Interim Financial Information

Alupar Investimento S.A.

September 30, 2016

Analysis of Consolidated Results – IFRS

Net Operating Revenue

Alupar and its subsidiaries recorded Adjusted Net Revenue of R$ 375.3 million in 3Q16, compared to R$ 372.4 million in 3Q15. When we analyze the Company's Net Revenue, 3Q16 totaled R$ 388.3 million, compared to R$ 380.2 million in 3Q15. Although this increase in the Adjusted Net Revenue lower than the increase in the Net Revenue, is due to that, in accordance with IFRS standards, the entire volume of investments (Capex) made by our transmission companies is recognized as revenue because it is investment and has no effect on the Company's income (the same amount of revenue is excluded in the Cost - Infrastructure Cost line). We disregard that effect on the Company's revenues for analytical purposes, as detailed below:

Net Operating Revenue (R$ MM)						
	3Q16	3Q15	Var. %	9M16	9M15	Var. %
Energy Transmission Revenue	33.6	29.2	15.1%	84.9	80.4	5.5%
Infrastructure Revenue	13.0	7.8	66.9%	41.0	44.5	(7.8%)
Remuneration of Concession Assets	267.5	264.1	1.3%	834.5	809.0	3.2%
Energy Supply	115.0	116.1	(0.9%)	342.7	287.1	19.4%
Gross Revenue	**429.1**	**417.2**	**2.9%**	**1,303.1**	**1,220.9**	**6.7%**
Deductions	40.8	37.0	10.1%	112.5	100.0	12.5%
Net Revenue	**388.3**	**380.2**	**2.1%**	**1,190.6**	**1,120.9**	**6.2%**
Exclusion of Infrastructure Revenue	13.0	7.8	66.9%	41.0	44.5	(7.8%)
Adjusted Gross Revenue	**416.1**	**409.4**	**1.6%**	**1,262.1**	**1,176.4**	**7.3%**
Adjusted Net Revenue	**375.3**	**372.4**	**0.8%**	**1,149.6**	**1,076.4**	**6.8%**

The 0.8% positive change in Adjusted Net Revenue in 3Q16 is explained by: (a) the R$ 4.4 million increase in **Energy Transmission Revenue,** due to the improvement in the service of the transmission line ETEM, an impact of R$ 1.9 million and; (b) increase of R$ 3.4 million in the **Remuneration of Concession Assets**, due to the operation of the reinforcing of Transirapé and ETVG, which together add up to a positive impact of R $ 4.1 million.

When the Net Revenue is analyzed, it can be seen that in 3Q16 it totaled R$ 388.3 million, a 2.1% increase compared to the R$ 380.2 million recorded in 3Q15. This change is explained, in addition to the factors mentioned above, by (a) the R$ 5.2 million increase in **Infrastructure Revenue** on the basis of the implementation of the reinforcing of the Transirapé and STC transmission companies.

For more information about variations in Infrastructure Revenue (CAPEX), please check the upcoming "Investment" section.

Cost of Services

In 3Q16, Costs of Services totaled R$ 92.9 million, 22.7% lower than the R$ 120.2 million recorded in 3Q15. This variation is due to: (a) the R$ 40.8 million reduction of the **Energy Purchased for Resale** account, due to the (i) renegotiation of the hydrological risk in the ACR (Regulated Pricing Market) by Foz do Rio Claro and Ijuí HPPs in the SP100 and by Ferreira Gomes HPP in the SP92, an impact of R$ 15.2 million; (ii) purchase of energy ballast, due to the commercial start-up of GU3 on April 30, 2015 to fulfill the obligation to deliver 39.9 MW throughout 2015, an impact of R$ 20.5 million; (b) reduction of R$ 1.9 million in **Hydro Resources - CFURH**, due to the low water inflow in 3Q16 at the Ferreira Gomes HPP, an impact of 1.1 million; (c) increase of R$ 5.0 million in the **Depreciation / Amortization** account, due to the entry into operation of the Energia dos Ventos wind farms, an impact of R$ 5.1 million and; (d) increase of R$ 5.2 million in **Infrastructure Cost** due to implementation of reinforcing of the Transirapé and STC transmission companies.

The cash cost in 3Q16, excluding the cost of infrastructure (investments) and depreciation/amortization, was equivalent to 15.2% of the Adjusted Net Revenue, compared to 25.4% registered in 3Q15.

Cost of Services R$ (MM)						
	3Q16	3Q15	Var. %	9M16	9M15	Var. %
Cost of Services						
Cost of Services Rendered	33.7	28.8	17.2%	90.4	73.2	23.4%
Energy Purchased for Resale	14.9	55.7	(73.3%)	42.7	73.5	(41.9%)
Charges of Electric Grid - CUST	6.8	6.7	1.5%	19.8	19.7	0.4%
Hydro Resources – CFURH	1.6	3.5	(54.3%)	7.9	9.2	(14.2%)
Infrastructure Cost	13.0	7.8	66.9%	41.0	44.5	(7.8%)
Depreciation / Amortization	22.8	17.8	28.3%	60.1	51.0	17.9%
Total	**92.9**	**120.2**	**(22.7%)**	**261.9**	**271.1**	**(3.4%)**

Operating Expenses

In 3Q16, Operating Expenses totaled R$ 12.6 million, compared to R$ 4.4 million in 3Q15.

The increase in this account is mainly explained by the: (a) reduction of R$ 5.4 million in **Equity Pickup**, mainly due to the result of TNE, which totaled a R$ 0.3 million profit in 3Q16 compared to a R$ 7.8 million profit in 3Q15, an impact of R$ 3.8 million. Importantly, the reduction in the profit for the period is due to the filing with the ANEEL of a request for the non-contentious return of the concession, given that the IFRIC 12 had been adopted only for unitized assets (Boa Vista Substation) and in 3Q15 the adoption of the IFRIC 12 was implemented for the entire project and; (b) reduction of R$ 5.1 million in the **Others** line, due solely to the gain from the sale of the stake in the wind farm Fortim, registered on August 31, 2015.

Operating Expenses R$ (MM)						
	3Q16	3Q15	Var. %	9M16	9M15	Var. %
Operating Expenses						
General and Administrative	8.0	9.9	(19.2%)	14.7	29.1	(49.6%)
Personnel and Management	11.1	12.2	(8.3%)	26.6	42.1	(37.0%)
Equity Pickup	(7.3)	(12.7)	(42.9%)	(23.0)	(36.3)	(36.7%)
Others	(0.5)	(5.6)	90.4%	0.8	(6.5)	(112.3%)
Depreciation / Amortization	1.2	0.7	71.4%	3.7	4.3	(14.0%)
Total	**12.6**	**4.4**	**188.1%**	**22.8**	**32.7**	**(30.2%)**

EBITDA

In 3Q16, EBITDA totaled R$ 306.9 million, 12.0% higher than the R$ 274.1 million posted in 3Q15. For its part, the Adjusted EBITDA Margin, excluding Infrastructure Revenue, reached 81.8% compared to 73.6% recorded in the same period of the previous year.

This variation in EBITDA was due to: (a) the R$ 40.8 million reduction in **Energy Purchased for Resale,** resulting from: (i) renegotiation of the hydrological risk in the ACR (Regulated Pricing Market) by Foz do Rio Claro and Ijuí HPPs in the SP100 and by Ferreira Gomes HPP in the SP92, an impact of R$ 15.2 million and; (ii) purchase of energy ballast, due to the commercial start-up of GU3 on April 30, 2015 to fulfill the obligation to deliver 39.9 MW throughout 2015, an impact of R$ 20.5 million and (b) increase of R$ 3.4 million in the **Remuneration of Concession Assets,** due to the operation of the Transirapé and ETVG reinforcing, which together added a positive impact of R $ 4.1 million.

EBITDA (R$ MM)						
	3Q16	3Q15	Var. %	9M16	9M15	Var. %
Adjusted Gross Revenue	416.1	409.4	1.6%	1,262.1	1,176.4	7.3%
Deductions	40.8	37.0	10.1%	112.5	100.0	12.5%
Adjusted Net Revenue	375.3	372.4	0.8%	1,149.6	1,076.4	6.8%
Operating Costs	(42.1)	(38.9)	8.2%	(118.0)	(102.1)	15.6%
Energy Purchase	(14.9)	(55.7)	(73.3%)	(42.7)	(73.5)	(41.9%)
Operating Expenses	(18.7)	(16.4)	13.6%	(42.1)	(64.7)	(35.0%)
Equity Equivalence	7.3	12.7	(42.9%)	23.0	36.3	(36.7%)
EBITDA	**306.9**	**274.1**	**12.0%**	**969.7**	**872.3**	**11.2%**
EBITDA Margin	**81.8%**	**73.6%**	**8.2 p.p**	**84.4%**	**81.0%**	**3.4 p.p**

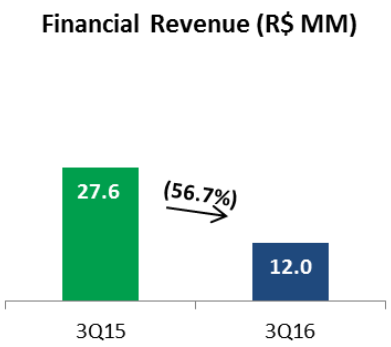
The EBITDA breakdown is shown below:

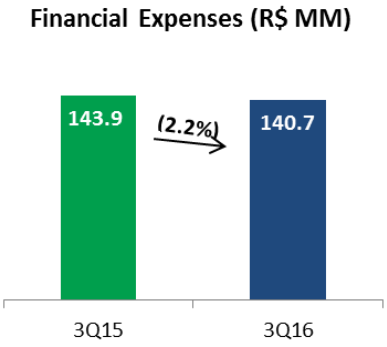


Financial Result

Totaled R$ 128.7 million in 3Q16, compared to R$ 116.3 million recorded in the same period in the previous year.

This variation in the financial result was due to a R$ 15.6 million decrease in financial revenue, exclusively in the La Virgen HPP, which presented a variation in this account of R$ 13.7 million, due to: (i) adoption of the IFRS, and impact of R$ 5.6 million and (ii) adjustment related to the exchange variation of suppliers, reclassified in this quarter, impact of R $ 8.1 million.

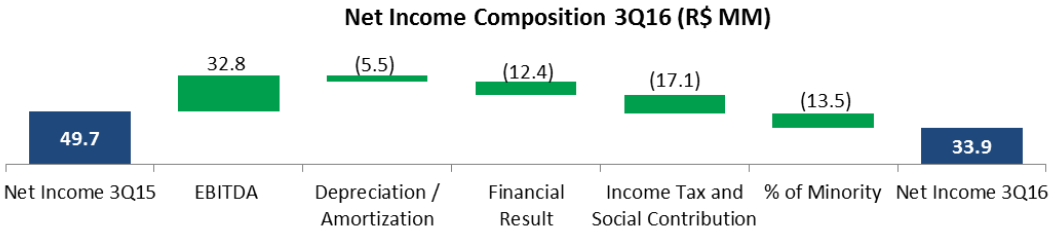


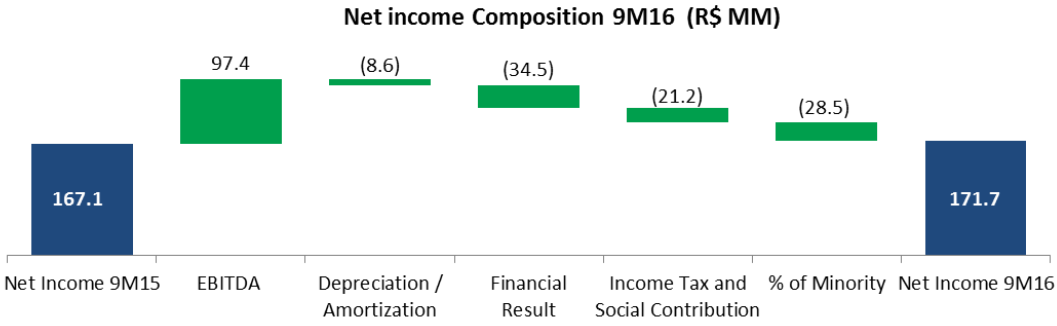


Net Income

In 3Q16, net income totaled R$ 33.9 million, against the R$ 49.7 million posted in 3Q15.

This variation is the result of: (a) increase of R$ 5.5 million in the **Depreciation/Amortization** line, mainly due to the availability of the Energia dos Ventos wind farms; (b) the increase of R$ 12.4 million in the **Financial Result** account, as detailed before, (c) increase of R$ 17.1 million in the **IR/CSLL** was due to (i) the entry into commercial operation of the Energia dos Ventos wind farms and; (ii) booking of the deferred IR/CSLL by the Ferreira Gomes HPP and; (d) increase of R$ 13.5 million in the **% Minority**, mainly due to the increase in income from generating assets compared to the same period last year.





Investments

Total investments made in our companies amounted to some R$ 19.5 million in 3Q16, with R$ 13.0 million being invested in the transmission segment, R$ 3.4 million in the generation segment and R$ 3.1 million in new business development, compared to R$ 221.8 million in 3Q15, when R$ 7.8 million was invested in the transmission segment, R$ 212.8 million was invested in the generation segment and R$ 1.2 million in new business development.

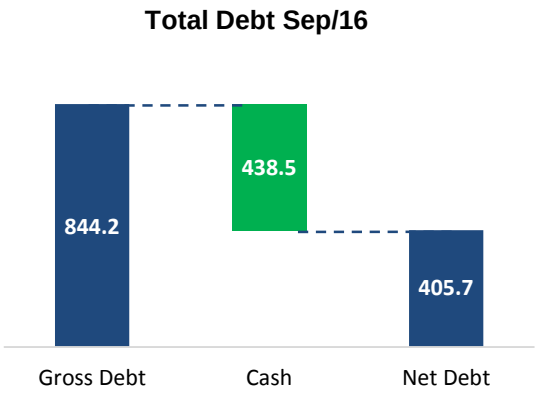
The volume of investments in 3Q16 reflects the finalization of Morro Azul SHPP (Risaralda) and the reinforcing in the Transirapé, ETVG and STC transmission companies.

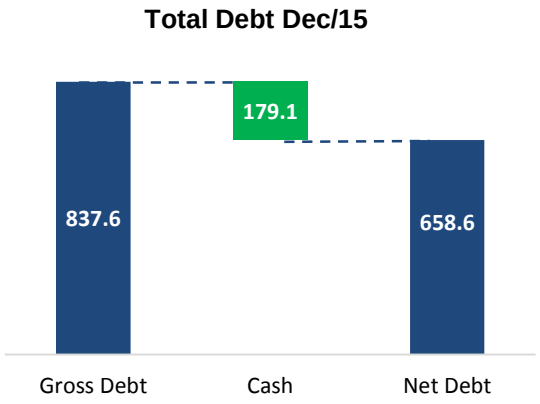
Investments (R$ MM)				
	3Q16	3Q15	9M16	9M15
Transmission	**13.0**	**7.8**	**41.0**	**44.5**
ETSE	-	-	-	26.5
Transirapé	4.0	1.3	13.3	8.9
ELTE	0.5	1.4	2.6	3.8
STC	3.3	-	7.8	-
ETVG	3.0	3.8	14.8	4.1
ETAP	0.2	-	0.2	-
ETC	0.2	-	0.2	-
Others	1.8	1.3	2.1	1.2
Generation	**3.4**	**212.8**	**287.5**	**476.5**
Ferreira Gomes	0.3	(6.1)	0.6	11.4
Energia dos Ventos	0.9	158.3	59.6	320.8
La Virgen	(19.5)	35.8	157.1	77.8
Morro Azul	18.1	21.4	44.2	42.6
Verde 08	4.7	2.9	7.8	4.2
Antônio Dias	0.5	1.1	1.7	3.0
Others	(1.6)	(0.6)	16.5	16.7
Holding	**3.1**	**1.2**	**6.5**	**3.6**
Total	**19.5**	**221.8**	**335.0**	**524.6**

Indebtedness

Alupar Holding:

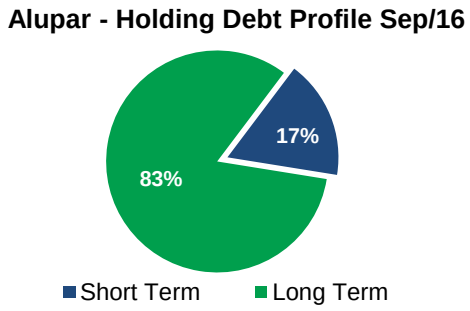
In September/2016 the Alupar - Holding net debt amounted to R$ 405.7 million, R$ 252.9 million lower than the R$ 658.6 million recorded in December/15. This variance is explained mainly by: (a) the R$ 259.4 million increase in cash and cash equivalents, due to: (i) the private capital increase of R$ 350.0 million, approved on August 23, 2016 and; (ii) reduced by the payment on July 12, 2016, of a portion of the dividends declared at the Company's Annual and Extraordinary Shareholders Meeting held on April 20, 2016, in the amount of R$ 100.0 million.

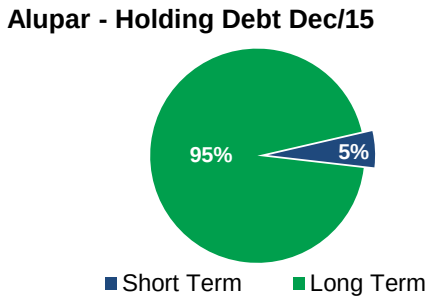




Alupar - Holding gross debt totaled R$ 844.2 million in Sep/16, 0.8% higher than the R$ 837.6 million recorded in Dec/15. The gross debt is almost entirely in debenture issuances (99.3%), 18.3% indexed by the CDI and 81.7% by the IPCA, with a well elongated profile, with approximately 29.3% of them maturing after 2021. For more information about the Holding Company's indebtedness, please, check Explanatory Notes 24 "Loans and Financing" and 25 "Debentures" of 3Q16's financial statements.

Alupar - Holding debt profile is shown below:

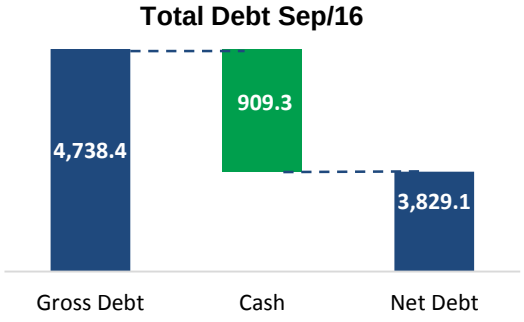


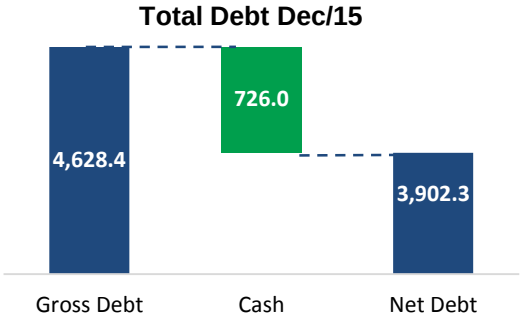


Consolidated:

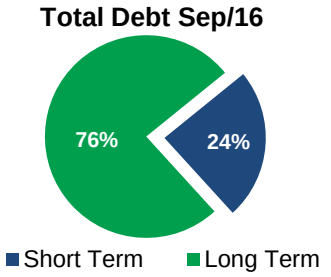
Alupar's consolidated gross debt and its subsidiaries totaled R$ 4,738.4 million in September/16, which was R$ 110.0 million higher than the R$ 4,628.4 million recorded in December/15. Net debt in September/16 was R$ 3,829.1 million, R$ 73.2 million lower than the R$ 3,902.1 million in December/2015.

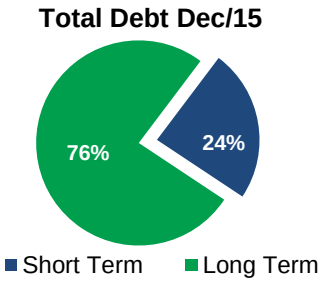
The variance in gross debt is explained mainly by: (i) the issuance of debentures by the EATE and ENTE transmission companies, amounting to R$ 220.0 million in September 2016, with remuneration equivalent to 113% of the CDI (average rate of interbank deposits) for the 1st series and 116% of the CDI for the 2nd series; (ii) the release of a R$ 255.5 million loan contracted with the BNDES for the building of Energia dos Ventos' wind energy assets; (iii) the issuance of the 3rd promissory note in the amount of R$ 70.0 million for the implementation of Energia dos Ventos' wind energy assets; (iv) funding of R$ 30.0 million for implementation of the Verde 08 SHPP; (v) provision charges and monetary variation, totaling R$ 371.6 million; (vi) reduction of R$ 344.0 million in debt of the operating assets, pursuant to their respective amortization curves; (vii) R$ 200.0 million due to the amortization of the 1st and 2nd Energia dos Ventos debenture issuances and; (viii) amortization of charges, in the amount of R$ 307.4 million.





The short-term debt registered in September/16 totaled R$ 1,140.8 million compared with R$ 1,112.9 million in December/15.





Of 24% of the short-term debt, 56% or R$ 633.7 million are for bridge loans.

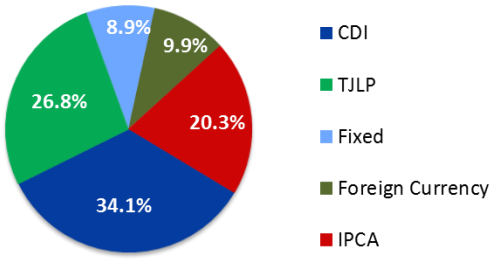
In September/16 the cash and cash equivalents of Alupar consolidated and its subsidiaries totaled R$ 909.3 million, which was R$ 726.0 million higher than the R$ 726.0 million recorded in December/15.

Of the consolidated debt, R$ 844.2 million refers to the Alupar - Holding, as detailed above, with the remaining R$ 3,505.7 million allocated to the operating companies, which have repayment flows that are consistent with their cash generation and R$ 388.5 million is with regard to projects under construction, of which R$ 333.6 million is for Alupar Peru/La Virgen for the implementation of the La Virgen HPP; R$ 29.9 million is for the Verde 8 SHPP and R$ 25.0 million is earmarked for the reinforcing of ETVG.

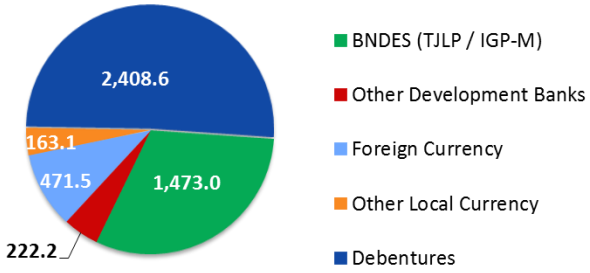
In 3Q16, the issuance of debentures amounted to R$ 2,408.6 million or 50.8% of total debt. The Alupar - Holding debentures issuances represent a balance of R$ 838.3 million and emissions of EATE, ECTE, ENTE, ETEP, STN, Ferreira Gomes, Transirapé, Transleste and Transudeste subsidiaries represent a balance of R$ 1,570.3 million.

The foreign currency debt totaled R$ 471.5 million or 9.9% of total debt, of which R$ 0.8 million in financing in a basket of currencies with the development banks and R$ 470.7 million allocated in the generation projects in Peru and Colombia.

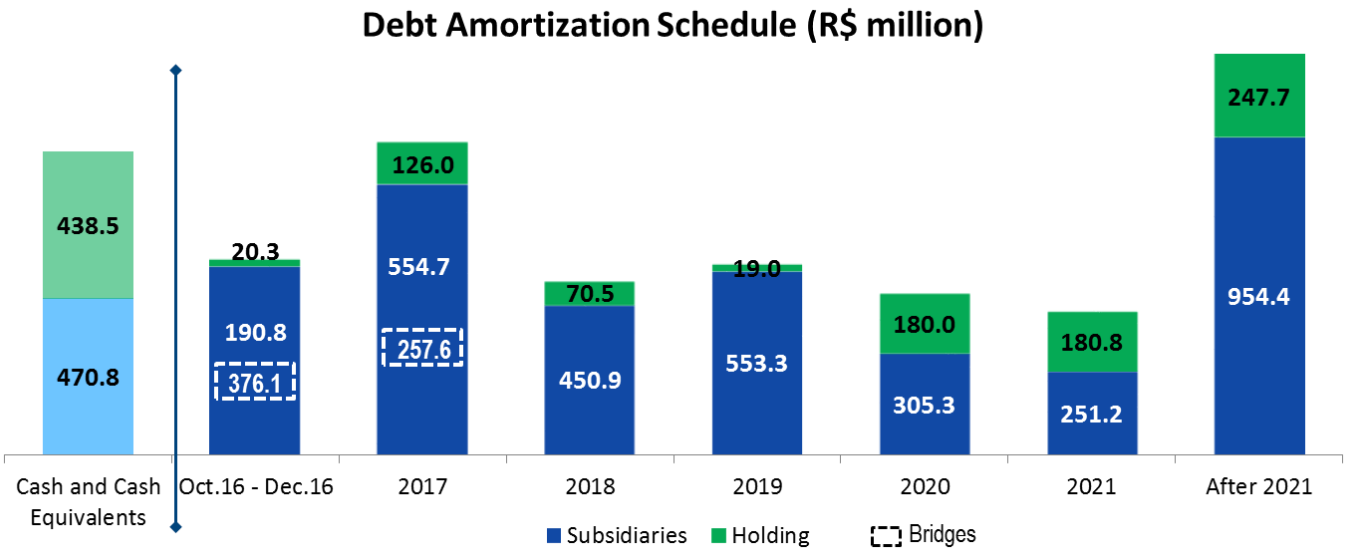
Gross Debt by Index (%)



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 interim financial information prepared in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS).

Report on review of Interim financial 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, 2016, comprising the balance sheet as of September 30, 2016 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
We have also reviewed the individual and consolidated statements of value added (DVA), related to the nine month period ended September 30, 2016, prepared under the responsibility of the Company's management, which presentation in the interim information is required in accordance with standards issued by the Brazilian Securities Commission - CVM applicable to the preparation of Quarterly Information - ITR, and is considered as a supplementary information under IFRS, which do not require the presentation of DVA. These statements were subject to the same review procedures described above, and based on our review, nothing has come to our attention that causes us to believe that it has not been prepared, in all material respects, in accordance with the individual and consolidated interim accounting information taken as a whole.

São Paulo, November 11, 2016

KPMG Auditores Independentes
CRC 2SP014428/O-6
Original in Portuguese signed by
José Luiz Ribeiro de Carvalho
Accountant CRC 1SP141128/O-2

Alupar Investimento S.A.

Balance sheets
September 30, 2016 and December 31, 2015
(In thousands of reais)

	Note	Parent Company		Consolidated	
		9/30/2016	12/31/2015	9/30/2016	12/31/2015
ASSETS					
CURRENT		**630,637**	**298,851**	**2,716,624**	**2,320,219**
Cash and cash equivalents	**4**	254,309	134,631	628,543	591,857
Short-term investments	**5**	184,163	44,430	184,163	44,430
Marketable securities	**6**	-	-	92,446	82,907
Trade accounts receivable	**7**	14,056	15,051	214,439	182,712
Accounts receivables from related parties	**34**	4	4	-	-
Dividends receivable	**34**	35,367	63,645	4,524	4,524
Interest on equity receivable	**34**	-	11,563	-	-
Income tax and social contribution	**8**	27,930	26,736	48,156	39,419
Other taxes to be offset	**8**	266	-	8,893	12,623
Advances to suppliers		105	200	11,631	35,349
Inventories		-	-	1,148	541
Prepaid expenses		2,193	1,710	9,305	9,868
Guarantees and court deposits		-	-	-	-
Financial asset from the concession	**9**	-	-	1,326,154	1,249,115
Assets held for sale	**10**	110,220	-	110,220	-
Other assets		2,024	881	77,002	66,874
NON-CURRENT		**3,266,384**	**3,202,894**	**7,661,184**	**7,691,444**
Trade accounts receivable	**7**	-	-	10,224	8,358
Advances for future capital increase	**34**	104,165	54,662	-	-
Marketable securities	**6**	-	-	4,164	6,844
Income tax and social contribution	**8**	-	-	17,848	17,901
Other taxes to be offset	**8**	-	-	5,410	8,287
Deferred income tax and social contribution	**19**	-	-	16,914	12,382
Advances to suppliers		-	-	2,394	2,394
Inventories		-	-	26,091	25,534
Guarantees and judicial deposits	**26**	2,332	2,090	11,543	7,666
Financial asset from the concession	**9**	-	-	3,265,367	3,321,056
Other assets		-	-	34,461	43,533
Investments in affiliates and jointly-controlled subsidiaries	**12**	244,444	340,119	321,346	416,996
Investments in subsidiaries	**13**	2,812,628	2,708,674	-	-
Investment properties	**14**	9,271	9,271	9,271	9,271
Property, plant and equipment	**15**	2,770	3,457	3,782,625	3,661,828
Intangible assets	**16**	90,774	84,621	153,526	149,394
TOTAL ASSETS		**3,897,021**	**3,501,745**	**10,377,808**	**10,011,663**

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Balance sheets
September 30, 2016 and December 31, 2015
(In thousands of reais)

	Note	Parent Company		Consolidated	
		9/30/2016	12/31/2015	9/30/2016	12/31/2015
LIABILITIES					
CURRENT		**234,002**	**160,130**	**1,693,759**	**1,927,256**
Loans and financing	**24**	3,539	11,791	612,045	519,997
Debentures	**25**	142,167	33,745	528,793	592,889
Suppliers	**17**	11,388	12,646	144,879	341,561
Salaries, vacation and social charges		1,739	956	13,109	10,284
Income tax and social contribution payable	**18**	-	-	70,634	55,897
Other taxes payable		156	1,612	24,942	26,112
Provision for asset build up	**21**	-	-	44,641	83,449
Dividends payable		74,988	99,355	85,278	150,764
Provisions for environmental expenses	**20**	-	-	21,055	22,239
Regulatory and sectorial taxes	**22**	-	-	55,022	48,213
Provision for contingencies	**26**	-	-	277	66
Advances from customers	**23**	-	-	73,747	58,208
Other obligations		25	25	19,337	17,577
NON-CURRENT		**724,758**	**831,538**	**4,105,658**	**4,017,361**
Loans and financing	**24**	2,346	16,565	1,717,758	1,557,321
Debentures	**25**	696,133	775,524	1,879,807	1,958,153
Suppliers	**17**	-	-	-	250
Advances for future capital increase		-	-	(226)	359
Other taxes payable		-	-	13	26
Current income tax and social contribution		-	-	1,555	1,555
Deferred income tax and social contribution	**19**	-	-	425,431	406,610
Provision for contingencies	**26**	2,468	2,103	5,936	4,213
Advances from customers	**23**	-	-	27,606	44,749
Provisions for environmental expenses	**20**	-	-	11,214	11,214
Regulatory and sectorial taxes	**21**	-	-	-	-
Provision for asset build up	**21**	-	-	10,103	9,606
Other obligations		-	-	26,461	23,305
Provision for unsecured liabilities	**12**	23,811	37,346	-	-
SHAREHOLDERS' EQUITY		**2,938,261**	**2,510,077**	**2,938,261**	**2,510,077**
Subscribed and paid in capital	**27**	2,148,533	1,625,227	2,148,533	1,625,227
(-) Share issuance costs	**27**	(34,569)	(34,569)	(34,569)	(34,569)
Capital reserve	**27**	51,509	52,749	51,509	52,749
Earnings reserves	**27**	574,470	747,777	574,470	747,777
Proposed additional dividend	**27**	-	75,617	-	75,617
Retained earnings	**27**	171,722	-	171,722	-
Other comprehensive income	**27**	26,596	43,276	26,596	43,276
Interest of non-controlling shareholders	**13**	-	-	1,640,130	1,556,969
Shareholder's equity + interest of shareholders Non-controlling		**2,938,261**	**2,510,077**	**4,578,391**	**4,067,046**
TOTAL LIABILITIES		**3,897,021**	**3,501,745**	**10,377,808**	**10,011,663**

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Statements of Income
Three and nine-month periods ended on September 30, 2016 and 2015
(In thousands of reais, except earnings per share)

	Note	Parent company				Consolidated			
		Three months ended		Nine months ended		Three months ended		Nine months ended	
		9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015
NET OPERATING REVENUE	29 and 30	**15,594**	**24,292**	**43,441**	**24,292**	**388,336**	**380,175**	**1,190,592**	**1,120,913**
COST OF SERVICE									
Electric power costs									
Electric power purchased for resale	30	(22,461)	(23,418)	(48,761)	(23,418)	(14,888)	(55,680)	(42,748)	(73,527)
Charges from the use of electric power network - CUST		-	-	-	-	(6,818)	(6,654)	(19,789)	(19,704)
Financial compensation for the utilization of water resources - CFURH		-	-	-	-	(1,624)	(3,514)	(7,869)	(9,176)
Operating Cost									
Cost of services provided	31	(164)	(1)	(596)	(1)	(33,683)	(28,751)	(90,387)	(73,247)
Infrastructure Cost	31	-	-	-	-	(13,039)	(7,813)	(40,983)	(44,470)
Depreciation / amortization		-	-	-	-	(22,838)	(17,806)	(60,107)	(50,998)
		(22,625)	**(23,419)**	**(49,357)**	**(23,419)**	**(92,890)**	**(120,218)**	**(261,883)**	**(271,122)**
GROSS PROFIT		**(7,031)**	**873**	**(5,916)**	**873**	**295,446**	**259,957**	**928,709**	**849,791**
OPERATING EXPENSES/REVENUES									
Administrative and general	31	(5,797)	(6,227)	(19,120)	(25,235)	(20,387)	(22,687)	(44,945)	(75,503)
Share of profit of equity-method investees	12 e 13	65,056	69,692	276,267	247,071	7,253	12,710	22,980	36,284
Other revenues		208	5,889	1,440	6,411	697	6,020	2,070	6,701
Other expenses	31	(145)	(84)	(2,818)	(84)	(159)	(415)	(2,918)	(185)
		59,322	**69,270**	**255,769**	**228,163**	**(12,596)**	**(4,372)**	**(22,813)**	**(32,703)**
PROFIT BEFORE NET FINANCIAL EXPENSES		**52,291**	**70,143**	**249,853**	**229,036**	**282,850**	**255,585**	**905,896**	**817,088**
Financial expenses	32	(28,253)	(31,941)	(98,917)	(91,334)	(140,671)	(143,864)	(394,821)	(366,270)
Financial revenues	32	9,840	11,475	20,786	29,425	11,957	27,592	56,587	62,526
		(18,413)	**(20,466)**	**(78,131)**	**(61,909)**	**(128,714)**	**(116,272)**	**(338,234)**	**(303,744)**
INCOME BEFORE TAXES		**33,878**	**49,677**	**171,722**	**167,127**	**154,136**	**139,313**	**567,662**	**513,344**
Current income tax and social contribution	33	-	-	-	-	(33,326)	(27,975)	(94,437)	(91,207)
Deferred income tax and social contribution	33	-	-	-	-	(1,736)	10,032	(15,049)	2,966
		-	-	-	-	(35,062)	(17,943)	(109,486)	(88,241)
NET INCOME FOR THE YEAR		**33,878**	**49,677**	**171,722**	**167,127**	**119,074**	**121,370**	**458,176**	**425,103**
Attributable to Shareholders of the Parent Company		33,878	49,677	171,722	167,127	33,878	49,677	171,722	167,127
Attributable to Non-Controlling Shareholders	13	-	-	-	-	85,196	71,693	286,454	257,976
		33,878	**49,677**	**171,722**	**167,127**	**119,074**	**121,370**	**458,176**	**425,103**
Number of ON Shares		554,233,455	461,243,596	554,233,455	461,243,596				
Number of PN Shares		196,652,815	163,658,204	196,652,815	163,658,204				
Basic and diluted profit or loss per ON share:	28	0.04883	0.06524	0.26165	0.25465				
Basic and diluted profit or loss per PN share:	28	0.04883	0.06524	0.26165	0.25465				

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Statements of comprehensive income
Three and nine-month periods ended on September 30, 2016 and 2015
(In thousands of reais)

	Parent company				Consolidated			
	Three months ended		Nine months ended		Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015
NET INCOME FOR THE PERIOD	**33,878**	**49,677**	**171,722**	**167,127**	**119,074**	**121,370**	**458,176**	**425,103**
Other comprehensive income – Cumulative translation adjustment - Transchile	1,013	22,579	(17,800)	33,847	1,013	22,579	(17,800)	33,847
Other comprehensive income – Cumulative translation adjustment – La Virgen	(896)	3,218	(4,518)	2,477	4,291	9,307	(7,726)	11,549
Other comprehensive income – Cumulative translation adjustment – Risaralda	260	1,757	(1,515)	2,866	260	1,753	(1,515)	2,862
Other comprehensive income – Cumulative translation adjustment – Alupar Peru	7,497	(17,396)	6,996	(14,895)	7,497	(17,396)	6,996	(14,895)
Other comprehensive income – Cumulative translation adjustment – Alupar Chile	20	(138)	157	(149)	20	(138)	157	(149)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**41,772**	**59,697**	**155,042**	**191,273**	**132,155**	**137,475**	**438,288**	**458,317**
Attributable to Shareholders of the Parent Company					41,772	59,697	155,042	191,273
Attributable to Non-Controlling Shareholders					90,383	77,778	283,246	267,044

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Statements of changes in shareholders' equity
Nine-month period ended on September 30, 2016 and 2015
(In thousands of reais)

Nine months 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 AGOE of May 19, 2016	349,999	-	-	-	-	-	-	-	349,999	-	349,999
Dividends stated – minimum mandatory	-	-	-	-	-	(629)	-	-	(629)	-	(629)
Additional dividends proposed exceeding the minimum mandatory number	-	-	-	-	-	(74,988)	-	-	(74,988)	-	(74,988)
Dividends declared to subsidiaries' 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
Transfer to investments held for sale	-	-	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**

Nine months period ended on September 30, 2015.				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, 2014	1,625,227	(34,569)	55,500	76,291	637,289	77,638	-	15,934	2,453,310	1,424,999	3,878,309
Comprehensive income											
Net income for the year	-	-	-	-	-	-	167,127	-	167,127	257,976	425,103
Cumulative conversion adjustments for the year	-	-	-	-	-	-	-	24,146	24,146	9,068	33,214
Capital Transactions with Shareholders											
Capital increase – non-controlling shareholders	-	-	-	-	-	-	-	-	-	12,516	12,516
Payment of proposed additional dividends	-	-	-	-	-	(77,638)	-	-	(77,638)	-	(77,638)
Dividends stated to subsidiaries' non-controlling shareholders	-	-	-	-	-	-	-	-	-	(206,384)	(206,384)
Acquisition of non-controlling interest	-	-	(926)	-	-	-	-	-	(926)	-	(926)
Variation in non-controlling interest	-	-	-	-	-	-	-	-	-	(2,755)	(2,755)
Reinvestment reserve	-	-	124	-	-	-	-	-	124	(2,200)	(2,076)
BALANCES ON SEPTEMBER 30, 2015	**1,625,227**	**(34,569)**	**54,698**	**76,291**	**637,289**	**-**	**167,127**	**40,080**	**2,566,143**	**1,493,220**	**4,059,363**

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Statements of cash flows
Nine-month period ended on September 30, 2016 and 2015
(In thousands of reais)

	Parent Company		Consolidated	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax, social contribution and non-controlling shareholders	171,722	167,127	567,662	513,344
ITEMS NOT AFFECTING CASH AND CASH EQUIVALENTS				
Depreciation and amortization	974	1,058	63,825	55,259
Share of profit of equity-method investees	(276,267)	(247,071)	(22,980)	(36,284)
Debt charges (including net monetary variations and foreign exchange fluctuations)	98,025	90,258	402,748	345,756
Other monetary and foreign exchange variations, net	124	113	13,931	5,152
Financial revenues	(16,387)	(22,647)	(23,137)	(30,108)
Write-offs of property, plant and equipment and intangible assets	27	1,391	5,664	1,446
Loss with investments	1,244	-	1,244	-
Other (operating) expenses revenue	-	(6,411)	(1)	(6,411)
	(20,538)	**(16,182)**	**1,008,956**	**848,154**
(INCREASE) DECREASE IN ASSETS				
Trade accounts receivables	995	(11,216)	(27,769)	56,869
Financial assets from the concession	-	-	(21,351)	(57,901)
Related parties	4	(1)	-	-
Recoverable taxes	707	12,390	571	6,971
Advances to suppliers	95	56	9	(14,096)
Inventories	-	-	(593)	(105)
Other assets	(1,748)	5,627	(6,168)	(8,305)
	53	**6,856**	**(55,301)**	**(16,567)**
INCREASE (DECREASE) IN LIABILITIES				
Suppliers	(1,250)	7,946	(144,280)	155,280
Regulatory and sectorial taxes	-	-	4,372	6,838
Salaries, vacation and welfare charges	783	766	2,935	912
Taxes and contributions payable	(1,456)	317	(81,847)	(69,155)
Provision for recognition of assets	-	-	(2,921)	(44,820)
Advances from customers	-	-	(7,639)	44,484
Other liabilities	241	(6,651)	(17,919)	(9,613)
	(1,682)	**2,378**	**(247,299)**	**83,926**
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	**(22,167)**	**(6,948)**	**706,356**	**915,513**
NET CASH FLOW GENERATED FROM (USED IN) INVESTING ACTIVITIES				
Capital contribution in "parent companies/investees with shared control"	(13,202)	(168,049)	-	-
Acquisition of subsidiaries	(5,207)	(52,172)	(5,207)	(38,251)
Advances for future capital increase	(122,689)	-	-	(23,828)
Redemption from financial investments	184,230	273,528	191,169	310,176
Investments in financial applications	(309,804)	(296,752)	(318,618)	(338,859)
Dividends and interest on capital received	256,505	202,543	-	-
cash generated from the sale of investments	-	51,410	-	52,354
Acquisiton of property, plant and equipment	(60)	(74)	(286,925)	(455,362)
Acquisition of intangible assets	(6,478)	(3,480)	(7,087)	(24,682)
NET CASH GENERATED FROM (USED IN) INVESTMENT ACTIVITIES	**(16,705)**	**6,954**	**(426,668)**	**(518,452)**
NET CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES				
Capital increase / issuance of shares	349,999	-	354,747	(110,670)
Capital reserve	-	-	(1)	11,535
Reinvestment reserve	-	-	(30)	-
Dividends and interests on capital paid	(99,984)	(249,961)	(352,620)	(446,886)
Borrowings and leasing	-	320,663	661,770	756,334
Interest paid (debt charges)	(48,921)	(41,912)	(321,692)	(265,411)
Payment of loans, financing, debentures and leasing	(42,544)	(83,915)	(545,857)	(356,147)
NET CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES	**158,550**	**(55,125)**	**(203,683)**	**(411,245)**
EXCHANGE RATE CHANGES IN EFFECT ON CASH AND CASH EQUIVALENT	**-**	**-**	**(39,319)**	**9,980**
NET INCREASE OF CASH AND CASH EQUIVALENTS	**119,678**	**(55,119)**	**36,686**	**(4,204)**
STATEMENT OF INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
Balance at beginning of year	134,631	114,162	591,857	337,692
Balance in the end of year	254,309	59,043	628,543	333,488
NET DECREASE OF CASH AND CASH EQUIVALENTS	**119,678**	**(55,119)**	**36,686**	**(4,204)**
ADDITIONAL INFORMATION				
Payment of income tax	-	-	39,264	21,533
Payment of social contribution	-	-	36,923	36,255

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Statements of value added
Nine-month period ended on September 30, 2016 and 2015
(In thousands of reais)

	Parent Company		Consolidated	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
REVENUES				
Revenue from power transmission	-	-	84,889	80,426
Infrastructure revenue	-	-	40,983	44,470
Payment of financial assets from the concession	-	-	834,513	808,965
Power supply	47,870	26,048	342,719	287,058
Other revenues	1,440	6,411	2,070	6,701
	49,310	32,459	1,305,174	1,227,620
(-) INPUTS ACQUIRED FROM THIRD PARTIES				
Electric power purchased for resale	(48,761)	(23,418)	(42,748)	(73,527)
Charges from the use of electric power network (CUST)	-	-	(19,789)	(19,704)
Financial compensation for the utilization of water resources - CFURH	-	-	(7,869)	(9,176)
Infrastructure Cost	-	-	(40,983)	(44,470)
Outsourced services	(3,471)	(4,823)	(45,816)	(49,264)
Materials	(128)	(223)	(7,460)	(7,928)
Other operating costs	(2,659)	(298)	(13,456)	(8,354)
	(55,019)	(28,762)	(178,121)	(212,423)
(-) REINTEGRATION QUOTAS (DEPRECIATION)	(974)	(1,058)	(63,825)	(55,259)
VALUE ADDED RECEIVED THROUGH TRANSFER				
Equity accounting	276,267	247,071	22,980	36,284
Financial revenues	20,786	29,425	56,587	62,526
	297,053	276,496	79,567	98,810
VALUE ADDED TO DISTRIBUTE	**290,370**	**279,135**	**1,142,795**	**1,058,748**
DISTRIBUTION OF VALUE ADDED				
PERSONNEL				
Salaries and wages	8,974	12,718	35,425	50,126
Benefits	1,616	1,559	8,894	7,420
Food Provision Assistance	391	351	2,763	2,160
Medical care	819	937	4,213	3,817
Transportation Voucher	18	40	47	85
Pension plan	296	65	883	409
Other	92	166	988	949
F.G.T.S (Unemployment Guarantee Fund)	825	783	3,250	3,019
	11,415	15,060	47,569	60,565
TAXES, FEES AND CONTRIBUTIONS				
FEDERAL	6,892	4,500	227,696	195,084
INSS (National Institute of Social Security)	2,144	2,274	9,982	9,345
Regulatory charges for the concession	-	-	39,519	36,518
Income tax and social contribution	-	-	94,437	91,207
PIS and COFINS	4,429	1,756	66,728	59,064
IR sobre remessa exterior	-	(1)	-	(1)
Deferred income tax and social contribution	-	-	15,049	(2,966)
Other taxes and fees	319	471	1,981	1,917
STATE	15	15	6,005	4,131
ICMS (Value Added Tax on Sales and Services)	-	-	5,900	4,039
IPVA (Tax on the ownership of automobiles)	15	15	105	92
MUNICIPAL	105	101	533	537
IPTU (Municipal Property Tax)	105	101	166	151
Licensing fee	-	-	2	1
ISS (Services Tax)	-	-	365	385
	7,012	4,616	234,234	199,752
REMUNERATION OF THIRD PARTIES' CAPITAL				
Interest and foreign exchange variation	98,025	90,258	365,906	343,367
Rents	1,304	998	7,995	7,058
Other financial expenses	892	1,076	28,915	22,903
	100,221	92,332	402,816	373,328
PAYMENT ON CAPITAL				
Earnings reserves	171,722	167,127	171,722	167,127
Interest of non-controlling shareholders	-	-	286,454	257,976
	171,722	167,127	458,176	425,103
	290,370	**279,135**	**1,142,795**	**1,058,748**

The notes are an integral part of these – Interim Financial Information

Alupar Investimento S.A.

Summary of Notes to interim financial information

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1. Operations

Alupar Investment 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 Rua 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), Alupar Chile Inversiones SpA, Windepar Holding S.A (the parent company of Energia dos Ventos I, Energia dos Ventos II, Energia dos Ventos III, Energia dos Ventos IV and Energia dos Ventos X) and Alupar Colombia S.A.S.

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

Information on Subsidiaries and joint ventures:

Transmission line concessions

The Company has approximately 5,703 km in transmission concession lines, of which about 4,750 km are in operation and 753 km are in the pre-operating phase, with voltage ranging from 138 kV to 525 kV. The transmission systems of the Company’s subsidiaries, under service concession arrangements effective for 30 years, are located in the northern and northeastern regions of Brazil - in the states of Pará, Maranhão, Piauí and Ceará; in the Southern region - state of Santa Catarina; in the Southeastern region - states of Minas Gerais and Espírito Santo; in the Mid-Western region - state of Mato Grosso; and, in the future, in the states of Amazonas and Roraima TNE – Transnorte Energia S. A., and in the state of São Paulo ELTE – Empresa Litorânea de Transmissão de Energia S.A. The Company has a 51% stake in Transchile, which operates the 200 km Temuco-Charrua transmission line, located in Chile.

The following table presents a list of electric energy transmission assets:

Companies	Localization/Connection	ANEEL Concession Agreement No.	Concession Period		Start date of Operation	Line extension	Tension	RAP/RBNI (Cycle 2015-2016)	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	96,563	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	221,644	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	49,750	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	422,270	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	79,723	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	177,333	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	40,172	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	24,899	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	29,201	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	41,522	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	26,206	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	14,308	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	44,400	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	47,368	IPCA	No	Yes
Empresa Santos Dumont de Energia S.A.	Subestação Santos Dummond (MG)	025/2009	11/19/09	11/19/39	02/06/13	substation	138/345 Kv	12,640	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	12,045	IPCA	No	Yes
Empresa de Transmissão de Varzea Grande S.A.	Subestação Várzea Grande (MT)	018/2010	12/23/10	12/23/40	12/23/12	substation	138/230 Kv	9,712	IPCA	No	Yes
Transnorte Energia S.A.	Boa Vista (RR) - Equador (RR) - Lechuga (AM)	003/2012	01/25/12	01/25/42	Pré-operating	715 km	500 Kv	7,220	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	21,582	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	Pré-operating	SE+38 Km	230/345 Kv	28,865	IPCA	No	Yes
Transchile Charrúa Transmisión S.A. (*)	Charrúa - Nueva Temuco - Chile	N/A	06/16/05	N/A	01/21/10	200 km	220 Kv	N/A	CPI-USA	No	Yes
Empresa Transmissora Agreste Potiguar S.A.	Rio Grande do Norte (RN)	013/2016	09/02/16	09/02/46	Pré-operating	10 km	500/230 Kv	48,487	IPCA	No	Yes
Empresa Transmissora Capixaba S.A.	Subestação Rio Novo do Sul (ES)	020/2016	09/02/16	09/02/46	Pré-operating	substation	345/138 Kv	28,147	IPCA	No	Yes
Total						**5,713 km**		**1,484,058**			

(*) The transmission lines of Transchile are located in Chile. Certain concession rules in Chile are different from those applicable in Brazil, for example, we can mention the fact that Transchile assets are not reversible to the Granting Authority of Chile and the concession period is indeterminate.

Concessions right and authorizations for electricity generation

The Company 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 666 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 Rio Grande do Sul (Forquilha IV), Goiás (Verde 8), Minas Gerais (Água Limpa) and Ceará (Wind farms). The Company also controls Risaralda Energia SAS / ESP (Colombia) and has a 23.59%.indirect stake in La Virgen S.A.C (Peru), which is a subsidiary of Alupar Inversiones Peru S.A.C., which owns 41.41% of the shares of La Virgen .

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		Pre-operating	19.9	13.2
Forquilha IV Energia S.A.	Rio Forquilha - Machadinho (RS) and Maximiliano de Almeida (RS)	In progress	In progress		Pre-operating	-	-
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	28.5	16.9
Agua Limpa S.A.	Rio Piracicaba - Antônio Dias (MG)	Ordinance 346/14	07/18/14	07/18/49	Pre-operating	23.0	11.4
La Virgen S.A.C.(*)	Rio Tarma - Peru	253/2005 - 313/2008	N/A		Pre-operating	64.0	40.4
						665.5	**400.1**

(*) 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 interim financial information

The Board of Directors authorized the issuance of the interim financial information on November 11, 2016.

2.1. Statement of compliance

The individual and consolidated interim interim financial information were prepared in accordance with CPC 21 (R1) - Interim Financial Reporting and the International Accounting Standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board - IASB and presented in form consistent with the standards issued by the Brazilian Securities Commission - CVM, applicable to the preparation of the Interim financial information – ITR.

The individual interim financial information present the valuation of investments in subsidiaries under the equity method.

2.2. Basis of preparation and presentation

All amounts presented in these interim financial 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.

The accounting estimates involved in the preparation of the interim financial 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 interim financial information.

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

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

2.3.1. Functional and reporting currency

This interim financial information was prepared and are presented in Brazilian Reais (R$), which is the functional currency of the Company, its subsidiaries and joint ventures, except for subsidiaries Alupar Peru, La Virgen and joint ventures Transchile whose functional currency is the US dollar (US$), and except for for 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.

2.3.2. Transactions and balances

Foreign currency transactions, i.e., all transactions not conducted in the entity'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.

2.4. Consolidation criteria

The consolidated interim financial information includes the Company and its subsidiaries. The interim financial information of subsidiaries are included in the consolidated interim financial information from the date that control commences until the date that control no longer exists. 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 year 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 (%)	
			9/30/2016	12/31/2015
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	66.06	52.01
Ijuí Energia S.A. (c)	"Ijuí"	Generation	86.66	50.01
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	99.97	99.97
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	23.59	15.09
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	62.06
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
Energia dos Ventos I S.A.	"EDV I"	Generation	-	99.99
Energia dos Ventos II S.A.	"EDV II"	Generation	-	99.99
Energia dos Ventos III S.A.	"EDV III"	Generation	-	99.99
Energia dos Ventos IV S.A.	"EDV IV"	Generation	-	99.99
Energia dos Ventos X S.A	"EDV X"	Generation	-	99.99
Empresa Transmissora Agreste Potiguar S.A.	"ETAP"	Transmission	99.98	-
Empresa Transmissora Capixaba S.A.	"ETC"	Transmission	99.98	-
Alupar Colombia S.A.S	"Alupar Colombia"	Holding	100.00	-

Description	Abbreviation	Activity	Interest (%)	
			9/30/2016	12/31/2015
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
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
La Virgen S.A.C. (v)	"La Virgen"	Generation	41.41	49.91
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	-
Energia dos Ventos II S.A. (viii)	"EDV II"	Generation	100.00	-
Energia dos Ventos III S.A. (viii)	"EDV III"	Generation	100.00	-
Energia dos Ventos IV S.A. (viii)	"EDV IV"	Generation	100.00	-
Energia dos Ventos X S.A.(viii)	"EDV X"	Generation	100.00	-

(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

a) Constitution of Windepar Holding S.A.

On February 11, 2016, the Company transferred all of 118,221,362 (one hundred and eighteen million, two hundred and twenty-one thousand, three hundred sixty-two) registered common shares issued by the subsidiary Energia dos Ventos I SA, Energia dos Ventos II SA, Energia dos Ventos SA III, Energia dos Ventos SA IV and Energia dos Ventos SA X for Windepar Holding SA.

b) Constitution of ETC and ETAP – Auctions of transmission

On April 29, 2016, the Company constituted the companies Empresa Transmissora Capixaba S.A. – ETC and Empresa Transmissora Agreste Potiguar S.A. – ETAP with capital of R$ 5 (five thousand reais) each, with emission of 5,000 shares common each.

The object of the companies is:

(i) ETAP – LT 230kV João Câmara II – João Câmara III C1 e C2, CD, with 2x10km; SE 500kV João Câmara III – 500/230kV (9+1Res) x 300 MVA. (lot I), at state Rio Grande do Norte and;

(ii) (ii) ETC – SE 345/138kV Rio Novo do Sul – 345/138kV (6+1Res) x 133,33 MVA (lot T), at state do Espirito Santo.

c) Capital Increase Foz do Rio Claro Energia S.A.

On March 23, 2016, the subsidiary Foz do Rio Claro Energia SA paid in capital in the amount of R $ 86,270 by means of Advance for future capital increase previously performed. Because of such payment, the Company holds 63.80% of the total share capital of Foz do Rio Claro.

d) Capital Increase IJUÍ Energia S.A.

On March 23, 2016, the subsidiary Ijuí Energia SA paid in capital in the amount of R $ 214,836 by means of Advance for future capital increase previously performed. Because of such payment, the Company holds 86.66% of the total share capital of Ijuí Energia.

e) Capital Increase La Virgen.

On August 26, 2016 the indirect subsidiary La Virgen S.A.C paid in capital in the amount of R$ 13.972 in monetary values. Because of such payment, the Company holds 23,59% of the total share capital of La Virgen S.A.C.

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

Description	Abbreviation	Activity	Interest (%)	
			9/30/2016	12/31/2015
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 34). Non-controlling interests of fully consolidated companies are identified in the consolidated income statement and consolidated comprehensive income and in the statement of changes in shareholders' equity.

3. Summary of significant accounting practices

The interim financial information for the year ended December 31, 2015 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, 2015. the significant accounting policies adopted by the Company to prepare its interim financial information- ITR for the nine-month period ended September 30, 2016 were applied consistently with those disclosed in note 3 the interim financial information for the year ended December 31, 2015, 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 body.

Amendments to the following standards have been published and are mandatory for subsequent accounting periods. There was no early adoption of these standards and amendments to 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 is currently assessing the impacts of the 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.	The Company is currently assessing the impacts of the adoption.
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.	The Company is currently assessing the impacts of the adoption.

The Accounting Pronouncements Committee has not yet issued an accounting pronouncement or amendment to the current pronouncements corresponding to all new IFRS. Therefore, the early adoption of these IFRS 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	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Financial investments classified as cash equivalents				
Cash available (Cash and banks)	-	-	203	1,443
Investment Funds (*)	97.74%	92.32%	246,981	66,342
Bank deposit certificates	85.00%	101.00%	7,078	53,879
Repurchase agreements	0.00%	100.00%	-	12,967
Automatic investments	20.00%	20.00%	47	-
Total			**254,309**	**134,631**

Cash and cash equivalents:	Average compensation - % CDI		Consolidated	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Financial investments classified as cash equivalents				
Cash available (Cash and banks)	-	-	32,994	227,968
Investment Funds (*)	97.72%	92.32%	256,412	66,342
Bank deposit certificates	93.04%	93.58%	257,390	215,870
Repurchase agreements	85.00%	99.81%	2,578	15,341
Other investment funds	96.52%	93.84%	72,775	64,652
Automatic investments	20.00%	20.00%	6,394	1,684
Total			**628,543**	**591,857**

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:

	Parent Company/Consolidated	
	9/30/2016	12/31/2015
Portfolio Composition		
Repurchase agreements – National Treasury Notes	246,968	66,345
Government Bonds – Financial Treasury Bills	130,739	44,430
Private bonds - Bank deposit certificates	53,446	-
Amounts payable	(11)	(5)
Cash and Cash Equivalents	2	2
Total - FI Energia	**431,144**	**110,772**
Registered in cash and cash equivalents	246,981	66,342
Registered in short-term investments	184,163	44,430
Total - FI Energia	**431,144**	**110,772**

5. Short-term investments

Short-term investments:	Average compensation - % CDI		Parent Company/Consolidated	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Financial investments classified as short-term investments				
Investment Funds	97.74%	97.77%	184,163	44,430
			184,163	44,430

Financial investments classified as short-term investments:

These substantially refer to bank deposit certificates, exclusive investment funds, primarily invested in National Treasury Notes (see table below), and other CDI investment funds, which are measured at fair value through profit or loss.

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	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Financial investments classified as marketable securities				
Current				
Bank deposit certificates	0.00%	99.00%	-	6,304
Other investment funds	85.32%	88.79%	81,967	67,121
Repurchase agreements	100.80%	100.80%	10,479	9,482
			92,446	82,907
Non-Current				
Bank deposit certificates	0.00%	99.00%	-	3,054
Other investment funds	95.24%	95.44%	4,164	3,790
			4,164	6,844
			96,610	89,751

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:

	Consolidated						
	Current	Balances overdue (*)				9/30/2016	12/31/2015
		Up to 30 days	From 31 to 60 days	From 61 to 360 days	More than 361 days		
Power transmission system							
Transmission charges billed	141,207	1,027	732	2,895	6,937	152,798	133,413
	141,207	1,027	732	2,895	6,937	152,798	133,413
Power generation system							
Bilateral agreement – regulated environment	31,211	2,553	-	-	-	33,764	25,083
Bilateral agreement – free environment	10,964	-	-	-	-	10,964	7,874
MRE and Spot (short-term energy)	15,875	-	-	11,262	-	27,137	24,700
	58,050	2,553	-	11,262	-	71,865	57,657
	199,257	3,580	732	14,157	6,937	224,663	191,070
Current						214,439	182,712
Non-Current						10,224	8,358
Total						224,663	191,070

For the nine-month period ended September 30, 2016, the Company recorded no allowance for bad debts, even with respect to items overdue for more than 360 days, 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:

	12/31/2015	Provision	Provision reversal	Invoicing	Receipt	Transfer of trade accounts receivable	9/30/2016
Power transmission system							
Transmission charges billed	133,413	443	(280)	925,663	(906,499)	58	152,798
Contracts for facilities sharing (CCI)	-	-	-	1,850	(1,850)	-	-
	133,413	443	(280)	927,513	(908,349)	58	152,798
Power generation system							
Bilateral agreement – regulated environment	33,388	45,437	(42,141)	200,831	(203,751)	-	33,764
Bilateral agreement – free environment	7,874	117,702	(114,193)	151,683	(146,980)	-	16,086
MRE and Spot (short-term energy)	16,395	7,859	(814)	(23,645)	22,220	-	22,015
	57,657	170,998	(157,148)	328,869	(328,511)	-	71,865
	191,070	171,441	(157,428)	1,256,382	(1,236,860)	58	224,663

Other explanations related to this note have not changed significantly in relation to the disclosures contained in note 8 to the interim financial information for December 31, 2015.

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 offset

	Parent company		Consolidated	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Current				
Income tax and social contribution to be offset				
Corporate income tax - IRPJ	-	-	8,719	7,522
Social Contribution on Net Income - CSLL	-	-	5,267	1,458
Withholding income tax - IRRF	27,930	26,736	34,170	30,439
	27,930	26,736	48,156	39,419
Other taxes to be offset				
Social integration program - PIS	43	-	1,066	1,807
Social Security Financing Contribution - COFINS	223	-	5,391	8,463
National Social Security Institute - INSS	-	-	507	502
Withholdings – Law 10833 PIS, COFINS and CSLL	-	-	1,160	1,031
Tax on Circulation of Goods and Services - ICMS	-	-	277	274
Services Tax - ISS	-	-	118	127
Others	-	-	374	419
	266	-	8,893	12,623
Non-Current				
Income tax and social contribution to be offset				
Corporate income tax - IRPJ	-	-	6,026	6,026
Social Contribution on Net Income - CSLL	-	-	8,629	8,685
Withholding income tax - IRRF	-	-	3,193	3,190
	-	-	17,848	17,901
Other taxes to be offset				
Social integration program - PIS	-	-	791	1,270
Social Security Financing Contribution - COFINS	-	-	4,386	6,784
National Social Security Institute - INSS	-	-	89	89
Withholdings – Law 10833 PIS, COFINS and CSLL	-	-	38	38
Tax on Circulation of Goods and Services - ICMS	-	-	13	13
Services Tax - ISS	-	-	93	93
	-	-	5,410	8,287
	28,196	**26,736**	**80,307**	**78,230**

9. Financial asset from the concession

a) Financial asset from the concession:

Public electric power transmission services rendered by Company's subsidiaries 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 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 interim financial information as of September 30, 2016.

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 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 are as follows:

	Consolidated							
	Payment rate of the financial asset – p.q.	Payment rate of the financial asset – p.a.	12/31/2015	Revenue from power transmission	Concession asset payment	Infrastructure revenue	Receipt	9/30/2016
Direct subsidiary:								
Empresa Amazonense de Transmissão de Energia S.A.	8.42%	38.18%	913,088	20,751	239,419	-	(294,442)	878,816
Sistema de Transmissão Nordeste S.A.	5.10%	22.01%	697,565	14,004	118,932	382	(125,252)	705,631
Empresa Norte de Transmissão de Energia S.A.	8.12%	36.63%	584,761	10,860	149,130	-	(155,183)	589,568
Sistema de Transmissão Catarinense S.A.	4.00%	16.97%	230,993	3,015	27,185	7,774	(32,569)	236,398
Empresa Catarinense de Transmissão de Energia S.A.	6.68%	29.52%	186,932	3,916	39,640	-	(62,039)	168,449
Empresa Paraense de Transmissão de Energia S.A.	8.51%	38.65%	181,184	7,029	47,593	-	(67,644)	168,162
Empresa Regional de Transmissão de Energia S.A.	6.79%	30.06%	143,090	5,013	31,163	-	(34,830)	144,436
Empresa de Transmissão de Energia do Mato Grosso S.A.	2.26%	9.34%	109,291	3,486	10,147	41	(10,066)	112,899
Lumitrans - Companhia Transmissora de Energia Elétrica	5.57%	24.21%	101,132	1,616	17,561	-	(17,594)	102,715
Empresa de Transmissão do Espirito Santo S.A.	4.15%	17.64%	89,221	2,109	9,457	35	(11,183)	89,639
Empresa de Transmissão de Varzea Grande S.A.	3.70%	15.64%	64,198	1,105	8,161	14,783	(4,727)	83,520
Empresa Litorânea De Transmissão de Energia S.A.	3.44%	14.47%	5,965	-	759	2,618	-	9,342
Empresa Transmissora Agreste Potiguar S.A. - ETAP	4.20%	17.89%	-	-	-	195	-	195
Empresa Transmissora Capixaba S.A. - ETC	4.36%	18.61%	-	-	-	186	-	186
			3,307,420	72,904	699,147	26,014	(815,529)	3,289,956
Indirect subsidiaries:								
Empresa Brasileira de Transmissão de Energia S.A.	2.50%	10.38%	555,190	3,924	41,020	-	(33,729)	566,405
Companhia Transleste de Transmissão	5.70%	24.82%	156,335	2,827	24,761	-	(27,457)	156,466
Companhia Transudeste de Transmissão	5.60%	24.35%	103,174	1,507	16,618	-	(17,432)	103,867
Companhia Transirapé de Transmissão	5.10%	22.01%	138,553	2,199	20,060	13,265	(20,546)	153,531
Empresa Santos Dumont de Energia S.A.	3.70%	15.64%	97,862	528	11,240	1,704	(8,444)	102,890
Empresa de Transmissão Serrana S.A.	3.27%	13.74%	211,637	1,000	21,667	-	(15,898)	218,406
			1,262,751	11,985	135,366	14,969	(123,506)	1,301,565
			4,570,171	84,889	834,513	40,983	(939,035)	4,591,521
Current			1,249,115					1,326,154
Non-Current			3,321,056					3,265,367
			4,570,171					**4,591,521**

At September 30, 2016, there are no overdue items recorded in service concession financial assets.

The Allowed Annual Revenue (RAP) of each transmission subsidiary of Alupar Group, in accordance with Authorizing Resolution No. 2.098 of June 28, 2016, is broken down 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
Total	**1,249,897**	**27,740**	**22,320**	**13,286**	**3,404**	**7,323**	**1,323,970**	**(95,048)**	**1,228,921**

The breakdown of the Allowed Annual Revenue (RAP) for each transmission subsidiary of Alupar Group, according to Ratification Ruling No. 1.912 of June 23, 2015, was as follows:

Cycle 2015-2016	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.	374,122	7,168	-	-	-	-	381,290	(36,649)	344,640
Empresa Norte de Transmissão de Energia S.A.	199,517	-	-	-	-	-	199,517	(19,177)	180,340
Sistema de Transmissão Nordeste S.A.	159,637	-	-	-	-	-	159,637	(15,344)	144,293
Empresa Paraense de Transmissão de Energia S.A.	86,907	-	-	-	-	-	86,907	(8,350)	78,557
Empresa Catarinense de Transmissão de Energia S.A.	84,201	-	-	-	-	-	84,201	(8,093)	76,108
Empresa Regional de Transmissão de Energia S.A.	35,258	9,527	-	-	-	-	44,786	(4,305)	40,481
Empresa Brasileira de Transmissão de Energia S.A.	35,647	2,252	2,343	-	372	-	40,615	(5,088)	35,526
Sistema de Transmissão Catarinense S.A.	24,511	-	6,666	1,889	299	3,569	36,935	(2,479)	34,456
Companhia Transleste de Transmissão	36,163	-	-	-	-	-	36,163	(3,476)	32,687
Companhia Transirapé de Transmissão	15,433	3,803	3,516	2,489	287	759	26,287	(2,159)	24,128
Lumitrans - Companhia Transmissora de Energia Elétrica	23,591	-	-	-	-	-	23,591	(2,268)	21,324
Companhia Transudeste de Transmissão	22,414	-	-	-	-	-	22,414	(2,154)	20,260
Empresa de Transmissão Serrana S.A.	14,966	66	2,294	1,462	953	-	19,741	(353)	19,388
Empresa de Transmissão do Espirito Santo S.A.	7,301	86	-	3,910	-	1,801	13,097	(798)	12,299
Empresa Santos Dumont de Energia S.A.	7,428	-	3,306	-	808	-	11,542	(796)	10,747
Empresa de Transmissão de Energia do Mato Grosso S.A.	12,345	-	-	-	-	-	12,345	(1,155)	11,190
Empresa de Transmissão de Varzea Grande S.A.	1,207	5,247	2,527	-	441	-	9,423	(94)	9,329
	1,140,649	**28,150**	**20,653**	**9,750**	**3,159**	**6,130**	**1,208,491**	**(112,739)**	**1,095,752**

(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.

Other explanations related to this note have not changed significantly in relation to the disclosures contained in note 10 to the interim financial information for December 31, 2015.

10. Assets held for sale

Transchile

On September 12, 2016, the Company entered into a purchase and sale agreement for the totality of the shares held by the Company in Transchile Charrúa Transmisión SA, corresponding to 51% (fifty one percent) of the total capital, for US $ 58,859. 100.00, with the companies Ferrovial Transco Chile SpA and Ferrovial Transco Chile II SpA, both controlled by Ferrovial SA

On October 6, 2016, pursuant to article 157, paragraph 4 of Law 6404 of December 15, 1976 ("Brazilian Corporation Law") and the provisions of CVM Instruction 358 of January 3, 2002, We inform that the suspensive condition set forth in the Stock Purchase Agreement was met, so that on this date all shares were transferred and the sale materialized for Ferrovial Transco Chile SpA and Ferrovial Transco Chile II SpA, both controlled by Ferrovial SA (open cia).

The equity accounting of this asset was recorded up to September 30, 2016.

In view of the foregoing, Alupar recorded the balance of the investment relating to the interest in this company in the group of assets held for sale, recorded at cost.

The following table presents the list of assets held for sale.

Companies	Location	ANEEL Concession Agreement No. / Authorizing Resolution No	Concession Term/ Authorization		Start date of Operation	Line extension	Tension
			Start Date	End			
Transchile Charrúa Transmisiór- Nueva Temuc		N/A	06/16/05	N/A	01/21/10	200 km	220 Kv
						200.0	

On September 30, 2016, the balance of assets held for sale was represented as follows:

	Parent Company/Consolidated	
	9/30/2016	12/31/2015
Transchile Charrúa Transmisión S.A.	110,220	-
	110,220	-

11. Investments in affiliates and jointly-controlled subsidiaries

Changes in investments are as follows:

Consolidated						
Investments evaluated by equity accounting:	Balance on 12/31/2015	Cumulative translation adjustments	Dividends / Interest on equity	Equity accounting	Investments written-off upon capital transaction	Balance on 09/30/2016
Investees with shared control						
Transmissora Matogrossense de Energia S.A	81,180	-	-	8,920	-	90,100
Transnorte Energia S.A.	154,430	-	-	(86)	-	154,344
Transchile Charrúa Transmisión S.A.	104,509	(17,800)	-	2,012	(88,721)	-
Total - Interest in investees with shared control	**340,119**	**(17,800)**	**-**	**10,846**	**(88,721)**	**244,444**
Indirect investments						
Companhia Transleste de Transmissão (*)	3,662	-	(409)	742	-	3,995
Companhia Transudeste de Transmissão (*)	3,485	-	-	592	-	4,077
Companhia Transirapé de Transmissão (*)	3,763	-	176	710	-	4,649
Empresa Regional de Transmissão de Energia S.A. (*)	14,236	-	(3,156)	2,549	-	13,629
Sistema de Transmissão Catarinense S.A. (**)	21,795	-	(2,082)	2,181	-	21,894
Empresa Regional de Transmissão de Energia S.A. (**)	29,936	-	(6,638)	5,360	-	28,658
Total - Indirect investments	**76,877**	**-**	**(12,109)**	**12,134**	**-**	**76,902**
Total - Other equity interests	**416,996**	**(17,800)**	**(12,109)**	**22,980**	**(88,721)**	**321,346**

(*) 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								
Company	9/30/2016				12/31/2015			
	Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company and by EATE			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	97,793,590	44,985,051	-	44,985,051	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
Transchile Charrúa Transmisión S.A.	-	-	-	-	56,407,271	28,767,708	-	28,767,708
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	9/30/2016			12/31/2015		
	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	195,869	46.00%	90,100	176,479	46.00%	81,180
Transnorte Energia S.A.	302,635	51.00%	154,344	302,802	51.00%	154,430
Transchile Charrúa Transmisión S.A.	-	0.00%	-	204,920	51.00%	104,509
Indirect investments						
Companhia Transleste de Transmissão (*)	79,891	10.00%	3,995	73,254	10.00%	3,662
Companhia Transudeste de Transmissão (*)	81,515	10.00%	4,077	69,676	10.00%	3,485
Companhia Transirapé de Transmissão (*)	92,938	10.00%	4,649	75,240	10.00%	3,763
Empresa Regional de Transmissão de Energia S.A. (*)	150,735	18.08%	13,629	157,450	18.08%	14,236
Sistema de Transmissão Catarinense S.A. (**)	237,278	18.45%	21,894	236,206	18.45%	21,795
Empresa Regional de Transmissão de Energia S.A. (**)	150,735	38.02%	28,658	157,450	38.02%	29,936
			321,346			416,996

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. Follows down the accounting position of the joint ventures TNE on September 30, 2016.

Company	9/30/2016								
	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
Transnorte Energia S.A	17,785	290,315	2,189	3,276	4,388	(3,766)	(39)	(1,045)	(462)

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 Sa 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) 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) B) Decision on the value and form of payment of indemnification due to Transnorte Energia S.A,
c) 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.

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, 2016 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.

Company	Consolidated								
	Data from investees with shared control/from direct investments								
	9/30/2016								
	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	78,742	303,527	31,761	154,639	46,415	(13,469)	(8,040)	(5,516)	19,390
Transnorte Energia S.A.	17,785	290,315	2,189	3,276	6,097	(5,010)	(40)	(1,214)	(167)
Indirect investments									
Companhia Transleste de Transmissão (*)	52,543	122,403	25,098	69,957	25,535	(2,858)	(6,599)	(1,237)	14,841
Companhia Transudeste de Transmissão (*)	36,156	80,185	21,690	13,136	16,821	(1,453)	(2,755)	(774)	11,839
Companhia Transirapé de Transmissão (*)	42,752	120,879	24,130	46,563	33,988	(15,308)	(3,254)	(1,256)	14,170
Empresa Regional de Transmissão de Energia S.A. (*) (**)	68,498	96,844	9,037	5,570	33,537	(4,874)	1,271	(1,742)	28,192
Sistema de Transmissão Catarinense S.A. (**)	59,229	199,279	12,687	8,543	35,506	(10,718)	531	(1,679)	23,640

Company	Consolidated								
	Data from investees with shared control/from direct investments								
	12/31/2015								
	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	78,188	288,545	30,773	159,481	49,988	(6,943)	(10,969)	(16,858)	15,218
Transnorte Energia S.A.	15,827	292,842	3,805	2,062	75,364	(81,525)	(850)	(12,603)	(19,614)
Transchile Charrúa Transmisión S.A.	31,864	305,910	21,446	111,408	23,808	(7,886)	(4,718)	(457)	10,747
Indirect investments									
Companhia Transleste de Transmissão (*)	48,813	125,963	17,962	83,560	32,863	(3,784)	(9,206)	(1,633)	18,240
Companhia Transudeste de Transmissão (*)	31,037	81,978	20,540	22,799	22,071	(2,116)	(4,670)	(1,020)	14,265
Companhia Transirapé de Transmissão (*)	33,768	114,005	23,849	48,684	33,965	(12,674)	(5,139)	(1,299)	14,853
Empresa Regional de Transmissão de Energia S.A. (*)	72,084	99,197	7,631	6,200	39,871	(5,357)	1,234	(1,905)	33,843
Sistema de Transmissão Catarinense S.A. (**)	51,135	198,488	4,808	8,609	37,467	(4,690)	588	(1,614)	31,751

(*) Indirect interest in subsidiary EATE

(**) Indirect interest in subsidiary ENTE

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 12 to the interim financial information for December 31, 2015.

12. Investments in subsidiaries

Parent company							
Investments evaluated by equity accounting:	Balance on 12/31/2015	Additions	Acquisition of noncontrolling - interest (Goodwill)/Negative goodwill	Cumulative translation adjustments	Dividends / Interest on equity	Equity accounting	Balance on 09/30/2016
Subsidiaries							
Transminas Holding S.A.	55,279	-	-	-	-	11,723	67,002
Foz do Rio Claro Energia S.A.	133,635	5,607	(21,578)	-	-	5,326	122,990
Ijuí Energia S.A.	241,779	8,660	(2,573)	-	-	3,161	251,027
Usina Paulista Lavrinhas de Energia S.A.	80,750	-	-	-	-	13,324	94,074
Usina Paulista Queluz de Energia S.A.	109,407	-	-	-	-	13,761	123,168
Ferreira Gomes Energia S.A	809,012	17,500	-	-	-	(11,342)	815,170
Empresa Amazonense de Transmissão de Energia S.A.	365,732	-	-	-	(102,875)	89,229	352,086
Sistema de Transmissão Nordeste S.A.	208,102	-	-	-	(35,684)	41,122	213,540
Empresa de Transmissão do Espirito Santo S.A.	58,909	-	-	-	-	5,294	64,203
Empresa Paraense de Transmissão de Energia S.A.	77,280	-	-	-	(14,000)	15,920	79,200
Empresa Norte de Transmissão de Energia S.A.	169,393	-	-	-	(45,879)	43,390	166,904
Empresa Regional de Transmissão de Energia S.A.	34,575	-	-	-	(7,665)	6,191	33,101
Empresa Catarinense de Transmissão de Energia S.A.	73,672	-	-	-	(3,937)	16,416	86,151
Empresa de Transmissão de Energia do Mato Grosso S.A.	41,445	314	174	-	-	3,278	45,211
Empresa de Transmissão de Varzea Grande S.A.	15,839	-	-	-	-	6,463	22,302
Empresa Litorânea de Transmissão de Energia S.A.	180	-	-	-	-	738	918
Lumitrans - Companhia Transmissora de Energia Elétrica	15,976	-	-	-	(2,106)	2,272	16,142
Sistema de Transmissão Catarinense S.A.	47,241	-	-	-	(4,514)	4,728	47,455
AF Energia S.A.	202	-	-	-	-	129	331
Risaralda Energía S.A.S.E.S.P.	18,656	-	-	(1,515)	-	(3,078)	14,063
Forquilha IV Energia S.A.	4	-	-	-	-	-	4
La Virgen S.A.C.	19,463	12,878	-	(4,517)	-	5,241	33,065
Energia dos Ventos I S.A.	25,665	(25,665)	-	-	-	-	-
Energia dos Ventos II S.A.	12,201	(12,201)	-	-	-	-	-
Energia dos Ventos III S.A.	24,551	(24,551)	-	-	-	-	-
Energia dos Ventos IV S.A.	50,192	(50,192)	-	-	-	-	-
Energia dos Ventos X S.A.	19,534	(19,534)	-	-	-	-	-
Empresa Transmissora Agreste Potiguar S.A.	-	5	-	-	-	-	5
Empresa Transmissora Capixaba S.A.	-	5	-	-	-	-	5
Windpar Holding S.A.	-	178,744	-	-	-	(14,233)	164,511
Total	**2,708,674**	**91,570**	**(23,977)**	**(6,032)**	**(216,660)**	**259,053**	**2,812,628**

Changes in the provision for capital deficiency

Parent company					
Investments evaluated by equity accounting:	Balance on 12/31/2015	Additions	Cumulative translation adjustments	Equity accounting	Balance on 09/30/2016
Subsidiaries					
Alupar Inversiones Peru S.A.C.	(34,564)	-	6,996	6,719	(20,849)
Alupar Chile Inversiones SpA	(1,360)	-	157	(318)	(1,521)
Geração de Energia Termoelétrica e Participações S.A.	(393)	-	-	(1)	(394)
ACE Comercializadora Ltda.	(1,005)	-	-	(16)	(1,021)
Boa Vista Participações S.A.	(11)	14	-	(3)	-
Verde 8 Energia S.A.	(11)	-	-	-	(11)
Agua Limpa S.A.	(2)	-	-	(13)	(15)
Total	**(37,346)**	**14**	**7,153**	**6,368**	**(23,811)**

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

Parent company								
Company	9/30/2016				12/31/2015			
	Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company			Capital stock – total number of shares or quotas	Number of shares or quotas held by the Company		
		Common	Preferred	Total		Common	Preferred	Total
Subsidiaries								
Alupar Inversiones Peru S.A.C.	4,222,679	4,222,678	-	4,222,678	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	31,409,499	499	31,409,998	44,860,000	31,409,499	499	31,409,998
Foz do Rio Claro Energia S.A.	108,708,978	67,717,178	4,099,180	71,816,358	82,000,000	41,008,200	1,639,672	42,647,872
Ijuí Energia S.A.	315,106,452	273,064,862	-	273,064,862	84,100,000	42,058,410	-	42,058,410
Usina Paulista Lavrinhas de Energia S.A.	67,383,430	43,252,860	-	43,252,860	67,383,430	43,252,838	-	43,252,838
Usina Paulista Queluz de Energia S.A.	96,782,146	66,615,409	-	66,615,409	96,782,146	66,615,399	-	66,615,399
Ferreira Gomes Energia S.A	776,741,529	776,741,529	-	776,741,529	759,241,529	576,081,528	-	576,081,528
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	26,685,952	-	26,685,952
Empresa de Transmissão de Varzea Grande S.A.	9,398,795	9,398,794	-	9,398,794	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	29,083	-	29,083	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.	1,000	999	-	999	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.	84,805,717	20,004,447	-	20,004,447	70,371,431	10,622,161	-	10,622,161
Energia dos Ventos I S.A.	36,047,474	-	-	-	14,930,000	22,828,507	-	22,828,507
Energia dos Ventos II S.A.	17,453,679	-	-	-	9,100,000	10,499,090	-	10,499,090
Energia dos Ventos III S.A.	29,304,188	-	-	-	13,460,000	22,004,132	-	22,004,132
Energia dos Ventos IV S.A.	59,918,143	-	-	-	19,600,000	46,452,562	-	46,452,562
Energia dos Ventos X S.A.	25,364,476	-	-	-	11,970,000	17,268,803	-	17,268,803
Empresa Transmissora Agreste Potiguar S.A.	5,000	4,999	-	4,999	-	-	-	-
Empresa Transmissora Capixaba S.A.	5,000	4,999	-	4,999	-	-	-	-
Windpar Holding S.A.	164,832,956	164,832,956	-	164,832,956	-	-	-	-

Company	Parent company								
	9/30/2016				12/31/2015				
	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	Advances for future capital increase Alupar not paid up	Interest of Alupar	
			on the capital stock	on shareholders' equity				on the capital stock	on shareholders' equity
Subsidiaries									
Alupar Inversiones Peru S.A.C.	(20,846)	-	100.00%	(20,849)	(34,561)	-	-	100.00%	(34,564)
Alupar Chile Inversiones SpA	(1,521)	-	100.00%	(1,521)	(1,360)	-	-	100.00%	(1,360)
Transminas Holding S.A.	95,693	-	70.02%	67,002	78,951	-	-	70.02%	55,279
Foz do Rio Claro Energia S.A.	186,171	-	66.06%	122,990	177,709	-	85,870	52.01%	133,635
Ijuí Energia S.A.	289,675	-	86.66%	251,027	277,368	-	206,176	50.01%	241,779
Usina Paulista Lavrinhas de Energia S.A.	146,556	-	64.19%	94,074	125,799	-	-	64.19%	80,750
Usina Paulista Queluz de Energia S.A.	178,946	-	68.83%	123,168	158,953	-	-	68.83%	109,407
Ferreira Gomes Energia S.A	815,171	-	100.00%	815,170	809,011	-	-	100.00%	809,012
Geração de Energia Termoelétrica e Participações S.A.	(773)	-	51.00%	(394)	(772)	-	-	51.00%	(393)
Empresa Amazonense de Transmissão de Energia S.A.	703,923	-	50.02%	352,086	731,205	-	-	50.02%	365,732
Sistema de Transmissão Nordeste S.A.	418,703	-	51.00%	213,540	408,042	-	-	51.00%	208,102
Empresa de Transmissão do Espirito Santo S.A.	64,201	-	100.00%	64,203	58,907	-	-	100.00%	58,909
Empresa Paraense de Transmissão de Energia S.A.	158,350	-	50.02%	79,200	154,514	-	-	50.02%	77,280
Empresa Norte de Transmissão de Energia S.A.	333,734	-	50.01%	166,904	338,712	-	-	50.01%	169,393
Empresa Regional de Transmissão de Energia S.A.	150,735	-	21.96%	33,101	157,450	-	-	21.96%	34,575
Empresa Catarinense de Transmissão de Energia S.A.	172,225	-	50.02%	86,151	147,277	-	-	50.02%	73,672
Empresa de Transmissão de Energia do Mato Grosso S.A.	72,006	-	62.79%	45,211	66,469	-	-	62.06%	41,445
Empresa de Transmissão de Varzea Grande S.A.	22,300	-	100.00%	22,302	15,840	-	-	100.00%	15,839
Empresa Litorânea de Transmissão de Energia S.A.	917	-	99.99%	918	180	-	-	99.99%	180
Lumitrans - Companhia Transmissora de Energia Elétrica	107,619	-	15.00%	16,142	106,512	-	-	15.00%	15,976
Sistema de Transmissão Catarinense S.A.	237,278	-	20.00%	47,455	236,206	-	-	20.00%	47,241
ACE Comercializadora Ltda.	(1,020)	-	100.00%	(1,021)	(1,004)	-	-	100.00%	(1,005)
AF Energia S.A.	330	-	99.99%	331	202	-	-	99.99%	202
Boa Vista Participações S.A.	-	-	80.00%	-	(13)	-	-	80.00%	(11)
Risaralda Energía S.A.S.E.S.P.	14,068	-	99.97%	14,063	18,662	-	-	99.97%	18,656
Forquilha IV Energia S.A.	4	-	99.99%	4	4	-	-	99.99%	4
Verde 8 Energia S.A.	(11)	-	99.90%	(11)	(11)	-	-	99.90%	(11)
Agua Limpa S.A.	(16)	-	90.00%	(15)	(2)	-	-	90.00%	(2)
La Virgen S.A.C.	114,045	6,165	23.59%	33,065	88,112	6,165	-	15.09%	19,463
Energia dos Ventos I S.A.	-	-	0.00%	-	22,656	3,006	-	99.99%	25,665
Energia dos Ventos II S.A.	-	-	0.00%	-	10,355	1,847	-	99.99%	12,201
Energia dos Ventos III S.A.	-	-	0.00%	-	21,839	2,714	-	99.99%	24,551
Energia dos Ventos IV S.A.	-	-	0.00%	-	46,265	3,934	-	99.99%	50,192
Energia dos Ventos X S.A.	-	-	0.00%	-	17,116	2,420	-	99.99%	19,534
Empresa Transmissora Agreste Potiguar S.A.	5	-	99.98%	5	-	-	-	0.00%	-
Empresa Transmissora Capixaba S.A.	5	-	99.98%	5	-	-	-	0.00%	-
Windepar Holding S.A.	164,511	-	100.00%	164,511	-	-	-	0.00%	-
Total				**2,788,817**					**2,671,328**

Company	Parent Company							
	Data from subsidiaries/investees with shared control							
	9/30/2016							
	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.	49,127	69,973	-	(392)	9,202	(2,091)	-	6,719
Alupar Chile Inversiones SpA	34	1,555	-	(318)	-	(1)	-	(319)
Transminas Holding S.A.	108,972	13,279	-	(102)	16,736	110	(2)	16,742
Foz do Rio Claro Energia S.A.	373,725	187,554	44,391	(20,102)	-	(11,931)	(4,296)	8,062
Ijuí Energia S.A.	458,956	169,281	35,789	(19,959)	-	(11,068)	(1,115)	3,647
Usina Paulista Lavrinhas de Energia S.A.	252,119	105,563	40,798	(13,420)	-	(4,682)	(1,939)	20,757
Usina Paulista Queluz de Energia S.A.	290,348	111,402	40,862	(13,545)	-	(5,547)	(1,777)	19,993
Ferreira Gomes Energia S.A	1,625,745	810,574	130,854	(89,907)	-	(58,117)	5,829	(11,341)
Geração de Energia Termoelétrica e Participações S.A.	99	872	-	(1)	-	-	-	(1)
Empresa Amazonense de Transmissão de Energia S.A.	1,539,568	835,645	237,689	(21,513)	47,998	(61,175)	(24,598)	178,401
Sistema de Transmissão Nordeste S.A.	764,918	346,215	123,705	(13,157)	-	(20,138)	(9,780)	80,630
Empresa de Transmissão do Espirito Santo S.A.	97,914	33,713	9,961	(2,093)	-	(1,290)	(1,284)	5,294
Empresa Paraense de Transmissão de Energia S.A.	269,270	110,920	49,495	(6,985)	8,099	(7,974)	(10,806)	31,829
Empresa Norte de Transmissão de Energia S.A.	772,091	656,832	148,245	(10,462)	15,079	(28,938)	(37,163)	86,761
Empresa Regional de Transmissão de Energia S.A.	165,342	14,607	33,537	(4,874)	-	1,271	(1,742)	28,192
Empresa Catarinense de Transmissão de Energia S.A.	344,468	172,234	38,856	(3,672)	16,570	(14,512)	(4,424)	32,818
Empresa de Transmissão de Energia do Mato Grosso S.A.	122,489	50,483	12,235	(3,394)	-	(1,991)	(1,627)	5,223
Empresa de Transmissão de Varzea Grande S.A.	89,429	67,129	23,430	(15,934)	-	(747)	(289)	6,460
Empresa Litorânea de Transmissão de Energia S.A.	9,465	8,548	3,377	(2,638)	-	(1)	-	738
Lumitrans - Companhia Transmissora de Energia Elétrica	115,328	7,709	17,846	(2,299)	-	337	(734)	15,150
Sistema de Transmissão Catarinense S.A.	258,508	21,230	35,506	(10,718)	-	531	(1,679)	23,640
ACE Comercializadora Ltda.	82	1,102	7	(30)	-	7	-	(16)
AF Energia S.A.	2,404	569	8,061	(7,853)	-	53	(132)	129
Boa Vista Participações S.A.	-	-	-	-	-	-	-	-
Risaralda Energía S.A.S.E.S.P.	154,875	140,807	1,342	(4,644)	-	126	(192)	(3,368)
Forquilha IV Energia S.A.	374	370	-	-	-	-	-	-
Verde 8 Energia S.A.	44,003	44,014	-	-	-	-	-	-
Agua Limpa S.A.	7,050	7,066	-	(14)	-	-	-	(14)
La Virgen S.A.C.	430,583	316,538	-	7,583	10,073	4,564	-	22,220
Empresa Transmissora Agreste Potiguar S.A.	239	234	195	(195)	-	-	-	-
Empresa Transmissora Capixaba S.A.	251	246	186	(186)	-	-	-	-
Windepar S.A.	200,456	35,958	-	45	(14,346)	45	-	(14,256)

Company	Parent company							
	Data from subsidiaries/investees with shared control							
	12/31/2015							
	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.	46,743	81,304	-	7,652	(10,054)	(11,059)	-	(13,461)
Alupar Chile Inversiones SpA	135	1,495	-	(1,313)	-	31	-	(1,282)
Transminas Holding S.A.	95,908	16,957	-	(118)	19,417	73	-	19,372
Foz do Rio Claro Energia S.A.	377,239	199,530	62,831	(29,484)	-	(15,661)	(1,971)	15,715
Ijuí Energia S.A.	449,933	172,565	50,844	(26,925)	-	(14,365)	(2,248)	7,306
Usina Paulista Lavrinhas de Energia S.A.	238,487	112,688	43,612	(22,609)	-	(7,117)	(1,831)	12,055
Usina Paulista Queluz de Energia S.A.	284,073	125,120	43,502	(22,471)	-	(7,994)	(1,700)	11,337
Ferreira Gomes Energia S.A	1,648,882	839,871	139,186	(103,489)	-	(62,179)	8,879	(17,603)
Geração de Energia Termoelétrica e Participações S.A.	99	871	-	(7)	-	(1)	-	(8)
Empresa Amazonense de Transmissão de Energia S.A.	1,534,168	802,963	307,272	(30,282)	64,839	(85,095)	(11,481)	245,253
Sistema de Transmissão Nordeste S.A.	775,852	367,810	158,361	(19,612)	-	(24,132)	35,464	150,081
Empresa de Transmissão do Espirito Santo S.A.	95,569	36,662	13,236	(3,057)	-	(1,646)	(6,230)	2,303
Empresa Paraense de Transmissão de Energia S.A.	291,428	136,914	65,738	(9,218)	11,233	(11,334)	(18,954)	37,465
Empresa Norte de Transmissão de Energia S.A.	751,533	412,821	182,512	(14,907)	18,724	(38,665)	(17,866)	129,798
Empresa Regional de Transmissão de Energia S.A.	171,281	13,831	39,871	(5,357)	-	1,234	(1,905)	33,843
Empresa Catarinense de Transmissão de Energia S.A.	343,966	196,689	60,574	(6,320)	17,503	(17,453)	(36,434)	17,870
Empresa de Transmissão de Energia do Mato Grosso S.A.	117,793	51,324	16,108	(3,334)	-	(2,796)	(4,931)	5,047
Empresa de Transmissão de Varzea Grande S.A.	84,107	68,267	36,922	(32,705)	-	(1,134)	(1,479)	1,604
Empresa Litorânea de Transmissão de Energia S.A.	5,984	5,804	5,515	(5,227)	-	-	(122)	166
Lumitrans - Companhia Transmissora de Energia Elétrica	113,720	7,208	23,064	(2,785)	-	579	(1,028)	19,830
Sistema de Transmissão Catarinense S.A.	249,623	13,417	37,467	(4,690)	-	588	(1,614)	31,751
ACE Comercializadora Ltda.	98	1,102	7,651	(8,246)	-	13	-	(582)
AF Energia S.A.	1,504	1,302	10,153	(10,300)	-	73	-	(74)
Boa Vista Participações S.A.	1	14	-	(9)	-	-	-	(9)
Risaralda Energía S.A.S.E.S.P.	129,096	110,434	-	(8,293)	-	114	(38)	(8,217)
Forquilha IV Energia S.A.	297	293	-	(6)	-	-	-	(6)
Verde 8 Energia S.A.	7,852	7,863	-	(12)	-	-	-	(12)
Agua Limpa S.A.	5,277	5,279	-	(12)	-	-	-	(12)
La Virgen S.A.C.	475,591	387,479	-	(13,644)	-	(6,500)	-	(20,144)
Energia dos Ventos I S.A.	111,161	88,505	-	(36)	-	(10)	-	(46)
Energia dos Ventos II S.A.	63,616	53,261	-	(34)	-	(2)	-	(36)
Energia dos Ventos III S.A.	116,817	94,978	-	(42)	-	(1)	-	(43)
Energia dos Ventos IV S.A.	178,934	132,669	-	(37)	-	(12)	-	(49)
Energia dos Ventos X S.A.	93,151	76,035	-	(31)	-	-	-	(31)

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 13 to the interim financial information for December 31, 2015.

13. Interests of non-controlling shareholders

The following tables summarize information regarding each of the subsidiaries of the Group, 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 12/31/2015	In cumulative translation adjustment	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 9/30/2016
Direct subsidiary:						
Transminas Holding S.A.	23,672	-	-	5,019	-	28,691
Lumitrans - Companhia Transmissora de Energia Elétrica	5,326	-	(702)	758	-	5,382
Sistema de Transmissão Catarinense S.A.	43,581	-	(4,162)	4,359	-	43,778
Empresa Amazonense de Transmissão de Energia S.A.	365,473	-	(102,805)	89,169	-	351,837
Empresa Paraense de Transmissão de Energia S.A.	77,234	-	(13,993)	15,910	-	79,151
Empresa Catarinense de Transmissão de Energia S.A.	73,606	-	(3,933)	16,401	-	86,074
Empresa Norte de Transmissão de Energia S.A.	169,319	-	(45,859)	43,370	-	166,830
Empresa Regional de Transmissão de Energia S.A.	122,875	-	(27,242)	22,000	-	117,633
Empresa de Transmissão de Energia do Mato Grosso S.A.	25,024	-	-	1,943	(174)	26,793
Sistema de Transmissão Nordeste S.A.	199,940	-	(34,285)	39,508	-	205,163
Foz do Rio Claro Energia S.A.	44,074	-	-	2,736	16,371	63,181
Ijuí Energia S.A.	35,589	-	-	485	2,575	38,649
Usina Paulista Lavrinhas de Energia S.A.	45,049	-	-	7,433	-	52,482
Usina Paulista Queluz de Energia S.A.	49,546	-	-	6,231	-	55,777
Geração de Energia Termoelétrica e Participações S.A.	(379)	-	-	(1)	-	(380)
Risaralda Energía S.A.S.E.S.P.	6	-	-	(2)	-	4
La Virgen S.A.C. (*)	30,849	(3,208)	-	7,508	4,767	39,916
Agua Limpa S.A.	1	-	-	(3)	-	(2)
	1,310,785	(3,208)	(232,981)	262,824	23,539	1,360,959
Indirect subsidiaries:						
Empresa Brasileira de Transmissão de Energia S.A.	194,309	-	-	11,669	-	205,978
Companhia Transleste de Transmissão	43,220	-	(4,824)	8,739	-	47,135
Companhia Transudeste de Transmissão (**)	41,109	-	-	6,985	-	48,094
Companhia Transirapé de Transmissão	44,392	-	2,081	8,360	-	54,833
	323,030	-	(2,743)	35,753	-	356,040
Indirect investments (*)						
Empresa Regional de Transmissão de Energia S.A.	(14,226)	-	3,154	(2,547)	-	(13,619)
Companhia Transleste de Transmissão	(3,664)	-	409	(741)	-	(3,996)
Companhia Transudeste de Transmissão (**)	(3,486)	-	-	(591)	-	(4,077)
Companhia Transirapé de Transmissão	(3,764)	-	(176)	(708)	-	(4,648)
	(25,140)	-	3,387	(4,587)	-	(26,340)
Indirect investments (**)						
Empresa Regional de Transmissão de Energia S.A.	(29,921)	-	6,633	(5,357)	-	(28,645)
Sistema de Transmissão Catarinense S.A.	(21,785)	-	2,080	(2,179)	-	(21,884)
	(51,706)	-	8,713	(7,536)	-	(50,529)
	1,556,969	(3,208)	(223,624)	286,454	23,539	1,640,130

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	9/30/2016			12/31/2015				
	Percentage of non-controlling	Equity (Unsecured liability)	Book value of non-controlling	Percentage of non-controlling	Equity (Unsecured liability)	Advances for future capital increase	Capital to be paid	Book value of non-controlling
Direct subsidiary:								
Transminas Holding S.A.	29.98%	95,693	28,691	29.98%	78,951	-	-	23,672
Lumitrans - Companhia Transmissora de Energia Elétrica	5.00%	107,619	5,382	5.00%	106,512	-	-	5,326
Sistema de Transmissão Catarinense S.A.	18.45%	237,278	43,778	18.45%	236,206	-	-	43,581
Empresa Amazonense de Transmissão de Energia S.A.	49.98%	703,923	351,837	49.98%	731,205	-	-	365,473
Empresa Paraense de Transmissão de Energia S.A.	49.98%	158,350	79,151	49.98%	154,514	-	-	77,234
Empresa Catarinense de Transmissão de Energia S.A.	49.98%	172,225	86,074	49.98%	147,277	-	-	73,605
Empresa Norte de Transmissão de Energia S.A.	49.99%	333,734	166,830	49.99%	338,712	-	-	169,319
Empresa Regional de Transmissão de Energia S.A.	78.04%	150,735	117,633	78.04%	157,450	-	-	122,875
Empresa de Transmissão de Energia do Mato Grosso S.A.	37.21%	72,006	26,793	37.94%	66,469	-	514	25,024
Sistema de Transmissão Nordeste S.A.	49.00%	418,703	205,163	49.00%	408,042	-	-	199,940
Foz do Rio Claro Energia S.A.	33.94%	186,171	63,181	47.99%	177,709	85,870	-	44,074
Ijuí Energia S.A.	13.34%	289,675	38,649	49.99%	277,368	206,176	-	35,589
Usina Paulista Lavrinhas de Energia S.A.	35.81%	146,556	52,482	35.81%	125,799	-	-	45,049
Usina Paulista Queluz de Energia S.A.	31.17%	178,946	55,777	31.17%	158,953	-	-	49,546
Geração de Energia Termoelétrica e Participações S.A.	49.00%	(773)	(380)	49.00%	(772)	-	-	(379)
Risaralda Energía S.A.S.E.S.P.	0.03%	14,068	4	0.03%	18,662	-	-	6
La Virgen S.A.C. (*)	35.00%	114,045	39,916	35.00%	88,112	-	-	30,849
Agua Limpa S.A.	10.00%	(16)	(2)	10.00%	(2)	-	-	1
		3,378,938	1,360,959		3,271,167	292,046	514	1,310,784
Indirect subsidiaries:								
Empresa Brasileira de Transmissão de Energia S.A.	49.00%	420,364	205,978	49.00%	396,548	-	-	194,309
Companhia Transleste de Transmissão	59.00%	79,890	47,135	59.00%	73,254	-	-	43,220
Companhia Transudeste de Transmissão (**)	59.00%	81,516	48,094	59.00%	69,676	-	-	41,109
Companhia Transirapé de Transmissão	59.00%	92,938	54,833	59.00%	75,240	-	-	44,392
		674,708	356,040		614,718	-	-	323,030
Indirect investments (*)								
Empresa Regional de Transmissão de Energia S.A.	9.04%	150,735	(13,619)	9.04%	157,450	-	-	(14,225)
Companhia Transleste de Transmissão	5.00%	79,890	(3,996)	5.00%	73,254	-	-	(3,664)
Companhia Transudeste de Transmissão (**)	5.00%	81,516	(4,077)	5.00%	69,676	-	-	(3,486)
Companhia Transirapé de Transmissão	5.00%	92,938	(4,648)	5.00%	75,240	-	-	(3,764)
		405,079	(26,340)		375,620	-	-	(25,139)
Indirect investments (**)								
Empresa Regional de Transmissão de Energia S.A.	19.00%	150,735	(28,645)	19.00%	157,450	-	-	(29,921)
Sistema de Transmissão Catarinense S.A.	9.22%	237,278	(21,884)	9.22%	236,206	-	-	(21,785)
		388,013	(50,529)		393,656	-	-	(51,706)
		4,846,738	1,640,130		4,655,161	292,046	514	1,556,969

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	9/30/2016			9/30/2015			
	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	Adjustments on interest of shareholders non-controlling	Income (loss) for the period allocated to non-controlling
Direct subsidiary:							
Transminas Holding S.A.	29.98%	16,742	5,019	29.98%	14,178	-	4,250
Lumitrans - Companhia Transmissora de Energia Elétrica	5.00%	15,150	758	5.00%	15,234	-	761
Sistema de Transmissão Catarinense S.A.	18.45%	23,640	4,359	18.45%	23,877	-	4,404
Empresa Amazonense de Transmissão de Energia S.A.	49.98%	178,401	89,169	49.98%	180,601	-	90,269
Empresa Paraense de Transmissão de Energia S.A.	49.98%	31,829	15,910	49.98%	30,783	-	15,387
Empresa Catarinense de Transmissão de Energia S.A.	49.98%	32,818	16,401	49.98%	30,562	-	14,254
Empresa Norte de Transmissão de Energia S.A.	49.99%	86,761	43,370	49.99%	96,145	-	48,064
Empresa Regional de Transmissão de Energia S.A.	78.04%	28,192	22,000	78.04%	25,276	-	19,725
Empresa de Transmissão de Energia do Mato Grosso S.A.	37.21%	5,223	1,943	37.94%	6,299	-	2,392
Sistema de Transmissão Nordeste S.A.	49.00%	80,630	39,508	49.00%	69,465	-	34,038
Foz do Rio Claro Energia S.A.	33.94%	8,062	2,736	49.99%	5,712	-	2,856
Ijuí Energia S.A.	13.34%	3,647	485	49.99%	3,511	-	1,754
Usina Paulista Lavrinhas de Energia S.A.	35.81%	20,757	7,433	35.81%	9,042	-	3,238
Usina Paulista Queluz de Energia S.A.	31.17%	19,993	6,231	31.17%	8,243	-	2,569
Geração de Energia Termoelétrica e Participações S.A.	49.00%	(1)	(1)	49.00%	(8)	-	(4)
Risaralda Energía S.A.S.E.S.P.	0.03%	(3,368)	(2)	0.03%	(4,929)	-	(2)
La Virgen S.A.C. (*)	35.00%	22,220	7,508	35.00%	(8,814)	-	(10,084)
Agua Limpa S.A.	10.00%	(14)	(3)	10.00%	(1)	-	-
		570,682	262,824		505,176	-	233,871
Indirect subsidiaries:							
Empresa Brasileira de Transmissão de Energia S.A.	49.00%	23,816	11,669	49.00%	29,953	-	14,677
Companhia Transleste de Transmissão	59.00%	14,840	8,739	59.00%	12,490	-	7,369
Companhia Transudeste de Transmissão (**)	59.00%	11,839	6,985	59.00%	10,886	-	6,422
Companhia Transirapé de Transmissão	59.00%	14,169	8,360	59.00%	11,299	-	6,667
		64,664	35,753		64,628	-	35,135
Indirect investments (*)							
Empresa Regional de Transmissão de Energia S.A.	9.04%	28,192	(2,547)	9.04%	25,276	-	(2,284)
Companhia Transleste de Transmissão	5.00%	14,840	(741)	5.00%	12,490	-	(628)
Companhia Transudeste de Transmissão (**)	5.00%	11,839	(591)	5.00%	10,886	-	(547)
Companhia Transirapé de Transmissão	5.00%	14,169	(708)	5.00%	11,299	-	(568)
		69,040	(4,587)		59,951	-	(4,027)
Indirect investments (*)							
Empresa Regional de Transmissão de Energia S.A.	19.00%	28,192	(5,357)	19.00%	25,276	-	(4,802)
Sistema de Transmissão Catarinense S.A.	9.22%	23,640	(2,179)	9.22%	23,877	-	(2,201)
		51,832	(7,536)		49,153	-	(7,003)
		756,218	286,454		678,908	-	257,976

(*) 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 financial statements.

Other explanations related to this note have not been changed significantly relation to the disclosures contained in note 14 to the interim financial information for December 31, 2015.

14. Investment properties

	Parent Company/Consolidated	
	9/30/2016	12/31/2015
Opening balance	9,271	9,274
Reclassification of intangible	-	(3)
Final balance	**9,271**	**9,271**

The properties for the Company's investment include a series of land for future use. The Company has no restrictions on the realization of its investment properties, since all records are reviewed annually and are maintained at cost value.

15. 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. 367, No 474 and No. 674 are as follows:

Hydraulic Generation	Resolution No. 367 (%)	Resolution No. 474 (%)	Resolution No. 674 (%)
Bus	2.50	2.50	2.50
Circuit breaker	3.00	3.03	3.03
Buildings	4.00	3.33	3.33
Water intake equipment	3.70	3.70	3.70
Water intake structure	4.00	2.86	2.86
Generator	3.30	3.33	3.33
Reservoirs, bus and water mains	2.00	2.00	2.00
Local communication system	6.70	6.67	6.67
Hydraulic turbine	2.50	2.50	2.50
Depreciation average rate, generation	3.52	3.32	3.32

Transmission	Resolution No. 367 (%)	Resolution No. 474 (%)	Resolution No. 674 (%)
Conductor	2.50	2.70	2.70
General equipment	10.00	6.25	6.25
System structure	2.50	2.70	2.70
Reconnectors	4.30	4.00	4.00
Depreciation average rate, transmission	4.83	3.91	3.91

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

		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	9/30/2016
On service									
Historical cost									
Land		58,899	-	-	5,350	-	(304)	-	63,945
Reservoirs, bus and water mains		1,401,894	120	-	-	-	-	-	1,402,014
Buildings, civil works and improvements		331,119	504	-	(15,125)	-	-	-	316,498
Machinery and equipment		1,141,692	485	(1)	485,866	-	(62)	2	1,627,982
Vehicles		3,063	84	(1,160)	-	-	(47)	-	1,940
Furniture and fixtures		5,793	181	(49)	85	-	(51)	-	5,959
Total		**2,942,460**	**1,374**	**(1,210)**	**476,176**	**-**	**(464)**	**2**	**3,418,338**
Depreciation									
Reservoirs, bus and water mains	1.07%	(79,175)	(22,632)	-	-	-	-	-	(101,807)
Buildings, civil works and improvements	1.14%	(22,591)	(5,659)	-	-	-	-	-	(28,250)
Machinery and equipment	1.93%	(92,635)	(31,936)	-	-	-	(2)	-	(124,573)
Vehicles	8.26%	(1,543)	(214)	809	-	-	-	47	(901)
Furniture and fixtures	6.98%	(1,598)	(506)	54	-	-	16	3	(2,031)
Total Depreciation		**(197,542)**	**(60,947)**	**863**	**-**	**-**	**14**	**50**	**(257,562)**
Total in service		**2,744,918**	**(59,573)**	**(347)**	**476,176**	**-**	**(450)**	**52**	**3,160,776**
In progress		916,910	282,695	(5,317)	(476,176)	26,621	(31,709)	(91,175)	621,849
Total property, plant and equipment		**3,661,828**	**223,122**	**(5,664)**	**-**	**26,621**	**(32,159)**	**(91,123)**	**3,782,625**

a) Construction in progress

The main construction in progress of the Alupar Group are as follows:

-La Virgen: is a small hydroelectric plant that will have an installed capacity of 64.0 MW and is under construction. As of September 30, 2016, the balance of this work in progress amounts to R $ 378,332

-Risaralda: is a small hydropower plant with an installed capacity of 19.9 MW. On September 10, 2016, commercial start-up occurred and its unitization occurred in the fourth quarter of 2016. As of September 30, 2016, the balance of this work in progress amounts to R $ 137,470.

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, 2016 amounted to R$ 36,581 (R$ 49,155 as of December 31, 2015), and was partially offset against income generated by investments exceeding cash, which amounted to R$ 2.450 as of September 30, 2016 (R$ 11,242 as of December 31, 2015). Accordingly, as of September 30, 2016, net financial charges capitalized amounted to R$ 34,131 (R$ 40,427 as of December 31, 2015). The interest rate used to determine the amount of loan costs subject to capitalization represents the effective interest rate of loans, financing and debentures of the Company. See notes 24 and 25.

c) Impairment of PP&E

AS at September 30, 2016, 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.

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 16 to the interim financial information for December 31, 2015.

16. Intangible assets

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

Company:

	Parent company			
	Amortization annual average rate	12/31/2015	Additions	9/30/2016
Cost				
Other intangible from the concession		616	139	755
Intangible arising from acquisition of shares		8,157	-	8,157
		8,773	**139**	**8,912**
Amortization				
Other intangible from the concession	20.00%	(511)	(26)	(537)
Intangible arising from acquisition of shares	4.58%	(1,301)	(299)	(1,600)
		(1,812)	**(325)**	**(2,137)**
Projects in progress		77,660	6,339	83,999
Total intangible		**84,621**	**6,153**	**90,774**

Consolidated:

		Consolidated				
	Amortization annual average rate	12/31/2015	Additions	Transfers	Others	9/30/2016
Cost						
Other intangible from the concession		10,715	181	134	-	11,030
Use of public facilities		16,348	-	-	-	16,348
Intangible arising from acquisition of shares		57,922	-	-	(8)	57,914
		84,985	**181**	**134**	**(8)**	**85,292**
Amortization						
Other intangible from the concession	18.08%	(4,054)	(1,329)	-	2	(5,381)
Use of public facilities	2.39%	(2,273)	(394)	-	-	(2,667)
Intangible arising from acquisition of shares	3.97%	(7,591)	(1,226)	-	-	(8,817)
		(13,918)	**(2,949)**	**-**	**2**	**(16,865)**
Projects in progress		78,327	6,906	(134)	-	85,099
Total intangible		**149,394**	**4,138**	**-**	**(6)**	**153,526**

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	9/30/2016	12/31/2015	9/30/2016	12/31/2015
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	17/07/12	17/07/47	-	-	3,006	3,006
Energia dos Ventos II S.A. (**)	N/A	16/07/12	16/07/47	-	-	1,847	1,847
Energia dos Ventos III S.A. (**)	N/A	19/07/12	19/07/47	-	-	2,714	2,714
Energia dos Ventos IV S.A. (**)	N/A	24/07/12	24/07/47	-	-	3,924	3,934
Energia dos Ventos X S.A. (**)	N/A	19/07/12	19/07/47	-	-	2,420	2,420
Sistema de Transmissão Catarinense S.A. – STC (*)	3.47%	27/04/06	27/04/36	-	-	8,942	8,942
Lumitrans - Companhia Transmissora de Energia Elétrica (*)	4.10%	18/02/04	18/02/34	-	-	9,766	9,766
Companhia Transleste de Transmissão - Transleste (*)	4.92%	18/02/04	18/02/34	-	-	3,814	3,814
Companhia Transudeste de Transmissão - Transudeste (*)	4.88%	04/03/05	04/03/35	-	-	2,767	2,767
Companhia Transirapé de Transmissão - Transirapé (*)	4.67%	15/03/05	15/03/35	-	-	4,391	4,391
Other	N/A	N/A	N/A	247	247	247	247
				8,157	8,157	57,912	57,922
Amortization of goodwill arising from the concession							
Usina Paulista Queluz de Energia S.A.				(528)	(427)	(528)	(427)
Usina Paulista Lavrinhas de Energia S.A.				(1,072)	(874)	(1,072)	(874)
Sistema de Transmissão Catarinense S.A. (*)				-	-	(2,478)	(2,247)
Lumitrans - Companhia Transmissora de Energia Elétrica (*)				-	-	(3,201)	(2,902)
Companhia Transleste de Transmissão (*)				-	-	(547)	(407)
Companhia Transudeste de Transmissão (*)				-	-	(391)	(290)
Companhia Transirapé de Transmissão (*)				-	-	(598)	(444)
				(1,600)	(1,301)	(8,815)	(7,591)
Net total				**6,557**	**6,856**	**49,097**	**50,331**

(*) 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 (see note 2.4 of December 31,2015).

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.

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 17 to the interim financial information for December 31, 2015.

17. Suppliers

	Consolidated	
	9/30/2016	12/31/2015
Charges from the use of transmission services	2,455	3,737
Electric power supply	14,160	26,710
Materials and services	126,967	309,100
Other	1,297	2,264
	144,879	341,811
Current	144,879	341,561
Non-Current	-	250
	144,879	341,811

18. Income tax and social contribution payable

	Consolidated	
	9/30/2016	12/31/2015
Income tax and social contribution payable		
Corporate Income Tax – IRPJ	44,293	31,342
Social Contribution on Net Income - CSLL	26,341	24,555
Total	70,634	55,897

19. Deferred income tax and social contribution

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

	Consolidated			
	9/30/2016		12/31/2015	
Deferred income tax and social contribution				
	IRPJ deferred	**CSLL deferred**	**IRPJ deferred**	**CSLL deferred**
Calculation basis	2,159,591	3,068,238	2,957,535	2,905,695
encouraged calculation basis	944,155	-	18,303	-
Base Tax Obstructions	(35,507)	-	(36,419)	-
	3,068,239	3,068,238	2,939,419	2,905,695
Tax rate Profit Real	141,128	165,014	254,230	156,616
Encouraged tax rate	139,962	-	18,485	-
Presumed tax rate	24,778	13,361	24,035	12,965
	305,868	**178,375**	**296,750**	**169,581**
Total deferred income tax and social contribution		**484,243**		**466,331**
Deferred liabilities - Art. 69 Law 12,973		7,388		7,317
Total deferred income tax and social contribution		**491,631**		**473,648**
Deferred Charges - Art. 69 Law 12,973		(83,114)		(79,420)
IR / CS Net Deferred		**408,517**		**394,228**
IR / CS Net Deferred Year ended		**394,228**		**398,013**
IRPJ / CSLL Deferred income		**(15,049)**		**17,708**

Details of the source IR/CS deferred:

	Consolidated			
	Balance Sheet		Income	
	9/30/2016	12/31/2015	9/30/2016	9/30/2015
Fiscal loss and negative basis	16,914	12,382	4,532	10,603
Concession Agreement (ICPC 01)	(402,071)	(383,288)	(18,781)	(5,234)
Deferred income for public authorities	(23,360)	(23,322)	(800)	(2,403)
Expenses from deferred income tax and social contribution			**(15,049)**	**2,966**
Deferred tax liabilities, net	**(408,517)**	**(394,228)**		

b) Tax credits to be offset

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

At September 30, 2016, the Company 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 didn't present taxable basis of results which could guarantee the realization of those credits.

	Parent company	
Non-recognized tax credits	9/30/2016	12/31/2015
Tax loss	451,972	351,031
Negative base for social contribution	459,021	358,080

20. Provisions for environmental expenses

	Consolidated	
	9/30/2016	12/31/2015
Subsidiaries		
Sistema de Transmissão Catarinense S.A.	30	30
Empresa Amazonense de Transmissão de Energia S.A.	9,239	8,677
Empresa Norte de Transmissão de Energia S.A.	663	622
Empresa de Transmissão de Energia do Mato Grosso S.A.	340	340
Foz do Rio Claro Energia S.A.	133	389
Ijuí Energia S.A.	1,360	1,535
Energia dos Ventos X S.A	600	-
Ferreira Gomes Energia S.A	19,904	21,860
	32,269	33,453
Current	21,055	22,239
Non-current	11,214	11,214
	32,269	33,453

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	Additions	Realization	Inflation adjustment	Final balance
	12/31/2015				9/30/2016
Subsidiaries					
Sistema de Transmissão Catarinense S.A.	30	-	-	-	30
Empresa Amazonense de Transmissão de Energia S.A.	8,677	-	-	562	9,239
Empresa Norte de Transmissão de Energia S.A.	622	-	-	41	663
Empresa de Transmissão de Energia do Mato Grosso S.A.	340	-	-	-	340
Foz do Rio Claro Energia S.A.	389	-	(256)	-	133
Ijuí Energia S.A.	1,535	-	(175)	-	1,360
Energia dos Ventos X S.A	-	600	-	-	600
Ferreira Gomes Energia S.A	21,860	-	(1,956)	-	19,904
	33,453	600	(2,387)	603	32,269

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 21 to the interim financial information for December 31, 2015.

21. 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	
	9/30/2016	12/31/2015
Subsidiaries		
Companhia Transleste de Transmissão	1,499	1,499
Usina Paulista Queluz de Energia S.A.	11,912	12,387
Usina Paulista Lavrinhas de Energia S.A.	6,357	8,052
Foz do Rio Claro Energia S.A.	494	494
Energia dos Ventos I S.A.	916	-
Energia dos Ventos II S.A.	696	-
Energia dos Ventos III S.A.	860	-
Energia dos Ventos IV S.A.	2,543	35,925
Energia dos Ventos X S.A.	1,018	-
Ferreira Gomes Energia S.A	27,952	34,698
Risaralda Energía S.A.S.E.S.P.	497	-
	54,744	93,055
Current	44,641	83,449
Non-current	10,103	9,606
	54,744	93,055

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

	Consolidated				
	Opening balance 12/31/2015	Additions	Write- offs	Utilization	Final balance 9/30/2016
Subsidiaries					
Companhia Transleste de Transmissão	1,499	-	-	-	1,499
Usina Paulista Queluz de Energia S.A.	12,387	-	-	(475)	11,912
Usina Paulista Lavrinhas de Energia S.A.	8,052	-	(1,472)	(223)	6,357
Foz do Rio Claro Energia S.A.	494	-	-	-	494
Energia dos Ventos I S.A.	-	1,026	-	(110)	916
Energia dos Ventos II S.A.	-	1,283	-	(587)	696
Energia dos Ventos III S.A.	-	952	(92)	-	860
Energia dos Ventos IV S.A.	35,925	7,775	(40,356)	(801)	2,543
Energia dos Ventos X S.A.	-	1,115	-	(97)	1,018
Ferreira Gomes Energia S.A	34,698	-	-	(6,746)	27,952
Risaralda Energía S.A.S.E.S.P.	-	497	-	-	497
	93,055	12,648	(41,920)	(9,039)	54,744

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 22 to the interim financial information for December 31, 2015.

22. Regulatory charges payable

	Consolidated	
	9/30/2016	12/31/2015
Fiscalization fee – ANEEL - TFSEE	2,267	2,317
Quota for Global Reversal Reserve - RGR	12,299	7,040
Financial compensation for the utilization of water resources - CFURH	916	613
Research and Development – P&D	38,147	36,951
National fund for technologic and scientific development - FNDCT	929	840
Ministry of Mines and Energy - MME	464	452
	55,022	48,213
Current	55,022	48,213

23. Advances from customers

The balances of advances from customers refer to amounts received as advanced transmission system revenues, due to the collection surplus of the tariff cycle, whose realization is made through deduction of future amounts from Allowed Annual Revenues (RAP) by means of a mechanism named Adjustment Portion (PA), and which will be authorized by the ONS from the beginning of each cycle, i.e., from July 1st of each year. It should be stressed that the amounts that will be deducted from RAP are restated by reference to IPCA or IGP-M depending on the service concession arrangement.

The changes and breakdown, by subsidiary, of advances from customers in the nine-month period ended on September 30, 2016 are as follows:

	Consolidated						
	12/31/2015	Advances	Adjustment amount - PA	Monetary variation	Transfer for trade accounts receivable	Transfer for other assets	9/30/2016
Direct subsidiaries:							
Empresa Amazonense de Transmissão de Energia S.A.	33,588	23,316	(26,398)	3,240	-	-	33,746
Lumitrans - Companhia Transmissora de Energia Elétrica	2,078	1,364	(1,613)	200	-	-	2,029
Sistema de Transmissão Catarinense S.A.	2,267	999	(1,659)	224	-	-	1,831
Empresa Paraense de Transmissão de Energia S.A.	7,673	4,977	(5,934)	738	-	-	7,454
Empresa Catarinense de Transmissão de Energia S.A.	7,418	4,652	(5,756)	715	-	-	7,029
Empresa Norte de Transmissão de Energia S.A.	17,576	11,523	(13,641)	1,695	-	-	17,153
Empresa Regional de Transmissão de Energia S.A.	3,944	2,590	(3,063)	381	-	-	3,852
Empresa de Transmissão do Espirito Santo S.A.	639	493	(606)	28	-	-	554
Empresa de Transmissão de Energia do Mato Grosso S.A.	1,142	761	(897)	48	-	-	1,054
Sistema de Transmissão Nordeste S.A.	14,063	8,735	(10,917)	(1,356)	-	3,208	13,733
Empresa de Transmissão de Varzea Grande S.A.	-	901	(46)	(8)	7	-	854
	90,388	**60,311**	**(70,530)**	**5,905**	**7**	**3,208**	**89,289**
Indirect subsidiaries:							
Companhia Transleste de Transmissão	3,113	2,091	(2,473)	148	-	-	2,879
Companhia Transudeste de Transmissão	1,931	1,296	(1,533)	93	-	-	1,787
Companhia Transirapé de Transmissão	1,396	1,112	(1,185)	75	-	-	1,398
Empresa Brasileira de Transmissão de Energia S.A.	4,531	2,507	(3,636)	176	119	-	3,697
Empresa Santos Dumont de Energia S.A.	733	421	(558)	29	-	-	625
Empresa de Transmissão Serrana S.A.	865	1,399	(581)	57	(62)	-	1,678
	12,569	8,826	(9,966)	578	57	-	12,064
	102,957	**69,137**	**(80,496)**	**6,483**	**64**	**3,208**	**101,353**
Current	58,208						73,747
Non-current	44,749						27,606
	102,957						**101,353**

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 24 to the interim financial information for December 31, 2015.

24. Loans and financing

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

Lenders/Creditors	Companies	Consolidated									
		Current					Non-Current				
		Charges	Principal	Costs to be repaid	9/30/2016	12/31/2015	Charges	Principal	Costs to be repaid	9/30/2016	12/31/2015
Foreign currency	**Operating**										
Santander - Contract No. 2885	Alupar Peru	-	-	-	-	-	5,038	48,684	-	53,722	81,283
Santander Panamá - Contract No. 826302	Alupar Peru	-	-	-	-	-	-	16,228	-	16,228	-
Santander - Contract Bridge Credit Agreement	La Vigen	2,540	162,280	-	164,820	205,361	-	-	-	-	-
Santander - Contract COFIDE	La Vigen	1,485	97,368	-	98,853	117,126	-	-	-	-	-
BDMG - Contract No. 127314	Transleste	9	773	-	782	1,933	-	-	-	-	931
		4,034	260,421	-	264,455	324,420	5,038	64,912	-	69,950	82,214
Foreign currency	**Pre-operating**										
Bancolombia - Contract nº 161781	Risaralda	-	-	-	-	23	-	-	-	-	-
Bancolombia - Contract nº 161782	Risaralda	-	-	-	-	23	-	-	-	-	-
Bancolombia - Contract nº 166276	Risaralda	-	-	-	-	43	-	-	-	-	-
Bancolombia - Contract nº 175893	Risaralda	-	39	-	39	68	-	-	-	-	17
Bancolombia - Contract nº 258419633	Risaralda	-	55	-	55	58	-	-	-	-	39
Itaú - Credit agreement No. IBC00093	Risaralda	-	502	-	502	455	-	36,032	-	36,032	39,875
Bank CorpBanca - credit contract	Risaralda	-	160	-	160	130	-	11,260	-	11,260	12,462
Bank CorpBanca - credit contract	Risaralda	-	328	-	328	255	-	22,520	-	22,520	24,989
Bank CorpBanca - credit contract	Risaralda	-	229	-	229	-	-	15,764	-	15,764	-
Bank CorpBanca - credit contract	Risaralda	-	229	-	229	-	-	15,764	-	15,764	-
Bank CorpBanca - credit contract	Risaralda	-	130	-	130	-	-	9,008	-	9,008	-
Bank CorpBanca - credit contract	Risaralda	-	163	-	163	64	-	11,260	-	11,260	17,617
		-	175	-	175	-	-	13,512	-	13,512	-
		-	2,010	-	2,010	1,119	-	135,120	-	135,120	94,999
Subtotal		**4,034**	**262,431**	**-**	**266,465**	**325,539**	**5,038**	**200,032**	**-**	**205,070**	**177,213**
National currency	**Operating**										
FINEP – Contract No. 02.09.0599.00	Alupar	19	3,631	(111)	3,539	11,791	-	2,420	(74)	2,346	16,565
BNDES - Subcredit A – Contract No. 09.2.1409.1	EBTE	330	11,120	-	11,450	11,381	-	85,252	-	85,252	92,597
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1409.1	EBTE	17	2,889	-	2,906	2,911	-	6,260	-	6,260	8,427
BNDES - Subcredit A – Contract No. 12.2.1001.1	ESDE	55	1,595	-	1,650	1,640	-	15,286	-	15,286	16,307
BNDES (FINAME) - Subcredit B – Contract No. 12.2.1001.1	ESDE	10	1,582	-	1,592	1,595	-	7,915	-	7,915	9,102
BNDES - Subcredit A – Contract No. 11.2.1030.1	ETEM	107	3,297	-	3,404	3,383	-	28,299	-	28,299	30,445
BNDES - Subcredit B – Contract No. 11.2.1030.1	ETEM	3	107	-	110	110	-	921	-	921	990
BNDES – Contract No. 09.2.0118.1	ETES	48	2,059	(4)	2,103	2,089	-	12,356	(24)	12,332	13,725
BNDES - Subcredit A – Contract No. 09.2.1467.1	ETES	7	285	-	292	290	-	1,709	-	1,709	1,903
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1467.1	ETES	9	1,556	(32)	1,533	1,536	-	3,242	(46)	3,196	4,339
BNDES - Subcredit A – Contract No. 13.2.1413.1	ETSE	124	3,165	-	3,289	3,270	-	35,337	-	35,337	37,309
BNDES (FINAME) - Subcrédito B - Contract No. 13.2.1413.1	ETSE	46	4,437	-	4,483	4,492	-	27,369	-	27,369	30,698
Banco do Brasil – Contract No. 40/00039-7	ETVG	109	1,427	(6)	1,530	1,543	-	13,057	(41)	13,016	14,081
Santander - Contract nº 000270589715	ETVG	2,461	22,500	-	24,961	24,310	-	-	-	-	-
BNDES - Subcrédito A - Contract No. 12.2.1390.1	Ferreira Gomes	708	14,514	(239)	14,983	14,903	-	197,148	(3,248)	193,900	202,395
BNDES - Subcrédito B - Contract No. 12.2.1390.1	Ferreira Gomes	280	5,745	-	6,025	5,995	-	78,030	-	78,030	81,462
BNDES - Subcrédito C - Contract No. 12.2.1390.1	Ferreira Gomes	32	648	-	680	676	-	8,804	-	8,804	9,191
BNDES (FINAME) - Subcrédito D - Contract No. 12.2.1390.1	Ferreira Gomes	158	24,704	-	24,862	24,896	-	129,699	-	129,699	148,228
BNDES – Contract No. 08.2.0070.1	Foz	542	15,243	-	15,785	15,693	-	144,812	-	144,812	154,584
BNDES – Contract No. 08.2.0071.1	Ijuí	523	12,982	-	13,505	13,433	-	129,815	-	129,815	138,068
BNDES – Contract No. 08.2.0976.1	Lavrinhas	255	9,311	-	9,566	9,504	-	70,610	-	70,610	76,768
BNDES – Contract No. 10.2.0477.1	Lavrinhas	35	1,264	-	1,299	1,292	-	9,589	-	9,589	10,425
FINAME - Subcredit A - Contract No. 50002651100	Lavrinhas	-	10	-	10	23	-	-	-	-	4
FINAME - Subcredit B - Contract No. 50002651100	Lavrinhas	-	3	-	3	7	-	-	-	-	1
FINAME - Subcredit A - Contract No. 50002651000	Lavrinhas	-	1	-	1	3	-	-	-	-	1
FINAME - Subcredit B - Contract No. 50002651000	Lavrinhas	-	1	-	1	1	-	-	-	-	-
BNDES – Contract No. 08.2.0975.1	Queluz	251	9,455	-	9,706	9,643	-	69,339	-	69,339	75,618
BNDES – Contract No. 10.2.0478.1	Queluz	57	2,071	-	2,128	2,114	-	15,185	-	15,185	16,561
FINAME - Subcredit A - Contract No. 50003291100	Queluz	-	43	-	43	43	-	36	-	36	67
Custo de captação BNDES	Verde 8	-	-	(240)	(240)	(240)	-	-	-	-	-
Banco Fator S.A	Verde 8	663	30,000	(487)	30,176	-	-	-	-	-	-
BNDES - Contract nº 15.2.0778.1	EDV I	966	3,263	-	4,229	-	-	53,690	-	53,690	-
BTG PACTUAL	EDV I	1,241	15,500	(9)	16,732	-	-	-	-	-	-
BNDES - Contract nº 15.2.0778.1	EDV II	528	1,843	-	2,371	-	-	30,323	-	30,323	-
BTG PACTUAL	EDV II	2,481	31,000	(16)	33,465	-	-	-	-	-	-
BNDES - Contract nº 15.2.0778.1	EDV III	826	2,816	-	3,642	-	-	46,332	-	46,332	-
BTG PACTUAL	EDV III	1,281	16,000	(9)	17,272	-	-	-	-	-	-
BNDES - Contract nº 15.2.0778.1	EDV IV	1,381	4,664	-	6,045	-	-	76,752	-	76,752	-
BTG PACTUAL	EDV IV	1,401	17,500	(10)	18,891	-	-	-	-	-	-
BNDES - Contract nº 15.2.0778.1	EDVX	699	2,361	-	3,060	-	-	38,845	-	38,845	-
BTG PACTUAL	EDVX	1,601	20,000	(11)	21,590	-	-	-	-	-	-
BNB - Contracts No. A400000101001 and A400000101002	STN	62	20,094	-	20,156	19,445	-	125,975	-	125,975	141,111
BDMG (FINAME) - Contract No. 147068	Transirapé	1	132	-	133	133	-	374	-	374	473
BDMG (FINAME PSI) – Contract No. 177906	Transirapé	25	2,382	-	2,407	2,325	-	15,089	-	15,089	16,875
BDMG (FINEM) - Contract No. 193.292	Transirapé	65	421	-	486	469	-	5,121	-	5,121	5,402
BDMG (FINAME) - Contract nº 215.485	Transirapé	68	-	-	68	-	-	4,469	-	4,469	-
BDMG - Contract nº 215.411	Transirapé	65	-	-	65	-	-	2,800	-	2,800	-
BDMG – Contract No. 127315	Transleste	105	2,461	-	2,566	2,581	-	18,254	-	18,254	20,100
BNB - Contract No. 05974828-A	Transleste	33	994	-	1,027	1,178	-	5,607	-	5,607	6,286
Subtotal		**19,678**	**327,076**	**(1,174)**	**345,580**	**194,458**	**-**	**1,516,121**	**(3,433)**	**1,512,688**	**1,380,108**
Total – Loans and financing - Current		**23,712**	**589,507**	**(1,174)**	**612,045**	**519,997**	**5,038**	**1,716,153**	**(3,433)**	**1,717,758**	**1,557,321**

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	22,500	CDI	1.15	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
FINAME - Subcredit A - Contract No. 50002651100	Lavrinhas	feb/12	feb/17	104	-	10.00	Monthly	Monthly
FINAME - Subcredit B - Contract No. 50002651100	Lavrinhas	feb/12	feb/17	30	TJLP	5.70	Monthly	Monthly
FINAME - Subcredit A - Contract No. 50002651000	Lavrinhas	feb/12	feb/17	15	-	10.00	Monthly	Monthly
FINAME - Subcredit B - Contract No. 50002651000	Lavrinhas	feb/12	feb/17	4	TJLP	5.70	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
BDMG – Contract No. 127314	Transleste	mar/05	jan/17	12,971	-	5.00	Semiannual	Semiannual

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
Commercial Promissory Notel 01/31 - BTG Pactual	EDV I	apr/16	oct/16	15,500	CDI	3.00	Lump sum at the end	Lump sum at the end
Commercial Promissory Note 01/62 - BTG Pactual	EDV II	apr/16	oct/17	31,000	CDI	3.00	Lump sum at the end	Lump sum at the end
Commercial Promissory Note 01/32 - BTG Pactual	EDV III	apr/16	oct/18	16,000	CDI	3.00	Lump sum at the end	Lump sum at the end
Commercial Promissory Note 01/35 - BTG Pactual	EDV IV	apr/16	oct/19	17,500	CDI	3.00	Lump sum at the end	Lump sum at the end
Commercial Promissory Note 01/40 - BTG Pactual	EDV X	apr/16	oct/20	20,000	CDI	3.00	Lump sum at the end	Lump sum at the end
Commercial Promissory Note - Banco Fator S.A	Verde 8	aug/16	aug/17	30,000	CDI	2.11	Lump sum at the end	Lump sum at the end
Foreign currency – Colombian peso								
Bancolombia – Contract No. 166276 (***)	Risaralda	jun/14	jul/16	COP 91,562,000	DTF (T.A.) (*)	8.00	Monthly	Monthly
Bancolombia – Contract nº 175893 (***)	Risaralda	mar/15	mar/17	COP 98,000,000	DTF (T.A.) (*)	8.69	Monthly	Monthly
Itaú - Credit agreement No. IBC00093 (***)	Risaralda	nov/14	nov/17	COP 32,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Bank CorpBanca - credit contract (***)	Risaralda	aug/15	nov/17	COP 10,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Bank CorpBanca - credit contract (***)	Risaralda	oct/15	nov/17	COP 20,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Bank CorpBanca - credit contract (***)	Risaralda	dec/15	nov/17	COP 14,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Bank CorpBanca - credit contract (***)	Risaralda	feb/16	nov/17	COP 14,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Bank CorpBanca - credit contract (***)	Risaralda	mar/16	nov/17	COP 8,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Bank CorpBanca - credit contract (***)	Risaralda	apr/16	nov/17	COP 10,000,000,000	IBR (TV) (**)	3.60	Lump sum at the end	Quarterly
Foreign currency - Dolar								
Santander - Contract Bridge Credit Agreement	La Virgen	jan/16	jul/16	USD 50,000,000	Libor	3.80	Lump sum at the end	Semiannual
Santander - Contract COFIDE	La Virgen	dec-15	sep/16	USD 30,000,000	Libor	3.00	Lump sum at the end	Quarterly

All funds raised by subsidiaries with the National Bank for Economic and Social Development (BNDES) are secured by the pledge of the subsidiaries' 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 December 31, 2015 these ratios, which are required to be measured annually, were being met, in line with the provisions in the Company's 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.

At September 30, 2016, certain loans and financing taken out by the subsidiaries have guarantees deposited in reserve accounts, amounting to R$ 96,610 (R$ 89,751 at December 31, 2015) 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
		12/31/2015							9/30/2016
Foreign currency									
Santader - Contract No. 2885	Alupar Peru	61,762	-	2,599	-	(10,639)	-	-	53,722
Santander Panamá - Contract No. 826302	Alupar Peru	19,521	-	-	-	(3,293)	-	-	16,228
Santander - Contract Bridge Credit Agreement	La Vigen	205,361	-	7,933	-	(43,081)	-	(5,393)	164,820
Santander - Contract COFIDE	La Vigen	117,126	-	2,698	-	(19,758)	-	(1,213)	98,853
Bancolombia - Contract nº 161781	Risaralda	23	-	-	-	-	(23)	-	-
Bancolombia - Contract nº 161782	Risaralda	23	-	-	-	-	(23)	-	-
Bancolombia - Contract nº 166276	Risaralda	43	-	-	-	(3)	(40)	-	-
Bancolombia - Contract nº 175893	Risaralda	85	-	-	-	(7)	(39)	-	39
Bancolombia - Contract nº 258419633	Risaralda	97	-	-	-	(8)	(34)	-	55
Itaú - Credit agreement No. IBC00093	Risaralda	40,330	-	1,151	-	(3,596)	-	(1,351)	36,534
Bank CorpBanca - credit contract	Risaralda	12,592	-	933	-	(1,089)	-	(1,016)	11,420
Bank CorpBanca - credit contract	Risaralda	25,244	-	1,881	-	(2,185)	-	(2,092)	22,848
Bank CorpBanca - credit contract	Risaralda	17,681	-	1,306	-	(1,536)	-	(1,458)	15,993
Bank CorpBanca - credit contract	Risaralda	-	16,534	1,105	-	(806)	-	(840)	15,993
Bank CorpBanca - credit contract	Risaralda	-	9,552	502	-	(547)	-	(369)	9,138
Bank CorpBanca - credit contract	Risaralda	-	11,960	556	-	(703)	-	(390)	11,423
Bank CorpBanca - credit contract	Risaralda	-	13,188	174	-	325	-	-	13,687
BDMG – Contract No. 127314	Transleste	2,864	-	86	(276)	-	(1,745)	(147)	782
		502,752	51,234	20,924	(276)	(86,926)	(1,904)	(14,269)	471,535
National currency									
FINEP - Contract No. 02.09.0599.00	Alupar	28,356	-	1,215	-	-	(22,476)	(1,210)	5,885
BNDES - Subcredit A – Contract No. 09.2.1409.1	EBTE	103,978	-	7,345	-	-	(8,296)	(6,325)	96,702
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1409.1	EBTE	11,338	-	343	-	-	(2,166)	(349)	9,166
BNDES - Subcredit A – Contract No. 12.2.1001.1	ESDE	17,947	-	1,218	-	-	(1,190)	(1,039)	16,936
BNDES (FINAME) - Subcredit B – Contract No. 12.2.1001.1	ESDE	10,697	-	190	-	-	(1,187)	(193)	9,507
BNDES - Subcredit A – Contract No. 11.2.1030.1	ETEM	33,828	-	2,022	350	-	(2,458)	(2,039)	31,703
BNDES - Subcredit B – Contract No. 11.2.1030.1	ETEM	1,100	-	63	10	-	(81)	(61)	1,031
BNDES – Contract No. 09.2.0118.1	ETES	15,814	-	930	163	-	(1,566)	(906)	14,435
BNDES - Subcredit A – Contract No. 09.2.1467.1	ETES	2,193	-	128	21	-	(180)	(161)	2,001
BNDES (FINAME) - Subcredit B – Contract No. 09.2.1467.1	ETES	5,875	-	206	-	-	(1,170)	(182)	4,729
BNDES - Subcredit A – Contract No. 13.2.1413.1	ETSE	40,579	-	2,748	-	-	(2,361)	(2,340)	38,626
BNDES (FINAME) - Subcrédito B - Contract No. 13.2.1413.1	ETSE	35,190	-	878	-	-	(3,329)	(887)	31,852
Banco do Brasil – Contract No. 40/00039-7	ETVG	15,624	-	915	-	-	(1,070)	(923)	14,546
Banco Santander - Contract nº 000270589715	ETVG	24,310	-	651	-	-	-	-	24,961
BNDES - Subcredit A – Contract No. 12.2.1390.1	Ferreira Gomes	217,298	-	13,396	2,308	-	(10,827)	(13,292)	208,883
BNDES - Subcredit B – Contract No. 12.2.1390.1	Ferreira Gomes	87,457	-	5,231	914	-	(4,285)	(5,262)	84,055
BNDES - Subcredit C – Contract No. 12.2.1390.1	Ferreira Gomes	9,867	-	592	103	-	(483)	(595)	9,484
BNDES (FINAME) - Subcredit B – Contract No. 12.2.1390.1	Ferreira Gomes	173,124	-	3,079	-	-	(18,529)	(3,113)	154,561
BNDES – Contract No. 08.2.0070.1	Foz	170,277	-	10,209	1,762	-	(11,371)	(10,280)	160,597
BNDES – Contract No. 08.2.0071.1	Ijuí	151,501	-	9,850	1,569	-	(9,684)	(9,916)	143,320
BNDES – Contract No. 08.2.0976.1	Lavrinhas	86,272	-	4,835	887	-	(6,946)	(4,872)	80,176
BNDES – Contract No. 10.2.0477.1	Lavrinhas	11,717	-	682	120	-	(943)	(688)	10,888
FINAME - Subcredit A - Contract No. 50002651100	Lavrinhas	27	-	2	-	-	(17)	(2)	10
FINAME - Subcredit B - Contract No. 50002651100	Lavrinhas	8	-	-	-	-	(5)	-	3
FINAME - Subcredit A - Contract No. 50002651000	Lavrinhas	4	-	-	-	-	(3)	-	1
FINAME - Subcredit B - Contract No. 50002651000	Lavrinhas	1	-	-	-	-	-	-	1
BNDES – Contract No. 08.2.0975.1	Queluz	85,261	-	4,773	876	-	(7,054)	(4,811)	79,045
BNDES – Contract No. 10.2.0478.1	Queluz	18,675	-	1,084	191	-	(1,545)	(1,092)	17,313
FINAME - Subcredit A - Contract No. 50003291100	Queluz	110	-	2	-	-	(30)	(3)	79
BNDES - cost of financing	Verde 8	(240)	-	-	-	-	-	-	(240)
Banco Fator S.A	Verde 8	-	29,513	663	-	-	-	-	30,176
BNDES - Contract nº 15.2.0778.1	EDV I	-	55,685	1,753	481	-	-	-	57,919
BTG PACTUAL	EDV I	-	15,233	1,499	-	-	-	-	16,732
BNDES - Contract nº 15.2.0778.1	EDV II	-	31,688	854	152	-	-	-	32,694
BTG PACTUAL	EDV II	-	30,481	2,984	-	-	-	-	33,465
BNDES - Contract nº 15.2.0778.1	EDV III	-	48,155	1,433	386	-	-	-	49,974
BTG PACTUAL	EDV III	-	15,725	1,547	-	-	-	-	17,272
BNDES - Contract nº 15.2.0778.1	EDV IV	-	79,606	2,504	687	-	-	-	82,797
BTG PACTUAL	EDV IV	-	17,200	1,691	-	-	-	-	18,891
BNDES - Contract nº 15.2.0778.1	EDV X	-	40,321	1,245	339	-	-	-	41,905
BTG PACTUAL	EDV X	-	19,660	1,930	-	-	-	-	21,590
BNB - Contracts No. A400000101001 and A400000101002	STN	160,556	-	8,940	-	-	(14,385)	(8,980)	146,131
BDMG (FINAME) - Contrato No. 147068	Transirapé	606	-	19	-	-	(99)	(19)	507
BDMG (FINAME PSI) – Contract No. 177906	Transirapé	19,200	-	487	-	-	(1,588)	(603)	17,496
BDMG (FINEM) - Contract No. 193.292	Transirapé	5,871	-	383	-	-	(280)	(367)	5,607
BDMG (FINAME) - Contract nº 215.485	Transirapé	-	4,469	68	-	-	-	-	4,537
BDMG - Contract nº 215.411	Transirapé	-	2,800	79	-	-	-	(14)	2,865
BDMG – Contract No. 127315	Transleste	22,681	-	1,271	-	-	(1,846)	(1,286)	20,820
BNB – Contract No. 05974828-A	Transleste	7,464	-	414	-	-	(825)	(419)	6,634
		1,574,566	390,536	102,351	11,319	-	(138,275)	(82,229)	1,858,268
		2,077,318	441,770	123,275	11,043	(86,926)	(140,179)	(96,498)	2,329,803
Current		519,997							612,045
Non-current		1,557,321							1,717,758
		2,077,318							**2,329,803**

Significant amounts raised and repaid for the nine-month period ended September 30, 2016:

Lenders/Creditors	Companies	Currency	Raised date	Contracted principal	Financial charges	Amortization of principal	Amortization of charges	Payment date
Bancolombia - Contract nº 161781	Risaralda	Foreign	Jan-14	COP 82,500,000	DTF (T.A.) (*) + 8.00% a.a	Monthly	Monthly	Mar-16
Bancolombia - Contract nº 161782	Risaralda	Foreign	Jan-14	COP 82,500,000	DTF (T.A.) (*) + 8.00% a.a	Monthly	Monthly	Mar-16
Santander - Contract Bridge Credit Agreement	La Virgen	Foreign	Jun-15	USD 50,000,000	Libor + 2.40% p.y.	Lump sum at the end	Lump sum at the end	Jan-16
BNDES - Contract nº 15.2.0778.1 (*)	EDV I	National	Feb-16	38,900	TJLP + 2.12% p.y.	Monthly	Monthly	Oct-32
BNDES - Contract nº 15.2.0778.1 (*)	EDV III	National	Feb-16	30,000	TJLP + 2.12% p.y.	Monthly	Monthly	Oct-32
BNDES - Contract nº 15.2.0778.1 (*)	EDV IV	National	Feb-16	55,550	TJLP + 2.12% p.y.	Monthly	Monthly	Oct-32
BNDES - Contract nº 15.2.0778.1 (*)	EDV X	National	Feb-16	27,000	TJLP + 2.12% p.y.	Monthly	Monthly	Oct-32
BDMG - Contract nº 215.411/16	Transirapé	National	Apr-16	4,000	TJLP + 6.00% p.y.	Monthly	Monthly	Apr-26
BDMG (FINAME) - Contract nº 215.485	Transirapé	National	Apr-16	4,469	TJLP + 4.50% p.y.	Monthly	Monthly	Apr-21
Commercial Promissory Notel 01/31 - BTG Pactual	EDV I	National	Apr-16	15,500	CDI + 3.00% p.y.	Lump sum at the end	Lump sum at the end	Oct-16
Commercial Promissory Note 01/62 - BTG Pactual	EDV II	National	Apr-16	31,000	CDI + 3.00% p.y.	Lump sum at the end	Lump sum at the end	Oct-16
Commercial Promissory Note 01/32 - BTG Pactual	EDV III	National	Apr-16	16,000	CDI + 3.00% p.y.	Lump sum at the end	Lump sum at the end	Oct-16
Commercial Promissory Note 01/35 - BTG Pactual	EDV IV	National	Apr-16	17,500	CDI + 3.00% p.y.	Lump sum at the end	Lump sum at the end	Oct-16
Commercial Promissory Note 01/40 - BTG Pactual	EDV X	National	Apr-16	20,000	CDI + 3.00% p.y.	Lump sum at the end	Lump sum at the end	Oct-16
Commercial Promissory Note - Banco Fator S.A	Verde 8	National	Aug-16	30,000	CDI + 2.11% p.y.	Lump sum at the end	Lump sum at the end	Aug-17

(i) Credit released by the BNDES for EDV's controlled until September 30, 2016 was as follows:

Subsidiary	Contracted amount	Releases					Balance to be released
		Sub credit A1 3/29/2016	Sub credit A1 5/23/2016	Sub credit A1 7/15/2016	Sub credit A1 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	9/30/2016 Consolidated R$							
	2016	2017	2018	2019	2020	2021	After 2021	Total
Foreign currency								
USD	263,673	70,732	-	-	-	-	-	334,405
Colombian Pesos	1,950	135,180	-	-	-	-	-	137,130
	265,623	205,912	-	-	-	-	-	471,535
National currency								
CDI	110,466	53,163	-	-	-	-	-	163,629
TJLP	35,464	109,583	110,102	110,860	111,151	110,275	689,577	1,277,012
Fixed rate	16,650	63,467	59,467	58,544	55,784	50,197	118,125	422,234
(-) Costs to be repaid	(152)	(1,117)	(311)	(236)	(234)	(233)	(2,324)	(4,607)
	162,428	225,096	169,258	169,168	166,701	160,239	805,378	1,858,268
	428,051	431,008	169,258	169,168	166,701	160,239	805,378	2,329,803

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 25 to the interim financial information for December 31, 2015.

25. Debentures

a) The balance of debentures is as follows:

Lenders/Creditors	Companies	Consolidated									
		Current					Non-current				
		Charges	Principal	Costs to be repaid	9/30/2016	12/31/2015	Charges	Principal	Costs to be repaid	9/30/2016	12/31/2015
	Operating										
4th Issuance	Alupar	3,620	99,990	(160)	103,450	9,196	-	50,010	(27)	49,983	149,854
5th Issuance	Alupar	10,346	20,216	(13)	30,549	21,804	-	369,109	(126)	368,983	365,659
6th Issuance	Alupar	9,398	-	(1,230)	8,168	2,745	-	281,575	(4,408)	277,167	260,011
1st Issuance	EATE	-	-	-	-	19,764	-	-	-	-	-
2nd Issuance	EATE	6,025	60,000	(66)	65,959	63,400	-	30,000	(11)	29,989	59,957
3rd Issuance	EATE	1,068	83,052	(161)	83,959	84,197	-	124,659	(83)	124,576	186,761
4th Issuance	EATE	3,309	37,412	(70)	40,651	22,036	-	112,235	(75)	112,160	140,173
5th Issuance - 1st emissio	EATE	1,276	-	(107)	1,169	-	-	126,000	(174)	125,826	-
5th Issuance - 2nd emissi	EATE	561	-	(29)	532	-	-	54,000	(92)	53,908	-
2nd Issuance	ECTE	3,263	32,000	(34)	35,229	25,513	-	20,000	(2)	19,998	39,975
3nd Issuance	ECTE	1,521	-	(274)	1,247	6,282	-	65,002	(329)	64,673	64,481
1st Issuance	ENTE	-	-	-	-	10,431	-	-	-	-	-
2nd Issuance	ENTE	5,162	58,353	(109)	63,406	34,372	-	175,059	(116)	174,943	218,635
3rd Issuance - 1st emissio	ENTE	283	-	(68)	215	-	-	28,000	(110)	27,890	-
3rd Issuance - 2nd emissi	ENTE	125	-	(18)	107	-	-	12,000	(59)	11,941	-
1st Issuance	ETEP	-	2,415	(1)	2,414	13,269	-	-	-	-	-
2nd Issuance	ETEP	1,436	16,236	(55)	17,617	9,530	-	48,706	(59)	48,647	60,787
3rd Issuance	Ferreira Gomes	2,866	-	(1,319)	1,547	(936)	2,345	273,049	(13,523)	261,871	239,938
1st Issuance	STN	2,102	23,765	(116)	25,751	13,942	-	71,293	(213)	71,080	88,817
1st Issuance	Transirapé	1,224	13,813	(39)	14,998	12,152	-	7,969	(7)	7,962	15,902
1st Issuance	Transleste	1,148	12,941	(56)	14,033	7,623	-	38,996	(160)	38,836	48,480
1st Issuance	Transudeste	1,448	16,388	(44)	17,792	14,567	-	9,381	(7)	9,374	18,723
		56,181	476,581	(3,969)	528,793	369,887	2,345	1,897,043	(19,581)	1,879,807	1,958,153
	Pre-operating										
1st Issuance	EDV I	-	-	-	-	25,432	-	-	-	-	-
2nd Issuance	EDV I	-	-	-	-	24,386	-	-	-	-	-
1st Issuance	EDV II	-	-	-	-	15,251	-	-	-	-	-
2nd Issuance	EDV II	-	-	-	-	13,781	-	-	-	-	-
1st Issuance	EDV III	-	-	-	-	22,893	-	-	-	-	-
2nd Issuance	EDV III	-	-	-	-	19,083	-	-	-	-	-
1st Issuance	EDV IV	-	-	-	-	33,062	-	-	-	-	-
2nd Issuance	EDV IV	-	-	-	-	25,447	-	-	-	-	-
1st Issuance	EDV X	-	-	-	-	20,341	-	-	-	-	-
2nd Issuance	EDV X	-	-	-	-	23,326	-	-	-	-	-
		-	-	-	-	223,002	-	-	-	-	-
Total – Debentures - Current		**56,181**	**476,581**	**(3,969)**	**528,793**	**592,889**	**2,345**	**1,897,043**	**(19,581)**	**1,879,807**	**1,958,153**

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
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		Lump sum at the end	Monthly
5th Issuance - 2nd emission	EATE	Sep-16	Sep-21	54,000	116.00% CDI		Lump sum at the end	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
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		Lump sum at the end	Monthly
3rd Issuance - 2nd emission	ENTE	Sep-16	Sep-21	12,000	116.00% CDI		Lump sum at the end	Monthly
1st Issuance	ETEP	Nov-11	Nov-16	70,000	112.5% 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
1st Issuance	Transleste	Aug-14	Aug-20	55,000	109.75% CDI		Quarterly	Quarterly
1st Issuance	Transudeste	Nov-12	Nov-17	47,500	CDI	0.99	Semiannual	Semiannual

The Company's and its subsidiaries and joint ventures maintain the monitoring of financial ratios defined in the agreement. Quantitative covenants of the Company and its subsidiaries are mainly related to financial indices obtained using EBITDA as the Coverage Ratio Debt Service ("DSCR") and Equity Index (“EI"), which are calculated annually, except for the contract debentures of Controlled Ferreira Gomes Energia S.A, which is required quarterly. Failure to comply with these covenants entails the early maturity of the debentures. At December 31, 2015, 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.

For the third quarter ended September 30, 2016 the Controlled Ferreira Gomes Energia S.A attended the Capitalization Index (PCI) and the Debt Service Coverage Ratio (DSCR) established in the debenture agreement. The subsidiary Ferreira Gomes Energia S.A reached the aforementioned indices for the period of March 31, 2016, and did not attain such indices in the period of June 30, 2016, however the subsidiary Ferreira Gomes Energia S.A does not are in default before compliance with such content as according to Article VII, section 7.2, subsection (xxxiii) of Scripture is necessary two consecutive quarters of non-compliance of the index to breach of covenants.

Debentures of the Company and its subsidiaries are nonconvertible.

c) Changes in debentures are as follows:

Lenders/Creditors	Companies	Consolidated						
		Opening Balance 12/31/2015	Entry of debt (cost to be repaid)	Provision of charges	Monetary Variation	Principal Repayment	Charges repayment	Final balance 9/30/2016
4th Issuance	Alupar	159,050	-	17,198	-	-	(22,815)	153,433
5th Issuance	Alupar	387,463	-	22,926	24,346	(20,068)	(15,135)	399,532
6th Issuance	Alupar	262,756	-	16,107	16,233	-	(9,761)	285,335
1st Issuance	EATE	19,764	-	350	-	(19,652)	(462)	-
2nd Issuance	EATE	123,357	-	11,284	-	(30,000)	(8,693)	95,948
3rd Issuance	EATE	270,958	-	26,963	-	(62,289)	(27,097)	208,535
4th Issuance	EATE	162,209	-	17,407	-	(9,353)	(17,452)	152,811
5th Issuance - 1st emission	EATE	-	126,000	1,276	-	-	(281)	126,995
5th Issuance - 2nd emission	EATE	-	54,000	561	-	-	(121)	54,440
2nd Issuance	ECTE	65,488	-	6,425	-	(12,000)	(4,686)	55,227
3rd Issuance	ECTE	70,763	-	8,124	-	(4,998)	(7,969)	65,920
1st Issuance	EDV I	25,432	-	1,149	-	(21,740)	(4,841)	-
2nd Issuance	EDV I	24,386	-	1,215	-	(23,000)	(2,601)	-
1st Issuance	EDV II	15,251	-	693	-	(13,040)	(2,904)	-
2nd Issuance	EDV II	13,781	-	689	-	(13,000)	(1,470)	-
1st Issuance	EDV III	22,893	-	1,035	-	(19,570)	(4,358)	-
2nd Issuance	EDV III	19,083	-	952	-	(18,000)	(2,035)	-
1st Issuance	EDV IV	33,062	-	1,491	-	(28,260)	(6,293)	-
2nd Issuance	EDV IV	25,447	-	1,267	-	(24,000)	(2,714)	-
1st Issuance	EDV X	20,341	-	921	-	(17,390)	(3,872)	-
2nd Issuance	EDV X	23,326	-	1,162	-	(22,000)	(2,488)	-
1st Issuance	ENTE	10,431	-	186	-	(10,372)	(245)	-
2nd Issuance	ENTE	253,007	-	27,598	-	-	(42,256)	238,349
3rd Issuance - 1st emission	ENTE	-	28,000	105	-	-	-	28,105
3rd Issuance - 2nd emission	ENTE	-	12,000	48	-	-	-	12,048
1st Issuance	ETEP	13,269	-	952	-	(10,862)	(945)	2,414
2nd Issuance	ETEP	70,317	-	7,649	-	(4,059)	(7,643)	66,264
3rd Issuance	Ferreira Gomes	239,002	-	13,825	15,167	-	(4,576)	263,418
1st Issuance	STN	102,759	-	11,058	-	(5,941)	(11,045)	96,831
1st Issuance	Transirapé	28,054	-	2,748	-	(5,843)	(1,999)	22,960
1st Issuance	Transleste	56,103	-	6,066	-	(3,235)	(6,065)	52,869
1st Issuance	Transudeste	33,290	-	3,254	-	(7,006)	(2,372)	27,166
		2,551,042	220,000	212,684	55,746	(405,678)	(225,194)	2,408,600
Current		592,889						528,793
Non-current		1,958,153						1,879,807
		2,551,042						**2,408,600**

Lenders/Creditors	Companies	Raised date	Contracted principal	Financial charges	Amortization of principal	Amortization of charges	Payment date
1st Issuance	EATE	Mar-11	Aug-85	CDI + 1.30% a.a.	Monthly	Monthly	Mar-16
1st Issuance	ENTE	Mar-11	Mar-20	CDI + 1.30% a.a.	Monthly	Monthly	Mar-16
1st Issuance	EDV I	Oct-14	Jul-59	110.0% CDI	Lump sum at the end	Lump sum at the end	Apr-16
1st Issuance	EDV II	Oct-14	Sep-35	110.0% CDI	Lump sum at the end	Lump sum at the end	Apr-16
1st Issuance	EDV III	Oct-14	Jul-53	110.0% CDI	Lump sum at the end	Lump sum at the end	Apr-16
1st Issuance	EDV IV	Oct-14	May-77	110.0% CDI	Lump sum at the end	Lump sum at the end	Apr-16
1st Issuance	EDV X	Oct-14	Aug-47	110.0% CDI	Lump sum at the end	Lump sum at the end	Apr-16
2nd Issuance	EDV I	Jul-15	Dec-62	110.0% CDI	Lump sum at the end	Lump sum at the end	May-16
2nd Issuance	EDV II	Jul-15	Aug-35	110.0% CDI	Lump sum at the end	Lump sum at the end	May-16
2nd Issuance	EDV III	Jul-15	Apr-49	110.0% CDI	Lump sum at the end	Lump sum at the end	May-16
2nd Issuance	EDV IV	Jul-15	Sep-65	110.0% CDI	Lump sum at the end	Lump sum at the end	May-16
2nd Issuance	EDV X	Jul-15	Mar-60	110.0% CDI	Lump sum at the end	Lump sum at the end	May-16
3rd Issuance - 1st emissio	ENTE	Sep-16	Aug-76	113.00% CDI	Lump sum at the end	Monthly	Sep-19
3rd Issuance - 2nd emissic	ENTE	Sep-16	Nov-32	116.00% CDI	Lump sum at the end	Monthly	Sep-21
5th Issuance - 1st emissio	EATE	Sep-16	Dec-44	113.00% CDI	Lump sum at the end	Monthly	Sep-19
5th Issuance - 2nd emissio	EATE	Sep-16	Nov-47	116.00% CDI	Lump sum at the end	Monthly	Sep-21

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

Installments to become due by indexer	9/30/2016							
	Consolidated							
	R$							
	2016	2017	2018	2019	2020	2021	After 2021	Total
CDI	137,483	477,744	308,774	359,558	113,687	66,000	-	1,463,246
IPCA	22,610	33,330	46,444	46,444	207,445	207,448	405,183	968,904
(-) Costs to be repaid	(996)	(3,817)	(3,115)	(2,932)	(2,570)	(1,654)	(8,466)	(23,550)
	159,097	507,257	352,103	403,070	318,562	271,794	396,717	2,408,600

Other explanations related to this note have not been changed significantly in relation to the disclosures contained in note 26 to the interim financial information for December 31, 2015.

26. Provision for contingencies

a) Provisions for contingencies and related judicial deposit balances at September 30, 2016 and December 31, 2015, by nature, are shown below:

	Consolidated			
	Liabilities		Assets	
	Provisions		Judicial deposits	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Judicial procedures				
Tax	2,204	2,080	2,894	2,852
Civil	50	1	3,492	3,373
Land	-	-	3,793	229
Labor	3,959	2,198	1,363	1,212
Administrative procedures				
Regulatory (ANEEL)	-	-	1	-
	6,213	4,279	11,543	7,666
Current	277	66	-	-
Non-current	5,936	4,213	11,543	7,666
	6,213	4,279	11,543	7,666

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

	Consolidated					
	Opening balance	Entries	Atualizations	Reversal	Payments	Closing balance
	12/31/2015					9/30/2016
Judicial procedures						
Tax	2,080	-	124	-	-	2,204
Civil	1	61	-	(12)	-	50
Labor	2,198	2,085	-	(137)	(187)	3,959
	4,279	2,146	124	(149)	(187)	6,213

The provisions are calculated based on the amounts under risk indicated in the opinion of inside and outside legal counsels in charge of the proceedings and management's judgment. Provisions are set up for proceedings whose likelihood of an unfavorable outcome is assessed as probable based on our understanding.

In the detailed explanation provided in the note, Company management takes into consideration litigation whose amount under risk due to lawsuit exceeds R$ 2,000 to the demands linked to the Company and R $ 1,000 for the demands related to controlled companies and/or are significant to the Company's business, such as civil class actions, regardless of the amount under risk.

The notes do not bear litigation in which probability of loss is remote.

(A) PROBABLE LOSS*:* the Company and/or its subsidiaries are parties to legal proceedings, with probability of loss that is individually material for the business, according to management's assessment, to know:

(i) 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.

(ii) 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 $ 2,470;

(B) POSSIBLE LOSS*:* although the Company and its subsidiaries did not record provisions for such proceedings, the following proceedings, assessed as possible loss, must 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 $ 6,009.

- 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 $ 4,194.

- 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;

- 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

- 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;

- Assessment Notice No. 000492/2015, issued by the Secretary of State of Roraima Finance in the face of Controlled Transnorte Energia SA (TNE), pending before the Agência Especial de Renda de Boa Vista - RR, aiming collection of differential ICMS rate for the period of 06/2014 to 11/2014 (CONFAZ No. 143/2012 and Decree No. 14,982 / 2013). The value at risk estimate is R $ 9,967;

(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$ 1,511.
- Injunction innominate No. 00005352820158030006 proposed by the Amapá State Public Prosecution Office against Controlled Ferreira Gomes Energia S / A and others with the aim of producing evidence and finding of responsibility for flood incident in the town of Ferreira Gomes / AP in day 05/07/2015. The value at risk estimate is R $ 1,000;

- 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 $ 2;

- 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 $ 13;

- Civil Action No. 00198341202014809014 2 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.

- 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 $ 5,671;

- 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 $ 1,371;

- 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 $ 1,161;

- 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 $ 1,817;

- 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 $ 8,125;

- Civil Action No. 00184082320134013200 proposed by Federal Public Ministry in the face of Transnorte controlled to preserve indigenous rights allegedly offended. The value at risk estimate is R $ 1,211;

- Ordinary Action No. 11027876220158260100 proposed by Açotubo Indústria e Comércio Ltda. In the face of Alumini Engenharia S.A., for alleged credit consubstantiated in purchase orders and invoices, directed to the Company for alleged corporate bond. The approximate value at risk is R $ 5,697.

- 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 $ 1,027.

(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 two arbitration procedures assessed as possible loss, to wit:

- Arbitration procedure No. 230, filed by Supplying Consortium Foz do Rio Claro (Andritz Hydro Inepar do Brasil S.A. and Sadefem Equipamentos e Montagens S.A., charged with the electromechanical supply and assembly against Subsidiary Foz do Rio Claro Energia S.A. The amount under risk is of approximately R$ 20,000.

- 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.

(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.

The Company and 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:

- Criminal Action publishes No 00016282620158030006 proposed by the Amapá State Public Prosecution Office against Controlled Ferreira Gomes Energia SA and others, which requires the condemnation of the defendants because of alleged damage caused to the environment. There is no value for the risk involved.

  We emphasize that the subsidiary Ferreira Gomes Energia SA signed a Conduct Adjustment Term in which suspended the course of public criminal action until its completion. At the end, fulfilled their obligations, said prosecutable will be extinguished

27. Equity

a) Authorized capital

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

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

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

b) Capital

On April 20, 2016, the Extraordinary General Meeting approved an increase in the Company's capital of R $ 173,306,099.20 (one hundred seventy-three million, three hundred and six thousand, ninety-nine reais and twenty cents), through the capitalization of the Company's investment reserve by way of bonus shares at the rate of 6.5% through the issue of 40,618,617 (forty million, six hundred and eighteen thousand, six hundred and seventeen) new shares, all with no par value, respected current ratio of the Company's share capital between common and preferred shares, to be subsidized to the shareholders and holders of Units in the proportion of 6.50 (six point five) new shares for each one hundred (100) shares owned, independent of its kind, in accordance with Article 169 of Law 6,404 / 76.

As of September 30, 2016, the Company's capital amounted to R$ 2,148,533, comprising 554,233,455 common shares (461,243,596 as of December 31, 2015) and 196,652,815 preferred shares (163,658,204 as of December 31, 2015), held as follows:

	9/30/2016			
	Common		Preferred	
	Amount	%	Amount	%
Shareholders				
Guarupart Participações Ltda	445,995,367	80.47	12,471,128	6.34
FI - FGTS	35,162,754	6.34	70,325,508	35.76
Outstanding shares	73,075,334	13.18	113,856,179	57.90
Total shares	554,233,455	100.00	196,652,815	100.00

	12/31/2015			
	Common		Preferred	
	Amount	%	Amount	%
Shareholders				
Guarupart Participações Ltda	387,609,996	84.04	16,391,004	10.02
FI - FGTS	29,243,000	6.34	58,486,000	35.74
Outstanding shares	44,390,600	9.62	88,781,200	54.25
Total shares	461,243,596	100.00	163,658,204	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	
	9/30/2016	12/31/2015
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)
Transchile Charrúa Transmisión S.A.	-	(21,499)
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.	(24,211)	(1,472)
	50,948	52,188
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
	51,509	**52,749**

(*) Capital loss generated in the acquisition of the subsidiary ECTE shares (see note 2.4 of December 31, 2015).

e) Other comprehensive income

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

	Parent Company	
	9/30/2016	12/31/2015
Balance at the beginning of the fiscal year	43,276	15,934
Exchance differences derived from the conversion of assets in overseas operations		
Subsidiaries:		
Transchile Charrúa Transmisión S.A.	(17,800)	32,278
La Virgen S.A.C.	(4,517)	4,397
Risaralda Energía S.A.S.E.S.P.	(1,515)	1,825
Alupar Inversiones Peru	6,995	(11,058)
Alupar Chile Inversiones SpA	157	(100)
Balance at the end of the period / fiscal year	**26,596**	**43,276**

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.

28. Earnings per share

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

The table below shows calculation of the weighted average of outstanding shares and earnings per share of the Company for the nine-month period ended September 30, 2016 and 2015:

	Parent company			
	Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Numerator:				
Net income for the period, entitled to the controlling shareholders	33,878	49,677	171,722	167,127
Denominator (in thousands of shares)				
Weighted average of the number of common shares (*)	512,138	562,011	484,426	484,426
Weighted average of the number of preferred shares (*)	181,716	199,381	171,884	171,884
Earnings per share				
Basic and diluted earnings per share: (*)	0.04883	0.06524	0.26165	0.25465
Basic and diluted earnings per share: (*)	0.04883	0.06524	0.26165	0.25465

(*) 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.

29. Net operating revenue

	Consolidated			
	Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Gross operating revenue				
Power transmission system				
Revenue from power transmission	33,579	29,223	84,889	80,426
Infrastructure revenue	13,039	7,813	40,983	44,470
Payment of financial assets from the concession	267,500	264,110	834,513	808,965
	314,118	301,146	960,385	933,861
Power generation system				
Power supply (Note 30)	114,998	116,077	342,719	287,058
	114,998	116,077	342,719	287,058
Total - Gross operating revenue	429,116	417,223	1,303,104	1,220,919
Taxes on gross operating revenue				
Social integration program - PIS	(4,284)	(4,120)	(11,954)	(10,524)
Social Security Financing Contribution - COFINS	(19,779)	(19,007)	(54,774)	(48,540)
Tax on Circulation of Goods and Services - ICMS	(2,553)	(1,196)	(5,900)	(4,039)
Services Tax - ISS	(85)	(118)	(365)	(385)
	(26,701)	(24,441)	(72,993)	(63,488)
Regulatory charges for the concession				
Quote for global reserve for reversal - RGR	(8,634)	(7,670)	(24,130)	(22,476)
Research and Development – R&D	(1,525)	(1,413)	(4,298)	(3,968)
National Fund of cientific and technologic development - FNDCT	(1,525)	(1,406)	(4,298)	(3,961)
Brazilian Ministry of Mines and Energy (MME)	(764)	(707)	(2,150)	(1,987)
Fiscalization Fee for the electric power services - TFSEE	(1,631)	(1,411)	(4,643)	(4,126)
	(14,079)	(12,607)	(39,519)	(36,518)
Total - Deductions on gross operating revenue	(40,780)	(37,048)	(112,512)	(100,006)
Net operating revenue	**388,336**	**380,175**	**1,190,592**	**1,120,913**

30. Power supply and electricity purchased for resale

	Consolidated					
	Three months ended					
	9/30/2016			9/30/2015		
	MWh	Average Price	Amount	MWh	Average Price	Amount
Power supply						
Bilateral agreement – free environment	92,736	264.49	24,528	122,037	237.26	28,954
Bilateral agreement – free environmen - trade	95,143	131.49	12,510	-	-	-
Bilateral agreement – free environmen - others	6,632	(29.55)	(196)	-	-	-
Bilateral agreement – regulated environment	547,194	130.17	71,228	569,040	142.91	81,324
Gross-up ICMS	-	-	2,423	-	-	1,196
MRE and Spot (short term power)	-	-	4,505	-	-	4,603
Total - Gross operating revenue			114,998			116,077
Electric power purchased power for resale						
Bilateral agreement – free environment	(522,537)	31.41	(16,411)	(116,055)	184.27	(21,385)
Bilateral agreement – regulated environment	-	-	-	1,257,146	(24.20)	(30,427)
MRE / Spot and other adjustments	-	-	(785)	-	-	(7,635)
(-) Credit of Pis/Cofins Power	-	-	2,308	-	-	3,767
			(14,888)			(55,680)

	Consolidated					
	Nine months ended					
	9/30/2016			9/30/2015		
	MWh	Average Price	Amount	MWh	Average Price	Amount
Power supply						
Bilateral agreement – free environment	276,234	253.26	69,960	304,527	235.09	71,590
Bilateral agreement – free environmen - trade	177,841	145.31	25,842	-	-	-
Bilateral agreement – free environmen - others	6,632	202.36	1,342	-	-	-
Bilateral agreement – regulated environment	1,651,834	139.07	229,722	1,333,128	131.79	175,688
Gross-up ICMS	-	-	5,871	-	-	4,039
Unconditional discount	-	-	(348)	-	-	-
MRE and Spot (short term power)	-	-	10,330	-	-	35,741
Total - Gross operating revenue			342,719			287,058
Electric power purchased power for resale						
Bilateral agreement – free environment	(626,264)	39.60	(24,797)	(116,055)	184.27	(21,385)
Bilateral agreement – regulated environment	-	-	-	1,257,146	(24.20)	(30,427)
MRE / Spot and other adjustments	-	-	(22,903)	-	-	(25,916)
(-) Credit of Pis/Cofins Power	-	-	4,952	-	-	4,201
			(42,748)			(73,527)

On March 06, 2013, the Nationa Counsil 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 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 $ 13,988.

31. Operating costs and expenses

	Parent Company						
	Three months ended						
	9/30/2016				9/30/2015		
	Operating expenses		Costs of services rendered	Total	Operating expenses		Total
	General and administratives expenses	Others			General and administratives expenses	Others	
Personnel	(3,859)	-	(133)	(3,992)	(4,378)	-	(4,378)
Material	(51)	-	-	(51)	(44)	-	(44)
Third parties services	(1,039)	-	(14)	(1,053)	(1,138)	-	(1,138)
Depreciation and amortization	(288)	-	-	(288)	(378)	-	(378)
Rents	(404)	-	-	(404)	(133)	-	(133)
Insurance	(8)	-	-	(8)	(9)	-	(9)
Donations, contributions and support	(12)	-	-	(12)	(61)	-	(61)
Capital loss	-	(145)	-	(145)	-	(84)	(84)
Other taxes and fees	(133)	-	(17)	(150)	(83)	-	(83)
Others	(3)	-	-	(3)	(3)	-	(3)
Total	**(5,797)**	**(145)**	**(164)**	**(6,106)**	**(6,227)**	**(84)**	**(6,311)**

	Parent Company						
	Nine months ended						
	9/30/2016				30/09/2015		
	Operating expenses		Costs of services rendered	Total	Operating expenses		Total
	General and administratives expenses	Others			General and administratives expenses	Others	
Personnel	(13,063)	-	(496)	(13,559)	(17,334)	-	(17,334)
Material	(128)	-	-	(128)	(223)	-	(223)
Third parties services	(3,395)	-	(76)	(3,471)	(4,823)	-	(4,823)
Depreciation and amortization	(974)	-	-	(974)	(1,058)	-	(1,058)
Rents	(1,303)	-	(1)	(1,304)	(998)	-	(998)
Insurance	271	-	-	271	(36)	-	(36)
Donations, contributions and support	(76)	-	-	(76)	(122)	-	(122)
Capital loss	-	(2,818)	-	(2,818)	-	(84)	(84)
Other taxes and fees	(416)	-	(23)	(439)	(586)	-	(586)
Others	(36)	-	-	(36)	(55)	-	(55)
Total	**(19,120)**	**(2,818)**	**(596)**	**(22,534)**	**(25,235)**	**(84)**	**(25,319)**

	Consolidated									
	Three months ended									
	9/30/2016					9/30/2015				
	Operating costs		Operating expenses		Total	Operating costs		Operating expenses		Total
	Costs of services rendered	Infrastructure cost (*)	General and administratives expenses	Others		Costs of services rendered	Infrastructure cost (*)	General and administratives expenses	Others	
Personnel	(10,607)	(1,480)	(11,154)	-	(23,241)	(8,645)	(4,136)	(12,191)	-	(24,972)
Material	(2,689)	(3,205)	86	-	(5,808)	(3,461)	4,708	(421)	-	826
Third parties services	(16,079)	(9,588)	(5,836)	-	(31,503)	(13,273)	(113)	(6,430)	-	(19,816)
Management of works	-	(1,277)	-	-	(1,277)	-	(469)	-	-	(469)
Depreciation and amortization	-	-	(1,194)	-	(1,194)	-	-	(666)	-	(666)
Provision (reversal) for contingengies	(340)	-	(100)	-	(440)	(1,145)	-	-	-	(1,145)
Rents	(1,528)	-	(1,265)	-	(2,793)	(1,336)	-	(930)	-	(2,266)
Insurance	(2,223)	-	21	-	(2,202)	(533)	1	(109)	-	(641)
Donations, contributions and support	(69)	-	(487)	-	(556)	(71)	-	(474)	-	(545)
Capital loss	-	-	-	(145)	(145)	-	-	-	(84)	(84)
Other taxes and fees	(145)	(2,923)	(386)	-	(3,454)	(165)	(204)	(557)	-	(926)
Project studies	-	1,167	-	-	1,167	-	420	-	-	420
Land	-	-	-	-	-	-	-	-	-	-
Buindings. Civil Works and Improvements	-	(642)	-	-	(642)	-	(1,196)	-	-	(1,196)
Machinery and equipment	-	7,170	-	-	7,170	-	(853)	-	-	(853)
Indemnifications	-	-	-	-	-	-	-	-	-	-
Others	(3)	(2,261)	(72)	(14)	(2,350)	(122)	(5,971)	(909)	(331)	(7,333)
Total	**(33,683)**	**(13,039)**	**(20,387)**	**(159)**	**(67,268)**	**(28,751)**	**(7,813)**	**(22,687)**	**(415)**	**(59,666)**

	Consolidated									
	Nine months ended									
	9/30/2016					9/30/2015				
	Operating costs		Operating expenses		Total	Operating costs		Operating expenses		Total
	Costs of services rendered	Infrastructure cost (*)	General and administratives expenses	Others		Costs of services rendered	Infrastructure cost (*)	General and administratives expenses	Others	
Personnel	(30,982)	(2,926)	(26,569)	-	(60,477)	(27,692)	(5,137)	(42,218)	-	(75,047)
Material	(7,123)	(13,785)	(337)	-	(21,245)	(6,835)	(4,369)	(1,093)	-	(12,297)
Third parties services	(38,718)	(12,151)	(7,098)	-	(57,967)	(30,658)	(15,120)	(18,606)	-	(64,384)
Management of works	-	(1,277)	-	-	(1,277)	-	(469)	-	-	(469)
Depreciation and amortization	-	-	(3,718)	-	(3,718)	-	-	(4,261)	-	(4,261)
Provision (reversal) for contingengies	(1,884)	-	(100)	-	(1,984)	(2,033)	-	-	-	(2,033)
Rents	(4,223)	-	(3,772)	-	(7,995)	(3,832)	-	(3,226)	-	(7,058)
Insurance	(6,607)	-	85	-	(6,522)	(1,552)	(1)	(1,872)	-	(3,425)
Donations, contributions and support	(279)	-	(1,476)	-	(1,755)	(177)	-	(1,284)	-	(1,461)
Capital loss	-	-	-	(2,818)	(2,818)	-	-	-	(84)	(84)
Other taxes and fees	(553)	(5,070)	(1,701)	-	(7,324)	(385)	(204)	(1,775)	-	(2,364)
Project studies	-	-	-	-	-	-	(425)	-	-	(425)
Land	-	-	-	-	-	-	(2,564)	-	-	(2,564)
Buindings. Civil Works and Improvements	-	(1,802)	-	-	(1,802)	-	(1,196)	-	-	(1,196)
Machinery and equipment	-	(2,393)	-	-	(2,393)	-	(8,006)	-	-	(8,006)
Indemnifications	-	-	-	-	-	-	2,293	-	-	2,293
Others	(18)	(1,579)	(259)	(100)	(1,956)	(83)	(9,272)	(1,168)	(101)	(10,624)
Total	**(90,387)**	**(40,983)**	**(44,945)**	**(2,918)**	**(179,233)**	**(73,247)**	**(44,470)**	**(75,503)**	**(185)**	**(193,405)**

32. Financial income and expenses

	Parent Company				Consolidated			
	Three months ended		Nine months ended		Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Financial Revenues								
Revenues of financial investments	9,465	11,470	19,460	28,228	18,391	21,625	47,845	53,518
Monetary adjustment – Judicial deposits	43	39	124	112	43	39	124	112
Monetary adjustment – recoverable taxes	702	521	2,096	1,628	735	536	2,336	2,058
(-) Taxes on income	(936)	(78)	(1,008)	(78)	(1,086)	(405)	(1,471)	(405)
Others	566	(477)	114	(465)	(6,126)	5,797	7,753	7,243
Total	**9,840**	**11,475**	**20,786**	**29,425**	**11,957**	**27,592**	**56,587**	**62,526**
Financial Expenses								
Charges on loans and financing	(161)	(702)	(1,215)	(3,328)	(37,750)	(29,857)	(97,499)	(85,587)
Monetary and exchange adjustment on loans and financing	-	-	-	-	(4,588)	(8,783)	(10,812)	(12,533)
Charges on debentures	(19,218)	(24,474)	(56,231)	(54,427)	(68,303)	(79,504)	(202,110)	(211,467)
Monetary adjustment on debentures	(8,271)	(6,538)	(40,579)	(32,503)	(11,465)	(10,204)	(55,746)	(36,169)
Exchange variation	-	-	-	(1)	(230)	(1,244)	(581)	(1)
Monetary variation – R&D	-	-	-	-	(916)	(572)	(2,437)	(1,434)
Monetary adjustment - Contingencies	(43)	(42)	(124)	(112)	(43)	(42)	(124)	(112)
Monetary variation – Others	-	-	-	-	(13,709)	(3,020)	(14,737)	(4,421)
Interest and penalties	(8)	(22)	(40)	(36)	(180)	(7,690)	(1,427)	(8,512)
Comissions and Bank Guarantees	(39)	(35)	(112)	(99)	(517)	(195)	(1,266)	(620)
Others	(513)	(128)	(616)	(828)	(2,970)	(2,753)	(8,082)	(5,414)
Total	**(28,253)**	**(31,941)**	**(98,917)**	**(91,334)**	**(140,671)**	**(143,864)**	**(394,821)**	**(366,270)**
Total Net	**(18,413)**	**(20,466)**	**(78,131)**	**(61,909)**	**(128,714)**	**(116,272)**	**(338,234)**	**(303,744)**

33. Income tax and social contribution

a) Reconciliation of the effective nominal rate for the nine-month period ended September 30, 2016 and 2015 is as follows:

	Consolidated			
	Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
a) Composition of taxes on income:				
In the line taxes:				
Current	(33,326)	(27,975)	(94,437)	(91,207)
Deferred	(1,736)	10,032	(15,049)	2,966
Total	**(35,062)**	**(17,943)**	**(109,486)**	**(88,241)**
b) Statement of tax calculation – Expense:				
Income before taxes	**154,136**	**139,313**	**567,662**	**513,344**
			-	-
Nominal rate	34%	34%	34%	34%
Expectation of expenses on taxes at nominal rates	**(52,406)**	**(47,366)**	**(193,005)**	**(174,537)**
Adjustment for assessment of efective IRPJ and CSLL:				
Tax credits - tax and social contribution not recorded in the year	(15,215)	1,411	(40,211)	(14,017)
Reversal of taxation effect - taxable income	15,858	15,889	59,023	50,688
Taxation by Profit computed as a percentage of revenue	(5,866)	(3,823)	(14,731)	(11,300)
Effect of entity tax rates abroad	(5,738)	(3,959)	8,651	(8,822)
Reduced tax rate (*)	11,323	30,606	32,745	58,461
nondeductible expenses	(2,091)	-	(5,314)	-
Income from equity method	(714)	4,322	(26,013)	12,337
Tax breaks (*)	3,729	-	13,721	-
Recognition of tax losses not previously recognized	480	-	1,297	-
Tax loss exercises for which was not recorded deferred tax assets	9,830	-	29,834	-
Recognition of deductible temporary differences previously not recognized	-	-	-	-
Constitution of Effect of IR / CSLL deferred	5,747	-	19,060	-
Others	-	(15,023)	5,457	(1,051)
Expense from effective income tax and social contribution	**(35,062)**	**(17,943)**	**(109,486)**	**(88,241)**
c) Effective rate	**22.7%**	**12.9%**	**19.3%**	**17.2%**

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

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

Companies	Referred to Fiscal Year 2016		
	Pis / Cofins	Sudam / Sudene benefit up to:	Tax Regime
Direct Subsidiaries:			
Alupar Inversiones Peru	Not applicable	Not applicable	Not applicable
Transminas Holding S.A.	9.25%	Not applicable	Taxable profit
Boa Vista Participações 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.	9.25%	Not applicable	Taxable profit
Ijuí Energia S.A.	9.25%	Not applicable	Taxable profit
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%	On request (**)	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
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
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
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%	2016	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%	On request	Taxable profit
Empresa Regional de Transmissão de Energia S.A. - ERTE (*)	3.65%	On request (***)	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

(*) 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
(***) Waiting for deferral of Federal Revenue of Brazil

Companies	Referred to Fiscal Year 2016		
	Pis / Cofins	Sudam / Sudene benefit up to:	Tax Regime
Indirect Subsidiaries:			
Empresa Brasileira de Transmissão de Energia S.A.– EBTE	9.25%	2020	Taxable profit
Companhia Transleste de Transmissão - Transleste	3.65%	Not applicable	Profit computed as a percentage of revenue
Companhia Transudeste de Transmissão - Transudeste	3.65%	Not applicable	Profit computed as a percentage of revenue
Companhia Transirapé de Transmissão - Transirapé	3.65%	Not applicable	Profit computed as a percentage of revenue
Empresa Santos Dumont de Energia S.A – ESDE	3.65%	Not applicable	Profit computed as a percentage of revenue
Empresa de Transmissão Serrana S.A. - ETSE	3.65%	Not applicable	Profit computed as a percentage of revenue

Companies	Referred to Fiscal Year 2016		
	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

34. Related parties

a) Transactions with related parties

The Company, a subsidiary of Guarupart Participações Ltda., is a publicly-held corporation engaged in the ownership of electric energy transmission (and generation) entities. The Company also participates 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), Alupar Chile Inversiones SpA, Windepar Holding S.A (the parent company of Energia dos Ventos I, Energia dos Ventos II, Energia dos Ventos III, Energia dos Ventos IV and Energia dos Ventos X) and Alupar Colombia S.A.S. Details about these subsidiaries are provided in Note 2.

The related party transactions are as follows:

Related party / transaction	Parent Company				Consolidated			
	ASSETS		LIABILITIES		ASSETS		LIABILITIES	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Balance sheet								
Current								
Cash and cash esquivalents								
Caixa Econômica Federal (*)	254,059	120,221	-	-	254,059	120,221	-	-
	254,059	120,221	-	-	254,059	120,221	-	-
Short-term investment								
Caixa Econômica Federal (*)	184,163	44,430	-	-	184,163	44,430	-	-
	184,163	44,430	-	-	184,163	44,430	-	-
Debentures								
FI FGTS – 5th Issuance	-	-	30,549	21,804	-	-	30,549	21,804
	-	-	30,549	21,804	-	-	30,549	21,804
Accounts receivable - Repayment of expenses								
Usina Paulista Queluz de Energia S.A.	4	4	-	-	-	-	-	-
	4	4	-	-	-	-	-	-
Dividends receivable								
Transminas Holding S.A.	9,272	11,863	-	-	-	-	-	-
Sistema de Transmissão Nordeste S.A.	5,594	7,886	-	-	-	-	-	-
Empresa Amazonense de Transmissão de Energia S.A.	-	18,458	-	-	-	-	-	-
Empresa Regional de Transmissão de Energia S.A.	6,890	6,890	-	-	-	-	-	-
Sistema de Transmissão Catarinense S.A.	318	-	-	-	-	-	-	-
Foz do Rio Claro Energia S.A.	1,594	1,594	-	-	-	-	-	-
Usina Paulista Lavrinhas de Energia S.A.	2,408	2,408	-	-	-	-	-	-
Usina Paulista Queluz de Energia S.A.	2	3,607	-	-	-	-	-	-
Empresa de Transmissão do Espirito Santo S.A.	990	2,640	-	-	-	-	-	-
Transmissora Matogrossense de Energia S.A	4,524	4,524	-	-	4,524	4,524	-	-
Empresa de Transmissão de Energia do Mato Grosso S.A.	3,328	3,328	-	-	-	-	-	-
Empresa de Transmissão de Varzea Grande S.A.	371	371	-	-	-	-	-	-
AF Energia S.A.	76	76	-	-	-	-	-	-
	35,367	63,645	-	-	4,524	4,524	-	-
Interest on own capital								
Empresa Norte de Transmissão de Energia S.A.	-	7,616	-	-	-	-	-	-
Empresa Paraense de Transmissão de Energia S.A.	-	3,947	-	-	-	-	-	-
	-	11,563	-	-	-	-	-	-
Non-current								
Advances for future capital increase								
Empresa de Transmissão de Varzea Grande S.A.	21,949	-	-	-	-	-	-	-
Foz do Rio Claro Energia S.A.	-	400	-	-	-	-	-	-
Ijuí Energia S.A.	15,752	7,700	-	-	-	-	-	-
Ferreira Gomes Energia S.A	14,339	24,752	-	-	-	-	-	-
ACE Comercializadora Ltda.	1,100	1,100	-	-	-	-	-	-
Energia dos Ventos IV S.A.	-	1,000	-	-	-	-	-	-
Boa Vista Participações S.A.	-	13	-	-	-	-	-	-
Forquilha IV Energia S.A.	385	293	-	-	-	-	-	-
Verde 8 Energia S.A.	12,660	7,583	-	-	-	-	-	-
Agua Limpa S.A.	6,756	5,015	-	-	-	-	-	-
Geração de Energia Termoelétrica e Participações S.A.	578	578	-	-	-	-	-	-
Empresa Litorânea de Transmissão de Energia S.A.	8,107	5,030	-	-	-	-	-	-
Windepar Holding S.A.	20,375	-	-	-	-	-	-	-
Empresa Transmissora Agreste Potiguar S.A.	130	-	-	-	-	-	-	-
Empresa Transmissora Capixaba S.A.	130	-	-	-	-	-	-	-
Alupar Chile Inversiones SpA	1,904	1,198	-	-	-	-	-	-
	104,165	54,662	-	-	-	-	-	-
Debentures								
FI FGTS – 5th Issuance	-	-	368,983	365,659	-	-	368,983	365,659
	-	-	368,983	365,659	-	-	368,983	365,659

Related party / transaction	Parent Company / Consolidated			
	Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Statements of income				
Financial Revenues	8,714	10,548	17,878	24,045
Caixa Econômica Federal (*) - Financial investments	8,714	10,548	17,878	24,045
Financial Expenses	(12,763)	(13,501)	(47,272)	(48,634)
FI FGTS - 5ª Issuance	(12,763)	(13,501)	(47,272)	(48,634)
Financial results	**(4,049)**	**(2,953)**	**(29,394)**	**(24,589)**

(*) 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 group companies relating to loans, financing and debentures 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 09/30/2016
12/01/09	Meeting of the Partners	Alupar	Guarupart	Financing - FINEP	Guarantee	72,841	12/17/09	05/15/18	6,070
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	32,734
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	14,463
12/22/09	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	6,808
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	14,593
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	460,470
02/11/08	Board of Directors	Foz	Alupar	Financing - BNDES	Irrestrict surety	201,630	04/09/08	03/15/27	160,597
02/11/08	Board of Directors	Ijui	Alupar	Financing - BNDES	Irrestrict surety	168,200	04/09/08	09/15/27	143,320
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	80,176
06/14/10	Board of Directors	Lavrinhas	Alupar	Financing - BNDES	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	15,875	09/08/10	04/15/25	10,888
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	79,045
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	17,313
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	146,131
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	76,989
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	61,380
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	507
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	5,607
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	105,868
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	26,443
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	70,478
08/08/13	AGE (Special Shareholder's Meeting)	Transleste	EATE	Financing - BDMG - agreement 127.314	Pledge of Shares	12,971	03/10/05	01/31/17	782
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	20,820
08/08/13	AGE (Special Shareholder's Meeting)	Transleste	EATE	Financiamento - BNB - Contrato 05974828-A	Pledge of Shares	15,000	03/10/05	03/11/25	6,634
12/10/13	Board of Directors	Transirapé	EATE	Financing - BDMG	Pledge of Shares	30,300	12/27/13	01/15/24	17,496
12/12/11	Board of Directors	Transchile	Alupar	Finance Agreement - Shares	Posting of guarantees, including security interest, credit rights, guarantees, sureties and pledge of shares	US$ 51.014	07/18/07	11/15/26	98,129
03/12/12	Meeting of the Partners	Alupar	Guarupart	Debentures – 5th Emission	Guarantee	300,000	05/15/12	05/30/27	399,671
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	278,260
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	53,722
09/15/14	Board of Directors	Alupar Inversiones Peru S.A.C.	Alupar	Medium-term Loan Agreement	Guarantee	US$ 5.000	12/12/14	12/12/17	16,228
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	11/10/14	11/14/17	36,534
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	100,502
12/14/15	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$ 50.000.000	01/15/16	07/15/16	164,820
N/A	Conselho de Administração	LA VIRGEN S.A.C.	Alupar	Financing	guarantee provided due to the Loan Agreement amounting to U $ 30,000,000.00 obtained from Banco Santander Panama	U$ 30.000.000	12/22/15	09/22/16	98,853
05/07/15	Board of Directors	ETVG	Alupar	CCB	Guarantee	22,500	06/17/15	06/28/16	24,961

12/14/15	Board of Directors	Energia dos Ventos I	Alupar/ Windepar	Financing - BNDES - nº 15.2.0778.1	Interpretation guarantees - Alupar: corportaiva bail, 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.	57,990	02/11/16	10/15/32	57,919
12/14/15	Board of Directors	Energia dos Ventos II	Alupar/ Windepar	Financing - BNDES - nº 15.2.0778.1	Interpretation guarantees - Alupar: corportaiva bail, 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	32,694
12/14/15	Board of Directors	Energia dos Ventos III	Alupar/ Windepar	Financing - BNDES - nº 15.2.0778.1	Interpretation guarantees - Alupar: corportaiva bail, 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	49,974
12/14/15	Board of Directors	Energia dos Ventos IV	Alupar/ Windepar	Financing - BNDES - nº 15.2.0778.1	Interpretation guarantees - Alupar: corportaiva bail, 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	82,797
12/14/15	Board of Directors	Energia dos Ventos X	Alupar/ Windepar	Financing - BNDES - nº 15.2.0778.1	Interpretation guarantees - Alupar: corportaiva bail, 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	41,905
03/29/16	Extraordinary Meeting	Energia dos Ventos I	Alupar	Commercial Promissory Note 01/31 - BTG Pactual	Guarantee	15,500	04/12/16	10/09/16	16,741
03/29/16	Extraordinary Meeting	Energia dos Ventos II	Alupar	Commercial Promissory Note 01/62 - BTG Pactual	Guarantee	31,000	04/12/16	10/09/16	33,481
03/29/16	Extraordinary Meeting	Energia dos Ventos III	Alupar	Commercial Promissory Note 01/32 - BTG Pactual	Guarantee	16,000	04/12/16	10/09/16	17,281
03/29/16	Extraordinary Meeting	Energia dos Ventos IV	Alupar	Commercial Promissory Note 01/35 - BTG Pactual	Guarantee	17,500	04/12/16	10/09/16	18,901
03/29/16	Extraordinary Meeting	Energia dos Ventos X	Alupar	Commercial Promissory Notel 01/40 - BTG Pactual	Guarantee	20,000	04/12/16	10/09/16	21,601
N/A	N/A	Transirapé	Transminas/ EATE	Financing - BDMG - nº 215.411/16	Pledge of shares , fidiciária assignment during the construction phase of 30% of the RAP project during project operation stage 25% of RAP , receivables	4,000	04/01/16	04/15/26	2,865
04/05/16	Board of Directors	Transirapé	Transminas/ EATE	Financing - BDMG - nº 215.485/16	Pledge of shares , fidiciária assignment 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	4,537

b.2) Transactions of guarantees between group companies 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 09/30/2016
06/13/11	Board of Directors	Ferreira Gomes	Alupar	Supply Agreement, Assembly Supervision and Comissioning Supervision with Voith CPS FG0115-11	Posting of guarantees (Surety)	161,000	05/05/11	06/30/17	4,830
03/14/11	Board of Directors	Foz	Alupar	Guarantee	Posting of Guarantee on Surety No. 100411020057000 derived from the amounts questioned in the records of Enforcement of Debt Instrument Action brought by Construtora Triunfo related to Foz.	2,822	02/10/11	Indeterminated	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. 100411020056900 derived from the amounts questioned in the records of Enforcement of Debt Instrument Action brought by Construtora Triunfo related to Foz.	2,077	02/10/11	Indeterminated	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.	542	03/04/11	Indeterminated	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.	663	12/03/12	Indeterminated	The guarantee will be extinguished as soon as the action
12/03/12	Executive Board	Foz	Alupar	Guarantee	Private Instrument of Constitution of Guarantee by Posting of Guarantee No. 181386812-ONS	811	12/28/12	12/30/16	-
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.	28,468	06/01/14	06/01/19	113
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	4,884
05/29/14	Board of Directors	Alupar	Guarupart	Rental contract of non residential realty - Sky - Complex No. 161 e 162	Surety	148 mensal	07/04/16	07/04/17	4,884
11/24/14	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	03/01/16	02/24/17	46
02/29/16	Board of Directors	Ferreira Gomes	Alupar	Guarantee nº 180111216 (labor action)	Guarantee the financial obligation	537	03/01/16	02/24/17	8

c) Key management personnel compensation

At the Extraordinary General Meeting held on April 20, 2016, Company shareholders approved the global compensation of the Board of Directors' and Executive Board's members for the fiscal year ended 2016 up to R$ 8,137, R$ 834 of which refers to compensation of the members of the Board of Directors and R$ 7,303 referring to the compensation of the Executive Board.

For the nine-month period ended September 30, 2016 and 2015, compensation was as follows:

	Parent Company				Consolidated			
	Three months ended		Nine months ended		Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Benefits (i)	1,055	1,080	4,343	6,021	3,306	2,820	11,614	12,666
Compensation of the board	152	280	488	865	424	500	1,310	1,609
Total	**1,207**	**1,360**	**4,831**	**6,886**	**3,730**	**3,320**	**12,924**	**14,275**

	Consolidated			
	Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Pre-operating companies				
Benefits (i)	225	1,258	2,210	1,682
Total	**225**	**1,258**	**2,210**	**1,682**

(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, 2016, the Company and subsidiaries and joint ventures do not have balances involving other related parties.

35. Financial instruments

35.1. General considerations

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

35.2. Fair value

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

	Consolidated					
	9/30/2016		12/31/2015		Assessment criteria	Classification
	Carrying value	Fair value	Carrying value	Fair value		
Financial Assets						
Cash and cash esquivalents	628,543	628,543	591,857	591,857	Fair value	Fair value through profit or loss
Short-term investments	184,163	184,163	44,430	44,430	Fair value	Fair value through profit or loss
Marketable securities	96,610	96,610	89,751	89,751	Fair value	Fair value through profit or loss
Trade account receivables	224,663	224,663	191,070	191,070	Amortised cost	Loans and receivables
Financial asset from the concession	4,591,521	4,591,521	4,570,171	4,570,171	Fair value	Loans and receivables
Guarantees and court deposits	11,543	11,543	7,666	7,666	Amortised cost	Loans and receivables
	5,737,043	5,737,043	5,494,945	5,494,945		
Financial liabilities						
Suppliers	144,879	144,879	341,811	341,811	Amortised cost	Loans and receivables
Loans and receivables - principal and charges	2,329,803	2,329,803	2,077,318	2,077,318	Amortised cost	Loans and receivables
Debentures- principal and charges	2,408,600	2,408,600	2,551,042	2,551,042	Amortised cost	Loans and receivables
	4,883,282	4,883,282	4,970,171	4,970,171		

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, 2016, minimum and maximum unit price percentages for debentures with an active market were as follows:

	9/30/2016		
	Code of the Asset	% Minimum UP	% Minimum UP
Alupar Investimento S.A.	ALPA14	98.99	100.26
Alupar Investimento S.A.	APAR16	97.99	105.80
Empresa Norte de Transmissão de Energia S.A.	ENTE12	98.20	100.15
Empresa Paraense de Transmissão de Energia S.A.	ETEP12	100.01	100.01
Empresa Amazonense de Transmissão de Energia S.A.	EATE14	98.22	100.30

No financial instruments were reclassified in the nine-month period ended September 30, 2016.

35.3 Fair value measurement

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

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

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

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

	Consolidated		
	9/30/2016	Measurement of fair value	
		Level I	Level II
Financial Assets			
Cash and cash esquivalents	628,543	628,543	-
Short-term investments	184,163	184,163	-
Marketable securities	96,610	96,610	-
Financial asset from the concession	4,591,521	-	4,591,521
	5,500,837	909,316	4,591,521

	Consolidated		
	12/31/2015	Measurement of fair value	
		Level I	Level II
Financial Assets			
Cash and cash esquivalents	591,857	591,857	-
Short-term investments	44,430	44,430	-
Marketable securities	89,751	89,751	-
Financial asset from the concession	4,570,171	-	4,570,171
	5,296,209	726,038	4,570,171

Throughout the nine-month period ended September 30, 2016, there were no transfers between level I and level II fair value measurements, or transfers between level III and level II fair value measurements.

35.4 Liquidity information

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

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

The Company and its subsidiaries have a significant level of debt due to the need for a large volume of funds to make investments. At September 30, 2016, total consolidated debt (sum of loans, financing and debentures of current and noncurrent liabilities) was R$ 4,465,125, i.e. 23.42% of this amount (or R$ 1,045,724). 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, 2016, the Company consolidated capital structure is comprised of 42.7% of own funds against 57.3% of third-party capital (42% of own funds and 58% of third-party capital on December 31, 2015).

The Company and its subsidiaries have a debt-equity relation of 104.87% at September 30, 2016 and 103.5% at December 31, 2015).

35.5 Quantitative and qualitative information on financial instruments

Sensitivity analysis of financial investments- consolidated

In order to analyze the sensitivity of the short-term investment rate to which Company and subsidiaries were exposed at September 30, 2016, five different scenarios were defined. The SELIC/CDI projected rates were obtained based on the FOCUS report of June 24, 2016 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, 2016, with a one-year projection and checking CDI sensitivity in each scenario.

Financial investments - Consolidated	Indexer	Position on 09.30.2016	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			**12.37%**	**6.19%**	**9.28%**	**15.46%**	**18.56%**
Financial investments (Cash Equivalents)	CDI	595,549	73,669	36,835	55,252	92,087	110,504
Financial Investments (Short-term investments)	CDI	184,163	22,781	11,390	17,086	28,476	34,171
Financial Investments (Marketable securities)	CDI	96,610	11,951	5,975	8,963	14,938	17,926

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, 2016, five scenarios were defined. As a probable scenario, adopted by the Company, projected CDI and IPCA were obtained based on the Focus report of June 24, 2016 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, 2016, 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 09.30.2016 (*)	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				**12.37%**	**6.19%**	**9.28%**	**15.46%**	**18.56%**
	CDI	1.15%	22,500	3,074	1,666	2,370	3,778	4,482
	CDI	2.11%	29,513	4,351	2,487	3,419	5,282	6,214
	CDI	3.00%	99,945	15,732	9,365	12,549	18,916	22,099
TJLP				**7.50%**	**3.75%**	**5.63%**	**9.38%**	**11.25%**
	TJLP +	1.93%	158,715	15,197	9,130	12,163	18,230	21,263
	TJLP +	2.02%	38,502	3,724	2,251	2,987	4,460	5,197
	TJLP +	2.04%	1,028	100	60	80	119	139
	TJLP +	2.08%	16,881	1,644	997	1,320	1,967	2,290
	TJLP +	2.18%	260,649	25,657	15,670	20,663	30,651	35,644
	TJLP +	2.22%	28,109	2,779	1,702	2,240	3,318	3,856
	TJLP +	2.34%	301,402	30,187	18,620	24,403	35,970	41,754
	TJLP +	2.37%	14,387	1,446	893	1,169	1,722	1,998
	TJLP +	2.38%	1,994	201	124	162	239	277
	TJLP +	2.44%	191,651	19,401	12,039	15,720	23,082	26,763
	TJLP +	2.56%	96,372	9,880	6,174	8,027	11,733	13,587
	TJLP +	3.17%	142,797	15,576	10,051	12,814	18,338	21,101
	TJLP +	3.50%	5,542	624	409	517	732	839
	TJLP +	4.50%	4,469	551	376	464	639	726
	TJLP +	5.70%	4	1	0	0	1	1
	TJLP +	6.00%	2,800	391	279	335	446	502
		Total	**1,417,260**	**150,513**	**92,293**	**121,403**	**179,623**	**208,733**

Debentres – (National currency) - Consolidated	Interest rate p.a.		Position on 09.30.2016 (*)	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				**12.37%**	**6.19%**	**9.28%**	**15.46%**	**18.56%**
	CDI +	0.99%	189,341	25,528	13,701	19,614	31,441	37,355
	CDI +	1.15%	207,467	28,345	15,365	21,855	34,834	41,324
	CDI +	1.45%	149,813	20,973	11,573	16,273	25,673	30,373
	CDI +	2.15%	64,399	9,522	5,453	7,488	11,556	13,591
	109,75% CDI		593,967	80,637	40,319	60,478	100,797	120,956
	112.5% CDI		2,414	336	168	252	420	504
	113.00% CDI		153,541	21,462	10,731	16,097	26,828	32,193
	116.00% CDI		65,802	9,442	4,721	7,082	11,803	14,163
IPCA				**5.61%**	**2.81%**	**4.21%**	**7.01%**	**8.42%**
	IPCA +	6.47%	258,207	32,125	24,414	28,269	35,980	39,836
	IPCA +	7.33%	275,937	36,841	28,534	32,687	40,995	45,148
	IPCA +	7.80%	389,186	53,893	42,125	48,009	59,777	65,661
		Total	**2,350,074**	**319,103**	**197,103**	**258,103**	**380,104**	**441,104**

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

Sensitivity analysis of currency risk - consolidated

For the purpose of assessing the sensitivity of the debt in foreign currency to which the Company was subject at base date September 30, 2016, five scenarios were defined. As a probable scenario, adopted by the Company, projected US dollar for one year was obtained based on the Focus report of June 24, 2016, 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.

Loans and financing – (National currency) - Consolidated	Risk	Interest rate	Position on 09.30.2016 (*)	Projection Financial Expenses - One Year				
				Probable Scenario	Depreciation of rate		Apreciation of rate	
					Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (50%)
USD				**3.38**	**1.69**	**2.54**	**4.23**	**5.07**
	Var. of US$ +	5%	773	34	(389)	(178)	245	456
		Total	**773**	**34**	**(389)**	**(178)**	**245**	**456**

(*) This refers to the principal amount of debts, excluding charges.

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

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

35.6.1 Credit risk

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

a) Trade accounts receivable

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

b) Cash and cash equivalents and short-term investments

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

35.6.2. Liquidity risk

At September 30, 2016, the Company presents cash and cash equivalents, short-term investments and marketable securities in current and noncurrent assets amounting approximately to R$ 909,316 – 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, 2016 based on contractual undiscounted payments.

Nine-month period ended on September 30, 2016 - 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	130,162	2,988	480	11,012	237	144,879
Loans and financing - principal and charges	443,528	168,517	407,656	478,011	832,091	2,329,803
Debentures	159,099	369,694	385,872	1,072,197	421,738	2,408,600
Total	**732,789**	**541,199**	**794,008**	**1,561,220**	**1,254,066**	**4,883,282**

Another important aspect is that 92.88% of the consolidated debt refers to indebtedness of subsidiaries (97.16% at December 31, 2015), most of which referring to project financing, raised with BNDES and other fostering institutions. Approximately 7.12% of the total consolidated debt refers to the companies in the pre-operating phase (3.7% at December 31, 2015).

35.6.3. Market risks

Hydrological risk:

The power supply of the Sistema Interligado Nacional (SIN) stems, for the most part by hydroelectric plants. As the ONS operates in optimized SIN and centralized dispatch system, each hydroelectric plant, including the Alupar Group, 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).

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.

35.6.4. Currency risk

The Company and its subsidiaries do not use derivative financial instruments to hedge or reduce financial costs from financing operations and purchase agreements pegged to foreign currencies, since exposure to debt denominated in foreign currency of Company and its subsidiaries represent only 10.26% of the total consolidated debt (2.6% at December 31, 2015).

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

35.6.5. Regulatory risk

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

35.6.6 Financial risk

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

35.6.7 Debt acceleration risk

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

35.6.8 Capital structure risk

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

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

On the September 30, 2016 and December 31, 2015, 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	
	9/30/2016	12/31/2015	9/30/2016	12/31/2015
Loans and financing (net of cost to be amortized)				
Current	(3,539)	(11,791)	(612,045)	(519,997)
Non-current	(2,346)	(16,565)	(1,717,758)	(1,557,321)
Debentures (net of costs to be amortized)				
Current	(142,167)	(33,745)	(528,793)	(592,889)
Non-current	(696,133)	(775,524)	(1,879,807)	(1,958,153)
Total debt	(844,185)	(837,625)	(4,738,403)	(4,628,360)
Cash and cash esquivalents	254,309	134,631	628,543	591,857
Short-term investments	184,163	44,430	184,163	44,430
Marketable securities (current and non-current)	-	-	96,610	89,751
Net debt	(405,713)	(658,564)	(3,829,087)	(3,902,322)
Shareholders' equity	2,938,261	2,510,077	4,578,391	4,067,046
Net debt rate	**0.14**	**0.26**	**0.84**	**0.96**

36. Segment information

Alupar operational business segments consist in transmission and generation of energy. Aforementioned business segments reflect the way the Company is managed as well as its organizational structure and monitoring of business performance. Due to the regulatory framework of the Brazilian electric energy industry, there is no segmentation per geographical area.

Revenues, operating costs and expenses for the three-month period 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 three month period 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-month period 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 the nine-month period ended June, 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**

The total assets at September 30, 2016 include "accounts receivable" in the amount of R $ 224,663 "financial asset Award" in the amount of R $ 4,591,521, "inventories" in the amount of R $ 27,239, and "assets" in the amount of R $ 3,782,625.

The total liabilities at September 30, 2016, which are managed by the Group include "loans and financing" in the amount of R $ 2,329,803, "debentures" in the amount of R $ 2,408,600 "income tax and social contribution payable "in the amount of R $ 70,634," dividends payable "in the amount of R $ 85,278," provisions for contingencies "in the amount of R $ 6,213," advance for future capital increase "in the amount of R $ 210, and "deferred income tax and social contribution" in the amount of R $ 425,431.

The "Holding" column refers to the Company, being the source of that profit substantially related to the valuation of investments in subsidiaries, associates and joint venture using the equity method, as required by accounting practices adopted in Brazil.

Revenues, operating costs and expenses for the three-month period ended September 30, 2015 are presented on a consolidated basis in the table below:

	Three months ended 9/30/2015				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission	Generation	Holding	Others				
Gross operating revenue	**349,566**	**105,141**	**-**	**37,341**	**492,048**	**(48,420)**	**(26,405)**	**417,223**
Power transmission revenue	38,332	-	-	-	38,332	(9,109)	-	29,223
Infrastructure revenue	22,313	-	-	-	22,313	(14,500)	-	7,813
Remuneration of concession financial asset	288,921	-	-	-	288,921	(24,811)	-	264,110
Power supply	-	105,141	-	34,354	139,495	-	(23,418)	116,077
Counsulting and advisory in regulatory area	-	-	-	33	33	-	(33)	-
Operation and maintenance services	-	-	-	2,954	2,954	-	(2,954)	-
Deduction from gross operating revenue	(26,455)	(10,401)	-	(2,919)	**(39,775)**	2,727	-	**(37,048)**
Net operating revenue	**323,111**	**94,740**	**-**	**34,422**	**452,273**	**(45,693)**	**(26,405)**	**380,175**
Cost of service								
Cost with electric power								
Purchased power for resale	-	(48,142)	-	(30,956)	(79,098)	-	23,418	(55,680)
Charges for the use of eletric network- CUST	-	(6,654)	-	-	(6,654)	-	-	(6,654)
Financial compensation for the use of hydric resources - CFURH	-	(3,514)	-	-	(3,514)	-	-	(3,514)
Cost of operation								
Costs of services rendered	(21,403)	(9,615)	-	(2,562)	(33,580)	1,842	2,987	(28,751)
Infrastructure cost	(22,313)	-	-	-	(22,313)	14,500	-	(7,813)
Depreciation / Amortization	(1,962)	(17,786)	-	(2)	(19,750)	1,944	-	(17,806)
	(45,678)	**(85,711)**	**-**	**(33,520)**	**(164,909)**	**18,286**	**26,405**	**(120,218)**
Gross profit	**277,433**	**9,029**	**-**	**902**	**287,364**	**(27,407)**	**-**	**259,957**
Operating expenses and revenues								
General and administrative	(9,034)	(8,269)	(6,516)	(186)	(24,005)	1,318	-	(22,687)
Share of profit of equity-method investees	-	-	72,072	-	72,072	-	(59,362)	12,710
Other revenues	43	88	5,889	-	6,020	-	-	6,020
Other expenses	(1)	(15)	(399)	-	(415)	-	-	(415)
	(8,992)	**(8,196)**	**71,046**	**(186)**	**53,672**	**1,318**	**(59,362)**	**(4,372)**
EBIT	**268,441**	**833**	**71,046**	**716**	**341,036**	**(26,089)**	**(59,362)**	**255,585**
Depreciation / Amortization	2,034	18,010	378	3	20,425	(1,953)	-	18,472
EBITDA	270,475	18,843	71,424	719	361,461	(28,042)	(59,362)	274,057
Financial expenses and revenues								
Financial expenses	(72,904)	(42,171)	(34,359)	(4)	(149,438)	5,574	-	(143,864)
Debt charges	(64,909)	(28,137)	(31,714)	-	(124,760)	4,806	-	(119,954)
Currency variations	(1,114)	(8,179)	(2,412)	-	(11,705)	(396)	-	(12,101)
Others	(6,881)	(5,855)	(233)	(4)	(12,973)	1,164	-	(11,809)
Financial revenues	8,988	7,378	11,866	28	28,260	(668)	-	27,592
Revenues of financial investments	8,979	1,702	11,508	29	22,218	(690)	-	21,528
Others	9	5,676	358	(1)	6,042	22	-	6,064
	(63,916)	**(34,793)**	**(22,493)**	**24**	**(121,178)**	**4,906**	**-**	**(116,272)**
Pretax income	**204,525**	**(33,960)**	**48,553**	**740**	**219,858**	**(21,183)**	**(59,362)**	**139,313**
Current income and social contribution taxes	(29,406)	768	-	1	(28,637)	662	-	(27,975)
Deferred income and social contribution taxes	(2,708)	10,603	-	-	7,895	2,137	-	10,032
	(32,114)	**11,371**	**-**	**1**	**(20,742)**	**2,799**	**-**	**(17,943)**
Consolidated net profit	**172,411**	**(22,589)**	**48,553**	**741**	**199,116**	**(18,384)**	**(59,362)**	**121,370**
Interest of non-controlling	-	-	-	-	-	-	(71,693)	(71,693)
Alupar net profit	**172,411**	**(22,589)**	**48,553**	**741**	**199,116**	**(18,384)**	**(131,055)**	**49,677**
Operating assets	**5,628,657**	**3,469,061**	**14,909**	**675**	**9,113,302**	**(911,484)**	**(635)**	**8,201,183**
Operating liabilities	**249,489**	**337,647**	**12,728**	**976**	**600,840**	**(18,098)**	**(28,405)**	**554,337**

Reconciliation of income statement segregated by activity with the consolidated income statement for the three month period ended September 30, 2015 is as follows:

	Three months ended 9/30/2015					Total eliminations	Total consolidated
	Subtotal	Eliminations					
		Transmission	Generation	Holding	Others		
Gross operating revenue	**492,048**	**(48,420)**	**(23,418)**	**-**	**(2,987)**	**(74,825)**	**417,223**
Power transmission revenue	38,332	(9,109)	-	-	-	(9,109)	29,223
Infrastructure revenue	22,313	(14,500)	-	-	-	(14,500)	7,813
Remuneration of concession financial asset	288,921	(24,811)	-	-	-	(24,811)	264,110
Power supply	139,495	-	(23,418)	-	-	(23,418)	116,077
Counsulting and advisory in regulatory area	33	-	-	-	(33)	(33)	-
Operation and maintenance services	2,954	-	-	-	(2,954)	(2,954)	-
Deduction from gross operating revenue	**(39,775)**	**2,727**	**-**	**-**	**-**	**2,727**	**(37,048)**
Net operating revenue	**452,273**	**(45,693)**	**(23,418)**	**-**	**(2,987)**	**(72,098)**	**380,175**
Cost of service							
Cost with electric power							
Purchased power for resale	(79,098)	-	-	-	23,418	23,418	(55,680)
Charges for the use of eletric network- CUST	(6,654)	-	-	-	-	-	(6,654)
Financial compensation for the use of hydric resources - CFURH	(3,514)	-	-	-	-	-	(3,514)
Cost of operation							
Costs of services rendered	(33,580)	1,842	2,987	-	-	4,829	(28,751)
Infrastructure cost	(22,313)	14,500	-	-	-	14,500	(7,813)
Depreciation / Amortization	(19,750)	1,944	-	-	-	1,944	(17,806)
	(164,909)	**18,286**	**2,987**	**-**	**23,418**	**44,691**	**(120,218)**
Gross profit	**287,364**	**(27,407)**	**(20,431)**	**-**	**20,431**	**(27,407)**	**259,957**
Operating expenses and revenues							
General and administrative	(24,005)	1,318	-	-	-	1,318	(22,687)
Share of profit of equity-method investees	72,072	-	-	(59,362)	-	(59,362)	12,710
Other revenues	6,020	-	-	-	-	-	6,020
Other expenses	(415)	-	-	-	-	-	(415)
	53,672	**1,318**	**-**	**(59,362)**	**-**	**(58,044)**	**(4,372)**
EBIT	**341,036**	**(26,089)**	**(20,431)**	**(59,362)**	**20,431**	**(85,451)**	**255,585**
Depreciation / Amortization	**20,425**	(1,953)	-	-	-	(1,953)	18,472
EBITDA	361,461	(28,042)	(20,431)	(59,362)	20,431	(87,404)	274,057
Financial expenses and revenues							
Financial expenses	(149,438)	5,574	-	-	-	5,574	(143,864)
Debt charges	(124,760)	4,806	-	-	-	4,806	(119,954)
Currency variations	(11,705)	(396)	-	-	-	(396)	(12,101)
Others	(12,973)	1,164	-	-	-	1,164	(11,809)
Financial revenues	28,260	(668)	-	-	-	(668)	27,592
Revenues of financial investments	22,218	(690)	-	-	-	(690)	21,528
Others	6,042	22	-	-	-	22	6,064
	(121,178)	**4,906**	**-**	**-**	**-**	**4,906**	**(116,272)**
Pretax income	**219,858**	**(21,183)**	**(20,431)**	**(59,362)**	**20,431**	**(80,545)**	**139,313**
Current income and social contribution taxes	(28,637)	662	-	-	-	662	(27,975)
Deferred income and social contribution taxes	7,895	2,137	-	-	-	2,137	10,032
	(20,742)	**2,799**	**-**	**-**	**-**	**2,799**	**(17,943)**
Consolidated net profit	**199,116**	**(18,384)**	**(20,431)**	**(59,362)**	**20,431**	**(77,746)**	**121,370**
Interest of non-controlling	-	(80,910)	10,566	(1,349)	-	(71,693)	(71,693)
Alupar net profit	**199,116**	**(99,294)**	**(9,865)**	**(60,711)**	**20,431**	**(149,439)**	**49,677**
Operating assets	**9,113,302**	**(911,484)**	**-**	**(5)**	**(630)**	**(912,119)**	**8,201,183**
Operating liabilities	**600,840**	**(18,098)**	**(27,770)**	**(5)**	**(630)**	**(46,503)**	**554,337**

Revenues, costs and operating expenses for the nine-months ended September 30, 2015 are presented on a consolidated basis in the table below:

	Nine months ended 9/30/2015				Subtotal	Elimination - Shared control	Eliminations - Intercompanies	Total consolidated
	Transmission	Generation	Holding	Others				
Gross operating revenue	**1,070,594**	**276,122**	**-**	**44,038**	**1,390,754**	**(136,733)**	**(33,102)**	**1,220,919**
Power transmission revenue	105,780	-	-	-	105,780	(25,354)	-	80,426
Infrastructure revenue	82,882	-	-	-	82,882	(38,412)	-	44,470
Remuneration of concession financial asset	881,932	-	-	-	881,932	(72,967)	-	808,965
Power supply	-	276,122	-	34,354	310,476	-	(23,418)	287,058
Counsulting and advisory in regulatory area	-	-	-	99	99	-	(99)	-
Operation and maintenance services	-	-	-	9,585	9,585	-	(9,585)	-
Deduction from gross operating revenue	(76,978)	(26,834)	-	(3,805)	**(107,617)**	7,611	-	**(100,006)**
Net operating revenue	**993,616**	**249,288**	**-**	**40,233**	**1,283,137**	**(129,122)**	**(33,102)**	**1,120,913**
Cost of service								
Cost with electric power								
Purchased power for resale	-	(65,989)	-	(30,956)	(96,945)	-	23,418	(73,527)
Charges for the use of eletric network- CUST	-	(19,704)	-	-	(19,704)	-	-	(19,704)
Financial compensation for the use of hydric resources - CFURH	-	(9,176)	-	-	(9,176)	-	-	(9,176)
Cost of operation								
Costs of services rendered	(59,637)	(21,126)	-	(7,739)	(88,502)	5,571	9,684	(73,247)
Infrastructure cost	(82,882)	-	-	-	(82,882)	38,412	-	(44,470)
Depreciation / Amortization	(5,253)	(50,909)	-	(7)	(56,169)	5,171	-	(50,998)
	(147,772)	**(166,904)**	**-**	**(38,702)**	**(353,378)**	**49,154**	**33,102**	**(271,122)**
Gross profit	**845,844**	**82,384**	**-**	**1,531**	**929,759**	**(79,968)**	**-**	**849,791**
Operating expenses and revenues								
General and administrative	(31,422)	(20,615)	(26,600)	(751)	(79,388)	3,885	-	(75,503)
Share of profit of equity-method investees	-	-	256,888	-	256,888	-	(220,604)	36,284
Other revenues	43	247	6,411	-	6,701	-	-	6,701
Other expenses	(1)	(100)	(84)	-	(185)	-	-	(185)
	(31,380)	**(20,468)**	**236,615**	**(751)**	**184,016**	**3,885**	**(220,604)**	**(32,703)**
EBIT	**814,464**	**61,916**	**236,615**	**780**	**1,113,775**	**(76,083)**	**(220,604)**	**817,088**
Depreciation / Amortization	7,903	51,484	1,058	10	60,455	(5,196)	-	55,259
EBITDA	822,367	113,400	237,673	790	1,174,230	(81,279)	(220,604)	872,347
Financial expenses and revenues								
Financial expenses	(193,202)	(88,807)	(98,232)	(8)	(380,249)	13,979	-	(366,270)
Debt charges	(180,421)	(74,465)	(90,258)	-	(345,144)	13,143	-	(332,001)
Currency variations	(1,531)	(7,699)	(6,890)	-	(16,120)	(396)	-	(16,516)
Others	(11,250)	(6,643)	(1,084)	(8)	(18,985)	1,232	-	(17,753)
Financial revenues	21,873	12,383	29,839	74	64,169	(1,643)	-	62,526
Revenues of financial investments	21,138	5,543	28,280	75	55,036	(1,612)	-	53,424
Others	735	6,840	1,559	(1)	9,133	(31)	-	9,102
	(171,329)	**(76,424)**	**(68,393)**	**66**	**(316,080)**	**12,336**	**-**	**(303,744)**
Pretax income	**643,135**	**(14,508)**	**168,222**	**846**	**797,695**	**(63,747)**	**(220,604)**	**513,344**
Current income and social contribution taxes	(86,870)	(5,552)	-	(194)	(92,616)	1,409	-	(91,207)
Deferred income and social contribution taxes	(18,249)	10,603	-	-	(7,646)	10,612	-	2,966
	(105,119)	**5,051**	**-**	**(194)**	**(100,262)**	**12,021**	**-**	**(88,241)**
Consolidated net profit	**538,016**	**(9,457)**	**168,222**	**652**	**697,433**	**(51,726)**	**(220,604)**	**425,103**
Interest of non-controlling	-	-	-	-	-	-	(257,976)	(257,976)
Alupar net profit	**538,016**	**(9,457)**	**168,222**	**652**	**697,433**	**(51,726)**	**(478,580)**	**167,127**
Operating assets	**5,628,657**	**3,469,061**	**14,909**	**675**	**9,113,302**	**(911,484)**	**(635)**	**8,201,183**
Operating liabilities	**249,489**	**337,647**	**12,728**	**976**	**600,840**	**(18,098)**	**(28,405)**	**554,337**

Reconciliation of income statement segregated by activity with the consolidated income statement for the nine-month period ended September 30, 2015 is as follows:

	Nine months ended 9/30/2015					Total eliminations	Total consolidated
	Subtotal	Eliminations					
		Transmission	Generation	Holding	Others		
Gross operating revenue	**1,390,754**	**(136,733)**	**(23,418)**	**-**	**(9,684)**	**(169,835)**	**1,220,919**
Power transmission revenue	105,780	(25,354)	-	-	-	(25,354)	80,426
Infrastructure revenue	82,882	(38,412)	-	-	-	(38,412)	44,470
Remuneration of concession financial asset	881,932	(72,967)	-	-	-	(72,967)	808,965
Power supply	310,476	-	(23,418)	-	-	(23,418)	287,058
Counsulting and advisory in regulatory area	99	-	-	-	(99)	(99)	-
Operation and maintenance services	9,585	-	-	-	(9,585)	(9,585)	-
Deduction from gross operating revenue	**(107,617)**	**7,611**	**-**	**-**	**-**	**7,611**	**(100,006)**
Net operating revenue	**1,283,137**	**(129,122)**	**(23,418)**	**-**	**(9,684)**	**(162,224)**	**1,120,913**
Cost of service							
Cost with electric power							
Purchased power for resale	(96,945)	-	-	-	23,418	23,418	(73,527)
Charges for the use of eletric network- CUST	(19,704)	-	-	-	-	-	(19,704)
Financial compensation for the use of hydric resources - CFURH	(9,176)	-	-	-	-	-	(9,176)
Cost of operation							
Costs of services rendered	(88,502)	5,571	9,684	-	-	15,255	(73,247)
Infrastructure cost	(82,882)	38,412	-	-	-	38,412	(44,470)
Depreciation / Amortization	(56,169)	5,171	-	-	-	5,171	(50,998)
	(353,378)	**49,154**	**9,684**	**-**	**23,418**	**82,256**	**(271,122)**
Gross profit	**929,759**	**(79,968)**	**(13,734)**	**-**	**13,734**	**(79,968)**	**849,791**
Operating expenses and revenues							
General and administrative	(79,388)	3,878	7	-	-	3,885	(75,503)
Share of profit of equity-method investees	256,888	-	-	(220,604)	-	(220,604)	36,284
Other revenues	6,701	-	-	-	-	-	6,701
Other expenses	(185)	-	-	-	-	-	(185)
	184,016	**3,878**	**7**	**(220,604)**	**-**	**(216,719)**	**(32,703)**
EBIT	**1,113,775**	**(76,090)**	**(13,727)**	**(220,604)**	**13,734**	**(296,687)**	**817,088**
Depreciation / Amortization	**60,455**	(5,196)	-	-	-	(5,196)	55,259
EBITDA	1,174,230	(81,286)	(13,727)	(220,604)	13,734	(301,883)	872,347
Financial expenses and revenues							
Financial expenses	(380,249)	13,979	-	-	-	13,979	(366,270)
Debt charges	(345,144)	13,143	-	-	-	13,143	(332,001)
Currency variations	(16,120)	(396)	-	-	-	(396)	(16,516)
Others	(18,985)	1,232	-	-	-	1,232	(17,753)
Financial revenues	64,169	(1,643)	-	-	-	(1,643)	62,526
Revenues of financial investments	55,036	(1,612)	-	-	-	(1,612)	53,424
Others	9,133	(31)	-	-	-	(31)	9,102
	(316,080)	**12,336**	**-**	**-**	**-**	**12,336**	**(303,744)**
Pretax income	**797,695**	**(63,754)**	**(13,727)**	**(220,604)**	**13,734**	**(284,351)**	**513,344**
Current income and social contribution taxes	(92,616)	1,409	-	-	-	1,409	(91,207)
Deferred income and social contribution taxes	(7,646)	10,612	-	-	-	10,612	2,966
	(100,262)	**12,021**	**-**	**-**	**-**	**12,021**	**(88,241)**
Consolidated net profit	**697,433**	**(51,733)**	**(13,727)**	**(220,604)**	**13,734**	**(272,330)**	**425,103**
Interest of non-controlling	-	(253,399)	(327)	(4,250)	-	(257,976)	(257,976)
Alupar net profit	**697,433**	**(305,132)**	**(14,054)**	**(224,854)**	**13,734**	**(530,306)**	**167,127**
Operating assets	**9,113,302**	**(911,484)**	**-**	**(5)**	**(630)**	**(912,119)**	**8,201,183**
Operating liabilities	**600,840**	**(18,098)**	**(27,770)**	**(5)**	**(630)**	**(46,503)**	**554,337**

Segment assets at September 30, 2015 include "trade accounts receivable" amounting to R$ 193,804, "concession financial assets" amounting to R$ 4,551,142, "inventories" amounting to R$ 28,253 and "fixed assets" amounting to R$ 3,427,984.

Segment liabilities at September 30, 2015, which are managed by the Group, include "loans and financing" amounting to R$ 1,874,648, "debentures" amounting to R$ 2,674,054, "income and social contribution taxes payable" amounting to R$ 72,176 "dividends payable" amounting to R$ 26,401, "provision for contingencies" amounting to R$ 4,405, "advance for future capital increase" amounting to R$ 405, and "deferred income and social contribution taxes" amounting to R$ 405,390.

37. Employee benefits

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

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

	Consolidated			
	Three months ended		Nine months ended	
	9/30/2016	9/30/2015	9/30/2016	9/30/2015
Health care and transportation voucher	1,354	1,337	4,260	3,902
Private pension plan (*)	279	52	883	409
Education	90	37	176	110
Meal allowance	839	763	2,763	2,160
Others	290	310	812	839
Total	**2,852**	**2,499**	**8,894**	**7,420**

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

38. Insurance

Insurance effective at September 30, 2016 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
EDV's (***)	12/15/2014	12/31/2016	5,000	142
Ferreira Gomes Energia S.A.	10/31/2015	11/3/2016	37,500 (*)	374 (*)
Foz do Rio Claro Energia S.A.	10/31/2015	11/3/2016	37,500 (*)	374 (*)
Grupo TBE (**)	12/31/2015	12/31/2016	5,000	50
Ijuí Energia S.A.	10/31/2015	11/3/2016	37,500 (*)	374 (*)
Transchile Charrúa Transmisión S.A.	5/31/2016	5/31/2017	USD 10,000	USD 22
Usina Paulista Lavrinhas de Energia S.A.	10/31/2015	11/3/2016	37,500 (*)	374 (*)
Usina Paulista Queluz de Energia S.A.	10/31/2015	11/3/2016	37,500 (*)	374 (*)

(*) The guaranteed amount of R $ 37,500 and the total premium in the amount of R $ 374 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		
EDV's (*)	12/31/2014	12/31/2016	150,349	204

(*) 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.	11/3/2015	11/3/2016	972,658 (*)	1.734 (*)
Companhia Transirapé de Transmissão	5/24/2016	5/24/2017	31,747	40
Companhia Transleste de Transmissão	12/17/2015	12/17/2016	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.	11/3/2015	11/3/2016	972,658 (*)	1.734 (*)
Grupo TBE (**)	12/31/2015	12/31/2016	289,915	253
Ijuí Energia S.A.	11/3/2015	11/3/2016	972,658 (*)	1.734 (*)
Sistema de Transmissão Nordeste S.A. (II)	3/16/2016	3/16/2017	3,372	60
Transmissora Matogrossense de Energia S.A.	7/4/2016	7/4/2017	117,060	145
Usina Paulista Lavrinhas de Energia S.A.	11/3/2015	11/3/2016	972,658 (*)	1.734 (*)
Usina Paulista Queluz de Energia S.A.	11/3/2015	11/3/2016	972,658 (*)	1.734 (*)
EDV's (***)	12/15/2014	12/31/2016	143,299	111

(*) The guaranteed amount of R$ 972,658 and the total premium in the amount of R $ 1,734 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.

Misscellaneous risks

Insurer	Effective term		Secured amount	Total premium
	of	Up to		
La Virgen S.A.C.	10/24/2014	12/29/2016	USD 118,000	USD 630
EATE	12/31/2015	12/31/2016	208	2
Usina Paulista Lavrinhas de Energia S.A.	9/10/2016	9/10/2017	290	2

Comprehensive - Company

Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Grupo TBE (*)	6/16/2016	5/16/2017	9,720	7

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

Vehicles

Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Alupar Investimento S.A.	6/19/2016	6/19/2017	100% tabela FIPE	7
Foz do Rio Claro Energia S.A.	6/19/2016	6/19/2017	100% tabela FIPE	6
Grupo TBE (*)	12/31/2015	12/31/2016	560,000	93
Ijuí Energia S.A.	6/19/2016	6/19/2017	100% tabela FIPE	5
Sistema de Transmissão Nordeste S.A. (I)	3/1/2016	3/1/2017	100% tabela FIPE	3
Sistema de Transmissão Nordeste S.A. (II)	4/27/2016	4/27/2017	100% tabela FIPE	31
Sistema de Transmissão Nordeste S.A. (III)	3/7/2016	3/7/2017	100% tabela FIPE	1
Usina Paulista Lavrinhas de Energia S.A.	6/19/2016	6/19/2017	100% tabela FIPE	4
Usina Paulista Queluz de Energia S.A.	6/19/2016	6/19/2017	100% tabela FIPE	5
Ferreira Gomes Energia S.A.	6/19/2016	6/19/2017	100% tabela FIPE	35

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

Fire

Insurer	Effective term		Secured amount	Total premium
	of	Up to		
Grupo TBE (*)	12/31/2015	12/31/2016	5,000	55

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

39. Subsequent events

Advances for future capital contributions

Advances for future capital contributions made by the Company after the nine-month period ended September 30, 2016 are as follows:

Subsidiaries	Date	Amount
Agua Limpa S.A.	10/6/2016	95
Empresa Litorânea de Transmissão de Energia S.A.	10/6/2016	110
Agua Limpa S.A.	10/11/2016	95
Empresa Transmissora Capixaba S.A.	10/11/2016	50
AF Energia S.A.	11/3/2016	600
		950

Venda da Transchile

See note 10

Payment of Dividends

The Company's Management decided that the residual portion of dividends declared at the Company's Annual and Extraordinary Shareholders' Meeting held on April 20, 2016, in the amount of seventy-four million, nine hundred and eighty-eight (R $ 74,988,216.00) Thousand, two hundred and sixteen reais), will be paid on November 14, 2016.

Shareholders who were registered in the Company's records at the end of April 20, 2016, as per Notice to Shareholders of April 20, 2016, will be entitled to receive these dividends, pursuant to the caput of article 2015 of Law 6404 of December 14, December 1975, as amended.

Officers' Statement on the Financial Statements

São Paulo, November 11, 2016

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 Interim financial information – "ITR" for the nine-month period ended September 30, 2016.

_____

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 11, 2016

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, 2016.

_____

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