



1Q19 EARNINGS RELEASE

São Paulo, May 14, 2018.

QUARTER HIGHLIGHTS AND SUBSEQUENT EVENTS

- **On March 21st**, Cemig GT and Light Energia S.A. signed a Purchase and Sale Agreement referring to the purchase of shares issued by Renova and owned by CG I Fundo de Investimento em Participações and certain related parties.
- **On March 21st**, approved transactions to reprofile debts with related parties and Financial Institutions totaling around R\$1.4 billion.
- **On March 21st**, accepted new binding proposal from AES Tietê to purchase the Alto Sertão III wind farm.
- **On April 9th**, signed a Purchase and Sale Agreement for the sale, to AES, of shares representing all the share capital of the special-purpose companies that represent Alto Sertão III Wind Farm and certain wind farm projects under development. (Subsequent Event)
- **On April 12th**, the Company signed the 12th amendment to the financing contract between the BNDES and the indirectly-controlled Diamantina Eólica (Diamantina Wind Farm), changing the maturity date of the single-tranche amortization to May 15, 2019. (Subsequent Event)
- **On April 25th**, BNDESPar exercised its tag along right to sell all its interest in Renova. (Subsequent Event)
- Main Highlights of 1Q19 Results: Net Operating Revenue of R\$61 million, negative EBITDA of R\$59.8 million, negative Adjusted EBITDA of R\$18.8 million and Net Loss of R\$182.3 million.

¹ To calculate the market capitalization the total number of shares of Renova is divided by three (due to its trading in Units – one common share and two preferred shares) and multiplied by the price of the security RNEW11 on the date in question.

EARNINGS CONFERENCE CALL

May 14, 2019
4 p.m. (BRT) and 3 p.m. (EDT)

Conference Code: Renova Energia
Connection: Brazil: +55 11 2188 0155
Replay +55 11 2188 0400
USA: + 1 646 843 6054

Presentation slides and audio will be available at: <http://ri.renovaenergia.com.br>

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DATA ON MAY 19, 2019

RNEW11 = R\$30.44/Unit

MARKET CAP¹

RNEW11 = R\$423.3 million

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1. ABOUT RENOVA ENERGIA

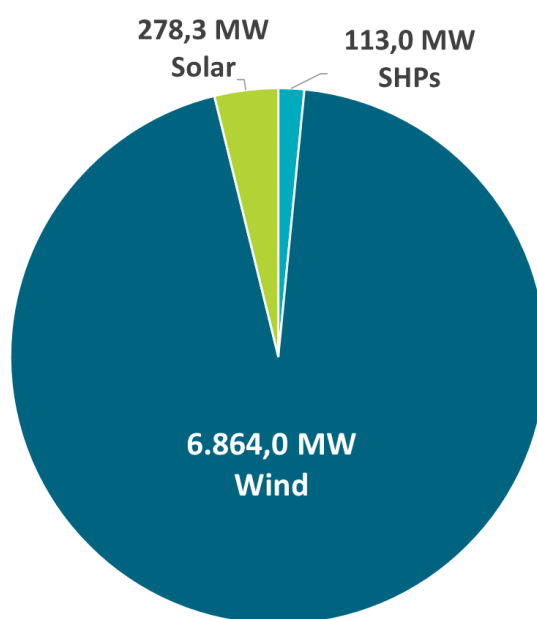
Renova Energia S.A. ('the Company' or 'Renova') is a company producing electric power from renewable sources, focused on wind and solar generation and small hydroelectric plants. Its key differential is that it operates throughout the value chain – from prospecting and development to construction and operation of renewable energy generation projects. In its 17 years of activity, Renova has invested to build a highly qualified multidisciplinary team of professionals with vast experience in the sector.

2. PORTFOLIO OF PROJECTS

In development

Projects at development stage are those that are in the phase of leasing of properties, licensing, environmental impact studies and measurement of wind and solar radiation levels, with no commitment to any power purchase agreement (PPA) yet made.

Project portfolio under development (Estimated MW)



The Portfolio above is estimated, since the effective potential will depend on topographical and vegetation characteristics of the contracted area, in addition to the Micrositing project, in which the layout of the plant, type of machine, manufacturer will be defined.

Under Implementation

After hiring PPAs, the projects move to the implementation phase until they become operational.

Currently, Renova is implementing the Alto Sertão III wind farm with 437.4MW of installed capacity (Alto Sertão III Phase A - 389.4 MW, Hybrid Project (Wind Farm) - 43.2 MW, Hybrid Project (Sun Power) - 4.8 MW, without PPA), which, when operational, will meet Free and Regulated Market contracts.

If the sale of Alto Sertão III to AES is completed, the Company will no longer have any projects under implementation.

¹Contract partially suspended from January to December 2019.

²Contract will be assigned to Engie as of July 2019, within the scope of the Umburanas sale transaction.

³Considers 51% of the shareholding that Renova has in Brasil PCH.

⁴The LER 2013, LER 2014 and Light I contracts are part of the negotiation with AES.

In operation

Today, Renova has 3 Small Hydroelectric Plants ('SHPs') in operation, of Espra (installed capacity 41.8 MW), and owns 51% of the SHPs of Brasil PCH ('BrPCH') (installed capacity 148.4 MW).

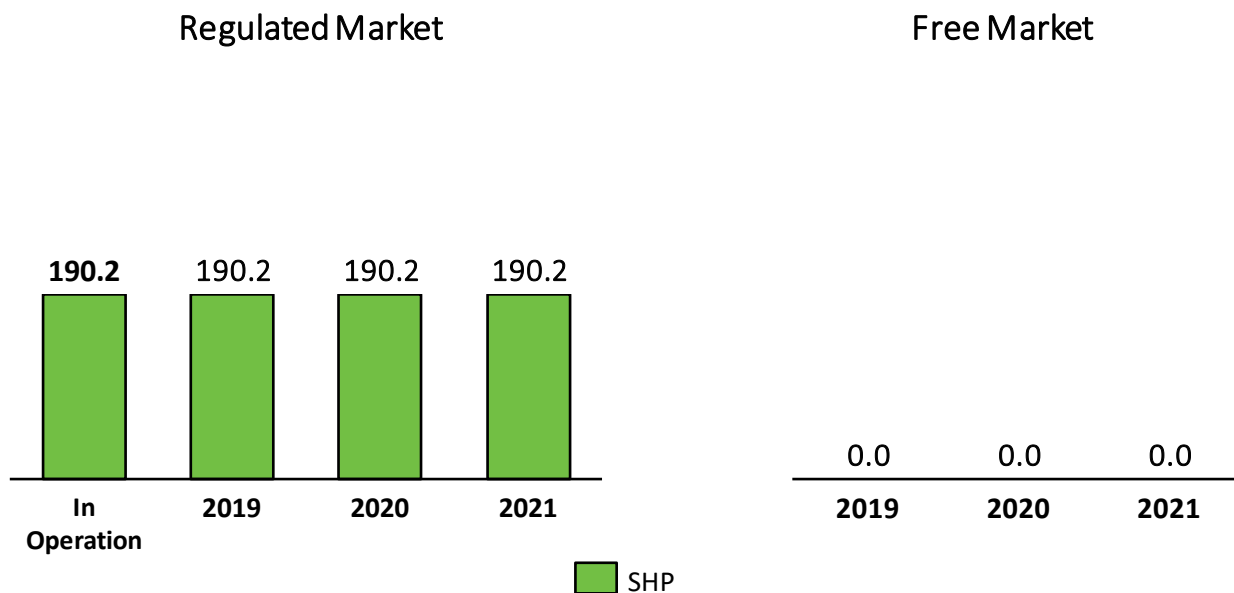
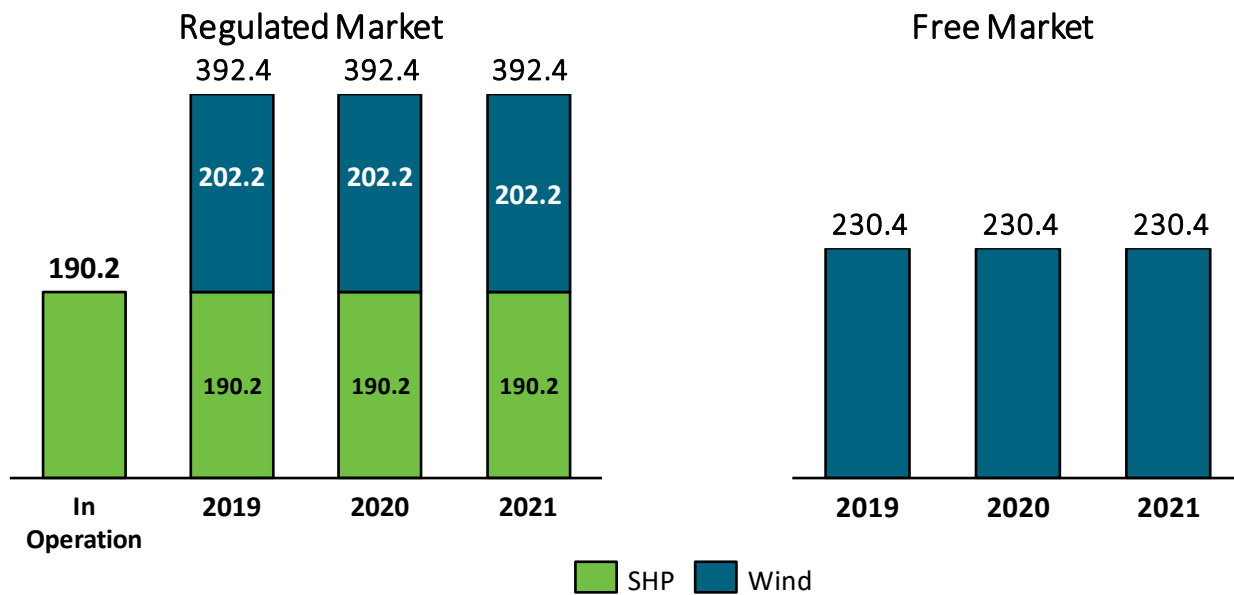
Installed and contracted capacity

Font	Complex	Contract	Number of wind farms	Installed Capacity (MW)	Energy Sold (MWm)	Start of PPA
Wind	AS-III	LER2013	9	159,0	74,8	Sep-15
		Light I	14	230,4	100,2	Sep-15/Jan-16
			21	389,4	183,2	-
	Hybrid	LER2014	3	43,2	20,6	Oct-17
	Comercializadora	Light II	-		100,2	Sep-16/Jan-20
		Free Market I	-		11,0	Jan-16
		Free Market II ¹	-		50,0	Jan-17
		Free Market III ¹	-		15,0	Sep-15
			-		176,2	-
	Total Wind		24	432,6	380,0	
SHP	Espra	Proinfa	3	41,8	18,8	2008
	BrPCH ²	Proinfa	13	148,4	95,8	2008/2009
	Total SHP		16	190,2	114,6	
Solar	Hybrid	Decontracted	1	4,8		-
	Total Solar		1	4,8		
Total			41	627,6	494,6	

¹ The contract will be assigned to Engie in July 2019, as part of the Umburanas sale transaction.

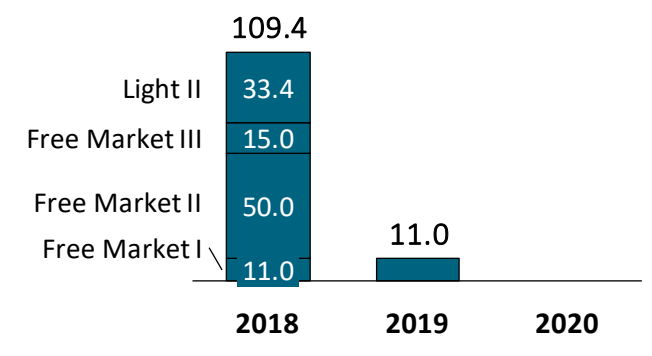
² Figure representing the 51% equity that Renova holds in Brasil PCH.

Installed Capacity (MW), by contracting environment



Contracted Energy not backed by generation (MW_{average})

PowerTrader



3. MESSAGE FROM THE MANAGEMENT

In line with the global solution that has been discussed to equate its capital structure and honor its commitments, Renova approved, on March 21, the equation and extension of debts and the acceptance of AES's binding proposal for the sale of the complex Alto Sertão III wind farm, as follows:

- i. Debt Equalization - the Company approved operations to equate and extend its debts with related parties and financial institutions totaling around R\$1.4 billion.
- ii. Sale of Alto Sertão III - the Company approved the AES binding proposal to purchase AS3. The transaction is still subject to a satisfactory negotiation of final documents between the parties involved, which should include, among other provisions, the compliance with previous conditions and obtaining the necessary approvals for its conclusion. The proceeds from the sale will be allocated to equalize all project liabilities, including the bridge loan with BNDES. On April 9th, the company signed a sale agreement for the project and is currently concluding the transaction, in compliance with the precedent conditions and contractual obligations.

In addition, its controlling shareholders approved the execution of the Stock Purchase Agreement for the acquisition of up to 7,282,036 shares issued by Renova, of which 6,637,878 are common and 644,158 preferred, registered and without par value, all of which are owned by CG I Fundo Investments in Shares and certain related parties, subject to the fulfillment of certain conditions precedent. In addition, they approved, subject to the definitive acquisition of the shares of the CG I, the realization by Cemig GT and Light Energia of a public offering for the acquisition of the outstanding shares issued by Renova, at a date to be announced in a timely manner. Renova shareholders equal treatment to that conferred on CG I.

Following the above plan, the Company has been making better efforts to execute it, focusing on the conclusion of the sale of Alto Sertão III and the renegotiation of its debts as follows: (i) portion of the debt with Banco BTG in the amount of R \$ 172 million has already been negotiated and signed; (ii) in relation to the debt with Citibank, the company has already received the binding proposal and is in the process of negotiating the reprofiling agreement; and (iii) debts with related parties will be restructured through the issuance of debentures, whose coordinating bank will be the BTG and whose registration will occur within the next 60 days.

Upon completion of these operations, the Company will have a new structure, with its debt equated and elongated, no committed investment or regulatory pending, and will be constituted by operating SHP assets with a total of 190.2 MW of installed capacity and a portfolio of renewable projects under development of approximately 6.8 GW. From then on, the controlling shareholders must present a business plan for portfolio development, which will eventually lead to the need for new resources.

Summary of results for the quarter

At the end of the first quarter of 2019, excluding liabilities directly related to assets held for sale, Renova's consolidated gross debt totaled R\$426.8 million, liabilities with related parties totaled R\$902 million, liabilities with suppliers totaled R\$47 million and other liabilities totaled R\$205 million, resulting in a total liability of R\$1.4 billion; of this total, R\$1.04 billion are due in the short term.

The balances related to Alto Sertão III wind farm and certain wind farm projects under development are listed in the accounts of assets classified as held for sale and liabilities directly related to assets held for sale, given the Company's negotiation to sell them in the short term. The gross debt of these projects totaled R\$990 million and the liabilities with suppliers and other accounts payable totaled R\$294 million.

Net Operating Revenue in the first quarter of 2019 was R\$61 million, down 64.8% over 1Q 2018. It should be noted that the Company's Net Operating Revenue in 1Q19 comes mainly from the Energy Trader, i.e., the energy sales agreements with wind farms not yet in operation, which implies higher costs with the purchase of energy for resale. EBITDA totaled a negative R\$59.8 million, while Adjusted EBITDA totaled a negative R\$18.8 million in the quarter. Lastly, the loss in the quarter was of R\$182.3 million. The Company's negative result was mainly due to the costs of energy purchase for resale and financial expenses.

4. HIGHLIGHTS IN DETAIL

4.1. Approval of the Change in Shareholding Structure and Company Control

Cemig GT and Light Energia S.A. signed a Share Purchase Agreement, on March 21, 2019, referring to the purchase, in proportion to its current interest in Renova, of up to 7,282,036 shares issued by Renova: 6,637,878 common shares and 644,158 preferred shares, registered and without par value, all owned by CG I Fundo de Investimento em Participações and certain related parties. Among the shares to be purchased from CG I are the shares currently linked to Renova Shareholders' Agreement.

4.2. Approval of Transactions to Reprofile Debts with Related Parties and Financial Institutions.

Approval, on March 21, of the (i) reprofiling of the Company's debts with related parties - R\$768 million held by Cemig GT and R\$253 million held by Light Comercializadora de Energia S.A. ("LightCom") - on the base date of March 2019, through the following instruments, in proportion to the balance of their debts:

- a) Debt securities issued by the Company in the amount of approximately R\$298 million, base date of May 2019, with a term of 6 years, one-year grace period and interest of 155% of CDI, with real guarantee and personal guarantee.
- b) Debt securities issued by the Company in the amount of approximately R\$723 million, base date of May 2019, with a term of 6 years for bullet payment and interest of 155% of CDI, with real guarantee.

And (ii) debt reprofiling with CitiBank and BTG Pactual, totaling around R\$176 million and R\$179 million.

On May 3, 2019, debt renegotiation instruments were signed as shown below:

- a) Banco Citibank S.A. - Proposed debt reprofiling for a Bank Credit Note of up to R\$185,000, signed between Citibank and Renova Energia, updated at 155% p.a. of CDI, with a total term of 6 years, with a grace period of one year. The amortization of the principal and the payment of interest will be quarterly.
- b) Banco BTG Pactual S.A. - Celebration of the 2nd and 1st amendments to the private instruments of transaction and debt confession, CD 8/17 and 14/17, respectively, totaling R\$172 million, which establish the following conditions and guarantees: the debt will be paid in 20 equal and consecutive quarterly installments, after the grace period of one year as of the date of signature of this asset. The principal is subject to interest of 155% p.a. of CDI, which will be paid during the entire term of the debt in quarterly installments, without any grace period.

The above Transactions (except with BTG) are under negotiation and are still subject to satisfactory negotiation of the final documents between the parties.

4.3. Sale and Purchase Agreement Signed for the Sale of Alto Sertão III wind farm

On March 21, 2019, the Company's Board of Directors accepted the new binding proposal submitted by AES TIETÊ ENERGIA S.A. to purchase the shares representing the entire share capital of the special-purpose companies that represent Alto Sertão III Wind Farm.

4.4. Acceptance of the Binding Proposal from AES Tietê to Purchase the Alto Sertão III Wind Farm.

On April 9th, signed a Purchase and Sale Agreement for the sale, to AES Tietê, of Alto Sertão III Wind Farm and certain wind farm projects under development.

The Transaction includes the sale of the Alto Sertão III wind farm, subdivided in Phase A, with installed capacity of 438MW, for R\$350 million, and Phase B, with 305 MW of capacity to be installed, for R\$90 million, and a purchase option of up to 1.1 GW of wind farm projects under development, for up to R\$76 million. The

Transaction is still subject to a possible increase, as an earn-out, if the performance of the Phase A winds exceeds the reference number used in the negotiation.

The Transaction provides for the settlement of debts with the project's creditors, and AES Tietê will assume the financial debt estimated at R\$900 million, mostly with BNDES. The conclusion of the Transaction will also be subject to the compliance with certain precedent conditions, common to this type of transaction.

4.5. Extension of the Bridge Loan of Alto Sertão III Complex

On January 12, 2019 the Company signed the 12th amendment to the financing contract between the BNDES and the indirectly-controlled Diamantina Eólica (Diamantina Wind Farm), changing the maturity date of the single-tranche amortization to May 15, 2019. The Company is negotiating the extension of the maturity of this agreement.

5. CONSOLIDATED INCOME STATEMENT

Renova Energia S.A.			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Gross Operating Revenue	66,443	190,429	-65.1%
(-) Taxes - Pis, Cofins and ICMS	(5,481)	(17,027)	-67.8%
Net Operating Revenue (ROL)	60,962	173,402	-64.8%
Non-Manageable Costs	(188)	(207)	-9.2%
Manageable Costs	(44,201)	(205,883)	-78.5%
Depreciation	(2,393)	(2,422)	-1.2%
Gross Profit	14,180	(35,110)	n.a.
Administrative Expenses	(106,229)	(31,920)	232.8%
Administrative Depreciation	(889)	(406)	119.0%
Impairments of Fixed Assets	-	-	n.a.
Financial Revenues/Expenses	(107,989)	(68,346)	58.0%
Earnings from Equity Income	29,819	25,389	17.4%
Amortization of Goodwill	(9,075)	(9,075)	n.a.
Income Tax and Social Contribution Tax	(2,103)	(1,075)	95.6%
Net Loss	(182,286)	(120,543)	51.2%

The Company's net loss increased by 51.2% mainly due to (i) the decrease in operating revenues, (ii) the increase in administrative expenses (plus the suspension and assignment of the energy purchase and sale agreement to Cemig and Light) and (iii) the increase in financial expenses (affected by the increase in interest on transactions with related parties and interest on bank loans).

5.1. Consolidated Net Operational Revenue

Renova reports Net operational revenue of R\$60.9 million for 1Q19.

Renova Energia S.A.			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Net Revenue – SHPs	11,544	10,111	14.2%
Net Revenue - Power Trading	49,418	163,291	-69.7%
Net Operating Revenue (ROL)	60,962	173,402	-64.8%

The 64.8% decrease in the net revenue for 1Q19 is due to the suspension of the energy trading agreements with Cemig and Light.

5.2. Consolidated Costs

Costs of production of electricity are separated into manageable, and non-manageable, costs.

Non-manageable costs:(i) the tariff for use of the distribution system (TUSD) – for the use of the distribution system of Coelba (concession holder to which the small hydro plants of ESPRA are connected), and the tariff for use of the transmission system (TUST), for the transmission system; and (ii) ANEEL's inspection charge.

In 1Q19, non-manageable costs totaled R\$188,000, down 9.2%.

Manageable costs: (i) operation and maintenance activities of wind farms and SHPs, and (ii) purchase of power supply.

Renova Energia S.A.			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Third Party Services	628	1,097	-42.8%
Rents and Leases	-	314	-100.0%
Insurance	98	60	-11.7%
Material for Use and Consumption	2893	52	88.5%
Power for Resale	42,773	203,793	-79.0%
Renegotiation of Hydrological Risk	554	487	13.8%
Others	95	80	18.8%

Total (*)	44,201	205,883	-78.5%
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In 1Q19, manageable costs totaled R\$44.2 million, up 78.5% year-over-year, mainly due to the purchase of Energy for Resale, which decreased by 161 million in 1Q19 due to the suspension of the Light I and Cemig I contracts and the assignment of other contracts to Cemig and Light in March.

Excluding costs with power purchase for resale, manageable costs would total R\$1.3 million in the quarter, down 36.2% over 1Q18.

5.3. Consolidated Administrative Expenses

Administrative expenses in 1Q19 totaled R\$106.2 million, up 74.1 million over 1Q18. Considering only SG&A, there was a decrease by R\$3.6 million (-23.2%) in the quarter.

Renova Energia S.A.			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Personnel and Management	7,705	8,057	-4.4%
Third Party Services	221	3,317	-93.3%
Rents and Leases	412	385	7.0%
Travels	894	373	139.7%
Insurance	1,655	2,244	-26.2%
Telephony and IT	476	818	-41.8%
Material for Use and Consumption	155	164	-5.5%
Subtotal SG&A	11,518	15,358	-25.0%
Civil and labor-law legal contingencies	12,479	7,961	56.8%
Environmental Licenses and Studies	1,244	-	n.a.
Regulatory Fees	6,214	5,879	5.7%
Discontinued Projects	-	-	n.a.
Onerous contract	(11,912)	-	n.a.
ESPRA Receipt	-	-	n.a.
Reimbursement-Related Fine	16,253	3,722	336.7%
Provision for impairment of PIS/COFINS credit	(1,033)	-	n.a.
Contractual and Regulatory Penalties	-	17	n.a.
Contractual Indemnities	70,861	-	n.a.
Pardon of Debt with Supplier	-	-	n.a.

Others	605	(1,017)	n.a.
Total	106,229	31,920	232.8%

The main expenses shown in the table above are due to the following:

- **Third-Party Services:** In March 2019, a reversal of R\$4,994 was carried out regarding provisions that have no forecast of realization. Excluding reimbursements, third-party services totaled R\$5,842.
- **Civil and labor-law legal contingencies:** R\$4.5 million of provisions made, mainly related to disputes with suppliers.
- **Onerous contract:** in the fourth quarter of 2018 there was a provision related to the provision considering the projected power purchase prices and the estimated cash flows of power purchase and sale contracts and, subsequently, adjusted to present value using the CDI rate. On March 31, 2019, 11.9 million were reversed.
- **Reimbursement-Related Fine:** The increase of 12.5 million refers to the additional provision for a fine of four-year reimbursement of arrears delayed contracts LER 2013 and LER 2014
- **Provision for impairment of PIS/COFINS credit:** On December 31, 2018, the Company assessed the PIS and COFINS credits accumulated in the purchase and sale of power from the subsidiary Renova Comercializadora and identified the need to establish a provision for impairment of these credits, totaling R\$20,961, with a outflow from the result of the year, considering the uncertainty in its realization. For the quarter ended March 31, 2019, part of this provision was reversed, in the amount of R\$1,033, due to the result recorded in the period.
- **Contractual Indemnities:** Reimbursement to be paid to CEMIG GT (R\$45,987) and Light (R\$24,874), according to amendments signed with Renova Comercializadora due to the suspension and assignment of electric power purchase and sale agreements.
- **Others:** In 1Q18 there was a reversal referring to the provision that was not used, a nonsequential event in 1Q19.

5.4. Consolidated Financial Revenue (Expenses)

Renova Energia S.A.			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Financial Revenues (Expenses)	118	267	-55.8%
Income from Investments	477	378	26.2%
Other Operating Revenues (Expenses)	(359)	(111)	223.4%
Financial Expenses	(108,107)	(68,613)	57.6%
Debt Charges	(72,199)	(50,999)	41.6%
Bank Guarantees	-	-	n.a.
Other Financial Expenses	(35,908)	(17,614)	103.9%
Financial Results	(107,989)	(68,346)	58.0%

Financial revenues went 55.8% down in 1Q19 year-over-year.

Financial expenses went 57.6% up over 1Q 2018, mainly due to an increase in interest on bank loans and interest on related party transactions.

The Company's net financial result for the first quarter of 2019 was a negative R\$108 million, down 58% year-over-year, mainly due to the increase in financial expenses between the periods.

5.5. Brasil PCH

In 1Q 2019, the consolidated net revenue of Brasil PCH totaled R\$103.9 million, up 4% over 1Q 2018. This increase was mainly due to the revenue readjustment by IGPM that occurs in June of each year.

Brasil PCH (100%)			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Net Revenue	103,997	99,991	4.0%
Depreciation Cost	(8,933)	(8,629)	3.5%
Other Costs	(12,483)	(12,029)	3.8%
General and Administrative Expenses	(3,257)	(5,679)	42.6%
Reversal of Loss with an Onerous Contract	8,947	5,520	62.1%
Financial Results	(26,096)	(25,812)	1.1%
Income Tax and Social Contribution Tax	(3,704)	(3,579)	3.5%
Net Profit	58,471	49,783	17.5%

The net financial result of Brasil PCH in 1Q19 was negative by R\$26.1 million, worsening 1.1% over 1Q18.

Consolidated net income in 1Q19 was R\$58.5 million, up 17.5% over 2018, mainly due to the increase in net revenue and the reversal of loss with an onerous contract.

Renova, through Chipley, earns 51% of the profit of Brasil PCH, as shown in the table below, and reflected in Renova's result (net loss) for the period.

Renova (51% Brasil PCH)	1Q19
Equity Pick-up	29,819
Amortization of Goodwill	-9,075
Results	20,744

5.6. Income tax, Social Contribution Tax and Net Income (Loss)

Renova's revenues from generation are taxed by the Presumed Profit method of tax reporting. Under this scheme, the income tax calculation base is calculated at 8% on gross revenues from energy generation and 100% on financial income, on which the regular rates of 15% are applied, plus the additional tax of 10%, for income tax. The basis for calculation of social contribution is calculated at a rate of 12% on gross revenues from energy generation and 100% on financial income, on which the regular rate of 9% is applied.

In 1Q 2019, income tax and social contribution tax totaled R\$2.1 million, over R\$1.1 million year-over-year.

In the same period, the Company recorded a net loss of R\$182.3 million, over a net loss of R\$120.5 million (51.2% worsening) year-over-year. The 1Q18 result was mainly impacted by the decrease in operating revenue, the increase in administrative expenses, which were affected by the suspension and sale of the sale and purchase agreement, and the increase in financial expenses, which were affected by the increase in interest on transactions with related parties and interest on bank loans.

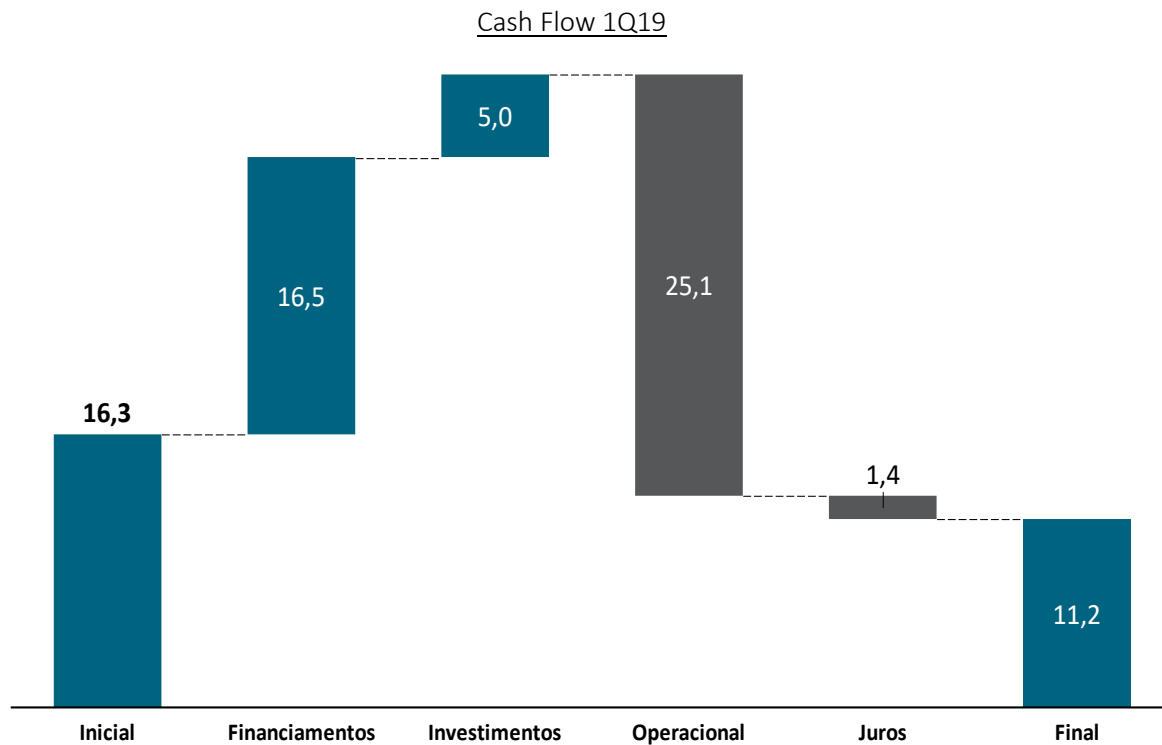
5.7. EBITDA

Renova Energia S.A.			
(Amount in R\$ thousand)	1Q19	1Q18	Var.
Net Operating Revenue (ROL)	60,962	173,402	-64.8%
Net Loss	(182,286)	(120,543)	51.2%

(+) Income Tax and Social Contribution Tax	2,103	1,075	95.6%
(+) Depreciation and Amortization	12,357	11,903	3.8%
(+) Financial Expenses	108,107	68,613	57.6%
(-) Financial Revenues (Expenses)	(118)	(267)	-55.8%
EBITDA	(59,837)	(39,219)	52.6%
<i>EBITDA Margin</i>	<i>-98.2%</i>	<i>-22.6%</i>	<i>-75.5 p.p.</i>
(+) Equity Income	(29,819)	(25,389)	17.4%
(+) Other Expenses/Revenues	70,861	17	416741.2%
Adjusted EBITDA	(18,795)	(64,591)	-70.9%

In 1Q 2019, the Company's EBITDA was negative by R\$59.8 million and adjusted EBITDA was negative by R\$18.8 million. The Company's negative EBITDA in 1Q19 was mainly due to the net loss due to the fine for suspension and assignment of power purchase and sale agreements.

6. CASH FLOW



In 1Q19, Renova's cash position decreased by R\$5.1 million over December 31, 2018. The variations are due to:

- **Operational (-):** cash invested in operational activities, of R\$43.8 million, net of payment of interest.
- **Payment of interest (-):** payment of interest on loans, financings and debentures: R\$1.4 million.
- **Financing (+):** consumption of R\$16.5 million referring to the amortization of loans and financing.
- **Investments (+):** consumption of R\$5.0 million referring to financial investments.

7. BALANCE SHEET ANALYSIS

Balço Patrimonial							
Valores em R\$ mil							
Ativo Consolidado				Passivo Consolidado			
	31/03/2019	31/12/2018	30/09/2018		31/03/2019	31/12/2018	30/09/2018
Circulante	1.744.832	1.737.707	1.970.422	Circulante	2.400.039	2.195.371	2.142.500
Caixa	11.188	14.929	15.383	Emp. e Financiamentos	365.684	348.669	335.344
Aplicações financeiras	441	13.778	34.719	Fornecedores	47.126	48.531	74.294
Cientes	9.612	8.210	37.287	Partes Relacionadas	565.097	283.472	241.639
Outros	17.273	17.022	34.020	Outros	66.044	216.284	183.952
Ativos mantidos para venda	1.706.318	1.683.768	1.849.013	Passivos diretamente ass. a ativos	1.356.088	1.298.415	1.307.271
Não Circulante	933.329	890.678	957.279	Não Circulante	536.897	509.503	492.349
Aplicações financeiras	7.675	7.864	7.771	Emp. e Financiamentos	61.196	63.587	65.417
Cauções e Depósitos	11.027	10.866	11.896	Fornecedores	-	-	-
Outros	28.628	28.805	29.195	Partes Relacionadas	337.137	337.548	378.683
Investimentos	624.491	603.747	689.881	Outros	138.564	108.368	48.249
Imobilizado	261.508	239.396	218.536	Patrimônio Líquido	-	258.775	-
				Capital Social	2.919.019	2.919.019	2.919.019
				Reserva de Capital	55.379	55.379	55.379
				Prejuízos Acumulados	-	3.050.887	-
Ativo Total	2.678.161	2.628.385	2.927.701	Passivo Total	2.678.161	2.628.385	2.927.701

Pursuant to IFRS 5/CPC 31, assets whose selloff is highly probable, with management engaged for that outcome, and with the sale likely to be completed within one year, should be classified as assets held for sale.

As of March 31, 2019, all assets/liabilities related to the Alto Sertão III wind farm and some projects under development were classified in a single line as assets/liabilities held for sale due to negotiations for the sale of assets and/or for the settlement of debts with suppliers.

7.1. Assets

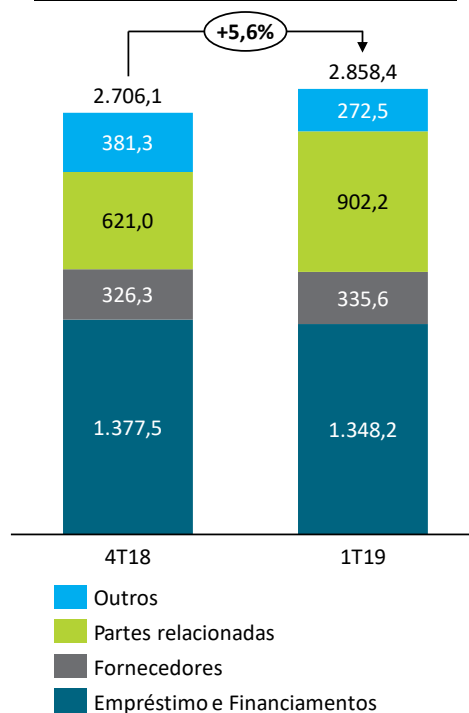
The increase of 40.8 million in the Company's assets was mainly due to the increase in property, plant & equipment under development and the increase in investments.

On March 31, 2019, cash and cash equivalents (cash + financial investments) totaled R\$11.6 million, down 40.4% over December 31, 2018.

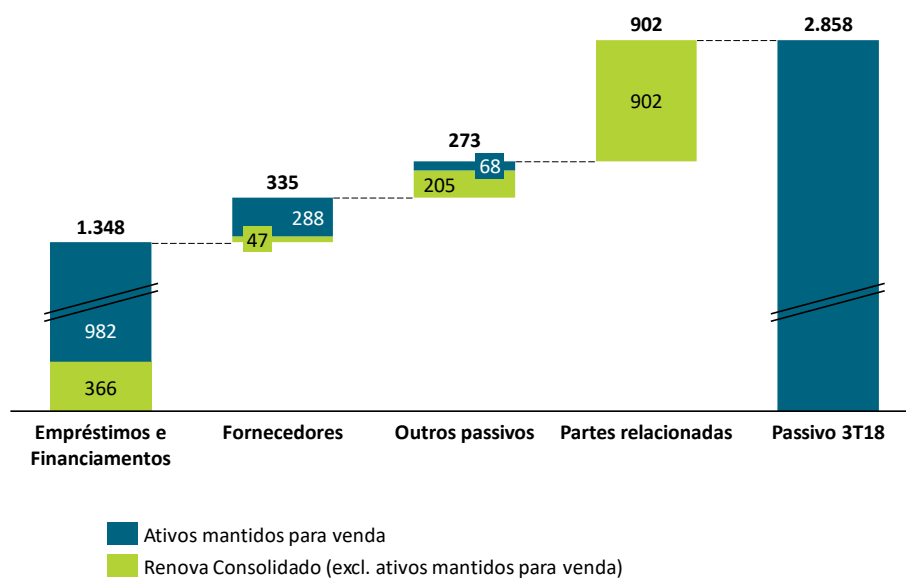
7.2. Liabilities

Liabilities increased 2.9% in 1Q19, reaching R\$2,784.1 million, mainly due to new transactions with related parties.

Progress Total Liabilities - R\$ million



Breakdown of Liabilities - R\$ million



Loans and Financing		
Contract	Rate	R\$ thousand
BNDES - Bridge I Diamantina Eólica (sub-credit "A")	TJLP + 9.00% ⁴	7,887
BNDES - Bridge I Diamantina Eólica (sub-credit "B")	TJLP + 2.5% ⁴	515,665
BNDES - Bridge I Diamantina Eólica (sub-credit "C")	TJ6 + 8.15% p.a.	436,386
BNB ¹ - ESPRA	9.5% p.a.	68,858
Finep - CEOL Itaparica	3.5% p.a.	9,671
Other Short-Term Loans	CDI + 4.5% to 7.4% p.a.	378,557
Total Indebtedness		1,348,170
Capture Cost	-	123
Indebtedness Net of Costs		1,348,047
Availabilities		30,331
Net Debt²		1,317,716

¹The financings have interest rates of 9.5% p.a. (able to be reduced to 8.08% by a 15% non-default bonus).

²Considers cash and cash equivalents plus cash investments.

³As of July 31, 2018, the rate changed from TJ6 + 8.24% p.a. to TJ6 + 8.28% p.a.

7.3. Equity

Shareholders' equity closed the quarter at R\$258.8 million, with a negative variation of R\$182.3 million over 4Q19 due to the accumulated loss during 1Q19.

7.4. Risk related to Compliance with Laws and Regulations

Since 2017, the Company is part of an investigation carried out by the Civil Police of the State of Minas Gerais related to certain contributions made by the controlling shareholders in the Company and contributions made by the Company in certain projects under development in previous years, including certain payments to suppliers. As a result, the Company's governing bodies have requested an internal investigation related to this matter, which is under development by an independent company with a notable expertise in investigative proceedings. In addition, a monitoring committee was established with an independent Board Member, the Chairman of the Fiscal Council, the Chairman of the Board of Directors and the Coordinator of the Audit Committee, who will monitor the internal investigation.

In this context, the scope of the independent internal investigation includes evaluating possible irregularities, including on the Brazilian law concerning acts of corruption and money laundering, Renova's Code of Ethics and Integrity Policies.

On April 11, 2019, during the 4th phase of the "Descarte" operation, the Federal Police, the Federal Revenue Service and the Federal Public Prosecutor's Office carried out the "E o Vento Levou" operation, which resulted

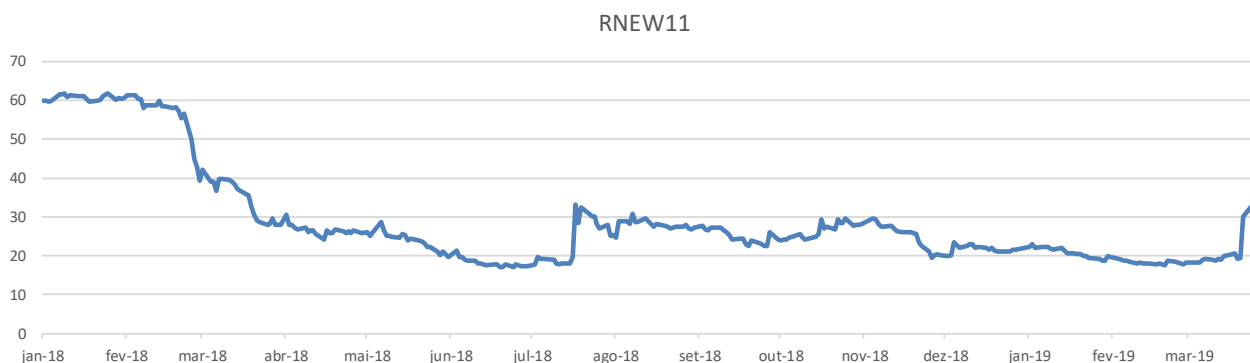
in a search and seizure warrant in the Company's head office to investigate possible overpriced contracts and contracts without the due service provision. Investigations of the "E o Vento Levou" operation have not yet been concluded and the Federal Police, the Federal Revenue Service and the Federal Public Prosecutor's Office may need more time to conclude all their investigation procedures. Accordingly, new material information may be disclosed in the future, which may lead the Company to evaluate any impacts on its individual and consolidated financial statements.

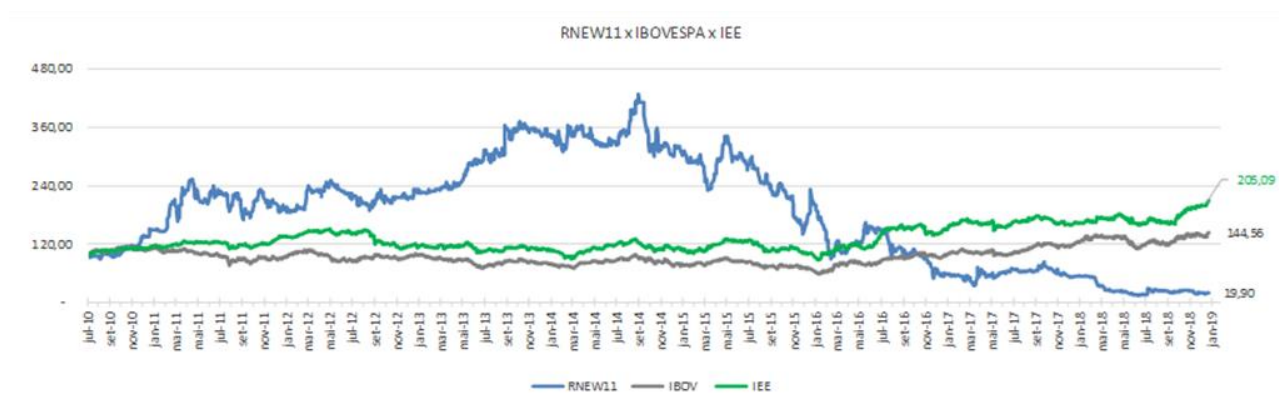
The Company, through a Notice to the Market published on April 11, 2019, clarified that this is an ongoing investigation related to the period prior to 2015, and that it will provide all the due information to assist the work of the Federal Police and the Judiciary. On April 25, 2019, the Company's governing bodies requested that the internal investigation carried out by an independent company be extended to include the new information of this investigation.

The Company clarifies that the internal investigation work has not yet been finalized and, to the best of its knowledge, despite the existence of evidence of failures in internal control procedures related to the approval of payments and maintenance of supporting documentation for certain services contracted with third parties under investigation in the context of the investigation, additional procedures are still required to determine whether there are any elements that can support or refute the claims under review. Accordingly, it is not possible at present to measure any effects of this investigation, as well as any impacts on the Company's individual and consolidated financial statements for the period ended March 31, 2019 and prior periods.

8. RNEW11 STOCK PRICE ON BM&FBOVESPA

These charts compare the stock price of RNEW11*, the Bovespa index and the Brazilian electricity index, over the last 12 months.





With the tools of the Company's website, and its constant relationship with stockholders and potential investors at public events and at events organized by investment banks, Renova's Investor Relations team seeks to operate with transparency in relation to the market, updating its investors on its positioning, projects under development, and outlook.

The Company's information and publications can be accessed on the website (www.renovaenergia.com.br), where news items of the sector that could affect the Company's business plan are also highlighted.

9. OWNERSHIP STRUCTURE

As at December 31, 2018 Renova's share capital was as follows:

RENOVA ENERGIA	Ações ON		Ações PN		Total de Ações	
Bloco de Controle	28.154.191	85,37%	99	0,00%	28.154.290	67,48%
CG I FIP MULTISTRATÉGIA	5.875.746	17,82%	-	0,00%	5.875.746	14,08%
Light Energia	7.163.074	21,72%	98	0,00%	7.163.172	17,17%
Cemig GT	15.115.371	45,83%	1	0,00%	15.115.372	36,23%
Outros Acionistas	4.826.033	14,63%	8.739.401	100,00%	13.565.434	32,52%
CG I FIP MULTISTRATÉGIA*	500.711	1,52%	121.360	1,39%	622.071	1,49%
BNDESPAR	696.683	2,11%	1.393.366	15,94%	2.090.049	5,01%
InfraBrasil	1.165.148	3,53%	2.330.295	26,66%	3.495.443	8,38%
FIP Caixa Ambiental	547.030	1,66%	1.094.059	12,52%	1.641.089	3,93%
Outros	1.916.461	5,81%	3.800.321	43,48%	5.716.782	13,70%
Total	32.980.224	100,00%	8.739.500	100,00%	41.719.724	100,00%

For calculation of market capitalization the total number of shares of Renova is divided by three (due to its trading in Units – one common share and two preferred shares) and multiplied by the price of the security RNEW11 on the date in question.

10. GLOSSARY

A–3 or A–5 Auctions	‘New-build’ auctions, to contract supply starting respectively 3 and 5 years ahead.
Alto Sertão II	15 Renova wind farms in the interior of Brazilian State of Bahia, with installed capacity of 386.1 MW, which contracted electricity sales in the Reserve Energy (LER) Auction of 2010 and the A–3 Auction of 2011.
Alto Sertão III	44 Renova wind farms in the interior of Brazilian State of Bahia, which sold supply in the 2012 (A–5) LEN Auction, in the 2013 LER auction, and in the Free Market, with total installed capacity of 736.8MW.
Alto Sertão III Phase A	24 Renova wind farms in the interior of the Brazilian State of Bahia with installed capacity of 411.0MW, which sold power supply in the 2012 (A–5) LEN auction, the 2013 LER auction, and in the Free Market.
Aneel	The Brazilian electricity regulator (Agência Nacional de Eletricidade).
CCEE	The Electricity Trading Exchange: Brazil’s Wholesale Electricity Market (Câmara de Comercialização de Energia Elétrica).
Espra	The company Energética Serra da Prata S.A., indirect subsidiary of Renova, and holder and operator of Renova’s three Small Hydroelectric Plants.
LEN	‘New-build’ auction, held to contract supply to be provided by facilities yet to be built (Leilão de Energia Nova – ‘New Electricity Auction’).
LER	‘Reserve Capacity’ auction (Leilão de Energia de Reserva – ‘Reserve Energy Auction’).
Free Market	Contracting environment in which prices for electricity supply are freely negotiated between the consumer and the generating agent or trader.
Mercado Livre I	A Renova wind farm with installed capacity of 21.6MW, in the interior of the State of Bahia, which has placed power supply in the Free Market.
Mercado Livre II	A group of eight Renova wind farms in the interior of Bahia, with installed capacity of 101.4MW, which has placed power supply in the Free Market.
Mercado Livre III	A Renova wind farm with installed capacity of 32.4MW, in the interior of Bahia State, which has placed power supply in the Free Market.
PPA	Power Purchase Agreement – contract to buy power supply.
Regulated Market	Contracting environment in which prices are laid down by the regulator, Aneel.
SHPs	Small Hydroelectric Plants (Pequenas Centrais Hidrelétricas – PCHs).
Spot Price	The Spot Market Price (Preço de Liquidação das Diferenças – ‘Differences Settlement

Price'), published weekly by the CCEE.

In compliance with Instruction 381/03 of the Brazilian Securities Commission (CVM), we report that in the period ended June 31, 2018 the external auditors, Ernst & Young Auditores Independentes ('EY'), which provide services to the Company and its subsidiaries and jointly-held subsidiary, did not carry out any services not related to the external auditing that represented more than 5% of the annually contracted fees.



Individual and Consolidated Interim Financial Information

March 31, 2019

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STATEMENTS OF FINANCIAL POSITION

March 31, 2019

In thousands of Reais

ASSETS	Note	Consolidated		Individual	
		03/31/2019	12/31/2018	03/31/2019	12/31/2018
CURRENT ASSETS					
Cash and cash equivalents	6	11,188	14,929	89	69
Short-term investments	6	441	13,778	-	-
Trade accounts receivable	7	9,612	8,210	35	18
Taxes recoverable	8	6,599	4,482	211	458
Related parties	24	-	-	1,335	1,217
Dividends receivable	10.4	9,180	9,180	10,177	10,177
Advances to suppliers		915	2,491	776	766
Other receivables		579	869	463	366
		38,514	53,939	13,086	13,071
Assets classified as held for sale	27	1,706,318	1,683,768	246,588	281,712
Total current assets		1,744,832	1,737,707	259,674	294,783
NONCURRENT ASSETS					
Short-term investments	6	7,675	7,864	7,675	7,864
Pledges and restricted deposits	9	11,027	10,866	-	-
Deferred taxes		1,481	1,773	-	-
Judicial deposits	17	21,037	20,818	21,037	20,818
Related parties	24	-	-	34	3
Other receivables		6,110	6,214	60	60
Investments	10	624,491	603,747	1,171,061	1,141,674
Property, plant and equipment	11	261,508	239,396	73,434	58,500
Total noncurrent assets		933,329	890,678	1,273,301	1,228,919
TOTAL ASSETS		2,678,161	2,628,385	1,532,975	1,523,702

See accompanying notes.

STATEMENTS OF FINANCIAL POSITION

March 31, 2019

In thousands of Reais

LIABILITIES AND EQUITY	Note	Consolidated		Individual	
		03/31/2019	12/31/2018	03/31/2019	12/31/2018
CURRENT LIABILITIES					
Trade accounts payable	12	47,126	48,531	45,044	44,673
Loans and financing	13	365,684	348,669	358,022	341,568
Taxes payable	14	14,085	5,373	7,905	3,658
Salaries, charges and vacation payable		9,761	8,625	9,761	8,625
Accounts payable - CCEE/Eletrabras	15	9,195	13,114	-	-
Lease payable	11.12	434	-	57	-
Other accounts payable	16	-	151,136	-	-
Related parties	24	565,097	283,472	-	-
Provision for contract for valuable consideration	18	31,555	37,022	-	-
Provision for social and environmental costs		1,014	1,014	-	-
		1,043,951	896,956	420,789	398,524
Liabilities directly associated with assets held for sale	27	1,356,088	1,298,415	43,000	43,000
Total current liabilities		2,400,039	2,195,371	463,789	441,524
NONCURRENT LIABILITIES					
Loans and financing	13	61,196	63,587	-	-
Accounts payable - CCEE/Eletrabras	15	20,664	20,664	-	-
Lease payable	11.12	24,058	-	15,825	-
Related parties	24	337,137	337,548	598,119	527,981
Provision for investment loss	10	-	-	620,248	549,427
Provision for civil, tax and labor contingencies	17	93,842	81,259	93,769	81,259
Provision for contract for valuable consideration	18	-	6,445	-	-
Total noncurrent liabilities		536,897	509,503	1,327,961	1,158,667
EQUITY					
Capital	19	2,960,776	2,960,776	2,960,776	2,960,776
(-) Share issue costs		(41,757)	(41,757)	(41,757)	(41,757)
Capital reserves		55,379	55,379	55,379	55,379
Accumulated losses		(3,233,173)	(3,050,887)	(3,233,173)	(3,050,887)
Total equity		(258,775)	(76,489)	(258,775)	(76,489)
TOTAL LIABILITIES AND EQUITY					
		2,678,161	2,628,385	1,532,975	1,523,702

See accompanying notes.

STATEMENTS OF PROFIT OR LOSS

March 31, 2019

In thousands of Reais

	Note	Consolidated		Individual	
		03/31/2019	03/31/2018	03/31/2019	03/31/2018
NET REVENUE	20	60,962	173,402	-	-
COST OF SERVICES					
Electric power purchase costs		(42,773)	(203,793)	-	-
Operating costs		(1,428)	(2,090)	-	-
Depreciation and amortization		(2,393)	(2,422)	(972)	(1,036)
Charges on use of distribution system		(188)	(207)	-	-
Total	21	(46,782)	(208,512)	(972)	(1,036)
GROSS PROFIT (LOSS)		14,180	(35,110)	(972)	(1,036)
INCOME (EXPENSES)					
General and administrative		(24,339)	(23,396)	(19,342)	(14,968)
Depreciation and amortization		(889)	(406)	(854)	(406)
Other income (expenses), net		(81,890)	(8,524)	(329)	581
Total	21	(107,118)	(32,326)	(20,525)	(14,793)
Equity pickup	10.3	20,744	16,314	(132,046)	(91,918)
LOSS BEFORE FINANCE INCOME (COSTS) AND TAXES		(72,194)	(51,122)	(153,543)	(107,747)
FINANCE INCOME (COSTS)					
Finance income		118	267	101	142
Finance costs		(108,107)	(68,613)	(28,844)	(12,938)
Total	22	(107,989)	(68,346)	(28,743)	(12,796)
LOSS BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES		(180,183)	(119,468)	(182,286)	(120,543)
Income and social contribution taxes - current		(1,970)	(1,050)	-	-
Income and social contribution taxes – deferred		(133)	(25)	-	-
Total	23	(2,103)	(1,075)	-	-
LOSS FOR THE PERIOD		(182,286)	(120,543)	(182,286)	(120,543)
Basic and diluted loss per share (in Reais - R\$)	26			(4.37)	(2.89)

See accompanying notes.

STATEMENTS OF COMPREHENSIVE INCOME

March 31, 2019

In thousands of Reais

	Note	Consolidated		Individual	
		03/31/2019	03/31/2018	03/31/2019	03/31/2018
Loss for the period		(182,286)	(120,543)	(182,286)	(120,543)
Other comprehensive income (loss)		-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		(182,286)	(120,543)	(182,286)	(120,543)

See accompanying notes.

STATEMENTS OF CHANGES IN EQUITY

March 31, 2019

In thousands of Reais

	Capital		Capital reserves			Total equity
	Paid-in	Share issue costs	Reserve for employees' benefits settled with equity instruments	Goodwill	Accumulated losses	- Individual and Consolidated
BALANCES AT DECEMBER 31, 2017	2,960,776	(41,757)	55,378	1	(2,194,590)	779,808
Loss for the period	-	-	-	-	(120,543)	(120,543)
BALANCES AT MARCH 31, 2018	<u>2,960,776</u>	<u>(41,757)</u>	<u>55,378</u>	<u>1</u>	<u>(2,315,133)</u>	<u>659,265</u>
BALANCES AT DECEMBER 31, 2018	2,960,776	(41,757)	55,378	1	(3,050,887)	(76,489)
Loss for the period	-	-	-	-	(182,286)	(182,286)
BALANCES AT MARCH 31, 2019	<u>2,960,776</u>	<u>(41,757)</u>	<u>55,378</u>	<u>1</u>	<u>(3,233,173)</u>	<u>(258,775)</u>

See accompanying notes.

STATEMENTS OF CASH FLOWS

March 31, 2019

In thousands of Reais

	Note	Consolidated		Individual	
		03/31/2019	03/31/2018	03/31/2019	03/31/2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss for the period		(182,286)	(120,543)	(182,286)	(120,543)
Adjustments to reconcile loss for the period to cash used in operating activities:					
Depreciation	11, 21	3,282	2,828	1,826	1,442
Interest on short-term investments and pledges	22	(477)	(378)	(60)	(58)
Interest (net) on related parties	22, 24	21,465	9,107	9,312	5,064
Interest on accounts payable		11,864	6,294	282	(428)
Charges on loans, financing and debentures	13.4, 22	60,830	43,838	16,454	6,990
Allocation of loans and financing costs	13.4	6	7	-	-
Restatement and provision (reversal) - CCEE/Eletrabras	15.1	(549)	474	-	-
Fine on reimbursement	15.1, 21	16,253	3,722	-	-
Deferred taxes		292	56	-	-
Restatement and provision for civil, tax and labor contingencies	17	12,694	7,901	12,587	7,901
Reversal of/provision for contract for valuable consideration	18	(11,912)	-	-	-
Equity pickup	10.3	(20,744)	(16,314)	132,046	91,918
(Increase) decrease in operating assets:					
Trade accounts receivable		(1,402)	8,068	(17)	(8)
Judicial deposits		(220)	(932)	(219)	(277)
Taxes recoverable		(1,876)	(4,607)	247	419
Advances to suppliers		1,548	(2,903)	(10)	47
Other receivables		101	850	(97)	125
Increase (decrease) in operating liabilities:					
Trade accounts payable		(3,991)	(1,610)	(2,369)	(850)
Taxes payable		8,521	54	2,384	(1,636)
Salaries and vacation payable		354	1,606	354	1,606
Accounts payable - CCEE/Eletrabras	15.1	(9,157)	(4,683)	-	-
Related parties		70,860	68,053	-	-
Payment of income and social contribution taxes		(516)	(373)	-	-
Payment of interest on loans and financing	13.4	(1,433)	(1,598)	-	-
Payment of contingencies	17	(77)	(33)	(77)	(33)
Dividends received	10.4	-	5,100	-	0
Net cash (used in) from operating activities		(26,570)	3,984	(9,643)	(8,321)
CASH FLOWS FROM INVESTING ACTIVITIES					
Short-term investments		13,842	311	249	168
Acquisition of property, plant and equipment		(8,860)	(4,450)	(960)	(2,158)
Related parties		-	-	(53,687)	(25,822)
Net cash from (used in) investing activities		4,982	(4,139)	(54,398)	(27,812)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of loans and financing	13.4	(20,329)	(2,220)	-	-
Payment of lease liabilities		(919)	-	(900)	-
Related parties		(37,753)	-	64,961	36,121
Net cash from (used in) financing activities		16,505	(2,220)	64,061	36,121
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(5,083)	(2,375)	20	(12)
Cash and cash equivalents at beginning of period	6	16,310	24,750	69	342
Cash and cash equivalents at end of period	6	11,227	22,375	89	330
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(5,083)	(2,375)	20	(12)

See accompanying notes.

(*) Cash and cash equivalents at end of period includes the cash and cash equivalents balance of SPEs of ASIII.

STATEMENTS OF VALUE ADDED

March 31, 2019

In thousands of Reais

	Note	Consolidated		Individual	
		03/31/2019	03/31/2018	03/31/2019	03/31/2018
REVENUES					
Sale of electric power	20	66,443	190,429	-	-
Other revenues		819	1,516	819	1,516
INPUTS ACQUIRED FROM THIRD PARTIES					
Costs of services and goods sold		(44,505)	(206,089)	-	-
Materials, electricity, third-party services and other expenses		(98,013)	(23,503)	(16,332)	(10,572)
Gross value added		(75,256)	(37,647)	(15,513)	(9,056)
Depreciation	11, 21	(3,282)	(2,828)	(1,826)	(1,442)
NET VALUE ADDED PRODUCED		(78,538)	(40,475)	(17,339)	(10,498)
VALUE ADDED RECEIVED IN TRANSFER					
Equity pickup	10.3	20,744	16314	(132,046)	-91918
Finance income		635	478	104	142
TOTAL VALUE ADDED TO BE DISTRIBUTED		(57,159)	(23,683)	(149,281)	(102,274)
DISTRIBUTION OF VALUE ADDED					
Personnel:					
Payroll and related charges		3,953	4,413	911	1,432
Management fees	24.4	2,011	1,964	2,011	1,964
Benefits		1,069	1,291	414	682
Unemployment Compensation Fund (FGTS)		369	485	194	253
Taxes, charges and contributions:					
Federal		9,184	19,670	531	735
Debt remuneration:					
Interest		101,133	66,891	25,497	11,707
Rentals		443	435	201	277
Other		6,965	1,711	3,346	1,219
Loss for the period		(182,286)	(120,543)	(182,286)	(120,543)
TOTAL VALUE ADDED DISTRIBUTED		(57,159)	(23,683)	(149,281)	(102,274)

See accompanying notes.

NOTES TO INTERIM FINANCIAL INFORMATION

March 31, 2019

In thousands of Reais

1. Operations

Renova Energia S.A. (“Renova”, the “Company” or “Parent Company”), is a publicly-held company enrolled with Brazilian IRS Registry of Legal Entities (CNPJ) under No. 08.534.605/0001-74, with shares traded on B3 S.A. – Brasil, Bolsa, Balcão (“B3”) under the Corporate Governance Level 2. Headquartered at Av. Roque Petroni Júnior, 850, 14º andar, Torre Jaceru, Jardim das Acácias, city and state of São Paulo, the Company is primarily engaged in the development, implementation and operation of projects for generation of electric power from renewable sources – wind, small hydroelectric plants (SHPs) and solar plants, and in the sale of power and related activities. The Company’s corporate purposes are the generation and sale of all types of power, production of fuel from natural and renewable sources, provision of logistics support services to companies or environmental advisory companies, provision of advisory services for power solutions relating to the generation, sale, transmission and other businesses involving alternative power sources, provision of engineering, construction and logistics services, and development of studies and projects related to power generation plants of all types and systems, as well as the implementation, operation, maintenance and development, manufacturing and sale of parts and equipment for power generation, transmission and distribution, operation in the electric power generation market through solar power generation equipment, including, but not limited to, sale of solar power and equipment for generation, transmission and distribution of solar power, processing of polysilicon, ingots, wafers, cells, panels, modules and inverters, sale, lease, rental or other type for provision of power generation assets, and investment in other companies.

As at March 31, 2019, the Company holds equity interests in the following direct and indirect subsidiaries, which are in the operating and preoperating stages and under construction (“Renova Group”):

SHP	Consolidation	% Ownership interest			
		03/31/2019		12/31/2018	
		Direct	Indirect	Direct	Indirect
Enerbras Centrais Elétricas S.A. (Holding)	(a) Full	100,00	-	100,00	-
Energética Serra da Prata S.A.	(b) Full in Enerbras	-	99,99	-	99,99
Renova PCH LTDA.	(c) Full	99,99	-	99,99	-
Chipley SP Participações S.A. (Holding)	(d) Full	99,99	-	99,99	-

Wind Farm	Consolidation	% Ownership interest			
		03/31/2019		12/31/2018	
		Direct	Indirect	Direct	Indirect
Alto Sertão Participações S.A. (Holding)*	(e) Full	99,99	-	99,99	-
Diamantina Eólica Participações S.A. (Holding)*	(e) Full in Alto Sertão	-	99,99	-	99,99
Centrais Eólicas Abil S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Acácia S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Angico S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Folha da Serra S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Jabuticaba S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Jacarandá do Serrado S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Taboquinha S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Tabua S.A. *	(f) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Vaqueta S.A. *	(f) Full in Diamantina	-	99,99	-	99,99

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Wind Farm	Consolidation	% Ownership interest			
		03/31/2019		12/31/2018	
		Direct	Indirect	Direct	Indirect
Centrais Eólicas São Salvador S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Unha d'Anta S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Cedro S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Vellozia S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Angelim S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Facheiro S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Sabiu S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Barbatimão S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Juazeiro S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Jataí S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Imburana Macho S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Amescla S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Umbuzeiro S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Pau d'Água S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Manineiro S.A.*	(g) Full in Diamantina	-	99,99	-	99,99
Centrais Eólicas Botuquara S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Anísio Teixeira S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Cabeça de Frade S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Canjoão S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Carrancudo S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Conquista S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Coxilha Alta S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Ipê Amarelo S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Jequitiba S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Macambira S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Tamboril S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Tingui S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Alcacuz S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Calíandra S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Cansanção S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Embiruçu S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Ico S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Imburana de Cabão S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Lençóis S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Putumaju S.A.*	(h) Full	99,99	-	99,99	-
Centrais Elétricas Itaparica S.A.*	(h) Full	99,99	-	99,99	-
Centrais Eólicas Itapua VII LTDA.*	(i) Full	99,99	-	99,99	-
Centrais Eólicas Itapua XX LTDA.	(h) Full	99,99	-	99,99	-
Centrais Eólicas Bela Vista XIV S.A.	(e) Full	99,99	-	99,99	-
Ventos de São Cristóvão Energias Renováveis S.A.	(h) Full in Bela Vista XIV	-	99,99	-	99,99
Centrais Eólicas Itapua XV LTDA.	(h) Full	99,99	-	99,99	-
Parque Eólico Iansã LTDA	(h) Full	99,99	-	99,99	-

UFV (Photovoltaic Plant)	Consolidation	% Ownership interest			
		03/31/2019		12/31/2018	
		Direct	Indirect	Direct	Indirect
Centrais Eólicas Itapua IV LTDA.	(h) Full	99,99	-	99,99	-
Centrais Eólicas Itapua V LTDA.	(h) Full	99,99	-	99,99	-

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		% Ownership interest			
		03/31/2019		12/31/2018	
Sale	Consolidation	Direct	Indirect	Direct	Indirect
Renova Comercializadora de Energia S.A.	(j) Full	100,00	-	100,00	-

		% Ownership interest			
		03/31/2019		12/31/2018	
Holding	Consolidation	Direct	Indirect	Direct	Indirect
Renovapar S.A.	(k) Full	100,00	-	100,00	-
Espra Holding S.A.	(k) Full	99,99	-	99,99	-
Bahia Holding S.A.	(k) Full	99,99	-	99,99	-
CMNPAR Fifty Four Participações S.A.	(k) Full	99,99	-	99,99	-

		% Ownership interest			
		03/31/2019		12/31/2018	
SHP	Shared control not consolidated	Direct	Indirect	Direct	Indirect
Brasil PCH S.A.	(l) Indirectly by Chipley	-	51,00	-	51,00

(*) Companies that are part of Alto Sertão III Wind Farm Complex classified as held for sale.

- Enerbras Centrais Elétricas S.A. (“Enerbras”), a direct subsidiary, is a privately-held company, headquartered in the State of Bahia, exclusively engaged in holding equity interest in Energética Serra da Prata S.A. (“Espra”).
- Espra, an indirect subsidiary, is a privately-held company, exclusively engaged in the generation and sale of electric power from Serra da Prata Hydroelectric Complex, which are comprised of SHPs Cachoeira da Lixa, Colino I and Colino II, located in the State of Bahia. Under an authorization regime, 100% of its production is sold to Centrais Elétricas Brasileiras (“Eletrobras”), in the context of the Alternative Electric Power Source Incentive Program (“PROINFA”), and started operating in 2008.
- Renova PCH Ltda. (“Renova PCH”), a direct subsidiary, is mainly engaged in the construction, implementation, operation, maintenance and generation of water source power and is in its preoperating phase.
- Chipley SP Participações S.A. (“Chipley”) is a privately-held company, mainly engaged in holding equity interests in other businesses, as partner or shareholder, which may include participating in consortia, and operating, directly or indirectly, as the case may be, electric power services, encompassing generation systems and other related services.
- Privately-held companies, headquartered in the states of São Paulo and Bahia, which are mainly engaged in holding equity interests in other companies that operate, directly or indirectly, in wind power generation.
- Privately-held companies that are mainly engaged in the design, implementation, development and operation of a specific wind farm, located in the State of Bahia. Under an authorization regime, 100% of its production is contracted with the Electric Energy Trade Chamber (CCEE), in the context of the Reserve Auction – 2013 (“LER 2013”). The wind farms are under implementation, see Note 1.1.
- Direct and indirect subsidiaries whose purpose is to project, implement, operate and exploit wind farms, located in the state of Bahia. Subject to an authorization regime, all production will be sold in the free market. The wind farms are under implementation phase.
- Direct subsidiaries which are mainly engaged in the construction, implementation, operation, maintenance and generation of wind power. These companies are under implementation phase.

- (i) Direct subsidiaries, whose purpose is to project, implement, operate and exploit electric power generation plants from wind farms and solar power, located in the state of Bahia. Under an authorization regime, 100% of its production is contracted with CCEE, in the context of the Reserve Auction - 2014 (“LER 2014”).
- (j) Renova Comercializadora de Energia S.A. (“Renova Comercializadora”), a direct, wholly-owned subsidiary mainly engaged in the sale of all types of electric power.
- (k) Directs subsidiaries, mainly engaged in holding equity interests in other companies that operate, directly or indirectly, in the generation and sale of power of all types.
- (l) Brasil PCH S.A. (“Brasil SHP”) is a privately-held company, mainly engaged in holding equity interests in other businesses, as a partner or shareholder, which may include conducting activities related to the management, construction, planning, operation, maintenance and development of renewable electric power generation projects through SHPs.

1.1 Commercial operation of wind farms under LER 2013 and LER 2014

The Reserve Energy contracts establish that the wind farms should enter commercial operations on September 1, 2015 (LER 2013) and October 1, 2017 (LER 2014), nevertheless, both are delayed. Under the contract terms, effective payment of the fixed revenue is conditioned to the startup of commercial operation of the wind farms, with the financial resources associated to this payment to be withheld at CONER (reserve energy account), whose amounts are considered when calculating the differences between generated and contracted power (see Note 15). These wind farms are part of the Alto Sertão III Wind Farm Complex, whose disposal is being negotiated with AES, according to Note 1.2.1.

1.2 Disposal of assets

1.2.1 Alto Sertão III Wind Farm Complex

On April 9, 2019, the Company entered into an agreement with AES for the sale of shares representing the total capital of the companies that make up the Alto Sertão III Wind Farm Complex, according to a Material Fact Release published on that same date (See Note 30.1).

Accordingly, the Company management concluded that the classification of assets and liabilities relating to Alto Sertão III as of March 31, 2018, remains adequate, see Note 27.2.

1.2.2 Alto Sertão II Wind Farm Complex (LER 2010 and LER 2011 (A-3))

On August 3, 2017, the Company concluded the sale to AES Tietê Energia S.A. (“AES”) of all shares of Nova Energia, which holds, through Renova Eólica Participações S.A., Alto Sertão II Wind Farm Complex. The transaction base value was R\$600,000 adjusted for certain changes in working capital and net debt of Alto Sertão II Wind Farm Complex, and may be increased by up to R\$100,000 as earn out, contingent on the Wind Farm performance, calculated after a 5-year period from the operation closing date.

AES Tietê set up guarantees in the total amount of R\$90,109 (R\$88,783 at December 31, 2018) restated at 98.36% of the Interbank Deposit Certificate (CDI), which may be paid to the Company, as follows:

<u>Guarantee</u>	<u>03/31/2019</u>	<u>12/31/2018</u>
Litigation	32,913	32,428
Earn-Out	54,789	53,983
Indemnification - general	2,407	2,372
Total	90,109	88,783

On September 18, 2018, part of the balance of the restricted accounts was used to pay the agreement made with supplier Mammoet Wind Serviços em Energia Eólica Ltda., in the amount of R\$50,000.

On March 2019, Consórcio MGT filed an action to recover the arbitration award, in the amount of R\$34,103, already covered by the guarantees mentioned in the table above. In addition, as regards the arbitration with this supplier, there are still pending decisions for which the Company maintains a provision of R\$31,165, of which R\$15,048 were recognized in the Company's statement of profit or loss in 2018, and R\$16,117 in March 2019.

In addition to the contingency mentioned in the previous paragraph, the Company also has a provision of R\$8,441 referring to a civil claim for damages to a third-party property in connection with Alto Sertão II Wind Complex.

Going concern

As at March 31, 2019, the Company incurred loss of R\$182,286, has accumulated losses of R\$3,233,173, as well as consolidated current liabilities in excess of consolidated current assets in the amount of R\$655,207 and negative equity (capital deficiency) of R\$258,775. In addition, the Company needs to raise funds to comply with its commitments, including the construction of wind farms and solar power plants.

Main reasons for this scenario are: i) the losses in the purchase and sale of power from subsidiary Renova Comercializadora, amounting to R\$52,619 to comply with the commitments made on the energy purchase and sale contracts; and ii) finance expenses in the amount of R\$107,989, which is mainly impacted by the recognition of interest related to loans and financing, trade accounts payable, transactions with related parties, and existing accumulated losses.

In view of this scenario, the Company has been carrying out actions for the purpose of rebalancing its liquidity and cash generating structure, as following:

- (1) Suspension of wind power supply of incentivized contracted wind energy from June to December 2018 and for the year 2019, under the wind power purchase and sale contracts made with CEMIG GT and LIGHTCOM, reducing the need for cash in short term (Note 24.3).
- (2) Obtaining shareholders' funds as advances, under the energy purchase contract, amounting to R\$37,752 on March 31, 2019 (R\$300,152 on December 31, 2018) (Note 24.3).

Also, on March 21, 2019, the Board of Directors approved a financial structuring plan which, among other actions, provides:

- (1) The rescheduling of amounts due to related parties Cemig GT and LIGHTCOM through the following instruments, proportionally to the balance of its debts:
 - a) Debt notes issued by the Company projected to May 2019, amounting approximately R\$298,000 with a 6-year term, one-year grace period and interest of 155% of the CDI rate, with personal guarantee.

- b) Debt notes issued by the Company projected to March 2019, amounting approximately R\$723,000 with a 6-year term for bullet payment and interest of 155% of the CDI rate, with security interest.
- (2) Short-term debts rescheduling with CitiBank and BTG Pactual (Note 13) according to the proposal and addendums negotiated by the parties on May 2019 (Note 30.3).
- (3) The negotiation for the sale of Alto Sertão III Wind Farm Complex, for which the Company entered into a share purchase and sale agreement on April 9, 2019 (Note 30.1).

Based on the facts and circumstances as at this date, management assessed the Company's ability to continue as a going concern and understands that with the successful implementation of the above-mentioned measures, the support from its shareholders and the dividend flow of its investees are sufficient to the continuity of its operations in the future. In addition, management is not aware of any material uncertainty, other than those mentioned above, that may cast significant doubt as to its ability to continue as a going concern. Thus, this interim financial information has been prepared under the going-concern assumption.

2. Significant accounting policies

2.1 Statement of compliance

The consolidated Interim Financial Information, identified as "Consolidated", has been prepared in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB). The presentation of this information is in accordance with the rules issued by the Brazilian Securities and Exchange Commission ("CVM") applicable to the preparation of Quarterly Information (ITR).

The individual Interim Financial Information, identified as "Individual", has been prepared in accordance with CPC 21 (R1).

This Interim Financial Information has been prepared under the following principles, practices and criteria that are consistent with those adopted to prepare the Annual Financial Statements as at December 31, 2018, except for the new accounting policy determined by CPC 06 (R2)/IFRS 16 – Leases, which replaces CPC 06 (R1)/IAS 17 – Leases and the corresponding interpretations.

CPC 06 (R2)/IFRS 16 came into force on January 1, 2019, and the Company adopted its rules using the prospective method, as provided for in CPC 23 - Accounting policies, changes in accounting estimates and errors. Thus, these Interim Financial Information must be read in conjunction with the aforementioned Financial Statements approved by the Company's Board of Directors on March 27, 2019.

Management hereby represents that all relevant information inherent in the interim financial information, and only such information, is evidenced and correspond to that used by management in managing the Company.

2.2 Approval of interim financial information

The interim financial information, stated in thousands of reais and rounded to the nearest thousand, unless otherwise stated, was approved for filing with the CVM by the Board of Directors on May 13, 2019.

2.3 New standards, interpretations and amendments to standards

IFRS 16 (CPC 06-R2) - Leases (replaces CPC 06 (R1)/IAS 17 and ICPC 03)

CPC 06 (R2)/IFRS 16 – Leases replaces CPC 06 (R1)/IAS 17 – Leases and corresponding interpretations. This standard established the principles for recognition, measurement, presentation and disclosure of leases, requiring lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under CPC 06 (R1), i.e. to recognize assets representing the right of use (leased PPE) and liabilities for all lease contracts, unless the contract term is less than twelve months or the underlying asset has no significant value. Lessors will continue to segregate leases into operating and finance. CPC 06 (R2)/IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17.

The company and its subsidiaries adopted CPC 06 (R2) retrospectively with cumulative effect as of January 1, 2019, using the practical expedients for lease contracts whose (i) term ends within 12 months from the date of first-time adoption (short term), and the (ii) underlying asset is of low value, such as mobile phones and printers. The adoption of CPC 06 (R2) resulted in an increase in assets, by recognizing the right to use leased assets (leased PPE) and the respective increase in liabilities, as shown in the following reconciliation:

Impacts of first-time adoption	Land
Payment of minimum lease for contracts	100,659
Discount rate impact	(59,243)
Exclusion of low value and short-term lease	(1,285)
Right-of-use asset	40,131
Lease liability	40,131
Contract average term (years)	8

Such contracts will be remeasured upon their respective contractual adjustments.

Additionally, expenses related to operating leases are recognized through the amortization expense of the right to use the assets and interest expenses are recognized on lease liabilities. Finally, the company and its subsidiaries do not expect impacts on their ability to comply with contractual covenants. Below are the impacts for the quarter ended March 31, 2019 on profit or loss (considering the identified contracts mentioned above and disregarding the potential effects of costs subject to capitalization of the infrastructure under construction):

Impacts on the statement of profit or loss	31/03/2019
Depreciation and amortization expenses	(600)
Operating lease expense included in third-party services and other operating income and expenses	(412)
P&L (Gross profit)	(1,012)
Finance costs	(1,372)
Total – impact on net costs	(2,384)

In relation to cash flow, the impact was a net increase in cash from operating activities and a decrease in financing activities by R\$919, since amortization of the portion of the principal of lease liabilities was classified as financing activities. There were no changes in interest paid, which continued as operating income (expenses).

2.4 Basis of consolidation and investments in subsidiaries

The interim financial information of the subsidiaries mentioned in Note 1 was consolidated. All transactions, balances, revenues and expenses between the Renova Group companies are fully eliminated in the interim financial information. Sold operating assets are consolidated in P&L until the date of their disposal.

The accounting criteria adopted in the calculation of the subsidiaries' information were applied uniformly. The main consolidation practices adopted were the following:

- elimination of asset and liability balances between consolidated companies;
- elimination of holdings in capital, reserves and profits (losses) accumulated from the consolidated companies;
- elimination of revenue and expense balances arising from business between companies.

3. Effective authorizations

3.1 Regulated market (ACR)

				Authorization	Installed production
<u>SHP</u>	<u>Ref. Contract</u>	<u>ANEEL Resolution</u>	<u>Resolution date</u>	<u>term</u>	<u>capacity*</u>
Cachoeira da Lixa	PROINFA	697	12/24/2003	30 years	14,80 MW
Colino 2	PROINFA	695	12/24/2003	30 years	16,00 MW
Colino 1	PROINFA	703	12/24/2003	30 years	11,00 MW
<u>Wind Farm</u>					
Centrais Eólicas Abil S.A. ⁽¹⁾	LER 05/2013	109	03/19/2014	35 years	23,70 MW
Centrais Eólicas Acácia S.A. ⁽¹⁾	LER 05/2013	123	03/24/2014	35 years	16,20 MW
Centrais Eólicas Angico S.A. ⁽¹⁾	LER 05/2013	111	03/19/2014	35 years	8,10 MW
Centrais Eólicas Folha da Serra S.A. ⁽¹⁾	LER 05/2013	115	03/19/2014	35 years	21,00 MW
Centrais Eólicas Jabuticaba S.A. ⁽¹⁾	LER 05/2013	113	03/19/2014	35 years	9,00 MW
Centrais Eólicas Jacaranda do Serrado S.A. ⁽¹⁾	LER 05/2013	116	03/19/2014	35 years	21,00 MW
Centrais Eólicas Taboquinha S.A. ⁽¹⁾	LER 05/2013	114	03/19/2014	35 years	21,60 MW
Centrais Eólicas Tabua S.A. ⁽¹⁾	LER 05/2013	110	03/19/2014	35 years	15,00 MW
Centrais Eólicas Vaqueta S.A. ⁽¹⁾	LER 05/2013	132	03/28/2014	35 years	23,40 MW
Centrais Eólicas Itapuã VII Ltda. (EOL Mulungu) ⁽¹⁾	LER 08/2014	241	06/01/2015	35 years	13,50 MW
Centrais Eólicas Itapuã VII Ltda. (EOL Quina) ⁽¹⁾	LER 08/2014	242	06/01/2015	35 years	10,80 MW
Centrais Eólicas Itapuã VII Ltda. (EOL Pau Santo) ⁽¹⁾	LER 08/2014	285	06/25/2015	35 years	18,90 MW

Note (a): companies that are part of Alto Sertão III Wind Farm Complex classified as assets held for sale.

(*) Information not reviewed by the independent auditors.

3.2 Free-trading market (ACL)

<u>Wind Farm</u>	<u>Ref. Contract</u>	<u>ANEEL Resolution</u>	<u>Resolution date</u>	<u>Authorization term</u>	<u>Installed production capacity*</u>
Centrais Eólicas Amescla S.A. ⁽¹⁾	ACL (Light I)	5099	03/26/2015	30 years	13,50 MW
Centrais Eólicas Angelim S.A. ⁽¹⁾	ACL (Light I)	5092	03/26/2015	30 years	21,60 MW
Centrais Eólicas Barbatimão S.A. ⁽¹⁾	ACL (Light I)	5093	03/26/2015	30 years	16,20 MW
Centrais Eólicas Facheiro S.A. ⁽¹⁾	ACL (Light I)	5098	03/26/2015	30 years	16,50 MW
Centrais Eólicas Imburana Macho S.A. ⁽¹⁾	ACL (Light I)	5085	03/26/2015	30 years	16,20 MW
Centrais Eólicas Jataí S.A. ⁽¹⁾	ACL (Light I)	5081	03/26/2015	30 years	16,20 MW
Centrais Eólicas Juazeiro S.A. ⁽¹⁾	ACL (Light I)	5088	03/26/2015	30 years	18,90 MW
Centrais Eólicas Sabiu S.A. ⁽¹⁾	ACL (Light I)	5084	03/26/2015	30 years	13,50 MW
Centrais Eólicas Umbuzeiro S.A. ⁽¹⁾	ACL (Light I)	5091	03/26/2015	30 years	18,90 MW
Centrais Eólicas Vellozia S.A. ⁽¹⁾	ACL (Light I)	5087	03/26/2015	30 years	16,50 MW
Centrais Eólicas Cedro S.A. ⁽¹⁾	ACL (Light I)	5496	10/01/2015	30 years	12,00 MW
Centrais Eólicas Manineiro S.A. ⁽¹⁾	ACL (Light I)	5125	04/01/2015	30 years	14,40 MW
Centrais Eólicas Pau D'Água S.A. ⁽¹⁾	ACL (Light I)	5126	04/01/2015	30 years	18,00 MW
Centrais Eólicas São Salvador S.A. ⁽¹⁾	ACL (Light I)	162	05/22/2013	35 years	18,90 MW
Centrais Eólicas Anísio Teixeira S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5094	03/26/2015	30 years	13,50 MW
Centrais Eólicas Cabeça de Frade S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5090	03/26/2015	30 years	5,70 MW
Centrais Eólicas Botuquara Ltda. ⁽¹⁾	ACL (Light II) ⁽²⁾	5101	03/26/2015	30 years	21,60 MW
Centrais Eólicas Canjoão S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5086	03/26/2015	30 years	6,00 MW
Centrais Eólicas Carrancudo S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5089	03/26/2015	30 years	18,90 MW
Centrais Eólicas Conquista Ltda. ⁽¹⁾	ACL (Light II) ⁽²⁾	5102	03/26/2015	30 years	24,30 MW
Centrais Eólicas Coxilha Alta Ltda. ⁽¹⁾	ACL (Light II) ⁽²⁾	5170	04/27/2015	30 years	19,20 MW
Centrais Eólicas Ipê Amarelo S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5097	03/26/2015	30 years	18,00 MW
Centrais Eólicas Jequitibá S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5100	03/26/2015	30 years	8,10 MW
Centrais Eólicas Macambira S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5083	03/26/2015	30 years	21,60 MW
Centrais Eólicas Tamboril S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5095	03/26/2015	30 years	27,00 MW
Centrais Eólicas Tingui S.A. ⁽¹⁾	ACL (Light II) ⁽²⁾	5082	03/26/2015	30 years	18,90 MW
Centrais Eólicas Alcaçuz S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5118	04/01/2015	30 years	18,90 MW
Centrais Eólicas Calíandra S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5119	04/01/2015	30 years	5,40 MW
Centrais Eólicas Embiruçu S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5121	04/01/2015	30 years	6,00 MW
Centrais Eólicas Ico S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5122	04/01/2015	30 years	10,80 MW
Centrais Eólicas Imburana de Cabão S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5123	04/01/2015	30 years	20,10 MW
Centrais Eólicas Lençóis Ltda. ⁽¹⁾	ACL (Mercado livre II)(2)	5171	04/27/2015	30 years	10,80 MW
Centrais Eólicas Putumaju S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5127	04/01/2015	30 years	14,70 MW
Centrais Eólicas Cansanção S.A. ⁽¹⁾	ACL (Mercado livre II)(2)	5120	04/01/2015	30 years	14,70 MW

Note (a): companies that are part of Alto Sertão III Wind Farm Complex classified as assets held for sale.

Note (2): contracts assigned to Engie Brasil Energia S.A. ("Engie") from July 2019.

(*) Information not reviewed by the independent auditors.

4. Electric power sale

4.1 Regulated market (ACR)

Group Companies	Ref. Contract	Buyer	Amounts				Term			
			Original contract amount	Annual electric power contracted (MWh)	Historical price MWh (R\$)	Restated price MWh (R\$)	Beginning	End	Restatement index	Adjustment month
SHP										
Cachoeira da Lixa	PROINFA	Eletrobras	168,009	65,174	121,35	266,28	May-08	Apr-28	IGP-M	June
Colino 1	PROINFA	Eletrobras	149,297	57,903	121,35	266,28	Sep-08	Aug-28	IGP-M	June
Colino 2	PROINFA	Eletrobras	213,370	41,084	121,35	266,28	Jul-08	Jun-28	IGP-M	June
Wind power generation										
Centrais Eólicas Abil S.A. ⁽¹⁾	LER 05/2013	CCEE	202,880	96,360	105,20	143,11	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Acácia S.A. ⁽¹⁾	LER 05/2013	CCEE	137,544	60,444	113,70	154,68	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Angico S.A. ⁽¹⁾	LER 05/2013	CCEE	76,101	34,164	111,30	151,41	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Folha da Serra S.A. ⁽¹⁾	LER 05/2013	CCEE	176,183	84,972	103,60	140,94	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Jabuticaba S.A. ⁽¹⁾	LER 05/2013	CCEE	82,350	39,420	104,38	142,00	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Jacaranda do Serrado S.A. ⁽¹⁾	LER 05/2013	CCEE	173,200	83,220	103,99	141,47	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Taboquinha S.A. ⁽¹⁾	LER 05/2013	CCEE	187,680	88,476	105,99	144,19	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Tabua S.A. ⁽¹⁾	LER 05/2013	CCEE	135,964	64,824	104,80	142,57	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Vaqueta S.A. ⁽¹⁾	LER 05/2013	CCEE	198,004	93,732	105,55	143,59	Sep-15	Aug-35	IPCA	September
Centrais Eólicas Itapua VII Ltda. (EOL Mulungu) ⁽¹⁾	LER 10/2014	CCEE	158,288	56,940	138,90	176,82	Oct-17	Sep-37	IPCA	October
Centrais Eólicas Itapua VII Ltda. (EOL Quina) ⁽¹⁾	LER 10/2014	CCEE	224,038	80,592	138,90	176,82	Oct-17	Sep-37	IPCA	October
Centrais Eólicas Itapua VII Ltda. (EOL Pau Santo) ⁽¹⁾	LER 10/2014	CCEE	126,630	45,552	138,90	176,82	Oct-17	Sep-37	IPCA	October

Note (1): companies that are part of Alto Sertão III Wind Farm Complex classified as assets held for sale.

4.2 Free-trading market (ACL)

The Company has contracts on the free-trading market, which total 209.6 average MW^(*) of contracted energy, as follows:

Plants	Source	Electric power sold (average MW*)	Effective term
Light I	Wind	100,2	until Aug/2035
Light II ^(a)	Wind	33,4	until Jun/2019
Mercado livre I	Wind	11,0	until Dec/2019
Mercado livre II (a)	Wind	50,0	until Jun/2019
Mercado livre III (a)	Wind	15,0	until Jun/2019
		<u>209,6</u>	

(*) Information not reviewed by the independent auditors.

- (a) As of July 1, 2019, the PPAs of ACL Light II, Mercado Livre II and Mercado Livre III projects, which total 98.4 average MW of power sold, will be assigned to Engie due to the sale of Umburanas Complex on November 2017.

5. Segment reporting

The Company has four reportable segments representing its strategic business units, besides performance of its administrative activities. Such strategic business units offer different renewable power sources and are managed separately as they require different technologies, developments and operating characteristics. The operations on each one of the Company's reportable segments are summarized as follows:

- a) SHP - This segment is responsible for the development, implementation and operation of water source power generation projects. This segment includes the development of studies on inventories and basic projects and power generation. The SHPs are in operating phase.
- b) Wind – This segment is responsible for the development, implementation and operation of wind source power generation projects. It includes wind measurement, leased land, implementation and power generation. This segment basically comprised of Alto Sertão III Wind Farm Complex.
- c) Sale - This segment is responsible for the sale of power in all its forms and for the management of energy purchase and sale contracts of the Company.
- d) Administrative - This segment is responsible for the Company's managerial and administrative operations.

Segment reporting as at March 31, 2019 and 2018 for P&L and as at March 31, 2019 and December 31, 2018 for total assets and liabilities are as follows:

	03/31/2019				
	SHP	Wind	Sale	Administrative	Consolidated
Net revenue	11,544	-	49,418	-	60,962
Non-manageable costs	(188)	-	-	-	(188)
Gross margin	11,356	-	49,418	-	60,774
Manageable costs	(2,475)	(26,247)	(102,038)	(19,670)	(150,430)
Depreciation	(1,421)	(1,530)	-	(331)	(3,282)
Equity pickup	20,744	-	-	-	20,744
Finance income	106	111	(201)	102	118
Finance costs	(1,735)	(64,536)	(22,304)	(19,532)	108,107
Income and social contribution taxes	(2,098)	(5)	0	-	(2,103)
Net income (loss) for the period	24,477	(92,207)	(75,125)	(39,431)	(182,286)
Total assets	809,909	1,805,402	27,823	35,027	2,678,161
Total liabilities	111,389	1,259,472	1,008,572	557,503	2,936,936

	03/31/2018				
	SHP	Wind	Sale	Administrative	Consolidated
Net revenue	10,111	-	163,291	-	173,402
Non-manageable costs	(207)	-	-	-	(207)
Gross margin	9,904	-	163,291	-	173,195
Manageable costs	(3,386)	(15,600)	(204,429)	(14,388)	(237,803)
Depreciation	(1,386)	(1,036)	-	(406)	(2,828)
Equity pickup	(16,314)	-	-	-	16,314
Gain on investment	-	-	-	-	-
Finance income	2,259	(5,251)	3,117	142	267
Finance costs	(1,509)	(44,327)	(9,839)	(12,938)	(68,613)
Income and social contribution taxes	(1,075)	-	-	-	(1,075)
Net income (loss) for period	(21,121)	(66,214)	(47,860)	(27,590)	(120,543)
Total assets	913,876	1,852,374	(70,629)	96,876	2,933,755
Total liabilities	106,184	1,048,789	682,678	436,839	2,274,490

6. Cash and cash equivalents, and short-term investments

	Note	Consolidated		Individual	
		03/31/2019	12/31/2018	03/31/2019	12/31/2018
Cash		24	31	8	5
Banks – checking account		7,601	1,471	74	57
Short-term investments with immediate liquidity		3,602	14,808	7	7
Short-term investments		8,116	21,642	7,675	7,864
		19,343	37,952	7,764	7,933
Transfer to assets held for sale:					
Cash and cash equivalents	27.2	(39)	(1,381)	-	-
Total		19,304	36,571	7,764	7,933
Presented as:					
<u>Current</u>					
Cash and cash equivalents		11,188	14,929	89	69
Short-term investments		441	13,778	0	0
<u>Noncurrent</u>					
Short-term investments		7,675	7,864	7,675	7,864
Total		19,304	36,571	7,764	7,933

Highly-liquid short-term investments that are readily convertible into a known cash amount and pose lower risk of change in value were classified as cash equivalents. These investments refer to fixed-income repurchase agreements, remunerates at rates ranging from 84.50% to 100% of the Interbank Deposit Certificate (CDI).

The short-term investment under noncurrent assets does not have the characteristics of cash and cash equivalents and therefore was classified in the short-term investment held to maturity account. This investment is the guarantee set for the Mercado Livre I project and its yield is 98.50% of the CDI rate.

7. Trade accounts receivable

	Consolidated		Individual	
	03/31/2019	12/31/2018	03/31/2019	12/31/2018
Sale - Free-trading market	5,414	2,750	-	-
Eletrobras - ESPRA	4,163	5,442	-	-
Other	35	18	35	18
Total	9,612	8,210	35	18

As at March 31, 2019, these refer substantially to amounts falling due, with day sales outstanding of 30 days, for which no losses are expected upon collection. These comprise amounts receivable from related parties amounting to R\$150 on December 31, 2018 (Note 24.2).

8. Taxes recoverable

	Note	Consolidated		Individual	
		03/31/2019	12/31/2018	03/31/2019	12/31/2018
Withholding Income Tax (IRFF) to offset		6,308	4,006	163	130
Corporate Income Tax (IRPJ) to offset		1,070	1,593	-	263
Contribution Tax on Gross Revenue for Social Security Financing (COFINS) recoverable		1,683	1,683	-	-
Contribution Tax on Gross Revenue for Social Integration Program (PIS) recoverable		365	365	-	-
Other taxes to offset		317	220	48	65
		9,743	7,867	0	458
Transfer to assets held for sale	27.2	(3,144)	(3,385)	-	-
Total		(3,144)	4,482	211	458

At December 31, 2018, the Company assessed the PIS and COFINS credits accumulated in the energy purchase and sale transactions of its subsidiary Renova Comercializadora and identified the need to set up a provision for impairment of these credits, amounting to R\$20,961, matched against P&L for the year, considering the uncertainty on its realization. For the quarter ended March 31, 2019, part of this provision was reversed, in the amount of R\$1.033, due to P&L for the period.

9. Pledges and restricted deposits

Individual	Pledge	Institution	Contractual purpose	Consolidated		Individual
				03/31/2019	12/31/2018	12/31/2018
Espra	Guarantee BNB		Financing - BNB	11,027	10,866	-

These refer basically to fixed-income short-term investments, at the rate of 99.60% of the CDI, pegged to financing from Banco do Nordeste do Brasil ("BNB"), which may only be transacted by express authorization by the creditors.

10. Investments

10.1 Breakdown of investments

Investments in subsidiaries, investees and jointly-controlled entities are as follows:

Companies	Consolidated		Individual	
	03/31/2019	12/31/2018	03/31/2019	12/31/2018
SHP				
Enerbras Centrais Elétricas S.A. (Holding)	-	-	133,551	127,366
Renova PCH LTDA.	-	-	(1)	-
Chipley SP Participações S.A. (Holding)	-	-	860,799	837,494
Brasil PCH S.A.	624,491	603,747	-	-
Wind				
Centrais Eólicas Itapua XX LTDA.	-	-	(24)	(24)
Centrais Eólicas Itapua IV LTDA.	-	-	(127)	(131)
Centrais Eólicas Itapua V LTDA.	-	-	(84)	(84)
Centrais Eólicas Bela Vista XIV S.A.	-	-	131,097	131,200
Bahia Holding S.A.	-	-	45,614	45,614
Other interests held (2)	-	-	(27)	(27)
Renovapar S.A.	-	-	-	(1)
Sale				
Renova Comercializadora de Energia S.A.	-	-	(619,985)	(549,160)
Total	<u>624,491</u>	<u>603,747</u>	<u>550,841</u>	<u>(592,247)</u>
Presented as:				
Assets				
Investments	624,491	603,747	1,171,061	1,141,674
Liabilities				
Provision for investment loss	-	-	620,220	(549,427)
Total	<u>624,491</u>	<u>603,747</u>	<u>550,841</u>	<u>592,247</u>

Note 2: Other companies listed in Note 1.

10.2 Information on investees

Significant information on subsidiaries is as follows:

Company	03/31/2019					12/31/2018					
	Total number of shares	Interest (%)	Capital	Equity (capital deficiency)	Net income (loss) for the period	Total number of shares	Interest (%)	Capital	Equity (capital deficiency)	Proposed dividend	Net income (loss) for the year
PCH											
Enerbras Centrais Elétricas S.A. (Holding)	5.170.101	100,00	101.955	-	-	5.170.101	100,00	101.955	127.366	(2.585)	10.883
Renova PCH LTDA.	359.784	99,99	360	-	-	359.784	99,99	360	-	-	(10)
Chipley SP Participações S.A. (Holding)	744.871.373	99,99	744.871	-	-	744.871.373	99,99	744.871	837.494	(2.553)	53.753
Wind											
Alto Sertão Participações S.A. (Holding) ⁽¹⁾	1.516.318.129	99,99	1.516.318	100.090	-	1.516.318.129	99,99	1.516.318	181.032	-	(372.382)
Centrais Eólicas Carrancudo S.A. ⁽¹⁾	17.361.558	99,99	17.362	8.665	-	17.361.558	99,99	17.362	8.896	-	(1.733)
Centrais Eólicas Botuquara S.A. ⁽¹⁾	7.559.824	99,99	7.560	3.456	-	7.559.824	99,99	7.560	3.588	-	(1.166)
Centrais Eólicas Alcacuz S.A. ⁽¹⁾	14.996.736	99,99	14.997	4.661	-	14.996.736	99,99	14.997	5.062	-	(2.594)
Centrais Eólicas Tamboril S.A. ⁽¹⁾	19.142.404	99,99	19.142	5.721	-	19.142.404	99,99	19.142	6.251	-	(3.508)
Centrais Eólicas Conquista S.A. ⁽¹⁾	23.542.317	99,99	23.542	2.689	-	23.542.317	99,99	23.542	2.984	-	(811)
Centrais Eólicas Coxilha Alta S.A. ⁽¹⁾	6.885.612	99,99	6.886	3.040	-	6.885.612	99,99	6.886	3.136	-	(945)
Centrais Eólicas Tingui S.A. ⁽¹⁾	18.011.571	99,99	18.012	(3.698)	-	18.011.571	99,99	18.012	(3.358)	-	(2.408)
Centrais Eólicas Cansanção S.A. ⁽¹⁾	4.614.138	99,99	4.614	2.183	-	4.614.138	99,99	4.614	2.269	-	(763)
Centrais Eólicas Macambira S.A. ⁽¹⁾	14.215.026	99,99	14.215	3.318	-	14.215.026	99,99	14.215	3.743	-	(3.052)
Centrais Eólicas Imburana de Cabão S.A. ⁽¹⁾	13.014.445	99,99	13.014	(4.779)	-	13.014.445	99,99	13.014	(4.348)	-	(2.815)
Centrais Eólicas Ipê Amarelo S.A. ⁽¹⁾	16.493.153	99,99	16.493	9.181	-	16.493.153	99,99	16.493	9.324	-	(1.169)
Centrais Eólicas Putumaju S.A. ⁽¹⁾	10.421.120	99,99	10.421	2.000	-	10.421.120	99,99	10.421	2.328	-	(2.542)
Centrais Eólicas Lençóis S.A. ⁽¹⁾	19.464.696	99,99	19.465	(1.837)	-	19.464.696	99,99	19.465	(1.367)	-	(1.015)
Centrais Eólicas Anísio Teixeira S.A. ⁽¹⁾	19.346.653	99,99	19.347	(2.471)	-	19.346.653	99,99	19.347	(1.931)	-	(1.617)
Centrais Eólicas Ico S.A. ⁽¹⁾	11.530.260	99,99	11.530	2.939	-	11.530.260	99,99	11.530	3.195	-	(2.854)
Centrais Eólicas Jequitiba S.A. ⁽¹⁾	6.428.922	99,99	6.429	(2.587)	-	6.428.922	99,99	6.429	(2.482)	-	(1.419)

(Continued)

- (Continued)

Company	03/31/2019					12/31/2018					
	Total number of shares	Interest (%)	Capital	Equity (capital deficiency)	Net income (loss) for the period	Total number of shares	Interest (%)	Capital	Equity (capital deficiency)	Proposed dividend	Net income (loss) for the year
Wind											
Centrais Eólicas Calianira S.A. ⁽¹⁾	6,598,698	99,99	6,599	(1,523)	(71)	6,598,698	99,99	6,598,698	(1,452)	-	(946)
Centrais Eólicas Canjoão S.A. ⁽¹⁾	3,903,273	99,99	3,903	(1,239)	(27)	3,903,273	99,99	3,903,273	(1,212)	-	(896)
Centrais Eólicas Cabeça de Frade S.A. ⁽¹⁾	2,181,077	99,99	2,181	859	50	2,181,077	99,99	2,181,077	809	-	(389)
Centrais Eólicas Embiruçu S.A. ⁽¹⁾	3,143,391	99,99	3,143	895	11	3,143,391	99,99	3,143,391	885	-	(392)
Centrais Elétricas Itaparica S.A. ⁽¹⁾	119,383,201	99,99	119,383	32,943	(1,557)	119,383,201	99,99	119,383,201	34,501	-	(10,610)
Centrais Eólicas Itapuã VII LTDA. ⁽¹⁾	772,826	99,99	773	(8,364)	(3,281)	772,826	99,99	772,826	(5,083)		(4,863)
Centrais Eólicas Itapuã XX LTDA.	32,338	99,99	32	(24)	-	32,338	99,99	32,338	(24)		(15)
Centrais Eólicas Bela Vista XIV S.A.	376,194,387	99,99	376,194	131,097	(103)	376,194,387	99,99	376,194,387	131,200	-	127
Centrais Eólicas Itapuã IV LTDA.	968,663	99,99	969	(127)	4	968,663	99,99	968,663	(131)	-	236
Centrais Eólicas Itapuã V LTDA.	883,193	99,99	883	(84)	-	883,193	99,99	883,193	(84)	-	73
Renovapar S.A.	22,972	100,00	23	-	1	22,972	100,00	23	(1)	-	-
Bahia Holding S.A.	45,616,074	99,99	45,616	45,614	-	45,616,074	99,99	45,616,074	45,614		(3)
Other interests held ⁽²⁾	-	-	-	(27)	-	-	-	-	(27)	-	(16)
Renova Comercializadora de Energia S.A.	-	100,00	4,306	(619,985)	(70,825)	-	100,00	4,306	(549,160)	-	(320,072)

Note 1: Investment held for sale, according to Note 1.2.1.

Note 2: Other companies listed in Note 1.

10.3 Changes in investments

10.3.1 Consolidated

Company	12/31/2018	Equity pickup		03/31/2019
		P&L	Amortization of added value	
SHP				
Brasil PCH S.A.	603,747	29,819	(9,075)	624,491

Company	12/31/2017	Equity pickup		12/31/2018
		P&L	Amortization of added value	
SHP				
Brasil PCH S.A.	685,362	25,389	(9,075)	701,676

10.3.1.1 Shared control investment – Brasil PCH S.A.

The Company measures its investment in equity interests in joint ventures using the equity method, in accordance with IFRS 11 / CPC 19 (R2) – Joint Ventures.

Brasil PCH holds 13 small hydroelectric plants (SHPs), with installed capacity of 291 MW and average guaranteed power of 194 average MW. All SHPs have long-term agreements (20 years) for the sale of electric power in the context of the Alternative Electric Power Source Incentive Program (PROINFA) (physical information and information relating to power capacity measures not audited by the independent auditors).

As required by CPC 45 (IFRS 12), the financial information of Brasil PCH (jointly-controlled entity) is as follows:

STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2019 (CONSOLIDATED)

ASSETS	03/31/2019	12/31/2018	LIABILITIES AND EQUITY	03/31/2019	12/31/2018
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	213,932	158,661	Loans and financing	40,084	41,758
Other current assets	68,272	65,873	Other current liabilities	165,838	160,921
Total current assets	282,204	224,534	Total current liabilities	205,922	202,679
NONCURRENT ASSETS			NONCURRENT LIABILITIES		
Property, plant and equipment	1,035,881	1,043,546	Loans and financing	864,188	863,854
Other noncurrent assets	44,036	40,795	Other noncurrent liabilities	48,705	57,506
Total noncurrent assets	1,079,917	1,084,341	Total current liabilities	912,893	921,360
			EQUITY	243,306	184,836
TOTAL ASSETS	1,362,121	1,308,875	TOTAL LIABILITIES AND EQUITY	1,362,121	1,308,875

STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED MARCH 31, 2019 (CONSOLIDATED)

	03/31/2019	03/31/2018
NET REVENUE	103,997	99,991
Depreciation cost	(8,933)	(8,629)
Other costs	(12,483)	(12,029)
General and administrative expenses	(3,257)	(5,679)
Reversal of loss on contracts for valuable consideration	8,947	(5,520)
Finance income (costs)	(26,096)	(25,812)
Income and social contribution tax expense	(3,704)	(3,579)
NET INCOME FOR THE PERIOD	58,471	49,783

This P&L for March 31, 2019 was mainly impacted by: (i) reversal of the provision related to an onerous contract of Brasil PCH in 2019; and (ii) decrease in general and administrative expenses.

10.3.2 Individual

Company	12/31/2018	Equity pickup	Transfer to assets held for sale	03/31/2019
SHP				
Enerbras Centrais Elétricas S.A. (Holding)	127,366	6,185	-	133,551
Renova PCH LTDA.	-	(1)	-	(1)
Chiplely SP Participações S.A. (Holding)	837,494	23,305	-	860,799
Wind farm				
Alto Sertão Participações S.A. (Holding) ⁽¹⁾	-	(80,930)	80,930	-
Centrais Eólicas Carrancudo S.A. ⁽¹⁾	-	(231)	231	-
Centrais Eólicas Botuquara S.A. ⁽¹⁾	-	(131)	131	-
Centrais Eólicas Alcacuz S.A. ⁽¹⁾	-	(401)	401	-
Centrais Eólicas Tamboril S.A. ⁽¹⁾	-	(530)	530	-
Centrais Eólicas Conquista S.A. ⁽¹⁾	-	(295)	295	-
Centrais Eólicas Coxilha Alta S.A. ⁽¹⁾	-	(96)	96	-
Centrais Eólicas Tinguí S.A. ⁽¹⁾	-	(340)	340	-
Centrais Eólicas Cansanção S.A. ⁽¹⁾	-	(86)	86	-
Centrais Eólicas Macambira S.A. ⁽¹⁾	-	(425)	425	-
Centrais Eólicas Imburana de Cabão S.A. ⁽¹⁾	-	(431)	431	-
Centrais Eólicas Ipê Amarelo S.A. ⁽¹⁾	-	(143)	143	-
Centrais Eólicas Putumaju S.A. ⁽¹⁾	-	(328)	328	-
Centrais Eólicas Lençóis S.A. ⁽¹⁾	-	(470)	470	-
Centrais Eólicas Anísio Teixeira S.A. ⁽¹⁾	-	(540)	540	-
Centrais Eólicas Ico S.A. ⁽¹⁾	-	(255)	255	-
Centrais Eólicas Jequitiba S.A. ⁽¹⁾	-	(105)	105	-
Centrais Eólicas Calianira S.A. ⁽¹⁾	-	(71)	71	-
Centrais Eólicas Canjoão S.A. ⁽¹⁾	-	(27)	27	-
Centrais Eólicas Cabeça de Frade S.A. ⁽¹⁾	-	50	-50	-
Centrais Eólicas Embiruçu S.A. ⁽¹⁾	-	11	-11	-
Centrais Elétricas Itaparica S.A. ⁽¹⁾	-	(1,557)	1,557	-
Centrais Eólicas Itapuã VII LTDA. ⁽¹⁾	-	(3,281)	3,281	-
Centrais Eólicas Itapuã XX LTDA.	(24)	-	-	(24)
Centrais Eólicas Bela Vista XIV S.A.	(131,200)	(103)	-	131,097
Centrais Eólicas Itapuã IV LTDA.	(131)	4	-	(127)
Centrais Eólicas Itapuã V LTDA.	(84)	-	-	(84)
Renovapar S.A.	1)	1	-	-
Bahia Holding S.A.	45,614	-	-	45,614
Other interests held ⁽²⁾	(27)	-	-	(27)
Sale				
Renova Comercializadora de Energia S.A.	(549,160)	(70,825)	-	(619,985)
Total	592,247	(132,046)	90,612	550,813

Note 1: Investment held for sale, according to Note 1.2.2.

Note 2: Other companies listed in Note 1.

(Continued)

- (Continued)

Company	12/31/2017	Equity pickup	Transfer to assets held for sale	03/31/2018
SHP				
Enerbras Centrais Elétricas S.A. (Holding)	119,068	4,021	-	123,089
Renova PCH LTDA.	5	(10)	-	(5)
Chipley SP Participações S.A. (Holding)	786,294	17,110	-	803,404
Wind farm				
Alto Sertão Participações S.A. (Holding) ⁽¹⁾	385,172	(58,124)	(327,048)	-
Centrais Eólicas Carrancudo S.A. ⁽¹⁾	7,832	(337)	(7,495)	-
Centrais Eólicas Botuquara S.A. ⁽¹⁾	3,744	(389)	(3,355)	-
Centrais Eólicas Alcacuz S.A. ⁽¹⁾	4,897	(90)	(4,807)	-
Centrais Eólicas Tamboril S.A. ⁽¹⁾	6,491	(430)	(6,061)	-
Centrais Eólicas Conquista S.A. ⁽¹⁾	2,713	230	(2,943)	-
Centrais Eólicas Coxilha Alta S.A. ⁽¹⁾	3,198	(283)	(2,915)	-
Centrais Eólicas Tingui S.A. ⁽¹⁾	(4,082)	(404)	(4,486)	-
Centrais Eólicas Cansanção S.A. ⁽¹⁾	2,358	(253)	(2,105)	-
Centrais Eólicas Macambira S.A. ⁽¹⁾	4,432	(362)	(4,070)	-
Centrais Eólicas Imburana de Cabão S.A. ⁽¹⁾	(3,890)	(377)	(4,267)	-
Centrais Eólicas Ipê Amarelo S.A. ⁽¹⁾	7,699	(366)	(7,333)	-
Centrais Eólicas Putumaju S.A. ⁽¹⁾	2,759	(365)	(2,394)	-
Centrais Eólicas Lençóis S.A. ⁽¹⁾	(868)	69	799	-
Centrais Eólicas Anísio Teixeira S.A. ⁽¹⁾	(1,044)	(328)	(1,372)	-
Centrais Eólicas Ico S.A. ⁽¹⁾	3,158	(218)	(2,940)	-
Centrais Eólicas Jequitiba S.A. ⁽¹⁾	(2,335)	(203)	2,538	-
Centrais Eólicas Calíandra S.A. ⁽¹⁾	(1,504)	(159)	1,663	-
Centrais Eólicas Canjoão S.A. ⁽¹⁾	(1,206)	(144)	1,350	-
Centrais Eólicas Cabeça de Frade S.A. ⁽¹⁾	850	(168)	(682)	-
Centrais Eólicas Embiruçu S.A. ⁽¹⁾	861	(141)	(720)	-
Centrais Elétricas Itaparica S.A. ⁽¹⁾	32,619	(1,545)	(31,074)	-
Centrais Eólicas Itapuã VII LTDA. ⁽¹⁾	(449)	(1,161)	1,610	-
Centrais Eólicas Itapuã XX LTDA.	(9)	-	9	-
Centrais Eólicas Bela Vista XIV S.A.	130,847	10	-	130,857
Centrais Eólicas Itapuã IV LTDA.	(399)	265	-	(134)
Centrais Eólicas Itapuã V LTDA.	(179)	95	-	(84)
Renovapar S.A.	(1)	-	-	(1)
Other interests held (2)	(10)	(1)	-	(11)
Sale				
Renova Comercializadora de Energia S.A.	(229,088)	(47,860)	-	(276,948)
Total	1,259,933	(91,918)	(387,848)	780,167

Note 1: Investment held for sale, according to Note 1.2.2.

Note 2: Other companies listed in Note 1.

The investment balance is presented net of the provision for investment losses amounting to R\$620,249 (R\$549,427 at December 31, 2018).

10.4 Changes in dividends receivable

	<u>Consolidated</u>	<u>Individual</u>
Balance at December 31, 2017	33,219	5,039
Dividends received	<u>(5,100)</u>	<u>-</u>
Balance at March 31, 2018	<u>28,119</u>	<u>5,039</u>
Balance at December 31, 2018	9,180	10,177
Dividends received	<u>-</u>	<u>-</u>
Balance at March 31, 2019	<u>9,180</u>	<u>10,177</u>

Dividends receivable correspond to:

- Individual: balance of R\$10,177 relating to dividends receivable from subsidiaries Enerbras (R\$5,559) and Chipley (R\$4,618) (Note 10.5).
- Consolidated: include the dividends proposed and received from Brasil PCH, leaving a balance receivable of R\$9,180.

10.5 Dividends pledged as collateral

On December 3, 2018, the shares issued by Chipley Participações S.A. held by the Company were pledged, in view of the legal determination handed down in compliance with the judgment of the case No. 1000806-56.2016.8.26.0002, filed by Banco BTG for non-payment of the debt expired. As a result of the pledge of shares, the flow of the Company's dividend payout was suspended. However, on May 8, 2019, after renegotiating the debt with Banco BTG (Note 30.3) the execution was suspended.

11. Property, plant and equipment

11.1 Consolidated

		03/31/2019			12/31/2018		
	Annual depreciation rates %	Historical cost	Accumulated depreciation	Net value	Historical cost	Accumulated depreciation	Net value
Property, plant and equipment in use							
Generation							
Land		595	-	595	595	-	595
Reservoirs, dams and aqueducts	2%	95,797	(23,969)	71,828	95,797	(23,410)	72,387
Buildings, civil work and improvements	3%	46,336	(13,482)	32,854	46,336	(13,165)	33,171
Machinery and equipment	4%	65,015	(21,667)	43,348	65,015	(21,164)	43,851
Furniture and fixtures	10%	142	(128)	14	142	(127)	15
IT equipment	17%	245	(245)	-	245	(245)	-
Measurement towers	20%	22,692	(20,724)	1,968	22,692	(20,064)	2,628
Measurement equipment	20%	3,739	(2,832)	907	3,739	(2,652)	1,087
Tower equipment	20%	2,372	(2,008)	364	2,372	(1,876)	496
Other	14%	16	(13)	3	16	(13)	3
		236,949	(85,068)	151,881	236,949	(82,716)	154,233
Administration							
Machinery and equipment	10%	5,356	(2,754)	2,602	5,356	(2,620)	2,736
Improvements	4%	854	(86)	768	854	(78)	776
Furniture and fixtures	10%	2,114	(1,360)	754	2,114	(1,307)	807
Software	20%	3,310	(3,239)	71	3,310	(3,195)	115
IT equipment	20%	3,524	(3,247)	277	3,524	(3,156)	368
		15,158	(10,686)	4,472	15,158	(10,356)	4,802
Inventories							
Storeroom supplies – general		4	-	4	3	-	3
Total PPE in use		252,111	(95,754)	156,357	252,110	(93,072)	159,038
Construction in progress							
Generation							
Unapportioned		699,666	-	699,666	698,256	-	698,256
Studies and projects		1,062	-	1,062	1,062	-	1,062
Land		12,095	-	12,095	12,095	-	12,095
Buildings, civil work and improvements		267,850	-	267,850	266,159	-	266,159
Measurement towers		3,989	-	3,989	3,989	-	3,989
Wind generators		1,495,661	-	1,495,661	1,495,669	-	1,495,669
Substation equipment		435,524	-	435,524	431,732	-	431,732
Advances to suppliers		3,938	-	3,938	1,750	-	1,750
Provision for impairment of PPE items		(1,154,492)	-	(1,154,492)	(1,154,492)	-	(1,154,492)
Total construction in progress		1,765,293	-	1,765,293	1,756,220	-	1,756,220
Right of use							
Generation							
Lease contracts		40,131	(600)	39,531	-	-	-
Transfer to assets held for sale (Note 27.2)		(1,699,673)	-	(1,699,673)	(1,675,862)	-	(1,675,862)
Total property, plant and equipment		357,862	(96,354)	261,508	332,468	(93,072)	239,396

11.2 Changes in property, plant and equipment (Consolidated)

	12/31/2018	Additions	Reclassifications between	Transfer to assets held for sale	03/31/2019
Construction in progress					
Generation					
Unapportioned	259,979	1,742	(332)	(96)	261,293
Studies and projects	1,062	-	-	-	1,062
Land	186	-	-	-	186
Buildings, civil work and improvements	-	1,691	-	(1,691)	-
Wind generators	-	228	(236)	8	-
Substation equipment	135	3,792	-	(3,792)	135
Advances to suppliers	207	2,188	-	(2,188)	207
Provision for impairment of PPE items	(181,211)	-	-	-	(181,211)
Total construction in progress	80,358	9,641	(568)	(7,759)	81,672
Right of use					
Generation					
Lease contracts	-	40,131	-	(16,052)	24,079
(-) Amortization of lease contracts - cost	-	(41)	-	-	(41)
(-) Amortization of lease contracts - expense	-	(559)	-	-	(559)
Total right of use	-	39,531	-	(16,052)	23,479
Total property, plant and equipment	239,396	46,491	(568)	(23,811)	261,508

(Continued)

- (Continued)

	12/31/2017	Additions	Reclassifications between accounts (*)	Transfer to assets held for sale	03/31/2018
Property, plant and equipment in use					
Cost					
Generation					
Plant					
Land	595	-	-	-	595
Reservoirs, dams and aqueducts	95,797	-	-	-	95,797
Buildings, civil work and improvements	46,336	-	-	-	46,336
Machinery and equipment	65,015	-	-	-	65,015
Furniture and fixtures	142	-	-	-	142
IT equipment	245	-	-	-	245
Measurement towers	22,692	-	-	-	22,692
Measurement equipment	3,739	-	-	-	3,739
Tower equipment	2,372	-	-	-	2,372
Other	16	-	-	-	16
	236,949	-	-	-	236,949
Administration					
Machinery and equipment	5,356	-	-	-	5,356
Improvements	2,955	-	-	-	2,955
Furniture and fixtures	5,857	-	-	-	5,857
Software	3,310	-	-	-	3,310
IT equipment	3,762	-	-	-	3,762
	21,240	-	-	-	21,240
Total PPE in use - cost	258,189	-	-	-	258,189
(-) Depreciation					
Generation					
Plant					
Reservoirs, dams and aqueducts	(21,168)	(551)	-	-	(21,719)
Buildings, civil work and improvements	(11,900)	(323)	-	-	(12,223)
Machinery and equipment	(19,151)	(499)	-	-	(19,650)
Furniture and fixtures	(110)	(11)	-	-	(121)
IT equipment	(245)	-	-	-	(245)
Measurement towers	(17,325)	(697)	-	-	(18,022)
Measurement equipment	(1,899)	(216)	-	-	(2,115)
Tower equipment	(1,399)	(123)	-	-	(1,522)
Other	(11)	-	-	-	(13)
	(73,208)	(2,422)	-	-	(75,630)
Administration					
Machinery and equipment	(2,021)	(197)	-	-	(2,218)
Improvements	(542)	(17)	-	-	(559)
Furniture and fixtures	(2,713)	(62)	-	-	(2,775)
Software	(2,993)	(51)	-	-	(3,044)
IT equipment	(2,929)	(79)	-	-	(3,008)
	(11,198)	(406)	-	-	(11,604)
Total PPE in use - depreciation	(84,406)	(2,828)	-	-	(87,234)
Total PPE in use	173,783	(2,828)	-	-	(170,955)
Construction in progress					
Generation					
Unapportioned	667,155	2,476	-	(435,370)	234,261
Studies and projects	1,062	-	-	-	1,062
Land	12,095	392	-	(12,301)	186
Buildings, civil work and improvements	265,872	-	-	(265,872)	-
Measurement towers	3,989	-	-	(3,989)	-
Wind generators	1,504,327	212	(8,514)	(1,496,025)	-
Substation equipment	427,792	-	4,306	(431,964)	134
Advances to suppliers	523	-	-	(156)	367
Provision for impairment of PPE items	(1,004,266)	-	-	822,651	(181,615)
Total construction in progress	1,878,549	3,080	(4,208)	(1,823,026)	54,395
Total property, plant and equipment	2,052,332	252	(4,208)	(1,823,026)	225,350

(*) Effect of reconciliation of trade accounts payable for the period.

11.3 Individual

		03/31/2019			12/31/2018		
	Annual depreciation rates %	Historical cost	Accumulated depreciation	Net value	Historical cost	Accumulated depreciation	Net value
Property, plant and equipment in use							
Generation							
Measurement towers	20%	22,692	(20,724)	1,968	22,692	(20,064)	2,628
Measurement equipment	20%	3,739	(2,832)	907	3,739	(2,652)	1,087
Tower equipment	20%	2,372	(2,008)	364	2,372	(1,876)	496
		28,803	(25,564)	3,239	28,803	(24,592)	4,211
Administration							
Machinery and equipment	10%	5,356	(2,754)	2,602	5,356	(2,620)	2,736
Improvements	4%	854	(86)	768	854	(78)	776
Furniture and fixtures	10%	2,114	(1,360)	754	2,114	(1,307)	807
Software	20%	3,310	(3,239)	71	3,310	(3,195)	115
IT equipment	20%	3,506	(3,229)	277	3,506	(3,138)	368
		15,140	(10,668)	4,472	15,140	(10,338)	4,802
Total PPE in use		43,943	(36,232)	7,711	43,943	(34,930)	9,013
Construction in progress							
Generation							
Unapportioned		76,119	-	76,119	74,377	-	74,377
Studies and projects		1,062	-	1,062	1,062	-	1,062
Land		50	-	50	50	-	50
Advances to suppliers		207	-	207	207	-	207
Provision for impairment of PPE items		(1,722)	-	(1,722)	(1,722)	-	1,722
Total construction in progress		(75,716)	-	(75,716)	73,974	-	73,974
Right of use							
Generation							
Lease contracts		19,240	(524)	18,716	-	-	-
Transfer to assets held for sale (Note 27.1)		(28,709)	-	(28,709)	(24,487)	-	(24,487)
Total property, plant and equipment		110,190	(36,756)	73,434	93,430	(34,930)	58,500

11.4 Changes in property, plant and equipment (Individual)

	12/31/2018	Additions	Transfer to assets held for sale	03/31/2019
Property, plant and equipment in use				
Generation				
Measurement towers	22,692	-	-	22,692
Measurement equipment	3,739	-	-	3,739
Tower equipment	2,372	-	-	2,372
	<u>28,803</u>	<u>-</u>	<u>-</u>	<u>28,803</u>
Administration				
Machinery and equipment	5,356	-	-	5,356
Improvements	854	-	-	854
Furniture and fixtures	2,114	-	-	2,114
Software	3,310	-	-	3,310
IT equipment	3,506	-	-	3,506
	<u>15,140</u>	<u>-</u>	<u>-</u>	<u>15,140</u>
Total PPE in use - cost	<u>43,943</u>	<u>-</u>	<u>-</u>	<u>43,943</u>
(-) Depreciation				
Generation				
Measurement towers	(20,064)	(660)	-	(20,724)
Measurement equipment	(2,652)	(180)	-	(2,832)
Tower equipment	(1,876)	(132)	-	(2,008)
	<u>24,592</u>	<u>(972)</u>	<u>-</u>	<u>(25,564)</u>
Administration				
Machinery and equipment	(2,620)	(134)	-	(2,754)
Improvements	(78)	(8)	-	(86)
Furniture and fixtures	(1,307)	(53)	-	(1,360)
Software	(3,195)	(44)	-	(3,239)
IT equipment	(3,138)	(91)	-	(3,220)
	<u>(10,338)</u>	<u>(330)</u>	<u>-</u>	<u>(10,668)</u>
Total PPE in use - depreciation	<u>(34,930)</u>	<u>(1,302)</u>	<u>-</u>	<u>(36,232)</u>
Total PPE in use	<u>9,013</u>	<u>(1,302)</u>	<u>-</u>	<u>7,711</u>
Construction in progress				
Generation				
Unapportioned	49,890	1,742	(428)	51,204
Studies and projects	1,062	-	-	1,062
Land	50	-	-	50
Advances to suppliers	207	-	-	207
Provision for impairment of PPE items	(1,722)	-	-	(1,722)
Total cost of construction in progress	<u>49,487</u>	<u>1,742</u>	<u>(428)</u>	<u>(50,801)</u>
Right of use				
Generation				
Lease contracts	-	19,240	(3,794)	(15,446)
(-) Amortization of lease contracts	-	(524)	-	(524)
	-	18,716	(3,794)	14,922
Total property, plant and equipment	<u>58,500</u>	<u>19,680</u>	<u>(4,222)</u>	<u>73,434</u>

	12/31/2017	Additions	Transfer to assets held for sale	03/31/2018
Property, plant and equipment in use				
Generation				
Measurement towers	22,692	-	-	22,692
Measurement equipment	3,739	-	-	3,739
Tower equipment	2,372	-	-	2,372
	<u>28,803</u>	<u>-</u>	<u>-</u>	<u>28,803</u>
Administration				
Machinery and equipment	5,356	-	-	5,356
Improvements	2,955	-	-	2,955
Furniture and fixtures	5,857	-	-	5,857
Software	3,310	-	-	3,310
IT equipment	3,744	-	-	3,744
	<u>21,222</u>	<u>-</u>	<u>-</u>	<u>21,222</u>
Total PPE in use - cost	<u>50,025</u>	<u>-</u>	<u>-</u>	<u>50,025</u>
(-) Depreciation				
Generation				
Measurement towers	(17,325)	(697)	-	(18,022)
Measurement equipment	(1,899)	(216)	-	(2,115)
Tower equipment	(1,399)	(123)	-	(1,522)
	<u>(20,623)</u>	<u>(1,036)</u>	<u>-</u>	<u>(21,659)</u>
Administration				
Machinery and equipment	(2,021)	(197)	-	(2,218)
Improvements	(542)	(17)	-	(559)
Furniture and fixtures	(2,713)	(62)	-	(2,775)
Software	(2,993)	(51)	-	(3,044)
IT equipment	(2,909)	(79)	-	(2,988)
	<u>(11,178)</u>	<u>(406)</u>	<u>-</u>	<u>(11,584)</u>
Total PPE in use - depreciation	<u>(31,801)</u>	<u>(1,442)</u>	<u>-</u>	<u>(33,243)</u>
Total PPE in use	<u>18,224</u>	<u>(1,442)</u>	<u>-</u>	<u>(16,782)</u>
Construction in progress				
Generation				
Unapportioned	87,231	2,158	(34,751)	54,638
Studies and projects	1,062	-	-	1,062
Land	50	-	-	50
Advances to suppliers	367	-	-	367
Provision for impairment of PPE items	(1,722)	-	-	(1,722)
Total cost of construction in progress	<u>86,988</u>	<u>2,158</u>	<u>(34,751)</u>	<u>54,395</u>
Total property, plant and equipment	<u>105,212</u>	<u>716</u>	<u>(34,751)</u>	<u>71,177</u>

11.5 Property, plant and equipment in use

ANEEL, in accordance with the Brazilian regulatory framework, defines the useful lives of power generation assets, including the periodical reviews on the estimates. The rates established by ANEEL are recognized as a reasonable estimate of the lifespan of the assets. Accordingly, these rates were used as the basis for PPE depreciation.

11.6 Construction in progress

Construction in progress includes investments in water projects, divided into inventories and basic projects already authorized by ANEEL. This also includes investments in portfolio of wind projects under development. As mentioned in Note 27, the balance of construction in progress at March 31, 2019 and December 31, 2018 relating to Alto Sertão III Wind Farm Complex, as well as certain projects under development were transferred to assets held for sale.

11.7 Breakdown of PPE per project

As at March 31, 2019, consolidated construction in progress comprises the following projects:

Projects	Consolidated
Alto Sertão III - Phase A	
ACL (Light I) ⁽¹⁾	964,091
LER 2013 ⁽¹⁾	492,314
	<u>1,456,405</u>
Alto Sertão III - Phase B	
ACL (Light II) ⁽¹⁾	73,296
ACL (Mercado livre II)(1)	40,800
	<u>114,096</u>
Other	
ACL (Mercado livre I)(1)	85,320
LER 2014 ⁽¹⁾	402
Other PPE in progress ⁽²⁾	140,601
	<u>226,323</u>
Transfer to assets held for sale	(1,699,673)
Total PPE in progress	<u>97,151</u>

Note 1: the ACL (Light I), LER 2013, ACL (Light II), ACL (Mercado Livre I) projects and certain wind power projects under development, which represent R\$43,450 of “Other construction in progress”, are classified as assets held for sale.

Note 2: includes the portfolio of development of wind power projects and small hydropower plants, with no deadline.

11.8 Write-off of projects

The Company reviews its portfolio of wind power projects, basic projects and SHP inventories periodically. After reviewing its portfolio of wind power projects and of small hydropower plants projects, the Company concluded that at March 31, 2019 there was no project to be written-off.

11.9 Impairment of property, plant and equipment

For the year ended December 31, 2018, the Company management updated the analysis of the provision for impairment, based on the binding proposal accepted on March 21, 2019 and on the updating of certain assumptions, and identifies the need to supplement by R\$150,630 the previously recognized provision for Alto Sertão III Wind Farm Complex to cover potential losses on the realization of assets.

For the period ended March 31, 2019, management updated the provision recognized and did not identify the need to supplement the provision for impairment.

11.10 Assets pledged as collateral

At March 31, 2019, indirect subsidiary Espra has assets pledged as collateral for its financing with BNB, amounting to R\$148,640 (Note 13.3).

11.11 Decommissioning

The provision for decommissioning of assets refers to the costs and expenses to be incurred, as well as the obligation that the entity is required to settle in the future for decommissioning of its long-term assets related to wind farms and restoration of land. The Company estimates an approximate cost of R\$57,000, calculated at present value, to be accounted for upon startup of commercial operation of wind farms that are currently under construction, in accordance with its accounting practice. The initial measurement will be recognized as a liability discounted to present value and, subsequently, through the increase of finance costs over time. The cost of decommissioning of assets equivalent to the initial liability is capitalized as part of the carrying amount of the asset, and depreciated for the remaining authorization term.

11.12 Right of use – Leases

At March 31, 2019, the Company and its subsidiaries identified 2,177 land lease contracts compliant with the recognition and measurement criteria established by IFRS 16, of which 1,944 refer to wind power projects under development, 215 to wind farms under construction, and 13 to SHPs in operation, as well as 5 contracts referring to lease of administrative headquarters.

For these contracts, the Company and its subsidiaries recognized future payment liabilities and the right to use the leased asset, as follows:

Assets	Consolidated	Individual	Liabilities	Consolidated	Individual
Noncurrent Asset			Current		
Property, plant and equipment			Lease Payable	5,757	2,347
Right of use leased asset	40,131	19,240	(-) Interest to be appropriated	(5,234)	(2,290)
(-) Right of use - lease contract	(600)	(524)		523	57
	39,531	18,716			
Transfer to assets held for sale	(16,052)	(3,794)	Transfer to liabilities held for sale	(89)	-
			Current Liabilities	434	57
			Noncurrent Liabilities		
			Lease Payable	88,868	21,237
			(-) Interest to be appropriated	(52,637)	(5,412)
				36,231	15,825
			Transfer to liabilities held for sale	(12,173)	-
			Noncurrent Liabilities	24,058	15,825
Total Asset	23,479	14,922	Total Liabilities	24,492	15,882

To determine the fair value of the lease, a discount rate was applied, calculated based on the incremental rates of the Company' loans ranging from 14.03% p.a. to 15.66% p.a., to expected minimum payments, considering the shorter of the lease contract term or the authorization term, as applicable.

In addition, the Company and its subsidiaries recognized in P&L the depreciation/amortization of right-of-use assets and interest expense on lease liabilities:

	Consolidated	Individual
Cost		
Amortization right of use	41	-
Income Expenses		
Amortization right of use	558	524
Finance Income		
Interest on lease obligation	1,372	628
Total	1,971	1,152

At March 31, 2019, the aging list is as follows:

	Consolidated	
Maturity	Interest	Principal
2019	3,965	6,319
2020	4,909	8,318
2021	4,442	8,092
2022	3,937	7,956
2023	3,443	6,803
2024 to 2050	37,175	57,137
Total	57,871	94,625

12. Trade accounts payable

	Note	Consolidated		Individual	
		03/31/2019	12/31/2018	03/31/2019	12/31/2018
Trade accounts payable		335,550	326,282	88,044	87,673
Transfer to liabilities directly associated with assets held for sale	27.2	(288,424)	(277,751)	(43,000)	(43,000)
		<u>47,126</u>	<u>48,531</u>	<u>45,044</u>	<u>44,673</u>
Presented as:					
Current		47,126	48,531	45,044	44,673
Noncurrent		-	-	-	-
Total		<u>47,126</u>	<u>48,531</u>	<u>45,044</u>	<u>44,673</u>

In view of the intention to sell Alto Sertão III, the amounts payable related to contracts for the supply of equipment and materials for the construction of plants, wind power generators, substations and civil construction were transferred to the account “Liabilities associated with assets held for sale”.

On August 4, 2017, Casa dos Ventos assumed the obligation to pay a debt of the Company with Banco BTG Pactual, in the amount of R\$43,000, and in return, the Company delivered certain projects under development to Casa dos Ventos. Nevertheless, on March 31, 2019, these asset and liability balances continued to be stated as assets classified as held for sale and liabilities directly associated with assets held for sale, awaiting the completion of the conditions precedent in this type of negotiation. The partial settlement of the debt with supplier Seta, in the amount of R\$10,000, is also under negotiation, upon delivery of a certain project under development.

13. Loans, financing and debentures

13.1 Consolidated

		Consolidated									
		03/31/2019					12/31/2018				
		Current			Noncurrent	Grand total	Current			Noncurrent	Grand total
	Cost of Debt	Charges	Principal	Total	Principal		Charges	Principal	Total	Principal	
Local currency											
FNE - Banco do Nordeste do Brasil S.A. - Espra (13.6.a)	9.5% p.a. (8.08% p.a.)*	-	7,662	7,662	61,196	68,858	-	7,101	7,101	63,587	70,688
Finep - CEOL Itaparica (15.6.b)	3.5% p.a.	15	1,998	2,013	7,658	9,671	16	1,997	2,013	8,158	10,171
BNDES - Ponte I Diamantina Eólica (Subloan "A") (13.6.c)	TLP + 9% p.a.	388	7,499	7,887	-	7,887	2,015	169,026	171,041	-	171,041
BNDES - Ponte I Diamantina Eólica (Subloan "B") (13.6.c)	TLP + 2.5% p.a.	5,792	509,873	515,665	-	515,665	5,799	499,921	505,720	-	505,720
BNDES - Ponte I Diamantina Eólica (Subloan "C") (13.6.c)	TJ6 + 8.15% p.a.	185,325	251,061	436,386	-	436,386	1,571	257,258	258,829	-	258,829
Citibank (13.6.d)	100% CDI + 4.5%	56,909	120,500	177,409	-	177,409	50,833	120,500	171,333	-	171,333
BTG Pactual (13.6.d)	100% CDI + 7.4%	50,875	129,738	180,613	-	180,613	40,497	129,738	170,235	-	170,235
Banco Modal (13.6.d)	100% CDI + 6%	5,535	15,000	20,535	-	20,535	4,446	15,000	19,446	-	19,446
Subtotal loans and financing		304,839	1,043,331	1,348,170	68,854	1,417,024	105,177	1,200,541	1,305,718	71,745	1,377,463
Borrowing costs		-	-	-	(123)	(123)	-	-	-	(131)	(131)
Transfer to liabilities directly associated with assets held for sale (Note 27.2)		(197,055)	(785,431)	(982,486)	(7,535)	(990,021)	(13,847)	(943,202)	(957,049)	(8,027)	(965,076)
TOTAL LOANS AND FINANCING		107,784	257,900	365,684	61,196	426,880	91,330	257,339	348,669	63,587	412,256

13.2 Individual

		Individual					
		Current					
		03/31/2019			12/31/2018		
	<u>Cost of Debt</u>	<u>Charges</u>	<u>Principal</u>	<u>Total</u>	<u>Charges</u>	<u>Principal</u>	<u>Total</u>
Citibank (13.6.d)	100% CDI + 4.5%	56,909	120,500	177,409	50,833	120,500	171,333
BTG Pactual (13.6.d)	100% CDI + 7.4%	50,875	129,738	180,613	40,497	129,738	170,235
TOTAL LOANS		<u>107,784</u>	<u>250,238</u>	<u>358,022</u>	<u>91,330</u>	<u>250,238</u>	<u>341,568</u>

13.3 Collaterals

At March 31, 2019, the balance payable of loans and financing is collateralized as follows:

	BNB (Note 13.6.a)	BNDES (Note 13.6.c)	Banco BTG (Note 13.6.d)	Total
Receivables	403,690	-	-	403,690
Pledge of shares	133,551	80,930	302,829	214,481
Mortgage/disposal of assets	148,640	1,080,000	-	1,228,640
Surety – money	11,027	-	-	11,027
Total	696,908	1,160,930	302,829	1,857,838

The other guarantees related to financing are described in Note 13.6

13.4 Changes

Changes in loans and financing are as follows:

	Consolidated			Individual		
	Principal	Charges	Total	Principal	Charges	Total
Balances at December 31, 2017	1,179,528	113,810	1,293,338	250,711	49,775	300,486
Accrued finance charges	-	43,838	43,838	-	6,990	6,990
Finance charges paid	-	(1,598)	(1,598)	-	-	-
Amortization of loans and financing	(2,220)	-	(2,220)	-	-	-
Restatement and incorporation of interest to principal	28,202	(28,202)	-	11,743	(11,743)	-
Funding cost allocation	7	-	7	-	-	-
Transfer to liabilities directly associated with assets held for sale	(866,995)	(82,826)	(949,821)	-	-	-
Balances at March 31, 2018	338,522	45,022	383,544	262,454	45,022	307,476
Balances at December 31, 2018	320,926	91,330	412,256	250,238	91,330	341,568
Accrued finance charges	-	60,830	60,830	-	16,454	16,454
Finance charges paid	-	(1,433)	(1,433)	-	-	-
Commissions and other penalties	495	-	495	-	-	-
Amortization of loans and financing	(20,329)	-	(20,329)	-	-	-
Restatement and incorporation of interest to principal	(139,177)	139,177	-	-	-	-
Funding cost allocation	6	-	6	-	-	-
Transfer to liabilities directly associated with assets held for sale	157,175	(182,120)	(24,945)	-	-	-
Balances at March 31, 2019	319,096	107,784	426,880	250,238	107,784	358,022

(*) changes due to relocation of part of subloan "A" to subloan "C".

13.5 Maturity of installments – noncurrent (principal and charges)

The aging list of installments classified under noncurrent liabilities is as follows:

Maturity	03/31/2019
	Consolidated
2020	5,157
2021	8,022
2022	8,523
2023	9,054
2024	9,616
2025 to 2027	20,824
Total	61,196

13.6 Summary of agreements

a. BNB Agreement

Indirect subsidiary Espira, with the intermediation of subsidiary Enerbras, obtained financing from BNB on June 30, 2006, totaling R\$120,096, maturing on June 30, 2026.

This financing is collateralized by mortgage of properties belonging to Serra da Prata Complex (R\$148,640); pledge of shares (R\$133,552); pledged rights arising from the Authorizing Resolutions; right to receive any and all amounts that, effectively or potentially, are or may become payable by the granting authority to Espira, amounting to R\$403,690 (which represents receivables calculated up to the end of the agreement), all other tangible or intangible rights of the respective Authorizing Resolutions; and liquidity fund in reserve account in the amount of R\$11,027, at March 31, 2019 (Note 9). The financing agreement with BNB does not include covenants for early payment of the debt.

b. FINEP

On December 19, 2013, subsidiary Centrais Elétricas Itaparica S.A. entered into a financing agreement with the Funding Authority for Studies and Projects (FINEP), in the amount of R\$107,960. The funds from this financing will be used to implement a hybrid solar and wind power generation and distribution plant. The financing has a 36-month grace period, which covers the period from the agreement execution date to the date of maturity of the amortization installment, and shall be repaid in 85 installments, with the first one falling due on January 15, 2017 and the last on January 15, 2024. On March 31, 2019, R\$14,149 had been drawn down.

This financing is collateralized by bank letters of guarantee at an amount equivalent to 100% of the total amount drawn down, plus charges levied thereon, issued by financial institutions.

This financing agreement does not include financial covenants requiring early payment of the debt.

c. BNDES (Bridge loan)

On December 19, 2014, a short-term financing agreement was made between BNDES and Diamantina, in the total amount of R\$700,000, divided into two subloans: Subloan “A” in the amount of R\$140,000 and Subloan “B” in the amount of R\$560,000, for plants operating under LER 2013 and in the free market. On February 18, 2016, pursuant

to the first contract amendment entered into by and between the parties, a portion of Subloan “B” was reallocated with the creation of Subloan “C” in the amount of R\$163,963. According to the contractual amendments, the bridge loan shall be settled on April 15, 2019 (Note 30.2).

This financing is collateralized by: pledge of all the shares and dividends of Alto Sertão Participações S.A., Diamantina Eólica Participações S.A. and of SPEs as intervening parties to the agreement, pledge of machinery and equipment, of the rights arising from the Authorizations issued by ANEEL, of the credit rights of the supply contracts of wind power generator, fiduciary assignment of the credit rights of the energy sale contracts, introduced by and between the SPEs and in the free market (“CCVEs”), in the regulated market (“CCEARs”), and reserve energy contracts (CERs).

This agreement does not include covenants requiring early payment of the debt.

d. Other loans - working capital

On November 10, 2015, subsidiary Alto Sertão Participações S.A. issued a Bank Credit Bill (CCB) in the principal amount of R\$15,000, jointly with Banco Modal S.A., maturing on March 15, 2019, according to the 3rd contractual amendment made on August 15, 2018, plus 100% of the CDI rate added to a fixed rate of 6% p.a. The Company is currently negotiating the extension of the loan maturity with Modal. The guarantors of this transaction are the Company and Diamantina Eólica.

On March 24, 2016, the Company started a Bank Credit Bill (“CCB”) with Banco Citibank S.A., in the principal amount of R\$120,500, maturing on January 31, 2017 and interest of 4.5% p.a. plus 100% of the CDI rate. The penalties provided for in the contract in case of default are arrears interest of 1% per month and a compensatory fine of 2% on the amounts payable, as well as reimbursement of charges and fees incurred by Citibank. The guarantors of this transaction are Renova Comercializadora and Chipley. This debt is being renegotiated as disclosed in Note 30.3.

On June 29 and August 23, 2017, respectively, the Company entered into two Private Instruments of Transaction and Acknowledgement of Debt with Banco BTG Pactual S.A., in the amounts of R\$54,228 and R\$89,323, respectively. Both are remunerated at 100% of the CDI plus a spread of 7.4% p.a. The penalties provided for in the contract in case of default are arrears interest of 1% per month and a compensatory fine of 2% on the amounts payable, as well as reimbursement of charges and fees incurred by BTG. This transaction is collateralized by statutory lien of 35.18% of Chipley’ shares and fiduciary assignment of 50.40% of all and any dividends as a result of the interest held in Brasil PCH S.A. On December 3, 2018 BTG Pactual pledged the shares issued by Chipley (Note 10.5). This debt was renegotiated as disclosed in Note 30.3.

14. Taxes payable

	Consolidated		Individual	
	03/31/2019	12/31/2018	03/31/2019	12/31/2018
Corporate income tax (IRPJ) payable	6,566	5,651	-	-
Social contribution tax on net profit (CSLL) payable	2,503	2,365	-	-
COFINS payable	4,839	4,713	-	9
PIS payable	827	1,019	-	1
Taxes on payroll	972	1,168	972	1,168
Third-party taxes withheld	6,277	3,455	3,449	332
Taxes on loan transactions	6,315	1,669	1,943	606
Taxes paid in installments	1,541	1,541	1,541	1,541
Other taxes payable	719	973	-	1
	<u>30,559</u>	<u>22,554</u>	<u>7,905</u>	<u>3,658</u>
Transfer to liabilities directly associated with assets held for sale (Note 27.2)	(16,474)	(17,181)	-	-
TOTAL	<u>14,085</u>	<u>5,373</u>	<u>7,905</u>	<u>3,658</u>

The IRPJ and CSLL balance payable of the Parent Company, amounting to R\$1,541, was included in the tax debt installment payment established by Provisional Executive Order No. 783 of May 31, 2017 (signed into Law No. 13496 of October 24, 2017). To settle this debt, the Company elected the cash payment method of 7.5% of the consolidated debt and the remaining amount will be settled using income and social contribution taxes, upon completion of consolidation by the Brazilian Internal Revenue Service (RFB).

15. Accounts payable - CCEE/Eletrobras (consolidated)

	Liabilities	
	03/31/2019	31/12/2018
Current		
Eletrobras	9,195	13,114
CCEE	28,166	22,657
	<u>37,361</u>	<u>35,771</u>
Transfer to liabilities directly associated with assets held for sale (Note 27.2)	(28,166)	(22,657)
Total current	<u>9,195</u>	<u>13,114</u>
Noncurrent		
Eletrobras	20,664	20,664
CCEE	4,957	-
	<u>25,621</u>	<u>20,664</u>
Transfer to liabilities directly associated with assets held for sale (Note 27.2)	(4,957)	-
Total noncurrent	<u>20,664</u>	<u>20,664</u>
Total	<u>29,859</u>	<u>33,778</u>

Eletrobras

The Energy Purchase and Sale Contract signed by and between indirect subsidiary Espra and Eletrobras determines that sales revenues be determined every year (from January to December) within the Eletrobras scope. The financial adjustment portion resulting from this calculation will be offset in the monthly invoices of the subsequent year.

As provided for by the Provisional Executive Order No. 688, in December 2015, the Government enacted Law No. 13203/2015 addressing the rescheduling of the hydrological risk of electric power generation for agents participating in the Energy Relocation Mechanism ("MRE"), effective from 2015. Indirect subsidiary Espra joined the rescheduling of the hydrological risk relating to SHPs Colino I, Cachoeira da Lixa and Colino II, choosing to transfer in full the hydrological risk (SP100) to the consumer. In this product, the generator fully transfers the hydrological risk inherent in regulated contracts by means of payment of a risk premium of 11.94 R\$/MWh to Colino I and Cachoeira da Lixa, and of 14.07 R\$/MWh to Colino II (base date January 2019, annually restated by reference to the Extended Consumer Price Index - IPCA) until the shorter of the expiration of the power sale contracts or of the authorization.

CCEE

The Reserve Energy Contracts entered into between the indirect subsidiaries under LER 2013 and LER 2014 and CCEE determine that the differences between the power generated by plants and the contracted power be calculated every year.

The reimbursement for negative differences (below the tolerance level - 10%) of generation will be repaid in 12 equal monthly installments over the subsequent contractual year, at 115% (annual reimbursement - reimbursement of 100% of volume + 15% of fine for failure to deliver).

Reimbursements that are within the tolerance level - 10% of generation, will be repaid in 12 installments after possible offsetting with positive differences, beginning at the end of the first four-year period from the beginning of the commercial operation, at 106% (four-year reimbursement - reimbursement of 100% of volume + 6% of fine for failure to deliver).

15.1 Changes

Changes for the periods are as follow:

	12/31/2018	Provision/ reversal	Fine on reimbursement	Amortization	Transfer to liabilities directly associated with assets held for sale	03/31/2019
Eletrobras	33,778	(549)	-	(3,370)	-	29,859
CCEE	-	-	16,253	(5,787)	(10,466)	-
Total liabilities	33,778	(549)	16,253	(9,157)	(10,466)	29,859

	12/31/2017	Provision	Fine on reimbursement	Amortization	Transfer to liabilities directly associated with assets held for sale	03/31/2018
Eletrobras	27,383	474	-	(798)	-	27,059
CCEE	19,361	-	3,722	(3,885)	(19,198)	-
Total liabilities	46,744	474	3,722	(4,683)	(19,198)	27,059

16. Other accounts payable

	Consolidated	
	03/31/2019	12/31/2018
Indemnification/reimbursement payable to related party - Light	-	89,206
Reimbursement payable to related party – CEMIG	-	61,930
Penalty - ANEEL	5,940	5,940
Other	53	53
	5,993	157,129
Transfer to liabilities directly associated with assets held for sale (Note 27.2)	(5,993)	(5,993)
Total	-	151,136

At December 31, 2018, the consolidated balance of other accounts payable basically includes indemnification and reimbursement payable to related party LIGHTCOM, amounting to R\$89,206, of which R\$82,960 relating to indemnification due within the scope of the amendment executed on December 21, 2017, to record new commercial terms to the agreement, and R\$6,246 relating to reimbursement due as a result of the suspension of the power supply contract; reimbursement payable to CEMIG, in the amount of R\$61,930, of which R\$51,734 within the scope of the amendment executed on August 3, 2018 and R\$10,196 relating to the suspension of the energy purchase and sale contract and consequent payment of reimbursement (Note 24.3.5). With the new TARDs executed in 2019, these amounts were recognized as debt and transferred to related parties.

Accounts payable to ANEEL amounting to R\$5,940 refer to the penalty applied by ANEEL for cancellation of the concession of certain plants of Alto Sertão III Wind Farm Complex.

17. Provision for civil, tax and labor contingencies (individual and consolidated)

On March 31, 2019, the consolidated balance of the provision for civil, tax and labor contingencies amounts to R\$93,842 (R\$81,259 at December 31, 2018), of which R\$86,283 relating to civil proceedings, R\$7,414 relating to labor claims and R\$145 relating to administrative proceedings. Changes for the period ended March 31, 2019 are as follows:

	Civil	Labor	Administrative	Total
Balances at December 31, 2018	74,933	6,183	143	81,259
Addition(*)	16,272	1,490	-	17,762
Restatement	347	100	2	449
Write-off	(5,210)	(307)	-	(5,517)
Payment	(25)	(52)	-	(77)
Transfer to liabilities directly associated with assets held for sale	(34)	-	-	(34)
Balances at March 31, 2019	86,283	7,414	145	93,842

(*) refers substantially to the supplementary provision for civil proceedings relating to arbitration (Note 1.2.2), amounting to R\$16,117.

	Civil	Labor	Administrative	Total
Balances at December 31, 2017	22,595	4,258	126	26,979
Addition(*)	7,694	202	-	7,896
Payment	-	(33)	-	(33)
Restatement	2	2	1	5
Balances at March 31, 2018	30,291	4,429	127	34,847

Management of the Company and its subsidiaries, based on the opinion of their legal advisors with respect to the likelihood of a favorable outcome in various legal proceedings, understands that the provisions recorded in the statement of financial position are sufficient to cover probable losses.

In addition, the Company and its subsidiaries are parties to various contingencies amounting to approximately R\$216,223 (R\$375,610 at December 31, 2018), of which R\$209,619 (R\$369,755 at December 31, 2018) refer to civil proceedings, R\$2,654 (R\$1,842 at December 31, 2018) refer to administrative proceedings, and R\$3,951 (R\$4,013 at December 31, 2018) refer to labor claims. Based on the opinion of its legal advisors, management classified such proceedings as possible losses, and thus did not set up any provision for period ended March 31, 2019.

The proceedings classified as probable and possible loss mainly challenge the following issues:

Probable loss

(i) Civil proceedings - basically refer to:

- civil proceeding filed by Elite Serviços Administrativos e Processamento de Dados Ltda. which challenges the possible noncompliance with the service agreement by the Company for non-payment of the obligations related to this agreement, for which the Company filed a declaratory judgement action for termination of the contract and recognition of the contractual imbalance. The Company understands that the likelihood of loss in this proceeding is probable and recorded a provision of R\$31,793.
- arbitration proceeding with MGT Consortium regarding the reimbursement of alleged financial losses incurred during the execution of the contracts for rendering of engineering and civil works services to Alto Sertão II Wind Farm Complex, amounting to R\$31,165 (Note 1.2.2).
- Other civil proceedings assessed as probable losses, amounting to R\$23,325, substantially refer to proceedings related to enforcement of out-of-court notes, collection actions, declaratory judgement actions and compensation claims, which are highly dispersed.

In order to cover these legal disputes related to the proceeding filed by Elite Serviços, as mentioned in item (i) above, the Company maintains a judicial deposit, amounting to R\$19,853, which has been challenged by the Company through its legal advisors.

Possible losses

- (i) Civil proceedings assessed as possible loss include: proceedings arising from fines related to lease agreements with various lessors, totaling R\$200,480, for which the external legal advisors classify the likelihood of loss as possible. In addition, the Company filed an appeal that was upheld in March 2019, dismissing referred to fine and determining the application of the specific contractual clause for the case of default.

With the progress of the proceedings, the Company management and its legal advisors expect that the likelihood of loss will be changed to remote loss.

- (ii) Other civil proceedings assessed as possible losses, amounting to R\$9,139, substantially refer to proceedings related to enforcement of out-of-court notes, collection actions, declaratory judgement actions and compensation claims, which are highly dispersed.

17.1 Risk relating to compliance with laws and regulations

Since 2017, the Company is under investigation by the Civil Police of Minas Gerais State relating to contributions made to the Company by the controlling shareholders and contributions made by the Company to certain projects under development in prior years, including certain payments to suppliers. As a result, the Company's governance bodies requested the establishment of an internal investigation as regards this matters, which is being conducted by an independent company specialized in investigative actions, and a monitoring committee was created, consisting of an independent advisor, the chairman of the Supervisory Board, the chairman of the Board of Directors and the coordinator of the Audit Committee, who are accompanying the internal investigation.

In this context, the scope of independent internal investigation comprises assessment of the possible existence of irregularities, including as regards the Brazilian legislation related to acts of corruption and money laundering, and Renova's Code of Ethics and integrity policies.

On April 11, 2019, as part of the 4th phase of operation "Discard", the Brazilian Federal Police, the Internal Revenue Service and the Federal Prosecutor's Office conducted operation "Gone with the Wind", which resulted in search warrant and seizure at the Company's headquarters intended to identify any overpriced contracts and contracts without the proper provision of services. The investigations of operation "Gone with the Wind" have not yet been completed and the Brazilian Federal Police, the Federal Prosecutor's Office and the Internal Revenue Service may take additional time to complete all their procedures to investigate the facts. Consequently, any new material information could be disclosed in the future, which may lead the Company to evaluate any impacts on its individual and consolidated financial statements.

Through a Notice to the Market published on April 11, 2019, the Company clarified that this is an ongoing investigation related to the period prior to 2015, and that it will provide all the necessary information to assist the work of the Federal Police and the Judiciary. On April 25, 2019, the Company's governance bodies requested that the internal investigation conducted by an independent company be extended to encompass new information from this investigation.

The Company clarifies that the internal investigations have not yet been completed and that, to the best of its knowledge, despite the existence of evidence of failures in internal control procedures concerning approval of

payments and maintenance of supporting documentation for certain services engaged with third parties under investigation, additional procedures are still required to determine the existence of elements that could support or refute the allegations under review. Consequently, up to now, it is not possible to measure any effects of this investigation, as well as any impacts on the Company's individual and consolidated financial statements for the period ended March 31, 2019 and prior periods.

18. Provision for contract for valuable consideration

As a result of the delay in the start-up of certain wind farms of Alto Sertão III Complex that would meet the contracts under the free market, subsidiary Renova Comercializadora is buying energy in the short-term market to honor the commitments assumed in energy sales contracts. Considering that the prices established in these contracts are lower than the electric power prices that has been purchased to meet them, the Company classified them as onerous contracts.

Accordingly, on December 31, 2018 the Company recorded a provision in the total amount of R\$43,467, considering the projected energy purchase prices and the estimated cash flows of the contract and, subsequently, adjusted to present value using the CDI rate, of which R\$37,022 are classified in current and R\$6,445 in noncurrent.

On March 31, 2019 the balance of the provision is R\$31,555, considering that part of the provision amount, R\$11,912, was reversed due to the review of the effects of contracts for valuable consideration against the power purchase prices currently used in the market.

19. Equity and compensation of shareholders

a) Authorized capital

As provided for by its Articles of Incorporation, the Company is authorized to increase its capital, upon approval by the Board of Directors, regardless of any amendment to the Articles of Incorporation, through the issue of common or preferred shares, up to the limit of R\$5,002,000.

b) Capital

The Company's capital, amounting to R\$2,960,776 on March 31, 2019 and December 31, 2018, is now divided into 41,719,724 registered book-entry shares with no par value, of which 32,980,224 are common shares and 8,739,500 are preferred shares, which are held by shareholders as follows:

RENOVA ENERGIA	Common registered shares		Preferred registered shares		Total shares	% of total capital
	Number	%	Number	%	Number	%
Controlling block	28,154,191	85,37%	99	0,00%	28,154,290	67,48%
CGI FIP MULTI ESTRATÉGIA	5,875,746	17,82%	-	0,00%	5,875,746	14,08%
Light Energia	7,163,074	21,72%	98	0,00%	7,163,172	17,17%
Cemig GT	15,115,371	45,83%	1	0,00%	15,115,372	36,23%
Other shareholders	4,826,033	14,63%	8,739,401	100,00%	13,565,434	32,52%
CGI FIP MULTI ESTRATÉGIA	500,711	1,52%	121,360	1,39%	622,071	1,49%
BNDESPAR	696,683	2,11%	1,393,366	15,94%	2,090,049	5,01%
InfraBrasil	1,165,148	3,53%	2,330,295	26,66%	3,495,443	8,38%
FIP Caixa Ambiental	547,030	1,66%	1,094,059	12,52%	1,641,089	3,93%
Other	1,916,461	5,81%	3,800,321	43,48%	5,716,782	13,70%
Total	32,980,224	100,00%	8,739,500	100,00%	41,719,724	100,00%

Note: The controlling block considers shares subject to the shareholders agreement

c) Share issue costs

The Company records all share issue costs in a specific account. These amounts refer to financial consulting and advisory service fees relating to the capital increase operations, as shown below:

Event	Date	Share issue costs
		Individual and Consolidated
Initial Public Offering (IPO)	July/2010	13,686
New investor: Light Energia	September/2011	20,555
New investor: BNDESPAR	September/2012	1,871
New investor: CEMIG GT	September/2014	5,645
Total		41,757

d) Reserves

Capital reserve

The Company recorded under capital reserve the effect of the Share-Based Payment Plan costs relating to certain projects, as well as the rewards paid relating to the successful IPO and also agreements entered into with its executive officers. These records reflect both provisions for shares already granted and the recognition of provision for shares to be granted in the medium and short term.

20. Net revenue

	Consolidated			
	<u>03/31/2019</u>	<u>03/31/2018</u>	<u>03/31/2019</u>	<u>03/31/2018</u>
	MWh*	MWh*		
Generation				
Electric power supply - SHPs	23,040	32,444	11,982	10,494
Other revenues				
Operations – sale of electric power			<u>54,461</u>	<u>179,935</u>
			66,443	190,429
Deductions from revenues:				
(-) Taxes on revenue (PIS/COFINS)			(5,481)	(17,027)
Total			<u><u>60,962</u></u>	<u><u>173,402</u></u>

(*) Information not reviewed by the independent auditors.

Reduction of selling transactions due to the suspension of wind power supply under tax incentive program, from January to December 2019 (Note 24.3).

21. Costs and expenses (revenues)

	Consolidated		Individual	
	03/31/2019	03/31/2018	03/31/2019	03/31/2018
Cost of services				
Purchase of electric power(2)	42,773	203,793	-	-
Cost of operation				
Third-party services	628	1,097	-	-
Rentals and leases	-	314	-	-
Insurance	53	60	-	-
Storeroom and supplies	98	52	-	-
Renegotiation of hydrological risk	554	487	-	-
Other costs	95	80	-	-
	1,428	2,090	-	-
Depreciation and amortization (Note 11)	2,392	2,422	972	1,036
Charges on use of distribution system				
Tusd/Tust(1)	158	180	-	-
Inspection fee	30	27	-	-
	188	207	-	-
Total	46,781	208,512	972	1,036
Income (expenses)				
General and administrative				
Personnel and management	7,705	8,057	3,176	3,614
Third-party services	221	3,317	2,858	2,174
Rentals and leases	412	385	171	227
Travel	894	373	302	202
Insurance	1,655	2,244	96	33
Telephone and IT	476	818	174	461
Storeroom and supplies	155	164	33	78
Civil and labor contingencies	12,479	7,961	12,406	7,954
Other expenses	342	77	126	225
	24,339	23,396	19,342	14,968
Depreciation and amortization (Note 11)	889	406	854	406
Other income (expenses), net				
Contractual indemnifications(3)	70,861	-	-	-
Fine on reimbursement (Note 15.1)	16,253	3,722	-	-
Contract for valuable consideration (Note 18)	(11,912)	-	-	-
Licenses and environmental studies	1,244	-	-	-
Tusd/Tust(1)	6,188	5,857	-	-
Inspection fee	26	22	-	-
Reversal of provision for PIS/COFINS credit impairment (Note 8)	(1,033)	-	-	-
Other expenses (income)	263	(1,077)	329	(581)
	81,890	8,524	329	(581)
Total	107,118	32,326	20,525	14,793

- (1) Tusd – distribution system use tariff and Tust – transmission system use tariff. The Tust amounts recorded in expenses are related to the Alto Sertão III Complex, whose wind farms are under construction.
- (2) This refers to acquisition of electric energy in the free market for resale by Renova Comercializadora to meet commitments assumed under energy sale contracts involving plants whose commercial operations have been delayed.
- (3) Reimbursement payable to CEMIG GT (R\$45,987) and Light (R\$24,874), according to amendments executed with Renova Comercializadora (Note 24) due to the suspension and assignment of electric power purchase and sale contracts.

22. Finance income (costs)

	Note	Consolidated		Individual	
		03/31/2019	03/31/2018	03/31/2019	03/31/2018
Finance income					
Short-term investment yield and pledges		477	378	60	58
Other finance income		159	100	45	84
(-) PIS/COFINS on finance income*		(518)	(211)	(4)	-
Total finance income		118	267	101	142
Finance costs					
Debt charges	13.4	(60,830)	(43,838)	(16,454)	(6,990)
Interest - related parties	24	(21,465)	(9,107)	(9,312)	(5,064)
Interest		(11,369)	(7,161)	282	361
Bank letter of guarantee to debt		(7,303)	(6,627)	-	(169)
Interest on lease liability	11.12	(1,372)	-	(628)	-
Commissions and other penalties (debt)		(2,728)	-	-	-
Tax on Financial Transactions (IOF)		(2,866)	(1,295)	(2,340)	(1,230)
Other finance costs		(174)	(585)	(392)	154
Total finance costs		(108,107)	(68,613)	(28,844)	(12,938)
Total finance income (costs)		(107,989)	(68,346)	(28,743)	(12,796)

(*) This comprises PIS and COFINS on finance income from loan transactions with subsidiaries that are eliminated in the consolidated interim financial information.

23. Income and social contribution taxes

	Consolidated		Individual	
	03/31/2019	03/31/2018	03/31/2019	03/31/2018
Loss before income and social contribution taxes	(180,183)	(119,468)	(182,286)	(120,543)
Combined rate of income and social contribution taxes	34%	34%	34%	34%
Income and social contribution taxes at statutory rates	61,262	40,619	61,977	40,985
<u>Permanent exclusions (additions)</u>				
Nondeductible expenses	(9,587)	(2,089)	-	(64)
Equity pickup	(7,053)	5,547	(44,896)	(31,252)
Effect of subsidiaries operating under the taxable profit computed as a percentage of gross sales regime	1,573	(946)	-	-
Effect of deferred tax assets not recognized on:				
Temporary provisions	(4,792)	(2,525)	(4,792)	(2,525)
Income and social contribution tax losses	(39,300)	(39,531)	(12,289)	(7,144)
Income and social contribution taxes recorded in the statement of profit or loss	<u>2,103</u>	<u>1,075</u>	<u>-</u>	<u>-</u>

The Company did not record taxable profit for the period.

On March 31, 2019, the Company recorded income and social contribution tax losses to offset, in the amounts stated below, for which deferred taxes have not been recorded:

	Individual	
	03/31/2019	03/31/2018
Tax loss for the period	(36,145)	(21,011)
Income and social contribution tax loss carryforwards	<u>(814,060)</u>	<u>(691,450)</u>
Total income and social contribution tax loss carryforwards	<u>(850,205)</u>	<u>(712,461)</u>

24. Transactions with related parties

24.1 Individual

	Individual							
	Assets		Liabilities		Finance income (costs)		Expense	
	03/31/2019	12/31/2018	03/31/2019	12/31/2018	03/31/2019	03/31/2018	03/31/2019	03/31/2018
		8						8
<u>Loan⁽¹⁾</u>								
Energética Serra da Prata S.A.	-	-	60,394	47,585	(703)	(742)	-	-
Renova Comercializadora de Energia S.A.	-	-	433,270	377,716	(6,866)	(3,193)	-	-
Chiplei SP Participações S.A.	-	-	104,455	102,680	(1,743)	(1,128)	-	-
Centrais Eólicas Cansanção S.A.	-	-	-	-	-	(1)	-	-
Subtotal	-	-	598,119	527,981	(9,312)	(5,064)	-	-
<u>Apportionment of expenses⁽²⁾</u>								
Energética Serra da Prata S.A.	1,448	1,139	-	-	-	-	(1,112)	(1,272)
Renova Comercializadora de Energia S.A.	(113)	78	-	-	-	-	(1,278)	(571)
Subsidiaries - LER 2013	1,285	720	-	-	-	-	(564)	(672)
Subsidiaries - ACL (Mercado livre I)	192	107	-	-	-	-	(85)	(101)
Subsidiaries - ACL (Light I)	2,053	1,153	-	-	-	-	(901)	(1,074)
Subsidiaries - ACL (Light II)	1,651	926	-	-	-	-	(725)	(863)
Subsidiaries - ACL (Mercado livre II)	878	492	-	-	-	-	(386)	(460)
	7,394	4,615	-	-	-	-	(5,051)	(5,013)
Transfer to assets held for sale (Note 27.2)	(6,059)	(3,398)	-	-	-	-	-	-
Subtotal	1,335	1,217	-	-	-	-	(5,051)	(5,013)
<u>Future capital contribution⁽³⁾</u>								
Alto Sertão Participações S.A. (Holding)	48,135	4,815	-	-	-	-	-	-
Centrais Eólicas Carrancudo S.A.	262	86	-	-	-	-	-	-
Centrais Eólicas Botuquara S.A.	265	88	-	-	-	-	-	-
Centrais Eólicas Alcauz S.A.	299	97	-	-	-	-	-	-
Centrais Eólicas Tamboril S.A.	557	127	-	-	-	-	-	-
Centrais Eólicas Conquista S.A.	266	74	-	-	-	-	-	-
Centrais Eólicas Coxilha Alta S.A.	222	59	-	-	-	-	-	-
Centrais Eólicas Tingui S.A.	444	132	-	-	-	-	-	-
Centrais Eólicas Cansanção S.A.	166	45	-	-	-	-	-	-
Centrais Eólicas Macambira S.A.	331	101	-	-	-	-	-	-
Centrais Eólicas Imburana de Cabão S.A.	353	134	-	-	-	-	-	-
Centrais Eólicas Ipê Amarelo S.A.	293	94	-	-	-	-	-	-
Centrais Eólicas Putumaju S.A.	270	95	-	-	-	-	-	-
Centrais Eólicas Lençóis S.A.	117	32	-	-	-	-	-	-
Centrais Eólicas Anísio Teixeira S.A.	153	41	-	-	-	-	-	-
Centrais Eólicas Ico S.A.	179	46	-	-	-	-	-	-
Centrais Eólicas Jequitiba S.A.	129	39	-	-	-	-	-	-
Centrais Eólicas Caliandra S.A.	89	29	-	-	-	-	-	-
Centrais Eólicas Canjoão S.A.	98	32	-	-	-	-	-	-
Centrais Eólicas Cabeça de Frade S.A.	68	18	-	-	-	-	-	-
Centrais Eólicas Embiruçu S.A.	72	20	-	-	-	-	-	-
Centrais Eólicas Itapua VII Ltda.	878	371	-	-	-	-	-	-
Centrais Elétricas Itaparica S.A.	2,016	482	-	-	-	-	-	-
Other interests held	34	3	-	-	-	-	-	-
	55,696	7,060	-	-	-	-	-	-
Transfer to assets held for sale (Note 27.2)	(55,662)	(7,057)	-	-	-	-	-	-
Subtotal	34	3	-	-	-	-	-	-
Total	1,369	1,220	598,119	527,981	(9,312)	(5,064)	(5,051)	(5,013)

24.2 Consolidated

	Consolidated										
	Assets	Liabilities		Revenue		Cost		Expense		Finance income (costs)	
	12/31/2018	03/31/2019	12/31/2018	03/31/2019	03/31/2018	03/31/2019	03/31/2018	03/31/2019	03/31/2018	03/31/2019	03/31/2018
Renova Comercializadora de Energia S.A.											
CEMIG Geração e Transmissão S.A.											
Trade accounts receivable (sale of electric power)(4)	112	-	-	-	30,141	-	-	-	-	-	-
Other accounts payable(5)	-	-	61,930	-	-	-	-	-	-	-	-
Advances for purchase of electric power(6)	-	-	87,295	-	-	-	-	-	-	-	(368)
TARD(7)	-	655,433	445,271	-	-	-	-	(45,987)	-	(14,949)	(8,386)
Total	112	655,433	594,496	-	30,141	-	-	(45,987)	-	(14,949)	(8,754)
LIGHT COM Comercializadora de Energia											
Trade accounts receivable (sale of electric power)(4)	-	-	-	25,317	43,812	-	-	-	-	-	-
Trade accounts payable (purchase of electric power)(5)	-	-	-	-	-	(2,278)	(3,348)	-	-	-	-
Other accounts payable(5)	-	-	89,206	-	-	-	-	-	-	-	-
Advances for purchase of electric power(6)	-	74,351	88,454	-	-	-	-	-	-	(2,310)	(353)
TARD(8)	-	172,450	-	-	-	-	-	(24,874)	-	(4,206)	-
Total	-	246,801	177,660	25,317	43,812	(2,278)	(3,348)	(24,874)	-	(6,516)	(353)
CLIME Trading Comercializadora de Energia Ltda.											
Trade accounts receivable (sale of electric power)	43	-	-	18,478	-	(16,944)	-	-	-	-	-
Trade accounts payable (purchase of electric power)	-	-	-	-	-	(31,074)	(1,318)	-	-	-	-
Total	43	-	-	18,478	-	(48,018)	(1,318)	-	-	-	-
	155	902,234	772,156	43,795	73,953	(50,296)	(4,666)	(70,861)	-	(21,465)	(9,107)
Presented as:											
Current	155	565,097	434,608								
Assets											
Trade accounts receivable (Note 7)	155	-	-								
Liabilities											
Other accounts payable (Note 16)	-	-	151,136								
Related parties (Note 24)	-	565,097	283,472								
Noncurrent	-	337,137	337,548								
Liabilities											
Related parties (Note 24)	-	337,137	337,548								
Total	155	902,234	772,156								

24.3. Summary of transactions

Significant conditions relating to transactions with related parties are described below:

(1) Loans entered into with the subsidiaries described above, which are intended to meet the Parent Company's cash needs. These agreements are subject to restatement by reference to the Long-Term Interest Rate (TJLP), plus interest of 0.25% p.a.

(2) Reimbursement of expenses receivable from subsidiaries, within the scope of apportionment agreement entered into by and between the parties. These expenses refer basically to personnel, rent and telephone expenses centralized in subsidiaries.

(3) Future capital contributions made by the Parent Company in subsidiaries.

(4) Energy purchase and sale transaction, within the scope of the contracts entered into by and between the parties, as follows:

a. Light I contract, with power supply to LIGHTCOM and CEMIG GT until August 2035.

(i) On August 3, 2018, the Company executed the 7th amendment to the wind power purchase and sale contract entered into by and between subsidiary Renova Comercializadora and CEMIG GT, suspending the supply of wind energy under tax incentive contracted from July to December 2018.

(ii) On February 20, 2018, the Company executed the 8th amendment to this contract suspending the supply of wind power under tax incentive contracted from January to December 2019.

(iii) On March 22, 2019, subsidiary Renova Comercializadora and LIGHTCOM executed the 3rd amendment to the energy purchase and sale contract (Light I) in order to, among other matters: i) suspend the power supply contracted for the period from December 1, 2018 to December 31, 2019; ii) change the volumes of contracted electric power to be made available during the supply period; and iii) change of price of contracted electric power.

b. Light II Contract, with energy supply to LIGHTCOM until June 30, 2019. From July 1, 2019, this contract will be assigned to Engie, according to the negotiation related to the sale of Umburanas Complex in 2017.

(5) Amounts payable to CEMIG GT and LIGHTCOM, as follows:

a) Reimbursement due to CEMIG GT, as provided for in the 7th Amendment executed on August 3, 2018, due to the suspension of the supply of wind energy under tax incentive contracted from July to December 2018, whose settlement is contractually scheduled for July 9, 2019, restated at 155% of the CDI rate.

b) Indemnification payable to LIGHTCOM, as provided for in the 2nd Amendment executed on December 21, 2017, to record new commercial terms, such as electric power price, seasonality and restatement index, required to fulfill certain BNDES conditions. The indemnification expired on April 30, 2018 and, since the payment was not made, the due amount has been restated by reference to the IGPM, with interest of 1% p.m., plus late-payment fine/not compensatory fine of 2%, up to the effective payment date.

In December 2018, direct subsidiary Renova Comercializadora assigned its power purchase and sale contracts to related parties CEMIG GT and LIGHTCOM. The assignment of these contracts generated a total reimbursement of R\$16,442, of which R\$10,196 was to CEMIG GT and R\$6,246 to LIGHTCOM.

Considering the execution of TARDs 001/2019 and 002/2019 with CEMIG GT and TARD 001/2019 with LIGHTCOM, these balances previously presented as other accounts payable are being presented under related parties.

(6) Prepayments made within the scope of the energy purchase and sale contract entered into with CEMIG GT and LIGHTCOM, at the rate of 155% of the CDI. This balance comprises the prepayment below plus interest:

CEMIG GT

Advance referring to:	April to June 2018 (settled with delivery of electric power)	July to December 2018 (TARD 001/2018)	January 2019	February to April 2019	May to July 2019	August to October 2019	Total received
Receipt date:	1st quarter of 2018	February, April and May 2018	09/05/2018	08/06/2018	10/07/2018	08/08/2018	
Amount received:	R\$ 36,670	R\$ 55,880	R\$ 8,200	R\$ 23,000	R\$ 26,300	R\$ 25,800	R\$ 175,850
Outstanding amount:	-	-	-	-	-	-	-

Considering the suspension of the power supply mentioned in item 4.a.ii, the prepayments received by Renova Comercializadora for the period from January to October 2019, in the total amount of R\$83,300, were recognized as debt, according to TARD 002/2019.

LIGHTCOM

Advance referring to:	April to September 2018 (settled with delivery of electric power)	October 2018	November 2018, December 2018 and January 2019	February, March and April 2019	May to July 2019 and November 2019 to October 2020	August to October 2019	November 2020 to July 2021	August 2021	Total received
Receipt date:	1st quarter of 2018	24/04/2018	09/05/2018	June 08 and 26, 2018	July 10, 13 and 23, 2018	08/08/2018	01 and 02/2019	07/03/2019	
Amount received:	R\$ 26,715	R\$ 9,892	R\$ 10,795	R\$ 12,226	R\$ 53,094	R\$ 11,580	R\$ 34,989	R\$ 2,763	R\$ 162,054
Outstanding amount:	-	-	-	-	R\$ 22,213	R\$ 11,580	R\$ 34,989	R\$ 2,763	R\$ 71,545

Between January and March 2019, the Company received from its shareholder Light the amount of R\$37,935, as an advance for future delivery of energy, for the period from November 2020 to August 2021, whose amounts have been restated at 155% of the CDI rate. Considering the financial restructuring plan disclosed in Note 1.3, the balance of prepayments received shall be converted into debt instruments issued by the Company.

Considering the suspension of the energy supply mentioned in item 4.a.ii, the prepayments received by Renova Comercializadora for the period from December 2018 to December 2019, in the total amount of R\$50,466, were recognized as debt, according to TARD 001/2019.

(7) Terms of Acknowledgement of Debt ("TARDs") entered into by and between CEMIG GT and Renova Comercializadora, relating to advances received within the scope of the electric power purchase and sale contracts canceled or suspended, as follows:

CEMIG GT

	TARD 047/2016 03/25/2015 - PPA CEMIG	TARD 001/2017 12/23/2013 - Lot 2	TARD 001/2017 12/23/2013 - Lot 2	TARD 001/2018 12/23/2013 - Lot 1	TARD 001/2019 12/23/2013 - Lot 1	TARD 002/2019 12/23/2013 - Lot 1	Total
Electric power supply contract							
Receipt date:	December 15, 2015	June 14, 2016	September and October 2016	February, April and May 2018	-	January to October 2019	
Amount	R\$ 60,000	R\$ 94,000	R\$ 118,000	R\$ 55,880	-	R\$ 83,300	R\$ 411,180
Assignment/Reimbursement	-	-	-	R\$ 51,879	R\$ 10,196	R\$ 45,987	R\$ 108,062
TARD execution date	October 27, 2016	November 24, 2017	November 24, 2017	August 3, 2018	February 20, 2019	February 20, 2019	-
Restatement*	155% of CDI	155% of CDI	155% of CDI	155% of CDI	155% of CDI	155% of CDI	-
Settlement	July 9, 2019	From January 2020	From May 2021	July 9, 2019	July 9, 2019	July 9, 2019	-
Installment(s)	single	12	12	single	single	single	-
Balances at March 31, 2019	R\$ 95,605	R\$ 137,295	R\$ 161,563	R\$ 114,244	R\$ 10,412	R\$ 136,314	R\$ 655,433

(*) these amounts shall be restated from the date of the respective receipts until the effective payment date.

On February 20, 2019, subsidiary Renova Comercializadora and CEMIG GT executed the 1st amendment to TARD 01/2018 and the 8th amendment to TARD 047/2016, postponing the maturity date to July 9, 2019, restated at 155% of the CDI rate, from the original maturity date to the effective settlement date.

On that same date, the following TARDs were executed:

- a) TARD 001/2019: recognizing as debt the amount of R\$10,196 related to the assignments of energy purchase and sale contracts entered into by subsidiary Renova Comercializadora with third parties relating to the delivery of energy in December 2018. This amount shall be paid until July 9, 2019, in a lump-sum payment, restated at 155% of the CDI rate.
- b) TARD 002/2019: considering the suspension of the energy supply mentioned in item 4.a.ii above, the prepayments received by Renova Comercializadora for the period from January to October 2019, in the total amount of R\$83,300, were recognized as debt payable in a lump-sum payment restated at 155% of the CDI rate until July 9, 2019.

In addition, as a result of the change in the supply period, the takeover of certain energy purchase and sale contracts and the reimbursement for the reduction in wind energy volume, Renova Comercializadora will pay to CEMIG GT the amount of R\$45,987, whose settlement is scheduled for July 9, 2019 restated at 155% of the CDI rate.

Considering the financial restructuring plan disclosed in Note 1.3, the amounts relating to these TARDs will be converted into debt instruments issued by the Company.

(8) Terms of Acknowledgement of Debt (“TARDs”) entered into by and between LIGHTCOM and Renova Comercializadora, relating to advances received within the scope of the electric power purchase and sale contracts canceled or suspended, as follows:

Considering the suspension of the energy supply mentioned in item 4.a.iii above, the prepayments received by Renova Comercializadora for the period from December 2018 to December 2019, in the total amount of R\$50,466, were recognized as debt, according to TARD 001/2019 executed on March 22, 2019, which provides for the return of the amount in a lump-sum payment restated at 155% of the CDI rate, from the dates of such prepayments up to the effective settlement date, July 9, 2019.

In addition, as a result of the change in the supply period, the takeover of certain energy purchase and sale contracts and the reimbursement for the reduction in wind energy volume, Renova Comercializadora will pay to LIGHTCOM the amount of R\$31,120, whose settlement is scheduled for July 9, 2019 restated at 155% of the CDI rate.

Guarantees and prepayments - TARDs

The debt balance relating to prepayments and TARDs mentioned above are guaranteed as follows:

- (i) statutory lien of 30% of Chipley’s shares held by the Parent Company (Note 13.6.d);
- (ii) fiduciary assignment of 30% of receivables arising from the sale of Chipley’s shares held by the Parent Company, which were disposed of as described in item (i) above (Note 15.6.d);
- (iii) statutory lien of 100% of Enerbras capital;
- (iv) statutory lien of 100% of Bahia Holding’s shares and of 49.9% of Ventos de São Cristóvão’s shares;
- (v) fiduciary assignment of the remaining proceeds relating to the enforcement of guarantees represented by items (i), (iii) and (iv) above.

24.4 Key management personnel compensation

Key management personnel compensation for the quarters ended March 31, 2019 and 2018, as required by CVM Rule No. 560, of December 11, 2008 amounted to R\$2,011 and R\$1,964, respectively, comprising only short-term benefits.

Compensation of the Executive Board, Board of Directors and Supervisory Board

	03/31/2019						03/31/2018					
	Statutory Board	Non-statutory Board	Total	Board of Directors	Supervisory Board	Total	Statutory Board	Non-statutory Board	Total	Board of Directors	Supervisory Board	Total
Number of members receiving compensation	3,00	1,00	4,00	2,00	5,00	11,00	1,67	2,00	3,67	2,00	4,00	9,67
Accrued fixed compensation	843	208	1,050	58	145	1,253	715	460	1,175	62	114	1,351
Salary or management fees	588	135	723	48	121	892	392	313	706	52	95	853
Direct and fringe benefits	90	25	115	-	-	115	70	45	116	-	-	116
Other	165	48	212	10	24	34	252	102	354	10	19	29
Fixed bonuses	-	-	-	-	-	-	64	-	64	-	-	-
Charges arising from fixed compensation	165	48	212	10	24	34	188	102	290	10	19	29
Accrued variable compensation	533	113	645	-	-	645	160	240	400	-	-	400
Provision for profit sharing program	533	113	645	-	-	645	160	240	400	-	-	400
Post-employment benefits	-	-	-	-	-	-	6	11	17	-	-	17
Termination benefits	113	-	113	-	-	113	196	-	196	-	-	196
Total compensation by management body	1,488	320	1,809	58	145	2,011	1,077	711	1,788	62	114	1,964

Average monthly compensation of the Executive Board, Board of Directors and Supervisory Board

	03/31/2019				03/31/2018			
	Statutory Board	Non-statutory Board	Board of Directors	Supervisory Board	Statutory Board	Non-statutory Board	Board of Directors	Supervisory Board
Number of members	3,00	1,00	2,00	5,00	1,67	2,00	2,00	4,00
Highest individual compensation amount	226	107	10	10	285	118	10	9
Average individual compensation	130	107	10	9	169	116	10	9
	165	107	10	10	227	117	10	9

The Annual General Meeting held on April 30, 2019 approved the amount of up to R\$8,514 for the overall compensation of management personnel for the period from January 2019 to April 2020.

Upon their termination, the members of the Executive Board are entitled, in addition to the benefits defined by the labor legislation prevailing in Brazil, to payment of bonus or reward that may be paid by the Company for the termination of office, as the case may be.

24.5 Share-based payments

24.5.1 Information regarding the Company's stock option plan

The Company has a share-based compensation plan ("PBA") established under the terms of article 168, paragraph 3, of Law No. 6404/76. According to the general conditions for the granting of stock options involving shares issued by the Company, as approved by the shareholders at the Special General Meeting (SGM) held on January 18, 2010, the plan establishes that managing officers and executive officers may be eligible as beneficiaries. The strike price of Program 2013 (series 1) is restated by reference to the General Market Price Index (IGP-M/FGV) up to the option exercise date.

In Program 2013, the grants are exercisable within 6 years, that is, from December 2014 to 2020, with a 4-year vesting period (25% p.a.), subsequent to the grant date. Options grant must follow a maximum limit of five per cent (5%) of all shares representing the Company's capital, on a fully diluted basis, thus including all options already

granted under the terms of the plan. No amount is paid or shall be paid by the beneficiary upon receiving the option. The options do not entitle the holder to the Company shareholders' rights, including the right to receive dividends. The options may be exercised at any time, from the date of purchase to the date of expiration. Once the option is exercised, shares underlying this option will be issued through the Company's capital increase, to be approved under the applicable law and the Company's Articles of Incorporation.

24.5.2 Fair value of stock options

The options were priced based on the Black-Scholes mathematical model.

There was neither exercise of stock options nor new grants for the period ended March 31, 2019.

25. Financial instruments and risk management

The Company and its subsidiaries conduct transactions with financial instruments. These instruments are managed through operational strategies and internal controls in order to ensure liquidity, security and profitability. Gains and losses on these transactions are consistent with the policies set by the Company management.

The risks associated with these transactions are managed according to the practices defined by management, including the monitoring of the levels of exposure of each market risk and estimated future cash flow. These practices also determine that the information be updated in the operating systems, as well as the information and operation of the transactions with counterparties.

a) Fair value of financial instruments

Fair value is the amount by which an asset could be exchanged or a liability could be settled, between parties that are knowledgeable of the business and are willing to conduct it on an arm's length basis. The definition of fair value covers several variations on the metrics used to measure an amount reliably.

The calculation of fair value was determined based on information available on the market and on appropriate valuation methodologies. However, considerable judgment is required to interpret market information and estimate fair value. Certain accounts have their book balance equivalent to fair value. This results from the fact that these financial instruments have characteristics similar to those that would be obtained had these financial instruments been traded in the market.

The use of various market methodologies may have a material effect on the estimated realizable values. The transactions involving financial instruments are recorded in the Company's statement of financial position at their carrying amount, which is equivalent to their fair value, in cash and cash equivalents, trade accounts receivable, related parties, pledges and restricted deposits and trade accounts payable. The accounting balances of loans, financing and debt charges differ from their fair value.

	Consolidated			
	Fair value		Book value	
	03/31/2019	12/31/2018	03/31/2019	12/31/2018
Financial assets				
Current				
Cash and cash equivalents	7.586	121	7.586	121
Short-term investments	4.043	28.586	4.043	28.586
Trade accounts receivable	9.612	8.210	9.612	8.210
Noncurrent				
Short-term investments	7.675	7.864	7.675	7.864
Pledges and restricted deposits	11.027	10.866	11.027	10.866
Financial liabilities				
Current				
Trade accounts payable	47,126	48.531	47,126	48.531
Loans and financing	365,684	348.669	365,684	348.669
Payables to related parties	565,097	283.472	565,097	283.472
Noncurrent				
Loans and financing	61.196	63.587	61,196	63.587
Related parties	337,137	337.548	337,137	337.548

	Individual			
	Fair value		Book value	
	03/31/2019	12/31/2018	03/31/2019	12/31/2018
Financial assets				
Current				
Cash and cash equivalents	82	62	82	62
Short-term investments	7	7	7	7
Trade accounts receivable	35	18	35	18
Related parties	1,335	1,217	1,335	1,217
Noncurrent				
Short-term investments	7,675	7,864	7,675	7,864
Related parties	34	3	34	3
Financial liabilities				
Current				
Trade accounts payable	45,044	44,673	45,044	44,673
Loans and financing	358,022	341,568	358,022	341,568
Noncurrent				
Related parties	598,119	527,981	598,119	527,981

b) Financial instruments by category

The classification of financial instruments and their accounting balances are broken down below:

	Consolidated					
	03/31/2019			12/31/2018		
	Fair value through profit or loss	Amortized cost	Total	Fair value through profit or loss	Amortized cost	Total
Financial assets						
Current						
Cash and cash equivalents	7,586	-	7,586	121	-	121
Short-term investments	4,043	-	4,043	28,586	-	28,586
Trade accounts receivable	-	9,612	9,612	-	8,210	8,210
Noncurrent						
Short-term investments	7,675	-	7,675	7,864	-	7,864
Pledges and restricted deposits	-	11,027	11,027	-	10,866	10,866
Financial liabilities						
Current						
Trade accounts payable	-	47,126	47,126	-	48,531	48,531
Loans and financing	-	365,684	365,684	-	348,669	348,669
Related parties	-	565,097	565,097	-	283,472	283,472
Noncurrent						
Loans and financing	-	61,196	61,196	-	63,587	63,587
Related parties	-	337,137	337,137	-	337,548	337,548

	Individual					
	03/31/2019			12/31/2018		
	Fair value through profit or loss	Amortized cost	Total	Fair value through profit or loss	Amortized cost	Total
Financial assets						
Current						
Cash and cash equivalents	82	-	82	62	-	62
Short-term investments	7	-	7	7	-	7
Trade accounts receivable	-	35	35	-	18	18
Related parties	-	1,335	1,335	-	1,217	1,217
Noncurrent						
Short-term investments	7,675	-	7,675	7,864	-	7,864
Related parties	-	34	34	-	3	3
Financial liabilities						
Current						
Trade accounts payable	-	45,044	45,044	-	44,673	44,673
Loans and financing	-	358,022	358,022	-	341,568	341,568
Noncurrent						
Related parties	-	598,119	598,119	-	527,981	527,981

c) *Measurement at fair value*

The tables below shows the fair value measurement hierarchy of Renova Group assets:

Consolidated				
Description	Balance at	Fair value at March 31, 2019		
		Active market – quoted price (level 1)	No active market – valuation technique (level 2)	No active market – non-observable inputs (level 3)
Assets				
Short-term investments	11,718	11,718	-	-

Description	Balance at	Fair value at December 31, 2018		
		Active market – quoted price (level 1)	No active market – valuation technique (level 2)	No active market – non-observable inputs (level 3)
Assets				
Short-term investments	36,450	36,450	-	-

Short-term investments: prepared taking into consideration the security market quotation or market information used in such calculation, as well as future interest and exchange rates of similar instruments. The fair value of a note corresponds to its value at the maturity date, adjusted to present value by using a discount obtained from the market interest curve, in Brazilian reais.

For purposes of consistency and comparison, the fair value hierarchy prioritizes the inputs adopted to measure at three major levels, as follows:

Level 1. Active Market: Price - A financial instrument is considered as quoted in an active market if the quoted prices are immediately and regularly provided through a stock exchange or organized over-the-counter market, by operators, brokers or market association, by entities whose purpose is to disclose the prices by regulatory agencies, and if such prices represent market transactions conducted on an arm's length basis.

Level 2. Without Active Market: Valuation method - For financial instruments not traded in an active market, the fair value must be determined based on the valuation/pricing methodology. The criteria used include current fair value of another significantly similar financial instrument, analysis of discounted cash flow, and option pricing models. The purpose of the valuation method is to determine the transaction price on the measurement date under the arm's length principle.

Level 3. Without Active Market: Inputs for assets or liabilities that are not based on observable market data (non-observable inputs). As at March 31, 2019, the Company did not have any financial instrument classified in this category.

For the period ended March 31, 2019, there were neither transfers between fair value measurements "Level 1" and "Level 2" nor transfers between fair value measurements "Level 3" and "Level 2".

d) *Market risk*

The market risk reflects the possibility of monetary losses due to changes in variables that impact the prices and rates traded in the market. These fluctuations basically impact all industries and, therefore, represent financial risk factors.

The Company's and its subsidiaries' loans and financing taken out, as described in Note 15, were entered into with BNB, BNDES, and fundraising for working capital. The contractual rules applicable to financial liabilities create risks related to these exposures. At March 31, 2019, the Company and its subsidiaries were exposed to market risk associated with the CDI, TJP, TJ6 and fixed rates.

e) Sensitivity analysis (Consolidated)

The Company and its subsidiaries present below the additional disclosures on their financial instruments required by CVM Rule No. 475/08, specifically on the sensitivity analysis in addition to the sensitivity analysis required by the IFRS and accounting practices adopted in Brazil. In preparing this sensitivity analysis, the Company has adopted the following assumptions, as defined in CVM Rule No. 475/08:

- definition of a probable scenario for risk behavior that, if materialized, can generate adverse results for the Company, and which is benchmarked by an independent external source (Scenario I);
- definition of two additional scenarios with deteriorations of at least 25% and 50% in the considered risk variable (Scenario II and Scenario III, respectively); and
- presentation of impact of the defined scenarios on the fair value of financial instruments used by the Company and its subsidiaries.

The balances in the tables below are consolidated.

Risk	Transaction	Scenario I – Probable Scenario	Scenario II – deterioration of 25%	Scenario III – deterioration of 50%
Decrease of CDI	Short-term investments:	11,718	11,718	11,718
	Annual CDI rate estimated for 2020	7,50%	5,63%	3,75%
	Annual effect on short-term investments:			
	Loss	-	(89)	(306)
Increase of CDI	Other short-term loans:	378,557	378,557	378,557
	Related parties CEMIG:	655,433	655,433	655,433
	Related parties LIGHTCOM:	246,801	246,801	246,801
	Annual CDI rate estimated for 2020	7,50%	9,38%	11,25%
	Annual loss on other loans and related parties	(19,725)	(53,044)	(86,363)
Increase in TLP	BNDES - Diamantina Eólica (Subloans "A" and "B"):	523,552	523,552	523,552
	Annual TLP rate estimated for 2020	6,82%	8,53%	10,23%
	Annual loss on financing with BNDES	-	(7,461)	(16,387)
Increase in TJ6	BNDES - Diamantina Eólica (Subloan "C")	436,386	436,386	436,386
	Rates considering the scenarios for TJ6	6,48%	8,10%	9,72%
	Annual loss on financing with BNDES	-	(7,069)	(14,139)

For short-term investments, the probable scenario considers future SELIC rates, which is the basis for determining the CDI rate, according to expectations obtained from the Central Bank of Brazil, with a one-year time span, 7.50%. Scenarios II and III consider a decrease in this rate by 25% (5.63% p.a.) and 50% (3.75% p.a.), respectively. These projections are also made for the other short-term loans and related-party transactions that are pegged to the CDI rate, which were projected in scenarios II and III considering an increase of this rate by 25% (9.38% p.a.) and 50% (11.25% p.a.). The weighted average spread observed in short-term loans is 5.93% + 100% of the CDI.

Financing with BNDES pegged to the long-term rate (TLP) considers a probable scenario based on the rate for the first quarter of 2020 of 6.82%. Scenarios II and III consider an increase in this rate by 25% (8.53% p.a.) and 50% (10.23% p.a.), respectively. The weighted average spread observed for financing with BNDES is 2.60% + TLP. Financing with BNDES pegged to TJ6 considers a probable scenario based on the effective rate at March 31, 2019 of 6.48%. Scenarios II and III consider an increase in this rate by 25% (8.10%) and 50% (9.72%).

Settlement of transactions involving these estimates could result in amounts different from those estimated due the subjectivity inherent in the process used to prepare such analyses.

f) *Liquidity risk*

The liquidity risk determines the Company's and its subsidiaries' ability to settle the obligations assumed. In order to determine the subsidiary's financial capacity to properly comply with the commitments assumed, the maturity flows of the funds raised and of other obligations are included in the disclosure. For further information on the Company's borrowings, refer to Note 15.

The Company management uses only credit facilities that enable its operational leverage. This assumption is confirmed based on the characteristics of the Company's borrowings.

At March 31, 2019, the Company recorded loss for the year and has significant accumulated losses. Management described its plans in Note 1.3 and understands that with the successful outcome of the measures mentioned in referred to note, it will be possible to resume the economic, financial and liquidity balance of the Company.

f.1. *Liquidity and interest rate risk table*

The tables below detail the remaining contractual maturity of the Company's and its subsidiaries' non-derivative financial liabilities and the contractual repayment periods. These tables have been prepared using the undiscounted cash flows of financial liabilities based on the nearest date on which the Company and its subsidiaries should settle the related obligations. The tables include interest and principal cash flows. As interest flows are based on floating rates, the undiscounted amount was based on the interest curves at year end. The contractual maturity presented at March 31, 2019 also considers the debts classified as liabilities associated with assets held for sale.

	Consolidated				
	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Instruments at interest rate					
Loans and financing – principal and charges	359,938	5,747	38,248	22,949	426,880
	Individual				
	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Instruments at interest rate					
Loans and financing – principal and charges	358.022	-	-	-	358.022

g) *Credit risk*

The credit risk comprises the possibility that the Company may not exercise its rights. This description is directly related to Trade accounts receivable.

	Note	Carrying amount			
		Consolidated		Individual	
		03/31/2019	12/31/2018	03/31/2019	12/31/2018
Financial assets					
Current					
Trade accounts receivable	8	9,612	8,210	35	18

In the electricity industry, the operations are directed to the regulatory agency that maintains active information on the positions of produced and consumed power. Based on this structure, plans intended for the system operation without interferences or interruptions are made. Power is sold through auctions, agreements, among others. This system is reliable and controls the payments by the players.

The Company manages its risks on a continuous basis, evaluating whether the practices adopted in the performance of its activities are aligned with management's policies. The Company does not use financial instruments to hedge its equity, as it understands that the risks to which its assets and liabilities are exposed can be offset among them over the ordinary course of its activities. These financial instruments are managed through operational strategies intended to provide liquidity, profitability and safety. The control policy consists of permanent follow-up of contracted conditions and current market conditions. As at March 31, 2019, the Company did not make speculative investments in derivatives or any other risky assets.

h) Capital management

	Consolidated	
	03/31/2019	12/31/2018
Debt relating to loans, financing and related parties	2,319,135	1,998,352
(-) Cash and cash equivalents and short-term investments	(19,304)	(36,571)
Net debt	2,299,831	1,961,781
Equity	(258,775)	(76,489)
Financial leverage ratio - %	-889%	-2565%

The objectives of the Company in managing its capital are to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce this cost.

In order to maintain or adjust its capital structure, the Company may revise its policy for payment of dividends, return capital to shareholders, issue new shares, or sell assets to reduce its debt ratio, for example.

i) Hydrological risk

The electric power in Brazil's National Interconnected System (SIN) is mostly supplied by hydroelectric power plants. As SIN operates in an optimized delivery system that is centralized by Brazil's National Electric System Operator (ONS), each hydroelectric power plant, including Espira, is subject to variations in hydrological conditions, both in the geographic region in which it operates and in other regions in Brazil.

The occurrence of unfavorable hydrological conditions, and the obligation to deliver the electric power contracted, may result in the exposure of the respective Energy Purchase and Sale Contracts within the scope of PROINFA (CCVE-PROINFA) of the Company's plants, which would affect its future finance income (costs). Nonetheless, the Company's total hydroelectric generation capacity is part of the Energy Reallocation Mechanism (MRE), which

mitigates part of the hydrological risk, allocating it among all MRE-related plants. The three SHPs of indirect subsidiary Espira decided to renegotiate their hydrological risk, against payment of a premium, thus mitigating their contractual exposure, if any.

26. Earnings (loss) per share

Basic loss per share is calculated by dividing loss for the period attributed to the holders of the Company's common and preferred shares by the weighted average number of common and preferred shares available during the period.

Diluted loss per share is calculated by dividing loss attributed to the holders of the Company's common and preferred shares by the weighted average number of common and preferred shares available during the period, plus the weighted average number of common shares that would be issued under the assumption of the exercise of the option to purchase shares at a strike price lower than their market value.

According to the Company's articles of incorporation, preferred shares are entitled to the same conditions of the common shares in the distribution of profit.

The table below presents the data and number of shares used to calculate basic and diluted loss per share, for each of the periods presented in the statement of profit or loss:

	Individual	
	03/31/2019	03/31/2018
Loss for the period	(182,286)	(120,543)
<u>Basic loss per share:</u>		
Weighted average of outstanding common and preferred shares (in thousands)	41,720	41,720
Basic loss per share (in R\$)	<u>(4,37)</u>	<u>(2,89)</u>
<u>Diluted loss per share:</u>		
Weighted average of outstanding common and preferred shares (in thousands)	41,720	41,720
Diluted loss per share (in R\$)	<u>(4,37)</u>	<u>(2,89)</u>

27. Assets classified as held for sale

As mentioned in Note 1.2.1, the Company classified assets and liabilities of certain projects as assets held for sale and liabilities directly associated with assets held for sale, which are measured at their fair value less cost to sell, as follows:

27.1 Individual

<u>Assets classified as held for sale</u>	<u>03/31/2019</u>	<u>12/31/2018</u>
Alto Sertão III Wind Farm Complex	217,879	257,225
Wind power projects under development	<u>28,709</u>	<u>24,487</u>
Total	<u>246,588</u>	<u>281,712</u>
 <u>Liabilities directly associated with assets held for sale</u>	 <u>03/31/2019</u>	 <u>12/31/2018</u>
Trade accounts payable	<u>43,000</u>	<u>43,000</u>

27.2 Consolidated

Statement of financial position

<u>ASSETS</u>	<u>03/31/2019</u>	<u>12/31/2018</u>	<u>LIABILITIES AND EQUITY</u>	<u>03/31/2019</u>	<u>12/31/2018</u>
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	39	1,381	Trade accounts payable	288,424	277,751
Taxes recoverable	3,144	3,385	Loans and financing	982,486	957,049
Prepaid expenses	2,545	2,257	Taxes payable	16,474	17,181
Advances to suppliers	141	113	Accounts payable - CCEE/Eletróbras	28,166	22,657
Other receivables	34	29	Lease payable	89	-
Total current assets	<u>5,903</u>	<u>7,165</u>	Related parties	6,059	3,398
			Other accounts payable	<u>5,993</u>	<u>5,993</u>
			Total current liabilities	<u>1,327,691</u>	<u>1,284,029</u>
NONCURRENT ASSETS			NONCURRENT LIABILITIES		
Judicial deposits	742	741	Loans and financing	7,535	8,027
Property, plant and equipment	<u>1,699,673</u>	<u>1,675,862</u>	Accounts payable - CCEE/Eletróbras	4,957	-
Total noncurrent assets	<u>1,700,415</u>	<u>1,676,603</u>	Lease payable	12,173	-
			Related parties	55,662	7,057
			Provision for civil, tax and labor contingencies	<u>9,791</u>	<u>9,757</u>
			Total noncurrent liabilities	<u>90,118</u>	<u>24,841</u>
			EQUITY		
			Capital	1,742,595	1,742,595
			Accumulated losses	<u>(1,586,437)</u>	<u>(1,495,825)</u>
			Total equity	<u>156,158</u>	<u>246,770</u>
TOTAL ASSETS	<u>1,706,318</u>	<u>1,683,768</u>	TOTAL LIABILITIES AND EQUITY	<u>1,573,967</u>	<u>1,555,640</u>

Classified as:	<u>03/31/2019</u>	<u>12/31/2018</u>
Assets classified as held for sale	1,692,225	1,683,768
Liabilities directly associated with assets held for sale(**)	1,343,827	1,298,415

(**) The balance of liabilities directly associated with assets held for sale differs from total liabilities presented in the statement of financial position above due to the eliminations of transactions with related parties between the companies classified as held for sale and Renova Energia, totaling R\$61,720 (R\$10,455 at December 31, 2018).

Statements of profit of loss and of cash flows for the three-month period ended March 31, 2019:

AS III – Held for Sale

Statement of profit or loss at December 31, 2018

	Alto do Sertão III Wind Farm Complex
<u>Losses on assets classified as held for sale</u>	
Expenses	(26,236)
Finance income (costs)	(64,385)
Income and social contribution taxes - current	(5)
Loss for the year	<u>(90,626)</u>
<u>Cash flow from assets classified as held for sale</u>	
Net cash flow from operating activities	(26,370)
Net cash flow from investing activities	(7,738)
Net cash flow from financing activities	32,766
Decrease in cash and cash equivalents	<u>(1,342)</u>
Cash and cash equivalents at beginning of year	1,381
Cash and cash equivalents at end of year	39
Increase in cash and cash equivalents	<u>(1,342)</u>

28. Insurance coverage

The Company and its subsidiaries maintain insurance for certain property, plant and equipment items, as well as for civil liability and other contractual guarantees. The policies effective at March 31, 2019 can be summarized as follows:

Operational risk			
Object of surety bond	Amount insured	Effective period	
		Beginning	End
Surety bond – contractual obligations	R\$ 106	09/08/2016	09/08/2019
Operational risks	R\$ 72,168	10/25/2016	10/25/2019
Civil liability	R\$ 30,000	10/25/2016	10/25/2019
Construction risk			
Object of surety bond	Amount insured	Effective period	
		Beginning	End
Surety bond – contractor (Mercado livre II)	R\$ 20,520	03/07/2013	01/31/2020
Surety bond – contractor (Mercado livre I)	R\$ 2,592	12/05/2013	01/31/2020
Surety bond – contractor (LIGHT I)	R\$ 27,848	04/28/2014	01/31/2020
Surety bond – contractor (LIGHT II)	R\$ 40,560	09/19/2014	01/31/2020
Surety bond – contractor (LER 2013)	R\$ 600	03/15/2018	04/28/2019
Surety bond – contractor (LIGHT I)	R\$ 4,752	09/19/2014	01/31/2020
Civil liability	R\$ 20,000	11/14/2014	07/30/2019
Performance bond (LER 2014)	R\$ 5,333	03/04/2015	04/01/2019
Engineering risk	R\$ 2,369,189	11/14/2014	12/01/2019

Management and portfolio risk

Object of surety bond	Amount insured	Effective period	
		Beginning	End
General directors and officers liability insurance (D&O)	R\$ 50,000	01/31/2018	01/31/2019
Business office insurance	R\$ 4,100	11/07/2018	11/07/2019

29. Noncash transactions

As at March 31, 2019, the Company and its subsidiaries conducted the following noncash transactions; therefore, these transactions are not reflected in the statement of cash flows:

	Note	Consolidated		Individual	
		03/31/2019	03/31/2018	03/31/2019	03/31/2018
Effect of PPE reconciliation – trade accounts payable	11.2	568	(4,208)	-	-
Right of use – lease	11.12	40,131	-	19,240	-
PPE – capitalization of payroll	11	782	-	782	-

30. Events after the reporting period

30.1 Disposal of Alto Sertão III Wind Farm Complex

As disclosed in a Material Fact released on April 9, 2019, the Company executed a purchase and sale agreement referring to the disposal of shares representing the entire capital of the specific purpose entities that are part of Alto Sertão III Wind Farm Complex and certain wind power projects under development to AES Energia Tietê S.A..

This transaction comprises the disposal of Alto Sertão III wind farm complex, subdivided into Phase A, with an installed capacity of 438MW, for R\$350,000, and Phase B, with 305 MW to be installed, for R\$90,000, in addition to a purchase option of up to 1.1 GW of wind energy projects under development, for up to R\$76,000. This transaction is still subject to possible earn-out, in case the wind performance of Phase A exceeds the reference determined for the negotiation.

The completion of this transactions is still subject to compliance with certain conditions precedent that are usual for this type of transaction, which are now in progress. Additionally, the agreement provides for the payment of a fine of R\$20,000 per month, *pro rata die*, to the buyer due to delay in closing the transaction originally scheduled for May 2, 2019.

30.2 BNDES (Bridge loan)

On April 12, 2019, the Company executed the 12th amendment to the financing agreement entered into between BNDES and indirect subsidiary Diamantina Eólica, changing the maturity date of the lump-sum payment to May 15, 2019. The Company is negotiating the extension of the expiration of this agreement.

30.3 Debt rescheduling

As part of the Company's financial restructuring, on May 3, 2019, debt renegotiation instruments were executed as follows:

- Banco Citibank S.A.

Proposal for the rescheduling of a Bank Credit Bill of up to R\$185,000, made between Citibank and Renova Energia, restated at 155% p.a. of the CDI rate, with a total term of 6 years and 1-year grace period. Amortization of principal and payment of interest will be on a quarterly basis. The main guarantees of this transaction are: i) endorsement by Chipley and ii) fiduciary assignment of 40% of Chipley's dividends.

b) Banco BTG Pactual S.A.

2nd and 1st amendments to private instruments of transaction and acknowledgement of debt CD 8/17 and 14/17, respectively, which establish the following conditions and guarantees: the debt will be paid in 20 equal and consecutive installments on a quarterly basis, after a 1-year grace period from the date of execution. The principal is subject to interest of 155% p.a. of the CDI rate, which will be paid during the entire term of the debt in quarterly installments, without any grace period. The main guarantee of this transaction is the statutory lien of all shares issued by Enerbras held by the Company.

* * *

Cristiano Corrêa de Barros
Chief Executive Officer

Gustavo Henrique Simões dos Santos
Vice President of Legal, Regulation and Institutional
Relations Affairs

Cláudio Ribeiro da Silva Neto
Vice President of Finance, Business Development and
Investor Relations

Gina Abreu Batista dos Santos
Accountant CRC 027321-O-BA

A free translation from Portuguese into English of Independent Auditor's Report on Individual and Consolidated Quarterly Information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

Independent auditor's review report on quarterly information - ITR

The Shareholders, Board of Directors and Officers

Renova Energia S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of Renova Energia S.A. (the "Company"), identified as Individual and Consolidated, respectively, contained in the Quarterly Information Form (ITR) for the quarter ended March 31, 2019, comprising the statement of financial position as of March 31, 2019 and the related statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the quarter then ended, including the explanatory notes.

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

Scope of review

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

Conclusion on the individual and consolidated interim financial information

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

Material uncertainty related to going concern

We draw attention to Note 1.3 to the individual and consolidated interim financial information, which indicates that, as at March 31, 2019, the Company's current liabilities exceeded total current assets by R\$655,207 thousand in the consolidated information and that, on that date, the Company recorded accumulated losses of R\$3,233,173 thousand and loss for the period of R\$182,286 thousand, in Individual and Consolidated, and capital deficiency of R\$258,775 thousand. In addition, the Company is dependent upon obtaining fund to fulfill the commitments including the construction of wind farms and solar power plants. These events or conditions, together with other matters described in Note 1, indicate the existence of material uncertainty that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. Our conclusion is not qualified in respect of this matter.

Emphasis of matter

Risks relating to compliance with laws and regulations

As mentioned in Note 17.1 to the individual and consolidated interim financial information, there are ongoing investigations and other legal measures conducted by public authorities relating to certain expenses and their allocations that, in addition to the Company, involve and also include certain of its shareholders. The Company's governance bodies authorized the engagement of a specialized company to analyze the internal procedures related to these expenses and determine such claims. As mentioned in the referred to Note, at this time, it is not possible to predict the future developments resulting from the internal and the investigation procedures performed by the public authorities, nor their possible effects on the individual and consolidated interim financial information of the Company. Our conclusion is not qualified in respect of this matter.



Other matters

Statements of value added

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

Salvador, May 13, 2019

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP 015.199/O-6

Shirley Nara S. Silva
Accountant CRC-1BA 022.650/O-0