to R$ 16,993 (R$ 35,963 as of December 31, 2016), and was partially offset against income generated by investments exceeding cash, which amounted to R$ 1,408 as of September 30, 2017 (R$ 2,450 as of December 31, 2017). Accordingly, as of September 30, 2017, net financial charges capitalized amounted to R$ 15,585 (R$ 38,413 as of December 31, 2017). 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 22 and 23.

c) Impairment of PP&E

As at September 30, 2017, there are no indications, through internal or external sources, of impairment of Company property, plant and equipment items.

d) Collateral or guarantees

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

15. Intangible assets

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

Parent company:

		Parent company		
	Amortization annual average rate	12/31/2016	Additions	9/30/2017
Cost				
Other intangible from the concession		755	6	761
Intangible arising from acquisition of shares		8,157	-	8,157
		8,912	**6**	**8,918**
Amortization				
Other intangible from the concession	20.00%	(548)	(33)	(581)
Intangible arising from acquisition of shares	4.58%	(1,692)	(271)	(1,963)
		(2,240)	**(304)**	**(2,544)**
Projects in progress		72,452	7,080	79,532
Total intangible		**79,124**	**6,782**	**85,906**

Consolidated:

	Amortization annual average rate	Consolidated 12/31/2016	Additions	Write- offs	Transfers	Others	9/30/2017
Cost							
Other intangible from the concession		15,883	195	(4,839)	423	(22)	11,640
Use of public facilities		16,348	-	-	-	-	16,348
Intangible arising from acquisition of shares		57,912	-	-	-	-	57,912
		90,143	**195**	**(4,839)**	**423**	**(22)**	**85,900**
Amortization							
Other intangible from the concession	18.25%	(5,963)	(1,387)	148	-	11	(7,191)
Use of public facilities	3.33%	(2,796)	(391)	-	-	-	(3,187)
Intangible arising from acquisition of shares	3.97%	(9,219)	(1,200)	-	-	-	(10,419)
		(17,978)	**(2,978)**	**148**	**-**	**11**	**(20,797)**
Projects in progress		73,586	7,392	-	(423)	(2)	80,553
Total intangible		**145,751**	**4,609**	**(4,691)**	**-**	**(13)**	**145,656**

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	9/30/2017	12/31/2016	9/30/2017	12/31/2016
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. (**)	N/A	07/17/12	07/17/47	-	-	3,006	3,006
Energia dos Ventos II S.A. (**)	N/A	07/16/12	07/16/47	-	-	1,847	1,847
Energia dos Ventos III S.A. (**)	N/A	07/19/12	07/19/47	-	-	2,714	2,714
Energia dos Ventos IV S.A. (**)	N/A	07/24/12	07/24/47	-	-	3,924	3,924
Energia dos Ventos X S.A. (**)	N/A	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
Other	N/A	N/A	N/A	247	247	247	247
				8,157	8,157	57,912	57,912
Amortization of goodwill arising from the concession							
Usina Paulista Queluz de Energia S.A.				(651)	(559)	(651)	(559)
Usina Paulista Lavrinhas de Energia S.A.				(1,312)	(1,133)	(1,312)	(1,133)
Sistema de Transmissão Catarinense S.A. (*)				-	-	(2,788)	(2,557)
Lumitrans - Companhia Transmissora de Energia Elétrica (*)				-	-	(3,605)	(3,302)
Companhia Transleste de Transmissão (*)				-	-	(735)	(594)
Companhia Transudeste de Transmissão (*)				-	-	(527)	(425)
Companhia Transirapé de Transmissão (*)				-	-	(801)	(649)
				(1,963)	(1,692)	(10,419)	(9,219)
Net total				**6,194**	**6,465**	**47,493**	**48,693**

(*) 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), which will reimburse all the expenses incurred by the Company.

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.

16. Suppliers

	Parent Company		Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Charges from the use of transmission services	-	-	2,451	2,458
Electric power supply	7,599	7,424	24,473	18,983
Materials and services	2,580	2,703	100,904	143,848
Electric power supply - related parties	13,537	5,293	-	-
Other	-	-	2,630	1,213
	23,716	15,420	130,458	166,502
Current	23,716	15,420	130,458	166,502
Non-Current	-	-	-	-
	23,716	15,420	130,458	166,502

17. Income tax and social contribution payable

	Consolidated	
	9/30/2017	12/31/2016
Income tax and social contribution payable		
Corporate Income Tax – IRPJ	44,721	23,768
Social Contribution on Net Income - CSLL	33,736	20,793
Total	78,457	44,561

18. Deferred income tax and social contribution

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

	Consolidated			
	9/30/2017		12/31/2016	
Deferred income tax and social contribution				
	IRPJ deferred	**CSLL deferred**	**IRPJ deferred**	**CSLL deferred**
Calculation basis	1,379,122	3,016,113	1,386,483	3,030,526
encouraged calculation basis	1,681,231	-	1,679,551	-
Base Tax Obstructions	(36,944)	(6,170)	(35,507)	-
	3,023,409	3,009,943	3,030,527	3,030,526
Tax rate Profit Real	31,166	163,227	30,492	160,784
Encouraged tax rate	283,839	-	286,978	-
Presumed tax rate	24,352	13,184	24,665	13,305
	339,357	**176,411**	**342,135**	**174,089**
Total deferred income tax and social contribution		**515,768**		**516,224**
Deferred liabilities - Art. 69 Law 12,973		6,944		6,946
Total deferred income tax and social contribution		**522,712**		**523,170**
IRPJ / CSLL Deferred Investments abroad		-		-
Deferred Charges - Art. 69 Law 12,973		(78,498)		(69,809)
IR / CS Net Deferred		**444,214**		**453,361**
IR / CS Net Deferred Year ended		**444,214**		**394,228**
IRPJ / CSLL Deferred income		**(4,150)**		**(39,777)**

The companies of income tax by real profit with impact by the law 12.973: EBTE, EATE, ETEP, ECTE, ENTE, ETES, ETEM, STN, ELTE and ETVG.
The companies EBTE, FOZ and 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

	Consolidated	
Deferred income tax and social contribution	9/30/2017	12/31/2016
Deferred income tax - assets	11,587	11,250
Deferred social contribution – assets	3,325	4,049
	14,912	**15,299**
Deferred income tax - liabilities	(297,613)	(303,749)
Deferred social contribution – liabilities	(161,513)	(164,911)
	(459,126)	**(468,660)**

Details of the source IR/CS deferred:

	Consolidated			
	Balance Sheet		Income	
	9/30/2017	12/31/2016	9/30/2017	9/30/2016
Fiscal loss and negative basis	14,912	15,299	(9,409)	5,457
Concession Agreement (ICPC 01)	(459,126)	(463,875)	5,259	(20,277)
Deferred income for public authorities	-	(4,785)	-	(229)
Deferred income tax and social contribution	**(444,214)**	**(453,361)**	**(4,150)**	**(15,049)**

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 quarterly 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 September 30, 2017, 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 won't present taxable basis of results which would guarantee the realization of those credits.

	Parent company	
Non-recognized tax credits	9/30/2017	12/31/2016
Tax loss	436,310	352,024
Negative base for social contribution	443,557	359,073

19. Provisions for environmental expenses

	Consolidated	
	9/30/2017	12/31/2016
Subsidiaries		
Sistema de Transmissão Catarinense S.A.	30	30
Empresa Amazonense de Transmissão de Energia S.A.	9,104	9,301
Empresa Norte de Transmissão de Energia S.A.	653	667
Empresa de Transmissão de Energia do Mato Grosso S.A.	33	340
Foz do Rio Claro Energia S.A.	57	62
Ijuí Energia S.A.	1,064	1,307
Energia dos Ventos X S.A.	494	494
Ferreira Gomes Energia S.A	5,635	10,492
	17,070	22,693
Current	16,336	21,789
Non-current	734	904
	17,070	22,693

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 also 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 12/31/2016	Write- offs	Amounts paid	Inflation adjustment	Final balance 9/30/2017
Subsidiaries					
Sistema de Transmissão Catarinense S.A.	30	-	-	-	30
Empresa Amazonense de Transmissão de Energia S.A.	9,301	-	-	(197)	9,104
Empresa Norte de Transmissão de Energia S.A.	667	-	-	(14)	653
Empresa de Transmissão de Energia do Mato Grosso S.A.	340	(307)	-	-	33
Foz do Rio Claro Energia S.A.	62	-	(5)	-	57
Ijuí Energia S.A.	1,307	-	(243)	-	1,064
Energia dos Ventos X S.A.	494	-	-	-	494
Ferreira Gomes Energia S.A	10,492	-	(4,857)	-	5,635
	22,693	(307)	(5,105)	(211)	17,070

20. 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	
	9/30/2017	12/31/2016
Subsidiaries		
Usina Paulista Queluz de Energia S.A.	11,194	11,722
Usina Paulista Lavrinhas de Energia S.A.	6,015	6,252
Foz do Rio Claro Energia S.A.	-	494
Energia dos Ventos I S.A.	280	669
Energia dos Ventos II S.A.	129	492
Energia dos Ventos III S.A.	173	611
Energia dos Ventos IV S.A.	868	2,273
Energia dos Ventos X S.A.	253	589
Ferreira Gomes Energia S.A	27,391	27,984
	46,303	51,086
Current	39,626	42,979
Non-current	6,677	8,107
	46,303	51,086

b) Changes in provision for assets built up are as follows:

	Consolidated		
	Opening balance 12/31/2016	Amounts paid	Final balance 9/30/2017
Subsidiaries			
Usina Paulista Queluz de Energia S.A.	11,722	(528)	11,194
Usina Paulista Lavrinhas de Energia S.A.	6,252	(237)	6,015
Foz do Rio Claro Energia S.A.	494	(494)	-
Energia dos Ventos I S.A.	669	(389)	280
Energia dos Ventos II S.A.	492	(363)	129
Energia dos Ventos III S.A.	611	(438)	173
Energia dos Ventos IV S.A.	2,273	(1,405)	868
Energia dos Ventos X S.A.	589	(336)	253
Ferreira Gomes Energia S.A	27,984	(593)	27,391
	51,086	(4,783)	46,303

21. Regulatory charges payable

	Consolidated	
	9/30/2017	12/31/2016
Fiscalization fee – ANEEL - TFSEE	2,259	2,387
Quota for Global Reversal Reserve - RGR	7,828	7,652
Financial compensation for the utilization of water resources - CFURH	402	472
Research and Development – P&D	45,530	40,565
National fund for technologic and scientific development - FNDCT	845	1,002
Ministry of Mines and Energy - MME	420	498
	57,284	52,576
Current	57,284	52,576

22. 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 repaid	9/30/2017	12/31/2016	Principal	Costs to be repaid	9/30/2017	12/31/2016
Foreign currency	**Operating**									
Santader - Contract No. 2885	Alupar Peru	-	53,626	-	53,626	-	-	-	-	53,541
Santander Panamá - Contract No. 826302	Alupar Peru	-	17,535	-	17,535	-	-	-	-	17,744
Bancolombia - Contract nº 175893	Risaralda	-	-	-	-	24	-	-	-	-
Bancolombia - Contract nº 258419633	Risaralda	-	-	-	-	42	-	-	-	-
Itaú - Credit agreement No. IBC00093	Risaralda	121	34,240	-	34,361	35,231	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	40	10,700	-	10,740	11,003	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	80	21,400	-	21,480	22,031	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	56	14,980	-	15,036	15,409	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	56	14,980	-	15,036	15,410	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	32	8,560	-	8,592	8,805	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	40	10,700	-	10,740	11,007	-	-	-	-
Bank CorpBanca - credit contract	Risaralda	48	12,840	-	12,888	13,208	-	-	-	-
BDMG - Contract No. 127314	Transleste	135	6,286	-	6,421	-	-	-	-	-
BDMG - Contrato nº 127314	Transleste	-	-	-	-	799	-	-	-	-
		608	205,847	-	206,455	132,969	-	-	-	71,285
Foreign currency	**Pre-operating**									
Santander - Contract Bridge Credit Agreement	La Vigen	-	256,356	-	-	187,188	-	-	-	-
Santander - Contract COFIDE	La Vigen	-	-	-	256,356	112,313	-	-	-	-
		-	256,356	-	256,356	299,501	-	-	-	-
Subtotal		**608**	**462,203**	**-**	**462,811**	**432,470**	**-**	**-**	**-**	**71,285**
National currency	**Operating**									
FINEP - Contrato nº 02.09.0599.00	Alupar	7	2,420	(74)	2,353	3,536	-	-	-	1,466
BNDES - Subcrédito A - Contrato nº 09.2.1409.1	EBTE	296	11,253	-	11,549	11,503	75,020	-	75,020	82,768
BNDES (FINAME) - Subcrédito B - Contrato nº 09.2.1409.1	EBTE	12	2,889	-	2,901	2,906	3,371	-	3,371	5,538
BNDES - Subcrédito A - Contrato nº 12.2.1001.1	ESDE	50	1,614	-	1,664	1,658	13,855	-	13,855	14,941
BNDES (FINAME) - Subcrédito B - Contrato nº 12.2.1001.1	ESDE	8	1,583	-	1,591	1,593	6,332	-	6,332	7,518
BNDES - Subcrédito A - Contrato nº 11.2.1030.1	ETEM	97	3,336	-	3,433	3,421	25,302	-	25,302	27,573
BNDES - Subcrédito B - Contrato nº 11.2.1030.1	ETEM	3	109	-	112	110	823	-	823	898
BNDES - Contrato nº 09.2.0118.1	ETES	42	2,084	(4)	2,122	2,113	10,420	(20)	10,400	11,860
BNDES - Subcrédito A - Contrato nº 09.2.1467.1	ETES	6	288	-	294	293	1,441	-	1,441	1,644
BNDES (FINAME) - Subcrédito B - Contrato nº 09.2.1467.1	ETES	6	1,556	(32)	1,530	1,532	1,686	(14)	1,672	2,815
BNDES - Subcrédito A - Contrato nº 13.2.1413.1	ETSE	115	3,203	-	3,318	3,306	32,558	-	32,558	34,670
BNDES (FINAME) - Subcrédito B - Contrato nº 13.2.1413.1	ETSE	39	4,438	-	4,477	4,485	22,931	-	22,931	26,259
Banco do Brasil - Contrato nº 40/00039-7	ETVG	125	1,427	(6)	1,546	1,532	11,630	(35)	11,595	12,660
Banco Santander - Contrato nº 000270589715	ETVG	435	20,000	-	20,435	24,960	-	-	-	-
BNDES - Subcrédito A - Contrato nº 12.2.1390.1	Ferreira Gomes	667	14,688	(240)	15,115	15,071	184,822	(3,008)	181,814	191,025
BNDES - Subcrédito B - Contrato nº 12.2.1390.1	Ferreira Gomes	264	5,813	-	6,077	6,060	73,151	-	73,151	76,868
BNDES - Subcrédito C - Contrato nº 12.2.1390.1	Ferreira Gomes	30	656	-	686	684	8,253	-	8,253	8,673
BNDES (FINAME) - Subcrédito D - Contrato nº 12.2.1390.1	Ferreira Gomes	133	24,705	-	24,838	24,867	104,996	-	104,996	123,524
BNDES - Contrato nº 08.2.0070.1	Foz	496	15,426	-	15,922	15,864	131,121	-	131,121	141,507
BNDES - Contrato nº 08.2.0071.1	Ijuí	481	13,137	-	13,618	13,575	118,233	-	118,233	127,023
BNDES - Contrato nº 08.2.0976.1	Lavrinhas	228	9,423	-	9,651	9,610	62,033	-	62,033	68,527
BNDES - Contrato nº 10.2.0477.1	Lavrinhas	32	1,279	-	1,311	1,305	8,424	-	8,424	9,306
FINAME - Subcrédito A - Contrato nº 50002651100	Lavrinhas	-	-	-	-	3	-	-	-	-
FINAME - Subcrédito B - Contrato nº 50002651100	Lavrinhas	-	-	-	-	1	-	-	-	-
FINAME - Subcrédito A - Contrato nº 50002651000	Lavrinhas	-	-	-	-	1	-	-	-	-
FINAME - Subcrédito B - Contrato nº 50002651000	Lavrinhas	-	-	-	-	1	-	-	-	-
BNDES - Contrato nº 08.2.0975.1	Queluz	223	9,569	-	9,792	9,750	60,601	-	60,601	67,215
BNDES - Contrato nº 10.2.0478.1	Queluz	51	2,095	-	2,146	2,137	13,272	-	13,272	14,720
FINAME - Subcrédito A - Contrato nº 50003291100	Queluz	-	36	-	36	43	-	-	-	26
BNDES	EDV I	186	2,043	(25)	2,204	2,099	54,745	-	54,745	55,825
BNDES	EDV II	106	1,153	(14)	1,245	1,185	30,903	-	30,903	31,512
BNDES	EDV III	161	1,763	(19)	1,905	1,811	47,236	-	47,236	48,167
BNDES	EDV IV	266	2,920	(22)	3,164	3,001	78,260	-	78,260	79,804
BNDES	EDVX	134	1,479	(18)	1,595	1,519	39,608	-	39,608	40,389
BNB - Contratos nº A400000101001 e A400000101002	STN	53	21,143	-	21,196	20,442	104,832	-	104,832	120,758
BDMG (FINAME) - Contrato nº 147068	Transirapé	1	132	-	133	133	242	-	242	341
BDMG (FINAME PSI) - Contrato nº 177906	Transirapé	22	2,382	-	2,404	2,408	12,706	-	12,706	14,493
BDMG (FINEM) - Contrato nº 193.292	Transirapé	119	421	-	540	505	4,700	-	4,700	5,016
BDMG (FINAME) - Contrato nº 215.485	Transirapé	157	621	-	778	119	3,849	-	3,849	4,469
BNDES - Credíto automático Contrato 215.411	Transirapé	151	324	-	475	109	3,677	-	3,677	4,000
BDMG - Contrato nº 127315	Transleste	92	2,461	-	2,553	2,568	15,793	-	15,793	17,639
BNB - Contrato nº 05974828-A	Transleste	28	744	-	772	895	4,863	-	4,863	5,424
		5,322	190,613	(454)	195,481	198,714	1,371,689	(3,077)	1,368,612	1,486,861
National currency	**Pre-operating**									
Cost of borrowing BNDES	Verde 8	-	-	(240)	(240)	(240)	-	-	-	-
Commercial Promissory Note - Banco Fator S.A	Verde 8	-	-	-	-	31,495	-	-	-	-
		-	-	(240)	(240)	31,255	-	-	-	-
Subtotal		**5,322**	**190,613**	**(694)**	**195,241**	**229,969**	**1,371,689**	**(3,077)**	**1,368,612**	**1,486,861**
Total – Loans and financing - Current		**5,930**	**652,816**	**(694)**	**658,052**	**662,439**	**1,371,689**	**(3,077)**	**1,368,612**	**1,558,146**

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

Lenders/Creditors	Operating companies	Consolidated						
		Contracted conditions of loans and financing						
		Date of Engagement	Maturity	Contracted principal	Financial charges p.a.		Amortization of periodicity	
					Indexer	Interest (%)	Principal	Charges
National currency – R$								
FINEP - Contract nº 02.09.0599.00	Alupar	dec/09	may/18	72,841	-	8.00	Monthly	Monthly
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	sept/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. 09.2.0118.1	ETES	may/09	sept/23	27,714	TJLP	2.37	Monthly	Monthly
BNDES - Subcredit A – Contract No. 09.2.1467.1	ETES	dec/09	sept/23	3,357	TJLP	2.38	Monthly	Monthly
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1467.1	ETES	dec/09	oct/19	13,981	-	4.50	Monthly	Monthly
BNDES - Subcredit A – Contract No. 13.2.1413.1	ETSE	dec/13	nov/28	39,159	TJLP	2.02	Monthly	Monthly
BNDES (FINAME) - Subcredit B – Contract No. 13.2.1413.1	ETSE	dec/13	nov/23	39,254	-	3.50	Monthly	Monthly
Banco do Brasil – Contract No. 40/00039-7	ETVG	dec/11	dec/26	17,835	-	10.00	Monthly	Quarterly
Banco Santander - Contract nº 000270589715	ETVG	jun/15	jul/17	20,000	CDI	3.29	Lump sum at the end	Lump sum at the end
BNDES - Subcredit A – Contract No. 12.2.1390.1	Ferreira Gomes	dec/12	apr/31	198,420	TJLP	2.34	Monthly	Monthly
BNDES - Subcredit B – Contract No. 12.2.1390.1	Ferreira Gomes	dec/12	apr/31	78,540	TJLP	2.34	Monthly	Monthly
BNDES - Subcredit C – Contract No. 12.2.1390.1	Ferreira Gomes	dec/12	apr/31	9,500	TJLP	2.34	Monthly	Monthly
BNDES (FINAME) - Subcredit D – Contract No. 12.2.1390.1	Ferreira Gomes	dec/12	dec/22	181,850	-	2.50	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	sept/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. 08.2.0975.1	Queluz	mar/09	jan/25	114,647	TJLP	1.93	Monthly	Monthly
BNDES – Contract No. 10.2.0478.1	Queluz	aug/10	jan/25	27,716	TJLP	2.22	Monthly	Monthly
FINAME - Subcredit A - Contract No. 50003291100	Queluz	jun/13	jul/18	192	-	3.00	Monthly	Monthly
BNB - Contracts No. A400000101001 and A400000101002	STN	jun/04	jun/24	299,995	-	10.00	Monthly	Monthly
BDMG (FINAME) - Contrato 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 – Currency basket - USD								
Santander - Contract No. 2885	Alupar Peru	oct/14	oct/17	USD 15,000	Libor (*)	3.85	Lump sum at the end	Lump sum at the end
Santander Panamá - Contract No. 826302	Alupar Peru	dec/14	dec/17	USD 5,000	Libor (*)	3.85	Lump sum at the end	Lump sum at the end

(*) Libor rate is a reference interest rate used by a large number of banks operating in the London market. The Libor contract rate is 12 months.

Lenders/Creditors	Pre-operating companies	Consolidated						
		Contracted conditions of loans and financing						
		Date of Engagement	Maturity	Contracted principal	Financial charges p.a.		Amortization of periodicity	
					Indexer	Interest (%)	Principal	Charges
National currency – R$								
BNDES - Contract nº 15.2.0778.1 (*)	EDV I	feb/16	oct/32	57,990	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV II	feb/16	oct/32	32,220	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV III	feb/16	oct/32	49,007	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV IV	feb/16	oct/32	81,041	TJLP	2.18	Monthly	Monthly
BNDES - Contract nº 15.2.0778.1 (*)	EDV X	feb/16	oct/32	41,042	TJLP	2.18	Monthly	Monthly
Foreign currency – Colombian peso								
Itaú - Contrato de crédito - IBC00093 (***)	Risaralda	nov/14	nov/17	COP 32.000.000.000	IBR (TV) (**)	8.47	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	ago/15	nov/17	COP 10.000.000.000	IBR (TV) (**)	8.97	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	out/15	nov/17	COP 20.000.000.000	IBR (TV) (**)	8.97	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	dez/15	nov/17	COP 14.000.000.000	IBR (TV) (**)	8.97	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	fev/16	fev/18	COP 14.000.000.000	IBR (TV) (**)	8.97	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	mar/16	nov/17	COP 8.000.000.000	IBR (TV) (**)	8.97	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	abr/16	nov/17	COP 10.000.000.000	IBR (TV) (**)	8.87	Lump sum at the end	Quarterly
Banco CorpBanca - contrato de crédito	Risaralda	abr/16	nov/17	COP 12.000.000.000	IBR (TV) (**)	8.97	Lump sum at the end	Quarterly
Banco Itau Pagare	Risaralda	ago/17	fev/18	COP 1.425.000.000	IBR (TV) (**)	10.23	Semiannual	Semiannual
Banco Itau Pagare	Risaralda	mai/17	nov/17	COP 3.000.000.000	IBR (TV) (**)	10.55	Semiannual	Semiannual
Banco Itau Pagare	Risaralda	ago/17	fev/18	COP 1.450.000.000	IBR (TV) (**)	10.23	Semiannual	Semiannual
Foreign currency - Dollar								
Santander - Contract Bridge Credit Agreement	La Virgen	mar/17	dez/17	USD 50,000,000	Libor	5.19	Lump sum at the end	Lump sum at the end
Santander - Contract COFIDE	La Virgen	mar/17	dez/17	USD 30,000,000	Libor	3.00	Lump sum at the end	Quarterly

(*) First tranche released 03/29/2016, in the amount R$ 151,450
(**) Reference Banking Indicator - IBR Quarterly in Colombia (Rate 12/31/2014 - 4,36% p.y.)
(***) Contracted amount in Colombian pesos

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 September 30, 2017 these ratios, which are required to be measured annually, were being met, in line with the provisions in the debt agreements its subsidiaries and joint ventures.

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 September 30, 2017, all covenants of the Company and the subsidiaries have been met.

At September 30, 2017, certain loans and financing taken out by the subsidiaries have guarantees deposited in reserve accounts, amounting to R$ 131,918 (R$ 105,100 at December 31, 2016) evidenced in note 6.

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
		12/31/2016							9/30/2017
Foreign currency									
Santader - Contract No. 2885	Alupar Peru	53,541	-	10,796	-	(10,711)	-	-	53,626
Santander Panamá - Contract No. 826302	Alupar Peru	17,744	-	3,577	-	(3,786)	-	-	17,535
Santander - Contract Bridge Credit Agreement	La Vigen	187,188	4,860	10,263	3,989	(35,071)	-	(8,047)	163,182
Santander - Contract COFIDE	La Vigen	112,313	-	2,341	2,392	(22,523)	-	(1,349)	93,174
Bancolombia - Contract nº 175893	Risaralda	24	-	-	-	-	-	(24)	-
Bancolombia - Contract nº 258419633	Risaralda	42	-	-	-	-	-	(42)	-
Itaú - Credit agreement No. IBC00093	Risaralda	35,231	-	2,243	-	(518)	-	(2,595)	34,361
Bank CorpBanca - credit contract	Risaralda	11,003	-	763	-	(163)	-	(863)	10,740
Bank CorpBanca - credit contract	Risaralda	22,031	-	1,517	-	(341)	-	(1,727)	21,480
Bank CorpBanca - credit contract	Risaralda	15,409	-	1,062	-	(226)	-	(1,209)	15,036
Bank CorpBanca - credit contract	Risaralda	15,410	-	1,062	-	(227)	-	(1,209)	15,036
Bank CorpBanca - credit contract	Risaralda	8,805	-	607	-	(129)	-	(691)	8,592
Bank CorpBanca - credit contract	Risaralda	11,007	-	759	-	(163)	-	(863)	10,740
Bank CorpBanca - credit contract	Risaralda	13,208	-	910	-	(194)	-	(1,036)	12,888
Bank CorpBanca - credit contract	Risaralda	-	6,286	623	-	(488)	-	-	6,421
BDMG – Contract No. 127314	Transleste	799	-	5	(31)	-	(746)	(27)	-
		503,755	11,146	36,528	6,350	(74,540)	(746)	(19,682)	462,811
National currency									
FINEP - Contract No. 02.09.0599.00	Alupar	5,002	-	304	-	-	(2,721)	(232)	2,353
BNDES - Subcredit A – Contract No. 09.2.1409.1	EBTE	94,271	-	6,391	-	-	(8,408)	(5,685)	86,569
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1409.1	EBTE	8,444	-	246	-	-	(2,167)	(251)	6,272
BNDES - Subcredit A – Contract No. 12.2.1001.1	ESDE	16,599	-	1,080	-	-	(1,206)	(954)	15,519
BNDES (FINAME) - Subcredit B – Contract No. 12.2.1001.1	ESDE	9,111	-	160	-	-	(1,187)	(161)	7,923
BNDES - Subcredit A – Contract No. 11.2.1030.1	ETEM	30,994	-	1,837	249	-	(2,493)	(1,852)	28,735
BNDES - Subcredit B – Contract No. 11.2.1030.1	ETEM	1,008	-	57	8	-	(81)	(57)	935
BNDES – Contract No. 09.2.0118.1	ETES	13,973	-	809	115	-	(1,557)	(818)	12,522
BNDES - Subcredit A – Contract No. 09.2.1467.1	ETES	1,937	-	112	14	-	(215)	(113)	1,735
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1467.1	ETES	4,347	-	153	-	-	(1,167)	(131)	3,202
BNDES - Subcredit A – Contract No. 13.2.1413.1	ETSE	37,976	-	2,469	-	-	(2,393)	(2,176)	35,876
BNDES (FINAME) - Subcrédito B - Contract No. 13.2.1413.1	ETSE	30,744	-	759	-	-	(3,329)	(766)	27,408
Banco do Brasil – Contract No. 40/00039-7	ETVG	14,192	-	851	-	-	(1,391)	(511)	13,141
Banco Santander - Contract nº 000270589715	ETVG	24,960	-	1,510	-	-	(2,500)	(3,535)	20,435
BNDES - Subcredit A – Contract No. 12.2.1390.1	Ferreira Gomes	206,096	-	12,635	1,705	-	(10,974)	(12,533)	196,929
BNDES - Subcredit B – Contract No. 12.2.1390.1	Ferreira Gomes	82,928	-	4,930	675	-	(4,344)	(4,961)	79,228
BNDES - Subcredit C – Contract No. 12.2.1390.1	Ferreira Gomes	9,357	-	556	76	-	(490)	(560)	8,939
BNDES (FINAME) - Subcredit B – Contract No. 12.2.1390.1	Ferreira Gomes	148,391	-	2,605	-	-	(18,528)	(2,634)	129,834
BNDES – Contract No. 08.2.0070.1	Foz	157,371	-	9,361	1,268	-	(11,526)	(9,431)	147,043
BNDES – Contract No. 08.2.0071.1	Ijuí	140,598	-	9,071	1,136	-	(9,816)	(9,138)	131,851
BNDES – Contract No. 08.2.0976.1	Lavrinhas	78,137	-	4,340	622	-	(7,039)	(4,376)	71,684
BNDES – Contract No. 10.2.0477.1	Lavrinhas	10,611	-	609	87	-	(957)	(615)	9,735
FINAME - Subcredit A - Contract No. 50002651100	Lavrinhas	3	-	-	-	-	(3)	-	-
FINAME - Subcredit B - Contract No. 50002651100	Lavrinhas	1	-	-	-	-	(1)	-	-
FINAME - Subcredit A - Contract No. 50002651000	Lavrinhas	1	-	-	-	-	(1)	-	-
FINAME - Subcredit B - Contract No. 50002651000	Lavrinhas	1	-	-	-	-	(1)	-	-
BNDES – Contract No. 08.2.0975.1	Queluz	76,965	-	4,249	632	-	(7,149)	(4,304)	70,393
BNDES – Contract No. 10.2.0478.1	Queluz	16,857	-	986	117	-	(1,566)	(976)	15,418
FINAME - Subcredit A - Contract No. 50003291100	Queluz	69	-	-	-	-	(32)	(1)	36
BNDES - cost of financing	Verde 8	(240)	-	-	-	-	-	-	(240)
Banco Fator S.A	Verde 8	31,495	-	2,878	-	-	(30,000)	(4,373)	-
BNDES - Contract nº 15.2.0778.1	EDV I	57,924	(25)	3,391	478	-	(1,425)	(3,394)	56,949
BNDES - Contract nº 15.2.0778.1	EDV II	32,697	(14)	1,914	270	-	(804)	(1,915)	32,148
BNDES - Contract nº 15.2.0778.1	EDV III	49,978	(19)	2,926	412	-	(1,229)	(2,927)	49,141
BNDES - Contract nº 15.2.0778.1	EDV IV	82,805	(22)	4,848	683	-	(2,038)	(4,852)	81,424
BNDES - Contract nº 15.2.0778.1	EDV X	41,908	(18)	2,455	345	-	(1,031)	(2,456)	41,203
BNB - Contracts No. A400000101001 and A400000101002	STN	141,200	-	7,768	-	-	(15,135)	(7,805)	126,028
BDMG (FINAME) - Contrato No. 147068	Transirapé	474	-	13	-	-	(99)	(13)	375
BDMG (FINAME PSI) – Contract No. 177906	Transirapé	16,901	-	418	-	-	(1,787)	(422)	15,110
BDMG (FINEM) - Contract No. 193.292	Transirapé	5,521	-	415	-	-	(316)	(380)	5,240
BDMG (FINAME) - Contract nº 215.485	Transirapé	4,588	-	384	-	-	-	(345)	4,627
BDMG - Contract nº 215.411	Transirapé	4,109	-	386	-	-	-	(343)	4,152
BDMG – Contract No. 127315	Transleste	20,207	-	1,121	-	-	(1,846)	(1,136)	18,346
BNB – Contract No. 05974828-A	Transleste	6,319	-	345	-	-	(679)	(350)	5,635
		1,716,830	(98)	95,342	8,892	-	(159,631)	(97,482)	1,563,853
		2,220,585	11,048	131,870	15,242	(74,540)	(160,377)	(117,164)	2,026,664
Current		662,439							658,052
Non-current		1,558,146							1,368,612
		2,220,585							**2,026,664**

Significant amounts raised and repaid for the year ended September 30, 2017:

Lenders/Creditors	Companies	Currency	Raised date	Contracted principal	Financial charges	Amortization of principal	Amortization of charges	Payment date
Bancolombia - Contract nº 175893 (***)	Risaralda	Foreign	26-Mar-15	COP 98,000,000	DTF (T.A.) (*) + 8.69% a.a	Monthly	Monthly	26-Mar-17
BDMG – Contract No. 127314	Transleste	National	10-Mar-05	12,971	5.00%	Semiannual	Semiannual	31-Jan-17
FINAME - Subcredit A - Contract No. 50002651100	Lavrinhas	National	02-Feb-12	104	10.00%	Monthly	Monthly	15-Feb-17
FINAME - Subcredit B - Contract No. 50002651100	Lavrinhas	National	02-Feb-12	30	TJLP + 5.7%	Monthly	Monthly	15-Feb-17
FINAME - Subcredit A - Contract No. 50002651000	Lavrinhas	National	02-Feb-12	15	10.00%	Monthly	Monthly	15-Feb-17
FINAME - Subcredit B - Contract No. 50002651000	Lavrinhas	National	02-Feb-12	4	TJLP + 5.7%	Monthly	Monthly	15-Feb-17
Nota Promissória - Banco Fator S.A	Verde 8	National	10-Aug-16	30,000	2,11% do CDI	Lump sum at the end	Lump sum at the end	05-Aug-17

(***) Contracted amount in Colombian pesos

(i) Credit released by the BNDES for EDV's controlled until September 30, 2017 was as follows:

Subsidiary	Contracted amount	Releases					Balance to be released
		Sub credit A1	Sub credit A1	Sub credit A1	Sub credit A1		
		3/29/2016	5/23/2016	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	151,450	28,000	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	9/30/2017							
	Consolidated							
	R$							
	2017	2018	2019	2020	2021	2022	After 2022	Total
Foreign currency								
USD	327,517	-	-	-	-	-	-	327,517
Colombian Pesos	117,238	18,056	-	-	-	-	-	135,294
	444,755	18,056	-	-	-	-	-	462,811
National currency								
CDI	20,435	-	-	-	-	-	-	20,435
TJLP	29,948	105,722	108,828	109,968	110,071	110,806	611,870	1,187,213
Fixed rate	17,419	65,270	62,942	60,191	54,595	48,337	51,222	359,976
(-) Costs to be repaid	(124)	(637)	(237)	(233)	(232)	(232)	(2,076)	(3,771)
	67,678	170,355	171,533	169,926	164,434	158,911	661,016	1,563,853
	512,433	188,411	171,533	169,926	164,434	158,911	661,016	2,026,664

23. Debentures

a) The balance of debentures is as follows:

Lenders/Creditors	Companies	Parent Company/ Consolidated									
		Current					Non-current				
		Charges	Principal	Costs to be repaid	9/30/2017	12/31/2016	Charges	Principal	Costs to be repaid	9/30/2017	12/31/2016
4th Issuance	Alupar	787	50,010	(40)	50,757	108,994	-	-	-	-	50,010
5th Issuance	Alupar	9,810	20,992	(13)	30,789	23,159	-	356,868	(113)	356,755	370,634
6th Issuance	Alupar	9,449	-	(1,230)	8,219	2,925	-	288,101	(3,178)	284,923	278,545
		20,046	71,002	(1,283)	89,765	135,078	-	644,969	(3,291)	641,678	699,189
	Operating										
1st Issuance	Windepar	4,114	344	(523)	3,935	-	-	68,486	(5,362)	63,124	66,816
2nd Issuance	EATE	1,430	30,000	(22)	31,408	61,626	-	-	-	-	(4)
3rd Issuance	EATE	400	83,052	(60)	83,392	83,850	-	41,607	(9)	41,598	103,837
4th Issuance	EATE	1,568	37,412	(36)	38,944	40,373	-	74,823	(29)	74,794	102,821
5th Issuance - 1st emission	EATE	715	-	(84)	631	1,205	-	126,000	(80)	125,920	125,849
5th Issuance - 2nd emission	EATE	314	-	(23)	291	547	-	54,000	(68)	53,932	53,913
6th Issuance	EATE	70	8,909	(183)	8,796	-	-	61,090	(337)	60,753	-
1st Issuance	ECTE	886	20,000	(2)	20,884	-	-	-	-	-	-
2nd Issuance	ECTE	1,039	18,004	(195)	18,848	40,910	-	46,998	(98)	46,900	-
3rd Issuance	ECTE	75	-	(142)	(67)	1,230	-	75,000	(408)	74,592	64,735
1st Issuance	ENTE	-	-	-	-	-	-	-	-	-	-
2nd Issuance	ENTE	2,446	58,353	(55)	60,744	62,971	-	116,705	(44)	116,661	160,373
3rd Issuance - 1st emission	ENTE	159	-	(54)	105	226	-	28,000	(51)	27,949	27,904
3rd Issuance - 2nd emission	ENTE	69	-	(14)	55	111	-	12,000	(43)	11,957	11,945
1st Issuance	ETEP	-	-	-	-	-	-	-	-	-	-
2nd Issuance	ETEP	680	16,235	(27)	16,888	17,498	-	32,470	(22)	32,448	44,598
3rd Issuance	Ferreira Gomes	5,423	1,152	(1,319)	5,256	2,006	-	286,849	(12,203)	274,646	261,862
1st Issuance	STN	996	23,764	(116)	24,644	25,619	-	47,529	(97)	47,432	65,168
1st Issuance	Transirapé	319	7,969	(6)	8,282	16,194	-	-	-	-	-
2nd Issuance	Transirapé	-	-	(51)	(51)	-	-	30,000	(200)	29,800	-
1st Issuance	Transleste	544	12,941	(56)	13,429	13,934	-	26,055	(103)	25,952	35,615
2nd Issuance	Transleste	-	-	(51)	(51)	-	-	30,000	(206)	29,794	-
1st Issuance	Transudeste	375	9,383	(9)	9,749	19,067	-	-	-	-	-
2nd Issuance	Transudeste	-	-	(71)	(71)	-	-	50,000	(288)	49,712	-
1st Issuance	Verde 8	1,437	100,000	(369)	101,068	-	-	-	-	-	-
		23,059	427,518	(3,468)	447,109	387,367	-	1,207,612	(19,648)	1,187,964	1,125,432
Total – Debentures		**43,105**	**498,520**	**(4,751)**	**536,874**	**522,445**	**-**	**1,852,581**	**(22,939)**	**1,829,642**	**1,824,621**

b) The main characteristics of debentures are as follows:

Lenders/Creditors	Operating companies	Consolidated						
		Contracted conditions of debentures						
		Date of Engagement	Maturity	Contracted principal	Effective rate p.a.		Amortization of periodicity	
					Indexer	Interest (%)	Principal	Charges
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
2nd Issuance	EATE	Oct-12	Oct-17	150,000	CDI	0.99	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	109.75% CDI		Quarterly	Quarterly
5th Issuance - 1st emission	EATE	Sep-16	Sep-19	126,000	113.00% CDI		Monthly	Monthly
5th Issuance - 2nd emission	EATE	Sep-16	Sep-19	54,000	116.00% CDI		Monthly	Monthly
6th Issuance	EATE	Sep-17	Sep-22	70,000	107,75% CDI		Monthly	Monthly
2nd Issuance	ECTE	Oct-12	Oct-17	80,000	CDI	0.99	Semiannual	Semiannual
3rd Issuance	ECTE	May-15	Feb-20	70,000	CDI	2.15	Quarterly	Quarterly
4th Issuance	ECTE	Sep-17	Sep-22	75,000	107,75% CDI		Monthly	Monthly
2nd Issuance	ENTE	Aug-14	Aug-20	248,000	109,75% CDI		Quarterly	Quarterly
3rd Issuance - 1st emission	ENTE	Sep-16	Sep-19	28,000	113.00% CDI		Monthly	Monthly
3rd Issuance - 2nd emission	ENTE	Sep-16	Sep-21	12,000	116.00% CDI		Monthly	Monthly
2nd Issuance	ETEP	Aug-14	Aug-20	69,000	109.75% CDI		Quarterly	Quarterly
3rd Issuance	Ferreira Gomes	Jun-14	Dec-27	210,900	IPCA	6.47	Semiannual	Semiannual
1st Issuance	STN	Aug-14	Aug-20	101,000	109.75% CDI		Quarterly	Quarterly
1st Issuance	Transirapé	Nov-12	Nov-17	42,500	CDI	0.99	Semiannual	Semiannual
2nd Issuance	Transirapé	Sep-17	Sep-22	30,000	107,75% CDI		Monthly	Monthly
1st Issuance	Transleste	Aug-14	Aug-20	55,000	109,75% CDI		Quarterly	Quarterly
2nd Issuance	Transleste	Sep-17	Jun-22	30,000	107,75% CDI		Monthly	Monthly
1st Issuance	Transudeste	Nov-12	Nov-17	47,500	CDI	0.99	Semiannual	Semiannual
2nd Issuance	Transudeste	Sep-17	Sep-22	50,000	107,75% CDI		Monthly	Monthly
1st Issuance	Verde 8	Jul-17	Aug-18	100,000	107% CDI		Lump sum at the end	Lump sum at the end

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 September 30, 2017, 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.

At third quarter ended September 30, 2017 the Controlled Ferreira Gomes Energia S.A attended the Capitalization Index (PCI) and the Debt Service Coverage Ratio (DSCR) established in the debenture agreement.

Debentures of the Company and its subsidiaries are nonconvertible.

c) Changes in debentures are as follows:

Lenders/Creditors	Companies	Parent Company/ Consolidated						
		Opening Balance	Entry of debt (cost to be repaid)	Provision of charges	Monetary Variation	Principal Repayment	Charges repayment	Final balance
		12/31/2016						9/30/2017
4th Issuance	Alupar	159,004	-	9,160	-	(99,989)	(17,418)	50,757
5th Issuance	Alupar	393,793	-	21,318	8,261	(20,887)	(14,941)	387,544
6th Issuance	Alupar	281,470	-	15,028	6,853	-	(10,209)	293,142
		834,267	-	45,506	15,114	(120,876)	(42,568)	731,443
2nd Issuance	EATE	61,622	-	3,861	-	(30,000)	(4,075)	31,408
3rd Issuance	EATE	187,687	-	14,528	-	(62,289)	(14,936)	124,990
4th Issuance	EATE	143,194	-	10,974	-	(28,059)	(12,371)	113,738
5th Issuance - 1st emission	EATE	127,054	-	11,163	-	-	(11,666)	126,551
5th Issuance - 2nd emission	EATE	54,460	-	4,897	-	-	(5,134)	54,223
6th Issuance	EATE	-	69,477	72	-	-	-	69,549
2nd Issuance	ECTE	40,910	-	2,638	-	(20,000)	(2,664)	20,884
3rd Issuance	ECTE	65,965	-	6,397	-	-	(6,614)	65,748
4th Issuance	ECTE	-	74,448	77	-	-	-	74,525
1st Issuance	Windepar	66,816	(5,271)	5,514	-	-	-	67,059
2nd Issuance	ENTE	223,344	-	17,118	-	(43,765)	(19,292)	177,405
3rd Issuance - 1st emission	ENTE	28,130	-	2,517	-	-	(2,593)	28,054
3rd Issuance - 2nd emission	ENTE	12,056	-	1,097	-	-	(1,141)	12,012
2nd Issuance	ETEP	62,096	-	4,783	-	(12,177)	(5,366)	49,336
3rd Issuance	Ferreira Gomes	263,868	-	15,301	5,650	-	(4,917)	279,902
1st Issuance	STN	90,787	-	6,883	-	(17,737)	(7,857)	72,076
1st Issuance	Transirapé	16,194	-	1,104	-	(7,969)	(1,047)	8,282
2nd Issuance	Transirapé	-	29,749	-	-	-	-	29,749
1st Issuance	Transleste	49,549	-	3,816	-	(9,706)	(4,278)	39,381
2nd Issuance	Transleste	-	29,743	-	-	-	-	29,743
1st Issuance	Transudeste	19,067	-	1,295	-	(9,381)	(1,232)	9,749
2nd Issuance	Transudeste	-	49,641	-	-	-	-	49,641
1st Issuance	Verde 8	-	99,557	1,511	-	-	-	101,068
		2,347,066	347,344	161,052	20,764	(361,959)	(147,751)	2,366,516
Current		522,445						536,874
Non-current		1,824,621						1,829,642
		2,347,066						**2,366,516**

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

Installments to become due by indexer	9/30/2017							
	Consolidated							
	R$							
	2017	2018	2019	2020	2021	2022	After 2022	Total
CDI	135,075	430,106	390,321	176,424	148,682	62,010	-	1,342,618
IPCA	25,834	39,453	49,686	215,761	216,620	73,429	430,805	1,051,588
(-) Costs to be repaid	(1,627)	(4,341)	(3,704)	(3,400)	(2,459)	(1,897)	(10,262)	(27,690)
	159,282	465,218	436,303	388,785	362,843	133,542	420,543	2,366,516

24. Provision for contingencies

a) Provisions for contingencies and related judicial deposit balances at September 30, 2017 and December 31, 2016, by nature, are shown below:

	Consolidated			
	Liabilities		Assets	
	Provisions		Judicial deposits	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Judicial procedures				
Tax	2,346	2,243	2,828	3,213
Civil	808	49	3,562	3,616
Land	-	-	12,972	3,793
Labor	4,233	4,475	3,726	2,634
Administrative procedures				
Regulatory (ANEEL)	-	-	1	1
	7,387	6,767	23,089	13,257
Current	77	277	-	-
Non-current	7,310	6,490	23,089	13,257
	7,387	6,767	23,089	13,257

b) Changes in the provision for contingences are as follows:

	Consolidated					
	Opening balance	Entries	Atualizations	Reversal	Payments	Closing balance
	12/31/2016					9/30/2017
Judicial procedures						
Tax	2,243	-	103	-	-	2,346
Civil	49	759	-	-	-	808
Labor	4,475	2,202	-	(1,894)	(550)	4,233
	6,767	2,961	103	(1,894)	(550)	7,387

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.

(A) Probability of Loss: The Company and/or its subsidiaries appear as a party to claims with probable probability of loss that, individually and, in the evaluation of our management, are considered to be relevant to the business, as follows:

Tax Demands:

Injunction No. 00022535720094036100, moved by the Company in the face of the Federal Revenue Service of São Paulo, pending before the 5th Federal Court of São Paulo. Visa excluding the amounts received as interest on the basis of equity of the PIS and COFINS. The value at risk is approximately R $ 2,350.

(i) Civil Claims:

• Implementing Action No. 00503476720108160001, 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$ 3,242.

(B) Contingent obligations for which no provision has been recognized*:* Although the Company and its subsidiaries did not record provisions for such proceedings, the following proceedings be highlighted:

(i) Tax suits*:*

- Administrative Proceeding No. 10880908850201376, moved by the Company in proceedings before the Federal Revenue Service. It is application for credit refund (Perd / Comp), the value at risk is approximately R $ 6,280.

- Administrative Proceeding No. 10880946290201277, moved by the Company in proceedings before the Federal Revenue Service. It is application for credit refund (Perd / Comp), the value at risk is approximately R $ 4,375.

- Administrative Proceeding No. 19515722963201238, against the subsidiary Empresa Amazonense de Transmissão de Energia S.A. (EATE), pending before the Internal Revenue Service. It is an infraction in connection with income tax, CSLL, PIS and COFINS in the period 2007-2010, the value at risk is approximately R$ 2,202;

- Administrative Proceeding No. 10480902369201037, moved by the Union in the face of Controlled Sistema de Transmissão do Nordeste S.A. (STN), pending before the Federal Revenue of Recife / PE. This is credit application for compensation arising from a negative balance of income tax, recorded in the 2005, with compensation of PIS debts, COFINS and income tax. The value at risk estimate eg R $ 1,631;

- Tax Enforcement No. 00008348820148110047, against the subsidiary Transmissora Matogrossense de Energia S.A. (TME), pending before the Court of Single Jauru, whose responsibility solidarity. It's Tax Enforcement requiring the ISS rate of collection of difference, being the principal debtor Global Energia Elétrica S.A. and Mavi Engenharia e Construções Ltda., whose value at risk is approximately R$ 1,216. Presentation of embargoes the enforcement, with sentence of partial procedural, but still pending appeal.

- Tax assessment 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. No value risk;

(ii) Civil suits:

- 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$ 1,543.

- 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). The value at risk estimate is $ 1,946;

- 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 class action No. 201201963790 (0196379-30.2012.8.09.0142) proposed by the Public Ministry of the State of Goiás against the Company and the State of Goiás, a preliminary injunction, in order to declare the nullity of a previous license issued to the SHP Verde 08, in view of the alleged occurrence of failures in the

Environmental Impact Study submitted by the project. Injunction revoked and enterprise being implemented. The value at risk estimate is $ 14;

- Civil Action No. 00198341202014809142 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 Transnorte for the preservation of allegedly offended indigenous rights. The approximate value at risk is R $ 1,211;

- 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 can not 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 $ 6,487;

- 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 $ 1,558;

- 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 $ 1,312;

- Implementing Action No. 00503441520108160001 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 $ 2,053;

- Monitoring Action No. 00465158420148160001 proposed by Construtora Triunfo S.A.contra 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 $ 9,015;

- Indemnification Action No. 00022561520158030006 proposed by Dolivar Alfredo Furtado Abdon in the face of Controlled Ferreira Gomes Energia S.A., in which it requires the conviction for alleged material and moral damages caused during the construction of the project. The approximate value at risk is R $ 1,134.

- Civil Claim nº 2001003498201572 proposed by IBAMA in face of the Subsidiary Transnorte Energia S.A., for alleged noncompliance with environmental condition. The approximate value at risk is R $ 1,183;

- Tax Enforcement Proceeding no. 08094733820178230010 proposed by the State of Roraima's Treasury against the Subsidiary Transnorte Energia S.A., for the purpose of collecting the ICMS initially determined in the Tax Offense No. 492/2015. The approximate value at risk is R $ 13,496;

- Collection Action nº 10688729020138260100 proposed by Cotesa – Desapropriações, Avaliações e Meio Ambiente LTDA. against Ijuí Energia S.A., for alleged credit for services unforeseen and supervenient amounts of R$ 2,685. The approximate value at risk is R $ 5,544

(iii) Labor claims: there are no legal or administrative demands of labor with possible risk of loss, individually and in the evaluation of our management, are considered relevant to our business.

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

- Procedure Arbitration No. 21212 / ASM, established by the TSK Energia Desenvolvimento LTDA in the face of Controlled Ferreira Gomes Energia SA pending before the International Court of Commerce ("ICC" - International Chamber of Arbitration). This is arbitration procedure to settle disputes arising from "Contract Agreement and Total Fixed Term for the implementation of the Assembly of Electromechanical Equipment, Hydro, and Systems" AHE Ferreira Gomes. The value at risk can't be estimated.

- Arbitral Procedure nº 22375 / ASM and 22414/ASM, established by GCZ Construcción S.A.C. In face of the Subsidiary La Virgen S.A.C. Pending before the International Chamber of Commerce (ICC) in the city of Lima, Peru. These are two arbitration procedures, initially distributed separately, but, by agreement of the parties, have been consolidated into a single procedure. This is an arbitration procedure to settle disputes arising from the "Contract for the Supply and Assembly of Equipment" of the La Virgen Small Hydroelectric Power Plant. There is a counter-claim presented by La Virgen. The value at risk can't be estimated.

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

- Auto Environmental Infraction No. 013596 A, issued by Instituto do Meio Ambiente e Ordenamento Territorial do Estado do Amapá - IMAP, due to the controlled Ferreira Gomes Energia SA to have the company allegedly caused significant changes in the environment. The value at risk estimate is $ 20,000

  We emphasize that 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 Infraction Auto No. 014689-A, issued by the Environment and Spatial Planning Institute in the State of Amapá - IMAP, in the face of Controlled 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 $ 30,000.

In addition, there are six public civil actions of an environmental nature, in which the Company and / or its Subsidiaries, figure as defendants in five civil class actions of environmental nature, with possible loss probability, as mentioned in item "B", part "ii".

(vi) 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., trought 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$9,637.

- Ordinary Action with injuction 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 Company 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$ 6,195.

- Ordinary Action with injuction 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 Generators 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$ 264.

25. 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 April 5, 2017, in compliance with the Instruction of the Brazilian Securities and Exchange Commission ("CVM") Instruction 476, the Company capital increased in the amounted R$833,463 (within the authorized capital limit), through 45,520,639 Common Shares and 82,704,360 Preferred Shares, including Common Shares and Preferred Shares underlying the Units, all nominative, book-entry shares with no par value, pounds and cleared of liens or encumbrances, and already considered the Supplementary Lot, the costs Total of this operation amounted to R$ 26,959, the price fixed per Unit in R$ 19.50 ("Price per Unit") and price per share in R$ 6.50 ("Price per Share").

On May 15, 2017, the Company authorized the conversion of 2,798,124 common shares into preferred shares as per the request of the shareholder Perfin Pipe II FIA Shares.

On September 30, 2017, the Company's capital amounted to R$ 2,981,996 (R$ 2,148,533 as of December 31, 2016), comprising 596.955.970 (554,233,455 as of December 31, 2016) and 282,155,299 preferred shares (196,652,815 as of December 31, 2016), held as follows:

	9/30/2017				12/31/2016			
	Common		Preferred		Common		Preferred	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders								
Guarupart Participações Ltda	445,995,367	74.71	12,471,128	4.42	445,995,367	80.47	12,471,128	6.34
FI - FGTS	35,162,754	5.89	70,325,508	24.92	35,162,754	6.34	70,325,508	35.76
Outstanding shares	115,797,849	19.40	199,358,663	70.66	73,075,334	13.18	113,856,179	57.90
Total shares	596,955,970	100.00	282,155,299	100.00	554,233,455	100.00	196,652,815	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	
	9/30/2017	12/31/2016
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.	(26,767)	(24,211)
	48,392	50,948
Reserve for reinvestment		
Empresa Norte de Transmissão de Energia S.A.	504	504
Empresa Paraense de Transmissão de Energia S.A.	57	57
	561	561
	48,953	**51,509**

(*) 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 quarterly information of subsidiaries domiciled abroad, as demonstrated below:

	Parent Company	
	9/30/2017	12/31/2016
Balance at the beginning of the fiscal year	(1,395)	43,276
Exchange differences derived from the conversion of assets in overseas operations		
Subsidiaries:		
Transchile Charrúa Transmisión S.A.	-	(43,241)
La Virgen S.A.C.	(1,176)	(2,174)
Risaralda Energía S.A.S.E.S.P.	57	(2,704)
Alupar Inversiones Peru S.A.C.	2,814	2,134
Alupar Chile Inversiones SpA	-	157
Alupar Colômbia S.A.S.	3,572	1,157
Balance at the end of the period / fiscal year	**3,872**	**(1,395)**

f) **Allocation of income**

According to paragraph 37 of the Company's Articles of Incorporation, shareholders are entitled to receive non-cumulative mandatory dividends (minimum dividend), each year, corresponding to 50% (fifty percent) of net income for the year, increased or reduced by the following: a) amount allocated to the legal reserve; (b) amount allocated to reserve for litigation and reversal of reserve for litigation recorded in prior years.

g) **Non-controlling shareholders**

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

26. 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 September 30, 2017 and 2016:

	Consolidated			
	Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Numerator:				
Net income for the period, entitled to the controlling shareholders	112,032	33,878	238,031	171,722
Denominator (in thousands of shares)				
Weighted average of the number of common shares (*)	596,956	502,678	582,538	484,426
Weighted average of the number of preferred shares (*)	282,155	178,307	252,077	171,884
Earnings per share				
Basic and diluted earnings per share: (*)	0.12744	0.04975	0.28520	0.26165
Basic and diluted earnings per share: (*)	0.12744	0.04975	0.28520	0.26165

(*) This calculation was considered the increase of capital investment reserve as disclosed in Note 38 Subsequent events

The Company has no diluting instruments, such as instruments convertible into shares, options or subscription warrants.

27. Net operating revenue

	Parent Company				Consolidated			
	Three months ended		Period ended		Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Gross operating revenue								
Power transmission system								
Revenue from power transmission	-	-	-	-	25,720	33,579	83,637	84,889
Infrastructure revenue	-	-	-	-	6,140	13,039	24,166	40,983
Payment of financial assets from the concession	-	-	-	-	234,785	267,500	722,208	834,513
	-	-	-	-	266,645	314,118	830,011	960,385
Power generation system								
Power supply (Note 30)	54,677	17,220	113,026	47,870	162,396	114,998	425,889	342,719
	54,677	17,220	113,026	47,870	162,396	114,998	425,889	342,719
Total - Gross operating revenue	54,677	17,220	113,026	47,870	429,041	429,116	1,255,900	1,303,104
Taxes on gross operating revenue								
Social integration program - PIS	(908)	(290)	(1,881)	(791)	(4,314)	(4,284)	(12,664)	(11,954)
Social Security Financing Contribution - COFINS	(4,182)	(1,336)	(8,664)	(3,638)	(19,880)	(19,779)	(58,335)	(54,774)
Tax on Circulation of Goods and Services - ICMS	-	-	-	-	-	(2,553)	(1,124)	(5,900)
Services Tax - ISS	-	-	-	-	(91)	(85)	(284)	(365)
IVA	-	-	-	-	249	-	-	-
	(5,090)	(1,626)	(10,545)	(4,429)	(24,036)	(26,701)	(72,407)	(72,993)
Regulatory charges for the concession								
Quote for global reserve for reversal - RGR	-	-	-	-	(7,714)	(8,634)	(24,999)	(24,130)
Research and Development – R&D	-	-	-	-	(1,429)	(1,525)	(4,577)	(4,298)
National Fund of scientific and technologic development - FNDCT	-	-	-	-	(1,429)	(1,525)	(4,578)	(4,298)
Brazilian Ministry of Mines and Energy (MME)	-	-	-	-	(714)	(764)	(2,291)	(2,150)
Fiscalization Fee for the electric power services - TFSEE	-	-	-	-	(1,620)	(1,631)	(5,067)	(4,643)
	-	-	-	-	(12,906)	(14,079)	(41,512)	(39,519)
Total - Deductions on gross operating revenue	(5,090)	(1,626)	(10,545)	(4,429)	(36,942)	(40,780)	(113,919)	(112,512)
Net operating revenue	**49,587**	**15,594**	**102,481**	**43,441**	**392,099**	**388,336**	**1,141,981**	**1,190,592**

28. Power supply and electricity purchased for resale

	Parent company						Consolidated					
	Three months ended						Three months ended					
	9/30/2017			9/30/2016			9/30/2017			9/30/2016		
	MWh *	Average Price	Amount	MWh *	Average Price	Amount	MWh *	Average Price	Amount	MWh *	Average Price	Amount
Power supply												
Bilateral agreement – free environment	-	-	-	-	-	-	130,548	245.83	32,092	92,736	264.49	24,528
Bilateral agreement – free environmen - trade	303,807	128.48	39,032	50,923	107.65	5,482	257,966	142.17	36,676	95,143	131.49	12,510
Bilateral agreement – free environmen - others	-	-	-	-	-	-	-	-	-	6,632	(29.55)	(196)
Bilateral agreement – regulated environment	28,726	154.95	4,451	80,240	144.89	11,626	492,431	149.76	73,745	547,194	130.17	71,228
Gross-up ICMS	-	-	-	-	-	-	-	-	1	-	-	2,423
MRE and Spot (short term power)	-	-	11,194	-	-	112	-	-	19,882	-	-	4,505
Total - Gross operating revenue			54,677			17,220			162,396			114,998
Electric power purchased power for resale	-											
Bilateral agreement – free environment	(304,650)	178.22	(54,294)	(158,659)	155.98	(24,748)	(143,617)	178.57	(25,646)	(522,537)	31.41	(16,411)
MRE / Spot and other adjustments	-	-	97	-	-	357	-	-	(955)	-	-	(785)
(-) Credit of Pis/Cofins Power	-	-	3,899	-	-	1,930	-	-	4,106	-	-	2,308
			(50,298)			(22,461)			(22,495)			(14,888)

	Parent company						Consolidated					
	Period ended						Period ended					
	9/30/2017			9/30/2016			9/30/2017			9/30/2016		
	MWh *	Average Price	Amount	MWh *	Average Price	Amount	MWh *	Average Price	Amount	MWh *	Average Price	Amount
Power supply												
Bilateral agreement – free environment	-	-	-	-	-	-	354,019	255.22	90,354	276,234	253.26	69,960
Bilateral agreement – free environmen - trade	593,279	125.36	74,371	78,885	151.77	11,972	350,298	153.27	53,691	177,841	145.31	25,842
Bilateral agreement – free environmen - others	-	-	-	-	-	-	-	-	-	6,632	202.36	1,342
Bilateral agreement – regulated environment	166,615	154.18	25,689	246,987	144.89	35,786	1,603,702	144.27	231,371	1,651,834	139.07	229,722
Gross-up ICMS	-	-	-	-	-	-	-	-	898	-	-	5,871
Unconditional discount	-	-	-	-	-	-	-	-	20,900	-	-	(348)
MRE and Spot (short term power)	-	-	12,966	-	-	112	-	-	28,675	-	-	10,330
Total - Gross operating revenue			113,026			47,870			425,889			342,719
Electric power purchased power for resale												
Bilateral agreement – free environment	(862,062)	151.86	(130,914)	(332,982)	160.17	(53,335)	(587,503)	146.27	(85,932)	(626,264)	39.60	(24,797)
MRE / Spot and other adjustments	-	-	716	-	-	-	-	-	(6,867)	-	-	(22,903)
(-) Credit of Pis/Cofins Power	-	-	11,324	-	-	4,574	-	-	12,926	-	-	4,952
			(118,874)			(48,761)			(79,873)			(42,748)

(*) Information not reviewed by independent auditors

On March 06, 2013, the National Counsel for Energy Politics (CNPE) published Resolution No. 03/2013, which (i) establishes guidelines for the internalization of risk aversion mechanism in computer programs for energy studies and pricing and (ii) allows the Steering Committee for the Monitoring of the Electric Sector – CMSE dispatch thermoelectric plants - TPPs out of economic merit order. According to this CNPE Resolution 03/13, a significant part of the cost of TPPs will be on the hydroelectric generators, either in the transitional period (until the approval of new computer programs) or in permanent period. Currently the apportionment of costs order of TPPs foreseen in CNPE 03/13 resolution is suspended for the controlled generation of the Company and for some agents, according to the same are protected by the injunction obtained on August 22, 2013 by the association that represent. 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$ 16,239.

29. Operating costs and expenses

	Parent Company							
	Three months ended							
	9/30/2017				9/30/2016			
	General and administratives expenses	Others	Costs of services rendered	Total	General and administratives expenses	Others	Costs of services rendered	Total
Personnel	(4,274)	-	(229)	(4,503)	(3,859)	-	(133)	(3,859)
Material	(25)	-	-	(25)	(51)	-	-	(51)
Third parties services	(889)	-	(71)	(960)	(1,039)	-	(14)	(1,039)
Depreciation and amortization	(306)	-	-	(306)	(288)	-	-	(288)
Rents	(375)	-	(3)	(378)	(404)	-	-	(404)
Insurance	(5)	-	-	(5)	(8)	-	-	(8)
Donations, contributions and support	(33)	-	-	(33)	(12)	-	-	(12)
Capital loss	-	82	-	82	-	(145)	-	(145)
Other taxes and fees	(22)	-	(2)	(24)	(133)	-	(17)	(133)
Others	(36)	-	-	(36)	(3)	-	-	(3)
Total	**(5,965)**	**82**	**(305)**	**(6,188)**	**(5,797)**	**(145)**	**(164)**	**(5,942)**

	Parent Company							
	Period ended							
	9/30/2017				30/09/2016			
	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	(14,084)	-	(767)	(14,851)	(13,063)	-	(496)	(13,559)
Material	(87)	-	-	(87)	(128)	-	-	(128)
Third parties services	(4,371)	-	(128)	(4,499)	(3,395)	-	(76)	(3,471)
Depreciation and amortization	(928)	-	-	(928)	(974)	-	-	(974)
Rents	(1,222)	-	(3)	(1,225)	(1,303)	-	(1)	(1,304)
Insurance	(24)	-	-	(24)	271	-	-	271
Donations, contributions and support	(97)	-	-	(97)	(76)	-	-	(76)
Capital loss	-	(40)	-	(40)	-	(2,818)	-	(2,818)
Other taxes and fees	(321)	-	(8)	(329)	(416)	-	(23)	(439)
Others	(44)	(1)	-	(45)	(36)	-	-	(36)
Total	**(21,178)**	**(41)**	**(906)**	**(22,125)**	**(19,120)**	**(2,818)**	**(596)**	**(22,534)**

* capitalized value complementary to Risaralda's assets

30. Financial income and expenses

	Parent Company				Consolidated			
	Three months ended		Period ended		Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Financial Revenues								
Revenues of financial investments	20,333	9,989	57,228	19,460	33,646	18,776	108,309	47,845
Monetary adjustment – Judicial deposits	29	43	102	124	29	43	102	124
Monetary adjustment – recoverable taxes	300	702	1,379	2,096	512	735	1,830	2,336
Others	98	(894)	98	(894)	1,346	(7,597)	3,560	6,282
Total	**20,760**	**9,840**	**58,807**	**20,786**	**35,533**	**11,957**	**113,801**	**56,587**
Financial Expenses								
Charges on loans and financing	(86)	(161)	(306)	(1,215)	(47,790)	(37,750)	(112,790)	(97,499)
Monetary and exchange adjustment on loans and financing	-	-	-	-	(12,499)	(4,588)	(18,840)	(10,812)
Charges on debentures	(12,598)	(19,218)	(45,506)	(56,231)	(43,902)	(68,303)	(159,541)	(202,110)
Monetary adjustment on debentures	(3,408)	(8,271)	(15,114)	(40,579)	(4,597)	(11,465)	(20,764)	(55,746)
Exchange variation	(18)	-	(347)	-	18,769	(230)	(347)	(581)
Monetary variation – R&D	-	-	-	-	(504)	(916)	(814)	(2,437)
Monetary adjustment - Contingencies	(30)	(43)	(103)	(124)	(89)	(43)	(162)	(124)
Monetary variation – Others	-	-	-	-	(1,557)	(13,709)	(4,616)	(14,737)
Interest and penalties	(36)	(8)	(48)	(40)	(519)	(180)	(1,294)	(1,427)
Comissions and Bank Guarantees	(52)	(39)	(165)	(112)	(404)	(517)	(1,374)	(1,266)
Others	(340)	(513)	(729)	(616)	16,334	(2,970)	(3,599)	(8,082)
Total	**(16,568)**	**(28,253)**	**(62,318)**	**(98,917)**	**(76,758)**	**(140,671)**	**(324,141)**	**(394,821)**
Total Net	**4,192**	**(18,413)**	**(3,511)**	**(78,131)**	**(41,225)**	**(128,714)**	**(210,340)**	**(338,234)**

31. Income tax and social contribution

a) Reconciliation of the effective nominal rate for the period ended September 30, 2017 and 2016 is as follows:

	Consolidated			
	Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
a) Composition of taxes on income:				
In the line taxes:				
Current	(27,399)	(33,326)	(97,043)	(94,437)
Deferred	(17,747)	(1,736)	(4,150)	(15,049)
Total	**(45,146)**	**(35,062)**	**(101,193)**	**(109,486)**
b) Statement of tax calculation – Expense:				
Income before taxes	**248,001**	**154,136**	**599,879**	**567,662**
Nominal rate	34%	34%	34%	34%
Expectation of expenses on taxes at nominal rates	**(84,320)**	**(52,406)**	**(203,959)**	**(193,005)**
Adjustment for assessment of effective IRPJ and CSLL:				
Tax credits - tax and social contribution not recorded in the year	(11,399)	(15,215)	(14,361)	(40,211)
Reversal of taxation effect - taxable income	(36,923)	15,858	7,842	59,023
Taxation by Profit computed as a percentage of revenue	30,822	(5,866)	21,878	(14,731)
Effect of entity tax rates abroad	(6,313)	(5,738)	(6,242)	8,651
Reduced tax rate (*)	-	11,323	-	32,745
nondeductible expenses	1,808	(2,091)	(459)	(5,314)
Income from equity method	17,223	(714)	5,361	(26,013)
Tax breaks (*)	45,352	3,729	88,746	13,721
Recognition of tax losses not previously recognized	1,814	480	-	1,297
Others	(3,211)	5,747	-	5,457
Expense from effective income tax and social contribution	(45,146)	(35,062)	(101,193)	(109,486)
c) Effective tax rate	**18.2%**	**22.7%**	**16.9%**	**19.3%**

(*) 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).

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 2017		
	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 Termoelétrica e Participações S.A.	3.65%	Not applicable	Profit computed as a percentage of revenue
Risaralda Energía S.A.S.E.S.P.	Not applicable	Not applicable	Not applicable
Alupar Colômbia S.A.S	Not applicable	Not applicable	Not applicable
Forquilha IV Energia S.A.	9.25%	Not applicable	Taxable profit
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 Espirito 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 Paraiso de Energia 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.
(**) Preparation of the plea at Sudam

Companies	Referred to Fiscal Year 2017		
	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

Companies	Referred to Fiscal Year 2017		
	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

32. Related parties

a) Transactions with related parties

The Company, a subsidiary of Guarupart Participações Ltda. All the related party transactions are as follows:

Related party / transaction	Parent Company				Consolidated			
	ASSETS		LIABILITIES		ASSETS		LIABILITIES	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Balance sheet								
Current								
Cash and cash equivalents								
Caixa Econômica Federal (*)	558,542	196,047	-	-	558,542	196,047	-	-
	558,542	196,047	-	-	558,542	196,047	-	-
Short-term investment								
Caixa Econômica Federal (*)	388,164	215,439	-	-	388,164	215,439	-	-
	388,164	215,439	-	-	388,164	215,439	-	-
Debentures								
FI FGTS - 5ª Emissão	-	-	30,789	23,159	-	-	30,789	23,159
	-	-	30,789	23,159	-	-	30,789	23,159
Suppliers - Purchased power free environment								
Ferreira Gomes Energia S.A	-	-	11,425	5,293	-	-	-	-
Foz do Rio Claro Energia S.A.	-	-	2,112	-	-	-	-	-
	-	-	13,537	5,293	-	-	-	-
Accounts receivable - Repayment of expenses								
Usina Paulista Lavrinhas de Energia S.A.	-	-	-	-	-	-	-	-
Usina Paulista Queluz de Energia S.A.	4	4	-	-	-	-	-	-
	4	4	-	-	-	-	-	-
Other obligations								
AF Energia S.A	-	-	-	-	619	-	-	-
	-	-	-	-	619	-	-	-
Dividends receivable								
Transminas Holding S.A.	11,349	13,100	-	-	-	-	-	-
Sistema de Transmissão Nordeste S.A.	4,616	9,903	-	-	-	-	-	-
Empresa Amazonense de Transmissão de Energia S.A.	-	-	-	-	-	-	-	-
Empresa Norte de Transmissão de Energia S.A.	-	-	-	-	-	-	-	-
Empresa Regional de Transmissão de Energia S.A.	-	6,890	-	-	-	-	-	-
Empresa Paraense de Transmissão de Energia S.A.	-	-	-	-	-	-	-	-
Sistema de Transmissão Catarinense S.A.	-	-	-	-	-	-	-	-
Empresa Catarinense de Transmissão de Energia S.A.	7,753	5,293	-	-	-	-	-	-
Lumitrans - Companhia Transmissora de Energia Elétrica	-	-	-	-	-	-	-	-
Foz do Rio Claro Energia S.A.	3,361	3,361	-	-	-	-	-	-
Usina Paulista Lavrinhas de Energia S.A.	4,321	4,321	-	-	-	-	-	-
Usina Paulista Queluz de Energia S.A.	4,501	4,501	-	-	-	-	-	-
Empresa de Transmissão do Espirito Santo S.A.	-	1,687	-	-	-	-	-	-
Transmissora Matogrossense de Energia S.A.	7,261	7,261	-	-	7,260	7,260	-	-
Empresa de Transmissão de Energia do Mato Grosso S.A.	3,345	3,345	-	-	-	-	-	-
Empresa de Transmissão de Varzea Grande S.A.	1,604	1,604	-	-	-	-	-	-
Transnorte Energia S.A.	75	75	-	-	75	75	-	-
Empresa Litorânea de Transmissão de Energia S.A.	-	263	-	-	-	-	-	-
Empresa Transmissora Agreste Potiguar S.A.	-	2	-	-	-	-	-	-
Empresa Transmissora Capixaba S.A.	-	2	-	-	-	-	-	-
AF Energia S.A.	75	75	-	-	-	-	-	-
	48,261	61,683	-	-	7,335	7,335	-	-
Non-current								
Advances for future capital increase								
Empresa de Transmissão de Varzea Grande S.A.	-	21,949	-	-	-	-	-	-
Ijuí Energia S.A.	15,752	15,752	-	-	-	-	-	-
Ferreira Gomes Energia S.A	16,000	7,252	-	-	-	-	-	-
Alupar Inversiones Peru S.A.C.	22,113	78,277	-	-	-	-	-	-
ACE Comercializadora Ltda.	1,100	1,100	-	-	-	-	-	-
AF Energia S.A.	4,050	1,200	-	-	-	-	-	-
Forquilha IV Energia S.A.	-	405	-	-	-	-	-	-
Verde 8 Energia S.A.	-	12,660	-	-	-	-	-	-
Agua Limpa S.A.	7,376	7,276	-	-	-	-	-	-
Geração de Energia Termoelétrica e Participações S.A.	578	578	-	-	-	-	-	-
Empresa Litorânea de Transmissão de Energia S.A.	8,857	8,507	-	-	-	-	-	-
Windepar Holding S.A.	61,120	25,440	-	-	-	-	-	-
Empresa Transmissora Agreste Potiguar S.A.	7,976	1,950	-	-	-	-	-	-
Empresa Transmissora Capixaba S.A.	4,646	1,880	-	-	-	-	-	-
Alupar Colômbia S.A.S.	10,675	2,697	-	-	-	-	-	-
Alupar Chile Inversiones SpA	1,904	1,904	-	-	-	-	-	-
Transmissora Paraíso de Energia S.A.	8,109	-	-	-	-	-	-	-
Transmissora Caminho do Café S.A.	5,575	-	-	-	-	-	-	-
Transmissora Serra da Mantiqueira	754	-						
	176,585	188,827	-	-	-	-	-	-
Debentures								
FI FGTS - 5ª Emissão	-	-	356,755	370,634	-	-	356,755	370,634
	-	-	356,755	370,634	-	-	356,755	370,634

Related party / transaction	Parent Company / Consolidated			
	Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Statements of income				
Revenue / Cost with electric power	35,258	-	95,190	-
Alupar Investimento S.A	31,497	-	62,410	-
Ferreira Gomes Energia S.A - Purchased power for resale	2,236	-	14,368	-
Usina Paulista Queluz Energia S.A. - Purchased power for resale	717	-	1,823	-
Usina Paulista Lavrinhas Energia S.A. - Purchased power for resale	681	-	2,167	-
Foz do Rio Claro Energia S.A. - Purchased power for resale	-	-	14,117	-
Ijuí Energia S.A. - Purchased power for resale	127	-	305	-
Cost with electric power in the year	**35,258**	**-**	**95,190**	**-**
Financial Revenues	20,479	8,714	57,443	17,878
Caixa Econômica Federal (*) - Financial investments	20,479	8,714	57,443	17,878
Financial Expenses	(8,051)	(12,763)	(29,579)	(47,272)
FI FGTS - 5ª Issuance	(8,051)	(12,763)	(29,579)	(47,272)
Financial results	**12,428**	**(4,049)**	**27,864**	**(29,394)**

(*) 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 09/30/2017
12/01/09	Meeting of the Partners	Alupar	Guarupart	Financing - FINEP	Guarantee	72.841	12/17/09	05/15/18	2.427
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	29.670
03/16/09	Board of Directors	ETES	Alupar	Financing - BNDES	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	27.714	05/04/09	09/15/23	12.546
12/27/09	Board of Directors	ETES	Alupar	Financing - BNDES	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	17.338	12/29/09	10/15/19	4.983
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	13.182
12/26/12	Board of Directors	Ferreira Gomes	Alupar	Financing - BNDES - agreement 12.2.1390.1	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.	470.610	12/28/12	04/15/31	418.178
02/11/08	Board of Directors	Foz	Alupar	Financing - BNDES	Irrestrict surety	201.630	04/09/08	03/15/27	147.043
02/11/08	Board of Directors	Ijuí	Alupar	Financing - BNDES	Irrestrict surety	168.200	04/09/08	09/15/27	131.851
02/01/08	Board of Directors	Lavrinhas	Alupar	Financing - BNDES	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	111.185	03/11/09	04/15/25	71.684
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	9.735
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	114.647	03/11/09	01/15/25	70.393
07/21/10	Board of Directors	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	15.418
12/15/08	General Meeting	STN	Alupar	Financing - BNB	Ractification of pledge of shares, considering that they were held by Alupar as from 09.26.2007	299.995	06/25/04	06/25/24	126.028
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	73.910
11/16/10	Board of Directors	TME	Alupar	Financing - BNDES – 20.00487-7	Posting of guarantees and pledge of shares	87.300	02/27/12	06/15/26	58.172
07/13/10	Executive Board	Transirapé	Alupar	Bank Credit Note	Posting of surety for the purchase of assets through FINAME proceeds	1.187	06/30/10	07/15/20	375
10/23/14	Board of Directors	Transirapé	Transminas and EATE	Financing - BDMG - agreement 193.292/14	Pleadge of Shares, fiduciary assignment during the construction phase of 30% of the RAP project, dduring project operation phase 25% of RAP, credit rights.	5.893	10/23/14	10/15/29	5.240
12/17/09	Board of Directors	EBTE	EATE, Alupar and TAESA	Financing - BNDES - agreement 09.2.1409.1	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	165.150	12/28/09	05/15/25	92.841
10/29/12	Board of Directors	ESDE	ETEP, Alupar and TAESA	Financing - BNDES - agreement 12.2.1001.1	Fiduciary assignment of credit rights from Concession Agreement; Fiduciary Assignment of Credit Rights of CPST; Pledge of Shares (ETEP) + Surety	42.797	11/13/12	04/15/27	23.442
12/27/13	Board of Directors	ETSE	ECTE, Alupar, CELESC and 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	78.413	12/27/13	12/15/28	63.284
08/08/13	AGE (Special Shareholder's Meeting)	Transleste	EATE	Financing - BDMG - agreement 127.315	Pledge of Shares	47.000	03/10/05	02/10/25	18.346
08/08/13	AGE (Special Shareholder's Meeting)	Transleste	EATE	Financiamento - BNB - Contrato 05974828-A	Pledge of Shares	15.000	03/10/05	03/01/25	5.635
12/10/13	Board of Directors	Transirapé	EATE	Financing - BDMG	Pledge of Shares	30.300	12/27/13	01/15/24	15.110
03/12/12	Meeting of the Partners	Alupar	Guarupart	Debentures – 5th Emission	Guarantee	300.000	05/15/12	05/30/27	387.670
05/30/14	Board of Directors	Ferreira Gomes	Alupar	Debentures – 3rd Emission	Guarantee, pledge of shares and fiduciary assignment	210.900	06/15/14	12/15/27	293.424
09/15/14	Board of Directors	Alupar Inversiones Peru S.A.C.	Alupar	Medium-term Loan Agreement	Guarantee	US$ 15,000	10/10/14	10/10/17	53.626
09/15/14	Board of Directors	Alupar Inversiones Peru S.A.C.	Alupar	Medium-term Loan Agreement	Guarantee	US$ 5,000	12/12/14	10/10/17	17.535
It's not required to be approved by Board		Risaralda Energia S.A. E.S.P.	Alupar	Guarantee letter	Guarantee	COP$ 32,000,000,000	11/11/14	11/10/17	34.361
It's not required to be approved by Board		Risaralda Energia S.A. E.S.P.	Alupar	Guarantee letter	Guarantee	COP$ 88,000,000,000	03/25/15	11/11/17	94.512
	Board of Directors	LA VIRGEN S.A.C.	Alupar	Loan Agreement (with guaranty)	Corporate bond as collateral for the loan contracted with Banco Santander	U$ 30.000.000	09/22/17	12/31/17	U$ 30.000.000
05/07/15	Board of Directors	ETVG	Alupar	Financing	guarantee provided due to the Loan Agreement amounting to U $ 30,000,000.00 obtained from Banco Santander Panama	20.000	06/17/15	12/15/17	20.435
12/14/15	Board of Directors	Energia dos Ventos I	Alupar/ Windepar	CCB	Guarantee	57.990	02/11/16	10/15/32	56.974
12/14/15	Board of Directors	Energia dos Ventos II	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.	32.220	02/11/16	10/15/32	32.162
12/14/15	Board of Directors	Energia dos Ventos 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	49.160
12/14/15	Board of Directors	Energia dos Ventos IV	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.	81.041	02/11/16	10/15/32	81.446
12/14/15	Board of Directors	Energia dos Ventos X	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.	41.042	02/11/16	10/15/32	41.221
01/27/16	Board of Directors	Transirapé	Transminas/ EATE	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.	4.000	04/01/16	04/15/26	4.152
01/29/16	Board of Directors	Transirapé	Transminas/ EATE	Financing - BDMG - nº 215.411/16	Pledge of shares , chattel mortgage during the construction phase of 30% of the RAP project during project operation stage 25% of RAP receivables	4.469	04/05/16	04/15/21	4.627
11/21/16	AGE (Special Shareholder's Meeting)	Windepar	Alupar, Energia dos Ventos I, Energia dos Ventos II, Energia dos Ventos III, Energia dos Ventos IV e Energia dos Ventos X	Financing - BDMG - nº 215.485/16	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	72.944

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 09/30/2017
06/13/11	Board of Directors	Ferreira Gomes	Alupar	Supply Agreement, Assembly Supervision and Commissioning Supervision with Voith CPS FG0115-11	Posting of guarantees (Surety)	161.000	05/05/11	12/30/17	4.830
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
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
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.	1.826	03/04/11	03/06/18	783
12/03/12	Executive Board	Foz	Alupar	Guarantee	Private Instrument of Constitution of Guarantee by Posting of Guarantee No. 181386812-ONS	893	12/03/12	12/01/17	5
N/A	N/A	Foz	Alupar	Bail letter No. 181500012	Ensure financial obligation of Bailed as loan No. 08.02.0070.1 contracted into with the BNDES.	27.551	12/30/13	12/30/17	248
05/29/14	Board of Directors	AF Energia S.A.	Alupar	Rental contract of non residential realty - Sky - Complex No. 151 e 152	Surety	148 mensal	06/01/14	06/01/19	3.552
05/29/14	Board of Directors	Alupar	Guarupart	Rental contract of non residential realty - Sky - Complex No. 161 e 162	Surety	148 mensal	06/01/14	06/01/19	3.996
07/04/16	Board of Directors	Ferreira Gomes	Alupar	Private Instrument of Constitution to Guarantee by Provision of Bail No. 181302814 - CUST 48/2013 (ONS)	Posting of guarantees (Surety)	3.384	06/12/17	07/04/18	15
02/29/16	Board of Directors	Ferreira Gomes	Alupar	Guarantee nº 180111216 (labor action)	Guarantee the financial obligation	537	03/01/16	02/28/17	12
06/24/16	Executive Board	Lavrinhas	Alupar	Addendum to the Private Instrument for the Establishment of a Collateral Secured by Securing No. 180660814	Provision of guarantee in the Connection Contract to the Transmission System - CCT CETEEP	21	07/01/16	08/01/17	21
N/A	N/A	Transmissora Colombiana de Energía S.A.S E.S.P	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	COP $ 53.259.299.347
N/A	N/A	Risaralda Energia S.A. E.S.P	Alupar	Guarantee	Guarantee if the Bank Guarantee is executed.	COP $13,626,944,378	03/01/16	02/28/18	COP $13.626.944.378
N/A	N/A	La Virgen S.A.C.	Alupar	Bridge loan agreement	Corporate Aval	$15.000.000,00	12/23/15	11/23/17	$15.170.000,00
N/A	N/A	La Virgen S.A.C.	Alupar	Bridge loan agreement	Corporate Aval	$15.000.000,00	12/22/15	11/23/17	$15.170.000,00
N/A	N/A	La Virgen S.A.C.	Alupar	Bridge loan agreement	Corporate Aval	$50.000.000,00	04/22/15	11/13/17	$50.800.000,00
N/A	N/A	La Virgen S.A.C.	Alupar	Long-term loan agreement	Corporate Aval	$80.000.000,00	03/10/15	03/10/32	$200.000,00
N/A	N/A	La Virgen S.A.C.	Alupar	Bank credit agreement	Corporate Aval	$16.606.600,00	04/13/17	10/13/18	$16.706.600,00
N/A	N/A	Verde 8	Alupar	Debentures Verde 8	Guarantee	100.000.000	07/31/17	07/31/18	100.000

c) Key management personnel compensation

At the Extraordinary General Meeting held on April 25, 2017, Company shareholders approved the global compensation of the Board of Directors' and Executive Board's members for the fiscal year ended 2017 up to R$ 8,610, R$ 1,076 of which refers to compensation of the members of the Board of Directors and R$ 7,534 referring to the compensation of the Executive Board.

For the periods endeds September 30, 2017 and 2016, compensation were as follows:

	Parent Company				Consolidated			
	Three months ended		Period ended		Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Benefits (i)	1,412	1,055	5,707	4,343	3,326	3,306	14,076	11,614
Compensation of the board	197	152	622	488	464	424	1,427	1,310
Total	**1,609**	**1,207**	**6,329**	**4,831**	**3,790**	**3,730**	**15,503**	**12,924**

	Consolidated			
	Three months ended		Period ended	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Pre-operating companies				
Benefits (i)	1,600	225	2,739	2,210
Total	**1,600**	**225**	**2,739**	**2,210**

(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 September 30, 2017, the Company and subsidiaries and joint ventures do not have balances involving other related parties.

33. Financial instruments

33.1. 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.

33.2. Fair value

A comparison table between the carrying value and the fair value of Company financial instruments, included in the quarterly information, is as follows:

	Consolidated					
	9/30/2017		12/31/2016		Assessment criteria	Classification
	Carrying value	Fair value	Carrying value	Fair value		
Financial Assets						
Cash and cash esquivalents	1,178,556	1,178,556	613,734	613,734	Fair value	Fair value through profit or loss
Short-term investments	388,164	388,164	215,439	215,439	Fair value	Fair value through profit or loss
Marketable securities	131,918	131,918	105,100	105,100	Fair value	Fair value through profit or loss
Trade account receivables	223,512	223,512	217,456	217,456	Amortised cost	Loans and receivables
Financial asset from the concession	4,334,017	4,334,017	4,451,619	4,451,619	Fair value	Loans and receivables
Guarantees and court deposits	23,089	23,089	13,257	13,257	Amortised cost	Loans and receivables
	6,279,256	6,279,256	5,616,605	5,616,605		
Financial liabilities						
Suppliers	130,458	130,458	166,502	166,502	Amortised cost	Loans and receivables
Loans and receivables - principal and charges	2,026,664	2,026,664	2,220,585	2,220,585	Amortised cost	Loans and receivables
Debentures- principal and charges	2,366,516	2,348,046	2,347,066	2,324,600	Amortised cost	Loans and receivables
	4,523,638	4,505,168	4,734,153	4,711,687		

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 September 30, 2017, minimum and maximum unit price percentages for debentures with an active market were as follows:

		9/30/2017	
	Code of the Asset	% Minimum UP	% Minimum UP
Alupar Investimento S.A.	APAR16	102.61	109.45
Empresa Norte de Transmissão de Energia S.A.	ENTE12	99.66	100.03
Empresa Paraense de Transmissão de Energia S.A.	ETEP12	99.90	100.00
Empresa Amazonense de Transmissão de Energia S.A.	EATE14	99.66	100.17
Empresa Amazonense de Transmissão de Energia S.A.	EATE25	100.00	101.39
Windepar Holding S.A	WDPR11	103.78	112.20

The debentures of the subsidiaries ETEP, ECTE, Ferreira Gomes and Transirapé 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 six-month period ended September 30, 2017.

33.3 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		
	9/30/2017	Measurement of fair value	
		Level I	Level II
Financial Assets			
Cash and cash equivalents	1,178,556	1,178,556	-
Short-term investments	388,164	-	388,164
Marketable securities	131,918	-	131,918
Financial asset from the concession	4,334,017	-	4,334,017
	6,032,655	1,178,556	4,854,099

	Consolidated		
	12/31/2016	Measurement of fair value	
		Level I	Level II
Financial Assets			
Cash and cash equivalents	613,734	613,734	-
Short-term investments	215,439	-	215,439
Marketable securities	105,100	-	105,100
Financial asset from the concession	4,451,619	-	4,451,619
	5,385,892	613,734	4,772,158

Throughout for the period ended September 30, 2017, there were no transfers between level I and level II fair value measurements, or transfers between level III and level II fair value measurements.

33.4 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 September 30, 2017, total consolidated debt (sum of loans, financing and debentures of current and noncurrent liabilities) was R$ 4,393,180, being 27.2% of this amount (or R$ 1,194,926)). 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 September 30, 2017, the Company consolidated capital structure is comprised of 52% of own funds against 48% of third-party capital (44% of own funds and 56% of third-party capital on December 31, 2016).

The Company and its subsidiaries have a debt-equity relation of 77.6% at September 30, 2017 and 100.22% at December 31, 2016).

33.5 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 September 30, 2017, five different scenarios were defined. The SELIC/CDI projected rates were obtained based on the FOCUS report of September 30, 2017 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 September 30, 2017, with a one-year projection and checking CDI sensitivity in each scenario.

Financial investments - Consolidated	Indexer	Position on 09.30.2017	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			**7.71%**	**3.86%**	**5.78%**	**9.64%**	**11.57%**
Financial investments (Cash Equivalents)	CDI	1,135,522	87,549	43,774	65,662	109,436	131,323
Financial Investments (Short-term investments)	CDI	388,164	29,927	14,964	22,446	37,409	44,891
Financial Investments (Marketable securities)	CDI	131,918	10,171	5,085	7,628	12,714	15,256

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 September 30, 2017, five scenarios were defined. As a probable scenario, adopted by the Company, projected CDI and IPCA were obtained based on the Focus report of September 30, 2017 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 September 30, 2017, 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 09.30.2017 (*)	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				**7.71%**	**3.86%**	**5.78%**	**9.64%**	**11.57%**
	CDI	1.15%	20,000	1,790	1,010	1,400	2,180	2,570
TJLP				**7.50%**	**3.75%**	**5.63%**	**9.38%**	**11.25%**
	TJLP +	1.93%	141,626	13,560	8,147	10,854	16,267	18,974
	TJLP +	2.02%	35,761	3,459	2,090	2,775	4,143	4,827
	TJLP +	2.04%	932	90	55	73	108	126
	TJLP +	2.08%	15,469	1,506	914	1,210	1,802	2,098
	TJLP +	2.18%	259,772	25,571	15,617	20,594	30,548	35,524
	TJLP +	2.22%	25,070	2,479	1,518	1,998	2,959	3,440
	TJLP +	2.34%	284,135	28,458	17,553	23,005	33,910	39,362
	TJLP +	2.37%	12,480	1,254	775	1,014	1,494	1,733
	TJLP +	2.38%	1,729	174	108	141	207	240
	TJLP +	2.44%	175,185	17,734	11,004	14,369	21,099	24,464
	TJLP +	2.56%	86,273	8,845	5,527	7,186	10,504	12,163
	TJLP +	3.17%	131,370	14,330	9,247	11,788	16,871	19,412
	TJLP +	3.50%	5,121	577	378	477	676	776
	TJLP +	4.50%	4,470	551	376	464	639	727
	TJLP +	6.00%	4,001	558	399	479	638	717
		Total	**1,203,394**	**120,934**	**74,717**	**97,826**	**144,043**	**167,152**

Debentures – (National currency) - Consolidated	Interest rate p.a.		Position on 09.30.2017 (*)	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				**7.71%**	**3.86%**	**5.78%**	**9.64%**	**11.57%**
	CDI +	0.99%	49,976	4,386	2,440	3,413	5,359	6,332
	CDI +	1.15%	124,590	11,149	6,291	8,720	13,578	16,007
	CDI +	1.30%	174,959	15,939	9,107	12,523	19,355	22,772
	CDI +	1.45%	49,970	4,633	2,679	3,656	5,610	6,587
	CDI +	2.15%	64,709	6,488	3,939	5,213	7,762	9,036
	107% CDI		99,631					
	107,75% CDI		253,062	21,413	10,707	16,060	26,767	32,120
	109,75% CDI		315,975	26,737	13,368	20,053	33,421	40,105
	113,00% CDI		137,779	12,004	6,002	9,003	15,005	18,006
	116,00% CDI		53,909	4,821	2,411	3,616	6,027	7,232
IPCA				**3.78%**	**1.89%**	**2.84%**	**4.73%**	**5.67%**
	IPCA +	6.47%	274,479	28,809	23,282	26,045	31,572	34,336
	IPCA +	7.33%	283,693	32,312	26,553	29,433	35,191	38,071
	IPCA +	7.63%	62,945	7,364	6,082	6,723	8,004	8,645
	IPCA +	7.80%	377,734	44,865	37,164	41,015	48,716	52,567
		Total	**2,323,411**	**220,920**	**150,026**	**185,473**	**256,367**	**291,815**

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

33.6 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:

33.6.1 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.

33.6.2. Liquidity risk

At September 30, 2017, the Company presents cash and cash equivalents, short-term investments and marketable securities in current and noncurrent assets amounting approximately to R$ 1,514,304 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 September 30, 2017 based on contractual undiscounted payments including principal and financial charges.

Nine-month period ended on September 30, 2017 - 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	128,525	1,327	4	50	552	130,458
Loans and financing - principal and charges	508,661	149,391	165,282	535,525	667,805	2,026,664
Debentures	153,355	383,519	469,039	872,631	487,972	2,366,516
Total	**790,541**	**534,237**	**634,325**	**1,408,206**	**1,156,329**	**4,523,638**

Another important aspect is that 83.3% of the consolidated debt refers to indebtedness of subsidiaries (81.63% at December 31, 2016), most of which referring to project financing, raised with BNDES and other fostering institutions. Approximately 10.62% of the total consolidated debt refers to the companies in the pre-operating phase (12.25% at December 31, 2016).

33.6.3. 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 all of the 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 of the resources of hydroelectric generation subsidiaries are being sold for the ACR and ACL, being approximately 15% non-contracted from 2015 when combined with the resources of controlled energy trader of the Company.

From 2015, revenues of the generation subsidiary will also be subject to the procurement price of this energy. Any leftovers or power outages have its price determined in the short-term market conditions, Difference Liquidation Price (PLD). The Company didn´t have changes in their contracts ACR and ACL in the period ended September 30, 2017, according to Resolution 711/2016 of ANEEL.

Transmission subsidiaries may face operational difficulties and unforeseen interruptions, due to events out of their control. These adverse events may occur in the form of accidents, equipment and/or processes breakage or failure, performance below expected availability levels, inefficiency of

transmission assets and catastrophes (explosion, fire, natural phenomena, landslide, sabotage or other similar events). Insurance coverage of our subsidiaries may not be sufficient to cover all costs and losses due to damages to assets and/or service interruptions, causing a material adverse effect on the business. Additionally, all revenue from the implementation, operation and maintenance of our transmission subsidiaries' facilities are related to service availability. As provided for in the transmission concession arrangements, Company subsidiaries are subject to a decrease in RAP and to the penalties determined based on the level and/or the length of time when the services were unavailable. Also, in case operations are interrupted and the quality standards set out in the electric energy transmission concession arrangements are not met, the subsidiaries may be required to pay for damages. Therefore, any interruptions in the provision of electric energy transmission services due to events beyond the control of the transmission subsidiaries may have a significant adverse effect on the subsidiaries' business, financial situation and operating results.

33.6.4. 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 11.46% of the total consolidated debt (11.03% at December 31, 2016).

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

33.6.5. 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.

33.6.6 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.

33.6.7 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 22 and 23).

33.6.8 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 September 30, 2017 and December 31, 2016, 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	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Loans and financing (net of cost to be amortized)				
Current	(2,353)	(3,536)	(658,052)	(662,439)
Non-current	-	(1,466)	(1,368,612)	(1,558,146)
Debentures (net of costs to be amortized)				
Current	(89,765)	(135,078)	(536,874)	(522,445)
Non-current	(641,678)	(699,189)	(1,829,642)	(1,824,621)
Total debt	(733,796)	(839,269)	(4,393,180)	(4,567,651)
Cash and cash equivalents	602,939	271,916	1,178,556	613,734
Short-term investments	388,164	215,439	388,164	215,439
Marketable securities (current and non-current)	-	-	131,918	105,100
Net debt	257,307	(351,914)	(2,694,542)	(3,633,378)
Shareholders' equity	3,942,731	2,899,182	5,664,563	4,557,811
Net debt rate	**(0.07)**	**0.12**	**0.48**	**0.80**

34. Segment information

Segment information for the quarterly ended September 30, 2017 are presented in the table below:

	Period ended 9/30/2017				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission (*)	Generation	Holding (a)	Others (b)				
Gross operating revenue	**283,802**	**142,977**	**-**	**59,466**	**486,245**	**(17,157)**	**(40,047)**	**429,041**
Power transmission revenue	27,808	-	-	-	27,808	(2,088)	-	25,720
Infrastructure revenue	6,423	-	-	-	6,423	(283)	-	6,140
Remuneration of concession financial asset	249,571	-	-	-	249,571	(14,786)	-	234,785
Power supply	-	142,977	-	54,677	197,654	-	(35,258)	162,396
Consulting and advisory in regulatory area	-	-	-	-	-	-	-	-
Operation and maintenance services	-	-	-	4,789	4,789	-	(4,789)	-
Deduction from gross operating revenue	(25,372)	(8,045)	-	(5,387)	**(38,804)**	1,862	-	**(36,942)**
Net operating revenue	**258,430**	**134,932**	**-**	**54,079**	**447,441**	**(15,295)**	**(40,047)**	**392,099**
Cost of service								
Cost with electric power								
Purchased power for resale	-	(7,455)	-	(50,298)	(57,753)	-	35,258	(22,495)
Charges for the use of electric network- CUST	-	(7,204)	-	-	(7,204)	-	-	(7,204)
Financial compensation for the use of hydric resources - CFURH	-	(2,237)	-	-	(2,237)	-	-	(2,237)
Cost of operation								
Costs of services rendered	(21,856)	(11,292)	-	(3,365)	(36,513)	1,228	2,220	(33,065)
Infrastructure cost	(6,424)	-	-	-	(6,424)	283	-	(6,141)
Depreciation / Amortization	(1)	(23,599)	-	(4)	(23,604)	-	-	(23,604)
	(28,281)	**(51,787)**	**-**	**(53,667)**	**(133,735)**	**1,511**	**37,478**	**(94,746)**
Gross profit	**230,149**	**83,145**	**-**	**412**	**313,706**	**(13,784)**	**(2,569)**	**297,353**
Operating expenses and revenues								
General and administrative	(8,593)	(4,791)	(6,506)	(3)	(19,893)	546	-	(19,347)
Share of profit of equity-method investees	-	-	134,856	-	134,856	-	(133,984)	872
Other revenues	-	4	(25)	-	(21)	-	-	(21)
Other expenses	(23)	10,311	81	-	10,369	-	-	10,369
	(8,616)	**5,524**	**128,406**	**(3)**	**125,311**	**546**	**(133,984)**	**(8,127)**
EBIT	**221,533**	**88,669**	**128,406**	**409**	**439,017**	**(13,238)**	**(136,553)**	**289,226**
Depreciation / Amortization	701	23,734	306	4	24,745	-	-	24,745
EBITDA	222,234	112,403	128,712	413	463,762	(13,238)	(136,553)	313,971
Financial expenses and revenues								
Financial expenses	(37,309)	(22,551)	(20,064)	(3)	(79,927)	3,169	-	(76,758)
Debt charges	(36,439)	(36,785)	(19,557)	-	(92,781)	2,874	-	(89,907)
Currency variations	(432)	(657)	(18)	-	(1,107)	-	-	(1,107)
Others	(438)	14,891	(489)	(3)	13,961	295	-	14,256
Financial revenues	8,055	7,291	20,813	22	36,181	(648)	-	35,533
Revenues of financial investments	6,533	3,941	20,386	22	30,882	(440)	-	30,442
Others	1,522	3,350	427	-	5,299	(208)	-	5,091
	(29,254)	**(15,260)**	**749**	**19**	**(43,746)**	**2,521**	**-**	**(41,225)**
Pretax income	**192,279**	**73,409**	**129,155**	**428**	**395,271**	**(10,717)**	**(136,553)**	**248,001**
Current income and social contribution taxes	(26,041)	(1,874)	3	-	(27,912)	513	-	(27,399)
Deferred income and social contribution taxes	(1,718)	(17,401)	-	-	(19,119)	1,372	-	(17,747)
	(27,759)	**(19,275)**	**3**	**-**	**(47,031)**	**1,885**	**-**	**(45,146)**
Consolidated net profit	**164,520**	**54,134**	**129,158**	**428**	**348,240**	**(8,832)**	**(136,553)**	**202,855**
Interest of non-controlling	-	-	-	-	-	-	(90,823)	(90,823)
Alupar net profit	**164,520**	**54,134**	**129,158**	**428**	**348,240**	**(8,832)**	**(227,376)**	**112,032**
Operating assets	**5,188,628**	**3,991,949**	**29,729**	**693**	**9,210,999**	**(694,016)**	**(14,454)**	**8,502,529**
Operating liabilities	**123,761**	**163,773**	**25,477**	**1,200**	**314,211**	**(4,811)**	**(14,454)**	**294,946**

Elimination of share control represents the proportionate operations of joint ventures in Transmission only which are not included in consolidation.

Elimination of intercompany transactions comprise intersegment sales from Generation segment to Trading segment included in Others. Also sales of O&M services to Generation. In consolidation such transactions were fully eliminated.

Reconciliation of income statement segregated by activity with the consolidated income statement for quarterly ended September 30, 2017 is as follows:

	Period ended 9/30/2017						
	Subtotal	Eliminations				Total eliminations	Total consolidated
		Transmission (*)	Generation	Holding	Others		
Gross operating revenue	**483,676**	**(17,157)**	**(35,258)**	**-**	**(2,220)**	**(54,635)**	**429,041**
Power transmission revenue	27,808	(2,088)	-	-	-	(2,088)	25,720
Infrastructure revenue	6,423	(283)	-	-	-	(283)	6,140
Remuneration of concession financial asset	249,571	(14,786)	-	-	-	(14,786)	234,785
Power supply	197,654	-	(35,258)	-	-	(35,258)	162,396
Consulting and advisory in regulatory area	-	-	-	-	-	-	-
Operation and maintenance services	2,220	-	-	-	(2,220)	(2,220)	-
Deduction from gross operating revenue	**(38,804)**	**1,862**	**-**	**-**	**-**	**1,862**	**(36,942)**
Net operating revenue	**444,872**	**(15,295)**	**(35,258)**	**-**	**(2,220)**	**(52,773)**	**392,099**
Cost of service							
Cost with electric power							
Purchased power for resale	(57,753)	-	-	-	35,258	35,258	(22,495)
Charges for the use of electric network- CUST	(7,204)	-	-	-	-	-	(7,204)
Financial compensation for the use of hydric resources - CFURH	(2,237)	-	-	-	-	-	(2,237)
Cost of operation							
Costs of services rendered	(36,513)	1,228	2,220	-	-	3,448	(33,065)
Infrastructure cost	(6,424)	283	-	-	-	283	(6,141)
Depreciation / Amortization	(23,604)	-	-	-	-	-	(23,604)
	(133,735)	**1,511**	**2,220**	**-**	**35,258**	**38,989**	**(94,746)**
Gross profit	**311,137**	**(13,784)**	**(33,038)**	**-**	**33,038**	**(13,784)**	**297,353**
Operating expenses and revenues							
General and administrative	(19,893)	546	-	-	-	546	(19,347)
Share of profit of equity-method investees	134,856	-	-	(133,984)	-	(133,984)	872
Other revenues	(21)	-	-	-	-	-	(21)
Other expenses	10,369	-	-	-	-	-	10,369
	125,311	**546**	**-**	**(133,984)**	**-**	**(133,438)**	**(8,127)**
EBIT	**436,448**	**(13,238)**	**(33,038)**	**(133,984)**	**33,038**	**(147,222)**	**289,226**
Depreciation / Amortization	**24,745**	**-**	**-**	**-**	**-**	-	24,745
EBITDA	461,193	(13,238)	(33,038)	(133,984)	33,038	(147,222)	313,971
Financial expenses and revenues							
Financial expenses	(79,927)	3,169	-	-	-	3,169	(76,758)
Debt charges	(92,781)	2,874	-	-	-	2,874	(89,907)
Currency variations	(1,107)	-	-	-	-	-	(1,107)
Others	13,961	295	-	-	-	295	14,256
Financial revenues	36,181	(648)	-	-	-	(648)	35,533
Revenues of financial investments	30,882	(440)	-	-	-	(440)	30,442
Others	5,299	(208)	-	-	-	(208)	5,091
	(43,746)	**2,521**	**-**	**-**	**-**	**2,521**	**(41,225)**
Pretax income	**392,702**	**(10,717)**	**(33,038)**	**(133,984)**	**33,038**	**(144,701)**	**248,001**
Current income and social contribution taxes	(27,912)	513	-	-	-	513	(27,399)
Deferred income and social contribution taxes	(19,119)	1,372	-	-	-	1,372	(17,747)
	(47,031)	**1,885**	**-**	**-**	**-**	**1,885**	**(45,146)**
Consolidated net profit	**345,671**	**(8,832)**	**(33,038)**	**(133,984)**	**33,038**	**(142,816)**	**202,855**
Interest of non-controlling	-	(80,385)	(8,561)	(1,877)	-	(90,823)	(90,823)
Alupar net profit	**345,671**	**(89,217)**	**(41,599)**	**(135,861)**	**33,038**	**(233,639)**	**112,032**
Operating assets	**9,210,999**	**(694,016)**	**(13,541)**	**(294)**	**(619)**	**(708,470)**	**8,502,529**
Operating liabilities	**314,211**	**(4,811)**	**(13,541)**	**(294)**	**(619)**	**(19,265)**	**294,946**

Segment information for the three-month period ended September 30, 2016, are presented in the table below:

	Period ended 9/30/2017				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission (*)	Generation	Holding (a)	Others (b)				
Gross operating revenue	**893,964**	**408,053**	**-**	**119,930**	**1,421,947**	**(63,953)**	**(102,094)**	**1,255,900**
Power transmission revenue	91,564	-	-	-	91,564	(7,927)	-	83,637
Infrastructure revenue	36,878	-	-	-	36,878	(12,712)	-	24,166
Remuneration of concession financial asset	765,522	-	-	-	765,522	(43,314)	-	722,208
Power supply	-	408,053	-	113,026	521,079	-	(95,190)	425,889
Consulting and advisory in regulatory area	-	-	-	-	-	-	-	-
Operation and maintenance services	-	-	-	6,904	6,904	-	(6,904)	-
Deduction from gross operating revenue	(82,908)	(25,587)	-	(11,468)	**(119,963)**	6,044	-	**(113,919)**
Net operating revenue	**811,056**	**382,466**	**-**	**108,462**	**1,301,984**	**(57,909)**	**(102,094)**	**1,141,981**
Cost of service								
Cost with electric power								
Purchased power for resale	-	(56,189)	-	(118,874)	(175,063)	-	95,190	(79,873)
Charges for the use of electric network- CUST	-	(21,448)	-	-	(21,448)	-	-	(21,448)
Financial compensation for the use of hydric resources - CFURH	-	(7,110)	-	-	(7,110)	-	-	(7,110)
Cost of operation								
Costs of services rendered	(62,432)	(31,883)	-	(9,798)	(104,113)	4,916	6,904	(92,293)
Infrastructure cost	(36,879)	-	-	-	(36,879)	12,712	-	(24,167)
Depreciation / Amortization	(3)	(68,449)	-	(12)	(68,464)	-	-	(68,464)
	(99,314)	**(185,079)**	**-**	**(128,684)**	**(413,077)**	**17,628**	**102,094**	**(293,355)**
Gross profit	**711,742**	**197,387**	**-**	**(20,222)**	**888,907**	**(40,281)**	**-**	**848,626**
Operating expenses and revenues								
General and administrative	(30,575)	(14,371)	(22,686)	(28)	(67,660)	3,430	-	(64,230)
Share of profit of equity-method investees	-	-	310,701	-	310,701	-	(294,932)	15,769
Other revenues	-	39	(208)	-	(169)	-	-	(169)
Other expenses	(28)	10,288	(42)	-	10,218	5	-	10,223
	(30,603)	**(4,044)**	**287,765**	**(28)**	**253,090**	**3,435**	**(294,932)**	**(38,407)**
EBIT	**681,139**	**193,343**	**287,765**	**(20,250)**	**1,141,997**	**(36,846)**	**(294,932)**	**810,219**
Depreciation / Amortization	2,109	69,057	928	14	72,108	-	-	72,108
EBITDA	683,248	262,400	288,693	(20,236)	1,214,105	(36,846)	(294,932)	882,327
Financial expenses and revenues								
Financial expenses	(135,259)	(115,845)	(82,534)	(12)	(333,650)	9,509	-	(324,141)
Debt charges	(129,111)	(103,880)	(80,960)	-	(313,951)	8,543	-	(305,408)
Currency variations	(494)	(7,400)	(347)	-	(8,241)	-	-	(8,241)
Others	(5,654)	(4,565)	(1,227)	(12)	(11,458)	966	-	(10,492)
Financial revenues	22,762	33,934	59,015	61	115,772	(1,971)	-	113,801
Revenues of financial investments	19,484	12,076	57,432	61	89,053	(1,629)	-	87,424
Others	3,278	21,858	1,583	-	26,719	(342)	-	26,377
	(112,497)	**(81,911)**	**(23,519)**	**49**	**(217,878)**	**7,538**	**-**	**(210,340)**
Pretax income	**568,642**	**111,432**	**264,246**	**(20,201)**	**924,119**	**(29,308)**	**(294,932)**	**599,879**
Current income and social contribution taxes	(87,533)	(10,915)	(8)	-	(98,456)	1,413	-	(97,043)
Deferred income and social contribution taxes	284	(8,909)	-	-	(8,625)	4,475	-	(4,150)
	(87,249)	**(19,824)**	**(8)**	**-**	**(107,081)**	**5,888**	**-**	**(101,193)**
Consolidated net profit	**481,393**	**91,608**	**264,238**	**(20,201)**	**817,038**	**(23,420)**	**(294,932)**	**498,686**
Interest of non-controlling	-	-	-	-	-	-	(260,655)	(260,655)
Alupar net profit	**481,393**	**91,608**	**264,238**	**(20,201)**	**817,038**	**(23,420)**	**(555,587)**	**238,031**
Operating assets	**5,188,628**	**3,991,949**	**29,729**	**693**	**9,210,999**	**(694,016)**	**(14,454)**	**8,502,529**
Operating liabilities	**123,761**	**163,773**	**25,477**	**1,200**	**314,211**	**(4,811)**	**(14,454)**	**294,946**

(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 or immaterial to be reported separately.

Operating assets and operating liabilities represent the total assets and total liabilities of each segment. Reconciliation of income statement segregated by activity with the consolidated income statement for the semester-ended September 30, 2016 is as follows:

	Period ended 9/30/2017					Total eliminations	Total consolidated
	Subtotal	Eliminations					
		Transmission (*)	Generation	Holding	Others		
Gross operating revenue	**1,421,947**	**(63,953)**	**(95,190)**	**-**	**(6,904)**	**(166,047)**	**1,255,900**
Power transmission revenue	91,564	(7,927)	-	-	-	(7,927)	83,637
Infrastructure revenue	36,878	(12,712)	-	-	-	(12,712)	24,166
Remuneration of concession financial asset	765,522	(43,314)	-	-	-	(43,314)	722,208
Power supply	521,079	-	(95,190)	-	-	(95,190)	425,889
Consulting and advisory in regulatory area	-	-	-	-	-	-	-
Operation and maintenance services	6,904	-	-	-	(6,904)	(6,904)	-
Deduction from gross operating revenue	**(119,963)**	**6,044**	**-**	**-**	**-**	**6,044**	**(113,919)**
Net operating revenue	**1,301,984**	**(57,909)**	**(95,190)**	**-**	**(6,904)**	**(160,003)**	**1,141,981**
Cost of service							
Cost with electric power							
Purchased power for resale	(175,063)	-	-	-	95,190	95,190	(79,873)
Charges for the use of electric network- CUST	(21,448)	-	-	-	-	-	(21,448)
Financial compensation for the use of hydric resources - CFURH	(7,110)	-	-	-	-	-	(7,110)
Cost of operation							
Costs of services rendered	(104,113)	4,916	6,904	-	-	11,820	(92,293)
Infrastructure cost	(36,879)	12,712	-	-	-	12,712	(24,167)
Depreciation / Amortization	(68,464)	-	-	-	-	-	(68,464)
	(413,077)	**17,628**	**6,904**	**-**	**95,190**	**119,722**	**(293,355)**
Gross profit	**888,907**	**(40,281)**	**(88,286)**	**-**	**88,286**	**(40,281)**	**848,626**
Operating expenses and revenues							
General and administrative	(67,660)	3,430	-	-	-	3,430	(64,230)
Share of profit of equity-method investees	310,701	-	-	(294,932)	-	(294,932)	15,769
Other revenues	(169)	-	-	-	-	-	(169)
Other expenses	10,218	5	-	-	-	5	10,223
	253,090	**3,435**	**-**	**(294,932)**	**-**	**(291,497)**	**(38,407)**
EBIT	**1,141,997**	**(36,846)**	**(88,286)**	**(294,932)**	**88,286**	**(331,778)**	**810,219**
Depreciation / Amortization	**72,108**	-	-	-	-	-	72,108
EBITDA	1,214,105	(36,846)	(88,286)	(294,932)	88,286	(331,778)	882,327
Financial expenses and revenues							
Financial expenses	(333,650)	9,509	-	-	-	9,509	(324,141)
Debt charges	(313,951)	8,543	-	-	-	8,543	(305,408)
Currency variations	(8,241)	-	-	-	-	-	(8,241)
Others	(11,458)	966	-	-	-	966	(10,492)
Financial revenues	115,772	(1,971)	-	-	-	(1,971)	113,801
Revenues of financial investments	89,053	(1,629)	-	-	-	(1,629)	87,424
Others	26,719	(342)	-	-	-	(342)	26,377
	(217,878)	**7,538**	**-**	**-**	**-**	**7,538**	**(210,340)**
Pretax income	**924,119**	**(29,308)**	**(88,286)**	**(294,932)**	**88,286**	**(324,240)**	**599,879**
Current income and social contribution taxes	(98,456)	1,413	-	-	-	1,413	(97,043)
Deferred income and social contribution taxes	(8,625)	4,475	-	-	-	4,475	(4,150)
	(107,081)	**5,888**	**-**	**-**	**-**	**5,888**	**(101,193)**
Consolidated net profit	**817,038**	**(23,420)**	**(88,286)**	**(294,932)**	**88,286**	**(318,352)**	**498,686**
Interest of non-controlling	-	(237,497)	(17,744)	(5,414)	-	(260,655)	(260,655)
Alupar net profit	**817,038**	**(260,917)**	**(106,030)**	**(300,346)**	**88,286**	**(579,007)**	**238,031**
Operating assets	**9,210,999**	**(694,016)**	**(13,541)**	**(294)**	**(619)**	**(708,470)**	**8,502,529**
Operating liabilities	**314,211**	**(4,811)**	**(13,541)**	**(294)**	**(619)**	**(19,265)**	**294,946**

(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 or immaterial to be reported separately.

Revenues, operating costs and expenses for the quarterly ended September 30, 2016 are presented on a consolidated basis in the table below:

	Three months ended 9/30/2016				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission	Generation	Holding	Others				
Gross operating revenue	**341,298**	**119,374**	**-**	**19,334**	**480,006**	**(27,180)**	**(23,710)**	**429,116**
Power transmission revenue	42,381	-	-	-	42,381	(8,802)	-	33,579
Infrastructure revenue	18,491	-	-	-	18,491	(5,452)	-	13,039
Remuneration of concession financial asset	280,426	-	-	-	280,426	(12,926)	-	267,500
Power supply	-	119,374	-	17,220	136,594	-	(21,596)	114,998
Counsulting and advisory in regulatory area	-	-	-	(1)	(1)	-	1	-
Operation and maintenance services	-	-	-	2,115	2,115	-	(2,115)	-
Deduction from gross operating revenue	(29,121)	(12,283)	-	(1,907)	**(43,311)**	2,531	-	**(40,780)**
Net operating revenue	**312,177**	**107,091**	**-**	**17,427**	**436,695**	**(24,649)**	**(23,710)**	**388,336**
Cost of service								
Cost with electric power								
Purchased power for resale	-	(14,023)	-	(22,461)	(36,484)	-	21,596	(14,888)
Charges for the use of eletric network- CUST	-	(6,818)	-	-	(6,818)	-	-	(6,818)
Financial compensation for the use of hydric resources - CFURH	-	(1,624)	-	-	(1,624)	-	-	(1,624)
Cost of operation								
Costs of services rendered	(24,458)	(10,257)	-	(2,882)	(37,597)	1,800	2,114	(33,683)
Infrastructure cost	(18,491)	-	-	-	(18,491)	5,452	-	(13,039)
Depreciation / Amortization	(1,760)	(22,834)	-	(3)	(24,597)	1,759	-	(22,838)
	(44,709)	**(55,556)**	**-**	**(25,346)**	**(125,611)**	**9,011**	**23,710**	**(92,890)**
Gross profit	**267,468**	**51,535**	**-**	**(7,919)**	**311,084**	**(15,638)**	**-**	**295,446**
Operating expenses and revenues								
General and administrative	(10,890)	(5,653)	(6,006)	(16)	(22,565)	2,178	-	(20,387)
Share of profit of equity-method investees	-	-	45,497	-	45,497	-	(38,244)	7,253
Other revenues	5	489	208	-	702	(5)	-	697
Other expenses	(604)	(16)	(143)	-	(763)	604	-	(159)
	(11,489)	**(5,180)**	**39,556**	**(16)**	**22,871**	**2,777**	**(38,244)**	**(12,596)**
EBIT	**255,979**	**46,355**	**39,556**	**(7,935)**	**333,955**	**(12,861)**	**(38,244)**	**282,850**
Depreciation / Amortization	2,420	23,079	288	4	25,791	(1,759)	-	24,032
EBITDA	258,399	69,434	39,844	(7,931)	359,746	(14,620)	(38,244)	306,882
Financial expenses and revenues								
Financial expenses	(69,593)	(46,554)	(29,078)	(3)	(145,228)	4,557	-	(140,671)
Debt charges	(58,267)	(39,453)	(28,807)	-	(126,527)	3,982	-	(122,545)
Currency variations	(34)	(799)	-	-	(833)	(2)	-	(835)
Others	(11,292)	(6,302)	(271)	(3)	(17,868)	577	-	(17,291)
Financial revenues	6,969	(2,434)	8,094	20	12,649	(692)	-	11,957
Revenues of financial investments	6,724	4,951	7,316	21	19,012	(706)	-	18,306
Others	245	(7,385)	778	(1)	(6,363)	14	-	(6,349)
	(62,624)	**(48,988)**	**(20,984)**	**17**	**(132,579)**	**3,865**	**-**	**(128,714)**
Pretax income	**193,355**	**(2,633)**	**18,572**	**(7,918)**	**201,376**	**(8,996)**	**(38,244)**	**154,136**
Current income and social contribution taxes	(30,073)	(3,697)	-	272	(33,498)	172	-	(33,326)
Deferred income and social contribution taxes	(2,488)	(925)	-	-	(3,413)	1,677	-	(1,736)
	(32,561)	**(4,622)**	**-**	**272**	**(36,911)**	**1,849**	**-**	**(35,062)**
Consolidated net profit	**160,794**	**(7,255)**	**18,572**	**(7,646)**	**164,465**	**(7,147)**	**(38,244)**	**119,074**
Interest of non-controlling	-	-	-	-	-	-	(85,196)	(85,196)
Alupar net profit	**160,794**	**(7,255)**	**18,572**	**(7,646)**	**164,465**	**(7,147)**	**(123,440)**	**33,878**
Operating assets	**5,593,843**	**3,856,659**	**32,420**	**1,427**	**9,484,349**	**(820,630)**	**(37,671)**	**8,626,048**
Operating liabilities	**235,452**	**210,621**	**28,788**	**1,047**	**475,908**	**(11,833)**	**(37,671)**	**426,404**

Reconciliation of income statement segregated by activity with the consolidated income statement for the quarterly ended September 30, 2016 is as follows:

	Three months ended 9/30/2016					Total eliminations	Total consolidated
	Subtotal	Eliminations					
		Transmission	Generation	Holding	Others		
Gross operating revenue	**480,006**	**(27,180)**	**(21,596)**	**-**	**(2,114)**	**(50,890)**	**429,116**
Power transmission revenue	42,381	(8,802)	-	-	-	(8,802)	33,579
Infrastructure revenue	18,491	(5,452)	-	-	-	(5,452)	13,039
Remuneration of concession financial asset	280,426	(12,926)	-	-	-	(12,926)	267,500
Power supply	136,594	-	(21,596)	-	-	(21,596)	114,998
Counsulting and advisory in regulatory area	(1)	-	-	-	1	1	-
Operation and maintenance services	2,115	-	-	-	(2,115)	(2,115)	-
Deduction from gross operating revenue	**(43,311)**	**2,531**	**-**	**-**	**-**	**2,531**	**(40,780)**
Net operating revenue	**436,695**	**(24,649)**	**(21,596)**	**-**	**(2,114)**	**(48,359)**	**388,336**
Cost of service							
Cost with electric power							
Purchased power for resale	(36,484)	-	-	-	21,596	21,596	(14,888)
Charges for the use of eletric network- CUST	(6,818)	-	-	-	-	-	(6,818)
Financial compensation for the use of hydric resources - CFURH	(1,624)	-	-	-	-	-	(1,624)
Cost of operation					-		
Costs of services rendered	(37,597)	1,800	2,114	-	-	3,914	(33,683)
Infrastructure cost	(18,491)	5,452	-	-	-	5,452	(13,039)
Depreciation / Amortization	(24,597)	1,759	-	-	-	1,759	(22,838)
	(125,611)	**9,011**	**2,114**	**-**	**21,596**	**32,721**	**(92,890)**
Gross profit	**311,084**	**(15,638)**	**(19,482)**	**-**	**19,482**	**(15,638)**	**295,446**
Operating expenses and revenues							
General and administrative	(22,565)	2,178	-	-	-	2,178	(20,387)
Share of profit of equity-method investees	45,497	-	-	(38,244)	-	(38,244)	7,253
Other revenues	702	(5)	-	-	-	(5)	697
Other expenses	(763)	604	-	-	-	604	(159)
	22,871	**2,777**	**-**	**(38,244)**	**-**	**(35,467)**	**(12,596)**
EBIT	**333,955**	**(12,861)**	**(19,482)**	**(38,244)**	**19,482**	**(51,105)**	**282,850**
Depreciation / Amortization	**25,791**	(1,759)	-	-	-	(1,759)	24,032
EBITDA	359,746	(14,620)	(19,482)	(38,244)	19,482	(52,864)	306,882
Financial expenses and revenues							
Financial expenses	(145,228)	4,557	-	-	-	4,557	(140,671)
Debt charges	(126,527)	3,982	-	-	-	3,982	(122,545)
Currency variations	(833)	(2)	-	-	-	(2)	(835)
Others	(17,868)	577	-	-	-	577	(17,291)
Financial revenues	12,649	(692)	-	-	-	(692)	11,957
Revenues of financial investments	19,012	(706)	-	-	-	(706)	18,306
Others	(6,363)	14	-	-	-	14	(6,349)
	(132,579)	**3,865**	**-**	**-**	**-**	**3,865**	**(128,714)**
Pretax income	**201,376**	**(8,996)**	**(19,482)**	**(38,244)**	**19,482**	**(47,240)**	**154,136**
Current income and social contribution taxes	(33,498)	172	-	-	-	172	(33,326)
Deferred income and social contribution taxes	(3,413)	1,677	-	-	-	1,677	(1,736)
	(36,911)	**1,849**	**-**	**-**	**-**	**1,849**	**(35,062)**
Consolidated net profit	**164,465**	**(7,147)**	**(19,482)**	**(38,244)**	**19,482**	**(45,391)**	**119,074**
Interest of non-controlling	-	(79,397)	(3,900)	(1,899)	-	(85,196)	(85,196)
Alupar net profit	**164,465**	**(86,544)**	**(23,382)**	**(40,143)**	**19,482**	**(130,587)**	**33,878**
Operating assets	**9,484,349**	**(820,630)**	**(20,702)**	**(15,584)**	**(1,385)**	**(858,301)**	**8,626,048**
Operating liabilities	**475,908**	**(11,833)**	**(20,702)**	**(15,584)**	**(1,385)**	**(49,504)**	**426,404**

Revenues, costs and operating expenses for the nine-months ended September 30, 2016 are presented on a consolidated basis in the table below:

	Nine months ended 9/30/2016				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission	Generation	Holding	Others				
Gross operating revenue	**1,039,859**	**366,347**	**-**	**57,163**	**1,463,369**	**(79,474)**	**(80,791)**	**1,303,104**
Power transmission revenue	113,296	-	-	-	113,296	(28,407)	-	84,889
Infrastructure revenue	49,668	-	-	-	49,668	(8,685)	-	40,983
Remuneration of concession financial asset	876,895	-	-	-	876,895	(42,382)	-	834,513
Power supply	-	366,347	-	47,870	414,217	-	(71,498)	342,719
Counsulting and advisory in regulatory area	-	-	-	9	9	-	(9)	-
Operation and maintenance services	-	-	-	9,284	9,284	-	(9,284)	-
Deduction from gross operating revenue	(83,133)	(32,057)	-	(5,654)	**(120,844)**	8,332	-	**(112,512)**
Net operating revenue	**956,726**	**334,290**	**-**	**51,509**	**1,342,525**	**(71,142)**	**(80,791)**	**1,190,592**
Cost of service								
Cost with electric power								
Purchased power for resale	-	(65,485)	-	(48,761)	(114,246)	-	71,498	(42,748)
Charges for the use of eletric network- CUST	-	(19,789)	-	-	(19,789)	-	-	(19,789)
Financial compensation for the use of hydric resources - CFURH	-	(7,869)	-	-	(7,869)	-	-	(7,869)
Cost of operation								
Costs of services rendered	(64,004)	(33,164)	-	(8,441)	(105,609)	5,929	9,293	(90,387)
Infrastructure cost	(49,668)	-	-	-	(49,668)	8,685	-	(40,983)
Depreciation / Amortization	(5,815)	(60,061)	-	(8)	(65,884)	5,777	-	(60,107)
	(119,487)	**(186,368)**	**-**	**(57,210)**	**(363,065)**	**20,391**	**80,791**	**(261,883)**
Gross profit	**837,239**	**147,922**	**-**	**(5,701)**	**979,460**	**(50,751)**	**-**	**928,709**
Operating expenses and revenues								
General and administrative	(33,589)	2,778	(20,037)	(30)	(50,878)	5,933	-	(44,945)
Share of profit of equity-method investees	-	-	288,009	-	288,009	-	(265,029)	22,980
Other revenues	45	590	1,440	-	2,075	(5)	-	2,070
Other expenses	(3,110)	(94)	(2,818)	-	(6,022)	3,104	-	(2,918)
	(36,654)	**3,274**	**266,594**	**(30)**	**233,184**	**9,032**	**(265,029)**	**(22,813)**
EBIT	**800,585**	**151,196**	**266,594**	**(5,731)**	**1,212,644**	**(41,719)**	**(265,029)**	**905,896**
Depreciation / Amortization	7,798	60,819	974	11	69,602	(5,777)	-	63,825
EBITDA	808,383	212,015	267,568	(5,720)	1,282,246	(47,496)	(265,029)	969,721
Financial expenses and revenues								
Financial expenses	(190,620)	(116,585)	(101,525)	(6)	(408,736)	13,915	-	(394,821)
Debt charges	(173,240)	(104,613)	(100,624)	-	(378,477)	12,291	-	(366,186)
Currency variations	70	(1,053)	-	-	(983)	46	-	(937)
Others	(17,450)	(10,919)	(901)	(6)	(29,276)	1,578	-	(27,698)
Financial revenues	20,885	16,618	21,457	66	59,026	(2,439)	-	56,587
Revenues of financial investments	19,452	10,649	19,725	69	49,895	(2,197)	-	47,698
Others	1,433	5,969	1,732	(3)	9,131	(242)	-	8,889
	(169,735)	**(99,967)**	**(80,068)**	**60**	**(349,710)**	**11,476**	**-**	**(338,234)**
Pretax income	**630,850**	**51,229**	**186,526**	**(5,671)**	**862,934**	**(30,243)**	**(265,029)**	**567,662**
Current income and social contribution taxes	(85,974)	(10,002)	(2)	(132)	(96,110)	1,673	-	(94,437)
Deferred income and social contribution taxes	(24,982)	4,532	-	-	(20,450)	5,401	-	(15,049)
	(110,956)	**(5,470)**	**(2)**	**(132)**	**(116,560)**	**7,074**	**-**	**(109,486)**
Consolidated net profit	**519,894**	**45,759**	**186,524**	**(5,803)**	**746,374**	**(23,169)**	**(265,029)**	**458,176**
Interest of non-controlling	-	-	-	-	-	-	(286,454)	(286,454)
Alupar net profit	**519,894**	**45,759**	**186,524**	**(5,803)**	**746,374**	**(23,169)**	**(551,483)**	**171,722**
Operating assets	**5,593,843**	**3,856,659**	**32,420**	**1,427**	**9,484,349**	**(820,630)**	**(37,671)**	**8,626,048**
Operating liabilities	**235,452**	**210,621**	**28,788**	**1,047**	**475,908**	**(11,833)**	**(37,671)**	**426,404**

Reconciliation of income statement segregated by activity with the consolidated income statement for semester ended September 30, 2016 is as follows:

	Nine months ended 9/30/2016					Total eliminations	Total consolidated
	Subtotal	Eliminations					
		Transmission	Generation	Holding	Others		
Gross operating revenue	**1,463,369**	**(79,474)**	**(71,498)**	**-**	**(9,293)**	**(160,265)**	**1,303,104**
Power transmission revenue	113,296	(28,407)	-	-	-	(28,407)	84,889
Infrastructure revenue	49,668	(8,685)	-	-	-	(8,685)	40,983
Remuneration of concession financial asset	876,895	(42,382)	-	-	-	(42,382)	834,513
Power supply	414,217	-	(71,498)	-	-	(71,498)	342,719
Counsulting and advisory in regulatory area	9	-	-	-	(9)	(9)	-
Operation and maintenance services	9,284	-	-	-	(9,284)	(9,284)	-
Deduction from gross operating revenue	**(120,844)**	**8,332**	**-**	**-**	**-**	**8,332**	**(112,512)**
Net operating revenue	**1,342,525**	**(71,142)**	**(71,498)**	**-**	**(9,293)**	**(151,933)**	**1,190,592**
Cost of service							
Cost with electric power							
Purchased power for resale	(114,246)	-	-	-	71,498	71,498	(42,748)
Charges for the use of eletric network- CUST	(19,789)	-	-	-	-	-	(19,789)
Financial compensation for the use of hydric resources - CFURH	(7,869)	-	-	-	-	-	(7,869)
Cost of operation							
Costs of services rendered	(105,609)	5,929	9,293	-	-	15,222	(90,387)
Infrastructure cost	(49,668)	8,685	-	-	-	8,685	(40,983)
Depreciation / Amortization	(65,884)	5,777	-	-	-	5,777	(60,107)
	(363,065)	**20,391**	**9,293**	**-**	**71,498**	**101,182**	**(261,883)**
Gross profit	**979,460**	**(50,751)**	**(62,205)**	**-**	**62,205**	**(50,751)**	**928,709**
Operating expenses and revenues							
General and administrative	(50,878)	5,933	-	-	-	5,933	(44,945)
Share of profit of equity-method investees	288,009	-	-	(265,029)	-	(265,029)	22,980
Other revenues	2,075	(5)	-	-	-	(5)	2,070
Other expenses	(6,022)	3,104	-	-	-	3,104	(2,918)
	233,184	**9,032**	**-**	**(265,029)**	**-**	**(255,997)**	**(22,813)**
EBIT	**1,212,644**	**(41,719)**	**(62,205)**	**(265,029)**	**62,205**	**(306,748)**	**905,896**
Depreciation / Amortization	**69,602**	(5,777)	-	-	-	(5,777)	63,825
EBITDA	1,282,246	(47,496)	(62,205)	(265,029)	62,205	(312,525)	969,721
Financial expenses and revenues							
Financial expenses	(408,736)	13,915	-	-	-	13,915	(394,821)
Debt charges	(378,477)	12,291	-	-	-	12,291	(366,186)
Currency variations	(983)	46	-	-	-	46	(937)
Others	(29,276)	1,578	-	-	-	1,578	(27,698)
Financial revenues	59,026	(2,439)	-	-	-	(2,439)	56,587
Revenues of financial investments	49,895	(2,197)	-	-	-	(2,197)	47,698
Others	9,131	(242)	-	-	-	(242)	8,889
	(349,710)	**11,476**	**-**	**-**	**-**	**11,476**	**(338,234)**
Pretax income	**862,934**	**(30,243)**	**(62,205)**	**(265,029)**	**62,205**	**(295,272)**	**567,662**
Current income and social contribution taxes	(96,110)	1,673	-	-	-	1,673	(94,437)
Deferred income and social contribution taxes	(20,450)	5,401	-	-	-	5,401	(15,049)
	(116,560)	**7,074**	**-**	**-**	**-**	**7,074**	**(109,486)**
Consolidated net profit	**746,374**	**(23,169)**	**(62,205)**	**(265,029)**	**62,205**	**(288,198)**	**458,176**
Interest of non-controlling	-	(257,048)	(24,387)	(5,019)	-	(286,454)	(286,454)
Alupar net profit	**746,374**	**(280,217)**	**(86,592)**	**(270,048)**	**62,205**	**(574,652)**	**171,722**
Operating assets	**9,484,349**	**(820,630)**	**(20,702)**	**(15,584)**	**(1,385)**	**(858,301)**	**8,626,048**
Operating liabilities	**475,908**	**(11,833)**	**(20,702)**	**(15,584)**	**(1,385)**	**(49,504)**	**426,404**

35. 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			
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Health care and transportation voucher	1,456	1,354	4,460	4,260
Private pension plan (*)	266	279	693	883
Education	22	90	73	176
Meal allowance	975	839	2,764	2,763
Others	428	290	980	812
Total	**3,147**	**2,852**	**8,970**	**8,894**

(*) 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.

36. Insurance

Insurance effective at September 30, 2017 is as follows:

Civil liability				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Alupar Investimento S.A. (****)	8/28/2016	8/28/2017	50,000	132
Empresa de Transmissão de Energia do Mato Grosso S.A.	7/4/2016	7/4/2017	13,409	4
Empresa de Transmissão de Varzea Grande S.A.	7/4/2016	7/4/2017	9,561	3
Empresa de Transmissão do Espirito Santo S.A.	7/4/2016	7/4/2017	15,139	4
Transmissora Matogrossense de Energia S.A.	7/4/2016	7/4/2017	44,354	13
Energia dos ventos S.A (***)	12/31/2016	12/31/2018	5,000	140
Ferreira Gomes Energia S.A.	12/3/2016	12/3/2017	100,000 (*)	73 (*)
Foz do Rio Claro Energia S.A.	12/3/2016	12/3/2017	100,000 (*)	73 (*)
Grupo TBE (**)	1/30/2017	1/31/2018	5,000	48
Ijuí Energia S.A.	12/3/2016	12/3/2017	100,000 (*)	73 (*)
Verde 8 Energia S.A.	7/28/2016	5/31/2018	50,000	225
Usina Paulista Lavrinhas de Energia S.A.	12/3/2016	12/3/2017	100,000 (*)	73 (*)
Usina Paulista Queluz de Energia S.A.	12/3/2016	12/3/2017	100,000 (*)	73 (*)

(*) The guaranteed amount of R $ 100,000 and the total premium in the amount of R $ 73 are shared between subsidiaries Ferreira Gomes, Foz, Ijuí , Queluz and Lavrinhas .
(**) The TBE Group is formed by the following companies : EATE , STC , Lumitrans , EBTE , ETEP , ESDE , ECTE , ETSE , ENTE , ERTE
(***) EDV 's match the following subsidiaries : EDV I, EDV II, EDV III , EDV IV and EDV X.
(****) The assured importance refers to civil liability of directors and is shared with all its subsidiaries .

Risks of engineering				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Energia dos ventos S.A (*)	10/31/2016	12/31/2017	215,949	468
Verde 8 Energia S.A.	7/28/2016	5/31/2018	178,425	699
La Virgen	12/29/2016	1/1/2018	US$163,729	USD127

(*) EEDV 's match the following subsidiaries : EDV I, EDV II, EDV III , EDV IV and EDV X.

Nominated / operational risks				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Ferreira Gomes Energia S.A.	12/3/2016	12/3/2017	1,018,490	952 (*)
Companhia Transirapé de Transmissão	5/24/2016	5/24/2017	31,747	40
Companhia Transleste de Transmissão	12/17/2016	12/17/2017	9,750	17
Companhia Transudeste de Transmissão	5/24/2016	5/24/2017	3,641	6
Empresa de Transmissão de Energia do Mato Grosso S.A.	7/4/2016	7/4/2017	8,124	10
Empresa de Transmissão de Varzea Grande S.A.	7/4/2016	7/4/2017	45,905	57
Empresa de Transmissão do Espirito Santo S.A.	7/4/2016	7/4/2017	20,514	25
Foz do Rio Claro Energia S.A.	12/3/2016	12/3/2017	234,000	952 (*)
Grupo TBE (**)	1/30/2017	1/30/2018	289,915	271
Ijuí Energia S.A.	12/3/2016	12/3/2017	270,000	952 (*)
Sistema de Transmissão Nordeste S.A.	3/16/2017	3/16/2018	3,372	57
Transmissora Matogrossense de Energia S.A.	7/4/2016	7/4/2017	117,060	145
Usina Paulista Lavrinhas de Energia S.A.	12/3/2016	12/3/2017	141,938	952 (*)
Usina Paulista Queluz de Energia S.A.	12/3/2016	12/3/2017	163,538	952 (*)
Energia dos ventos S.A (***)	10/31/2016	10/31/2017	143,299	111
Verde 8 Energia S.A.	6/17/2016	4/1/2018	10,316	184
Tansnorte Energia S.A.	2/12/2017	2/12/2018	34,305	60

(*) The guaranteed amount of R$ 983,861 and the total premium in the amount of R $ 952 are shared between subsidiaries Ferreira Gomes, Foz, Ijuí , Queluz and Lavrinhas .
(**) The TBE Group is formed by the following companies : EATE , STC , Lumitrans , EBTE , ETEP , ESDE , ECTE , ETSE , ENTE , ERTE
(***) EDV 's match the following subsidiaries : EDV I, EDV II, EDV III , EDV IV and EDV X.

Miscellaneous risks				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Empresa Amazonense de Transmissão de Energia S.A.	12/31/2016	12/31/2017	209	2
Usina Paulista Lavrinhas de Energia S.A.	9/10/2016	9/10/2017	290	2
AF Energia S.A.	12/10/2016	12/10/2017	1,149	1
AF Energia S.A.	5/30/2017	5/30/2018	2,530	2
Risaralda Energia	7/1/2017	6/30/2018	$1.048.000	$3

Vehicles				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Alupar Investimento S.A.	6/19/2016	6/19/2017	100% FIPE table	7
Empresa de Transmissão de Energia do Mato Grosso S.A.	9/19/2016	9/19/2017	20	3
Transmissora Matogrossense de Energia S.A. (I)	10/7/2016	10/7/2017	75	4
Transmissora Matogrossense de Energia S.A. (II)	9/19/2016	9/19/2017	200	7
Foz do Rio Claro Energia S.A.	6/19/2016	6/19/2017	100% FIPE table	6
Grupo TBE (*)	1/31/2017	1/31/2018	500	93
Ijuí Energia S.A.	6/19/2016	6/19/2017	100% FIPE table	5
Sistema de Transmissão Nordeste S.A. (II)	4/27/2016	4/27/2017	55	31
Usina Paulista Lavrinhas de Energia S.A.	6/19/2016	6/19/2017	100% FIPE table	4
Usina Paulista Queluz de Energia S.A.	6/19/2016	6/19/2017	100% FIPE table	5
Ferreira Gomes Energia S.A.	6/19/2016	6/19/2017	100% FIPE table	35
Risaralda Energia	3/20/2017	3/20/2018	$93.000	$3
Risaralda Energia	3/11/2017	3/11/2018	$72.700	$2

(*) The TBE Group is formed by the following companies : EATE , STC , Lumitrans , EBTE , ETEP , ESDE , ECTE , ETSE , ENTE , ERTE

Corporate fraud				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Grupo TBE (*)	1/30/2017	1/31/2018	5,000	55
Transmissora Colombiana de Eenergia SAS ESP	7/1/2017	7/1/2018	$1.000.000	$4
Risaralda Energia	7/1/2017	7/1/2018	$1.000.000	$7

(*) The TBE Group is formed by the following companies : EATE , STC , Lumitrans , EBTE , ETEP , ESDE , ECTE , ETSE , ENTE , ERTE

Corporate fraud				
Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Tranmissora Caminho do Café	2/8/2017	11/6/2022	68,878	1,284
Tranmissora Paraíso de Energia S.A.	2/8/2017	11/6/2022	126,873	2,332
Tranmissora Serra da Mantiqueira S.A.	7/14/2017	5/8/2023	44,452	745
Empresa de Transmissão Agreste Potiguar S.A.	6/23/2016	9/22/2020	28,487	424
Empresa Transmissora Capixaba S.A.	6/23/2016	3/23/2020	15,096	198
Alupar Investimento S.A	6/23/2016	22/0/2020	28,487	424
Alupar Investimento S.A	6/23/2016	9/22/2020	15,096	198
Alupar Investimento S.A	8/21/2017	4/1/2022	7,928	117

37. Subsequent events

Advances for future capital contributions

Advances for future capital contributions made by the Company after the six-month period ended September 30, 2017 are as follows:

Subsidiaries	Date	Amount
Alupar Colombia S.A.S	10/31/2017	15,833
Empresa Transmissora Agreste Potiguar S.A.	11/7/2017	1,250
Empresa Transmissora Capixaba S.A.	11/7/2017	750
		17,833

Aquisition BJL SPE Transmissora de Energia Elétrica S.A.

Alupar Investimento SA ("Alupar" or "The Company"), a listed company, informs its shareholders and the market in general that the Board of Directors approved, on this date, the celebration of an Agreement for the Purchase and Sale of Shares and the Assignment of Subscription Rights ("Agreement") with Apollo 12 Participações S.A., which reflects the acquisition of 50% (fifty percent) of the capital and voting capital of BJL SPE Transmissora de Energia Elétrica S.A. ("BJL").

The acquisition value is R$ 60,477,357.50 (sixty million, four hundred seventy seven thousand, three hundred fifty seven reais and fifty centavos), of which: (i) R$ 8,029,000.00 (eight million and twenty-nine thousand reais) due to the purchase of 14,800 (fourteen thousand and eight hundred) nominative common shares with no par value of BJL; and (ii) R$ 52,448,357.50 (fifty-two million, four hundred and forty-eight thousand, three hundred and fifty-seven reais and fifty centavos), resulting from the subscription and integralization of 96,679 (ninety-six thousand, six hundred and seventy-nine) common shares with no par value of BJL. The operation is subject to precedent conditions set in the Contract and obtaining the necessary regulatory approvals.

BJL is a special purpose company, which holds the concession of the public energy transmission service for the implementation and exploitation of the Juazeiro III - Ourolândia II Transmission Line, 500 kV, simple circuit, with an approximate extension of 186 km, originating in Juazeiro III Substation to the Ourolândia II Substation; and the Bom Jesus da Lapa II Transmission Line -Gentio do Ouro II, 500 kV, simple circuit, with an approximate extension of 260 km, originating from the Bom Jesus da Lapa Substation II and ending at the Gentio do Ouro II Substation ("Project").

Officers' Statement on the Quarterly information

São Paulo, November 09, 2017

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 Quarterly information – "ITR" for the six-*month period ended September 30, 2017.*

_____

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, November 09, 2017

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 nine-month period ended September 30, 2017.

_____

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