

ENGIE
Tractebel Energia

Quarterly Information - ITR
1Q16

CNPJ Nº 02.474.103/0001-19 / NIRE Nº 42 3 0002438-4
Address: Rua Paschoal Apóstolo Pítsica, 5064
Agronômica – Florianópolis – SC – CEP 88025-255

TBLE3 NOVO MERCADO BM&FBOVESPA
IBOVESPA
Índice de Sustentabilidade Empresarial ISE 2016
Índice de Ações com Governança Corporativa Diferenciada IGC
Índice de Ações com Tag Along Diferenciado ITAG
2015

Index

Company Information

Capital Composition 1

Profit Distribution in Cash 2

Parent company Financial Statements

Balance Sheet - Assets 3

Balance Sheet - Liabilities 4

Income Statement 6

Comprehensive Income Statement 7

Cash Flow Statement 8

Changes in Shareholders' Equity Statement

Changes in Shareholders´ Equity Statement - from 1/1/2016 to 3/31/2016 9

Changes in Shareholders´ Equity Statement - from 1/1/2015 to 3/31/2015 10

Value Added Statement 11

Consolidated Financial Statements

Balance Sheet - Assets 12

Balance Sheet - Liabilities 13

Income Statement 15

Comprehensive Income Statement 16

Cash Flow Statement 17

Changes in Shareholders' Equity Statement

Changes in Shareholders´ Equity Statement - from 1/1/2016 to 3/31/2016 18

Changes in Shareholders´ Equity Statement - from 1/1/2015 to 3/31/2015 19

Value Added Statement 20

Economic-Financial Performance 21

Notes 27

Identification of Projections 60

Other Relevant Information 63

Opinions and Statements

Special Review Report - Unqualified 64

Statement of the Executive Officers on the Financial Statements 66

Statement of the Executive Officers on the Independent Auditors' Report 67

Company Information / Capital Composition

Number of shares (Units)	Current quarter 3/31/2016
Paid-in capital	
Common	652,742,192
Preferred	0
Total	652,742,192
Treasury shares	
Common	0
Preferred	0
Total	0

Company Information / Profit Distribution in Cash

Event	Approval	Profit Distribution	Commencement of Payment	Type of Share	Class of Share	Profit Distribution per Share (Reais / Share)
Board of Directors' Meeting	11/6/2015	Interest on equity	2/24/2016	Common shares		0.48105
Annual Shareholders' Meeting	4/14/2016	Dividends	5/25/2016	Common shares		0.32095

Parent company Financial Statements / Balance Sheet - Assets

(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2016	Prior Year 12/31/2015
1	Total Assets	12,546,104	12,832,143
1.01	Current Assets	3,029,935	3,281,282
1.01.01	Cash and Cash Equivalents	1,523,168	1,739,008
1.01.03	Accounts Receivable	878,078	794,614
1.01.03.01	Trade Accounts Receivable	526,081	441,588
1.01.03.02	Other Accounts Receivable	351,997	353,026
1.01.03.02.01	Dividends receivable from subsidiaries	233,971	208,777
1.01.03.02.02	Fuel reimbursable	118,026	144,249
1.01.04	Inventories	96,175	86,100
1.01.06	Recoverable Taxes	9,667	6,095
1.01.06.01	Current Taxes Recoverable	9,667	6,095
1.01.06.01.02	Tax credits recoverable	9,667	6,095
1.01.08	Other Current Assets	522,847	655,465
1.01.08.03	Other	522,847	655,465
1.01.08.03.01	Restricted deposits	51,067	2,293
1.01.08.03.02	Unrealized hedge gains	268,775	488,802
1.01.08.03.03	Renegotiation of hydrological risk to appropriate	23,991	23,991
1.01.08.03.04	Other current assets	92,128	53,493
1.01.08.03.05	Non-current asset held for sale	86,886	86,886
1.02	Non-current Assets	9,516,169	9,550,861
1.02.01	Long Term Assets	350,222	350,200
1.02.01.09	Other Non-current Assets	350,222	350,200
1.02.01.09.03	Tax credits recoverable	35,851	34,457
1.02.01.09.04	Restricted deposits	10,481	10,160
1.02.01.09.05	Judicial deposits	134,257	130,020
1.02.01.09.07	Renegotiation of hydrological risk to appropriate	157,391	163,388
1.02.01.09.08	Other non-current assets	12,242	12,175
1.02.02	Investments	3,737,982	3,719,135
1.02.02.01	Equity Interest	3,737,982	3,719,135
1.02.02.01.02	Interest on Subsidiaries	3,487,590	3,433,650
1.02.02.01.03	Interest in Joint Ventures	250,392	285,485
1.02.03	Property, Plant and Equipment	5,410,257	5,464,264
1.02.03.01	Property, Plant and Equipment in Operation	5,199,779	5,219,353
1.02.03.03	Construction in Progress	210,478	244,911
1.02.04	Intangible Assets	17,708	17,262
1.02.04.01	Intangible Assets	17,708	17,262

Parent Company Financial Statements / Balance Sheet - Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2016	Prior Year 12/31/2015
2	Total Liabilities	12,546,104	12,832,143
2.01	Current Liabilities	1,987,027	2,504,892
2.01.01	Social and Labor Obligations	111,883	102,343
2.01.01.02	Labor Obligations	111,883	102,343
2.01.01.02.01	Provision for payroll and charges	111,883	102,343
2.01.02	Suppliers	482,090	372,502
2.01.02.01	Domestic Suppliers	482,090	372,502
2.01.03	Tax Liabilities	81,395	1,570
2.01.03.01	Federal Tax Liabilities	81,395	1,570
2.01.03.01.01	Income and Social Contribution Taxes Payable	81,395	1,570
2.01.04	Loans and Financing	1,118,219	1,553,493
2.01.04.01	Loans and Financing	1,114,893	1,553,004
2.01.04.01.01	In Local Currency	113,681	100,828
2.01.04.01.02	In Foreign Currency	1,001,212	1,452,176
2.01.04.02	Debentures	3,326	489
2.01.05	Other Liabilities	145,490	428,034
2.01.05.02	Other	145,490	428,034
2.01.05.02.01	Dividends and Interest on Equity Payable	2,972	269,470
2.01.05.02.04	Concessions payable	56,744	55,388
2.01.05.02.05	Other tax and regulatory liabilities	56,623	67,996
2.01.05.02.06	Other current liabilities	29,151	35,180
2.01.06	Provisions	47,950	46,950
2.01.06.01	Tax, Social Security, Labor and Civil Provisions	25,761	24,761
2.01.06.01.02	Social Security and Labor Provisions	3,500	2,500
2.01.06.01.04	Civil Provisions	22,261	22,261
2.01.06.02	Other Provisions	22,189	22,189
2.01.06.02.04	Retirement benefits obligations	22,189	22,189
2.02	Non-current liabilities	3,694,998	3,687,379
2.02.01	Loans and Financing	826,567	845,469
2.02.01.01	Loans and Financing	639,910	664,522
2.02.01.01.01	In Local Currency	639,910	664,522
2.02.01.02	Debentures	186,657	180,947
2.02.02	Other Liabilities	2,066,829	1,973,734
2.02.02.02	Other	2,066,829	1,973,734
2.02.02.02.03	Concessions payable	2,051,894	1,965,193
2.02.02.02.04	Other Non-Current Liabilities	14,935	8,541
2.02.03	Deferred Taxes	288,374	369,210
2.02.03.01	Deferred Income and Social Contribution Taxes	288,374	369,210
2.02.04	Provisions	513,228	498,966
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	252,431	243,414
2.02.04.01.01	Tax Provisions	4,760	4,847
2.02.04.01.02	Social Security and Labor Provisions	6,378	6,889
2.02.04.01.04	Civil Provisions	241,293	231,678
2.02.04.02	Other Provisions	260,797	255,552

Parent Company Financial Statements / Balance Sheet - Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2016	Prior Year 12/31/2015
2.02.04.02.04	Retirement benefits obligations	260,797	255,552
2.03	Shareholders' equity	6,864,079	6,639,872
2.03.01	Paid-in Capital Stock	2,736,253	2,445,766
2.03.02	Capital Reserves	91,695	91,695
2.03.02.07	Capital reserves	91,695	91,695
2.03.04	Profit Reserves	3,047,734	3,333,102
2.03.04.01	Legal Reserve	489,153	489,153
2.03.04.05	Retained Earnings Reserve	2,247,099	2,247,099
2.03.04.07	Tax Incentive Reserve	101,983	96,864
2.03.04.10	Capital Increase and Additional Dividends Proposed	209,499	499,986
2.03.05	Retained Earnings/Losses	350,379	0
2.03.06	Assets Valuation Adjustments	638,018	769,309

Parent Company Financial Statements / Income Statement

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
3.01	Revenue from Sales of Goods and/or Services	1,093,887	1,107,489
3.02	Cost of Products and/or Services Sold	-536,421	-530,548
3.02.01	Electrical energy purchased for resale	-116,589	-102,055
3.02.02	Transactions in the short-term energy market	-60,518	0
3.02.03	Charges for the use of and connection to the power grid	-77,857	-70,933
3.02.04	Cost of electrical energy production	-274,467	-351,309
3.02.05	Cost of services rendered	-6,990	-6,251
3.03	Gross Income	557,466	576,941
3.04	Operating Expenses/Income	40,085	18,146
3.04.01	Sales Expenses	-2,557	-2,598
3.04.02	General and Administrative Expenses	-43,203	-40,849
3.04.04	Other Operating Income	670	2,348
3.04.05	Other Operating Expenses	-3	-18
3.04.06	Equity income	85,178	59,263
3.04.06.01	Equity	86,013	60,097
3.04.06.02	Goodwill amortization	-835	-834
3.05	Income Before Financial Result and Taxes	597,551	595,087
3.06	Financial Result	-123,563	-108,288
3.06.01	Financial Income	97,678	41,959
3.06.02	Financial Expenses	-221,241	-150,247
3.07	Income Before Income Taxes	473,988	486,799
3.08	Income and Social Contribution Taxes	-127,096	-142,291
3.08.01	Current	-207,932	-66,363
3.08.02	Deferred	80,836	-75,928
3.09	Net Income from Continuing Operations	346,892	344,508
3.11	Net Income for the Period	346,892	344,508
3.99	Earnings per share (R$ /share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	ON	0.53144	0.52779
3.99.02	Diluted Earnings per Share		
3.99.02.01	ON	0.53144	0.52779

Parent Company Financial Statements / Comprehensive Income Statement

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
4.01	Net Income for the Period	346,892	344,508
4.02	Other comprehensive income (loss)	-122,685	114,897
4.02.01	Equity in the (losses)/gains of subsidiaries, net of deferred taxes	-122,685	114,897
4.03	Comprehensive Income for the Period	224,207	459,405

Parent Company Financial Statements / Cash Flow Statement - Indirect Method

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
6.01	Net Cash from Operating Activities	493,572	385,698
6.01.01	Cash Generated from Operations	664,550	732,507
6.01.01.01	Income before income taxes	473,988	486,799
6.01.01.02	Equity Interest income	-85,178	-59,263
6.01.01.03	Depreciation and amortization	101,884	95,754
6.01.01.04	Monetary variation	40,476	59,570
6.01.01.05	Interest	132,953	81,105
6.01.01.06	(Reversal) Recognition of operating provisions	-1,351	68,093
6.01.01.07	Other	1,778	449
6.01.02	Changes in Assets and Liabilities	-170,978	-346,809
6.01.02.01	Trade accounts receivable	-81,356	-27,947
6.01.02.02	Fuel reimbursable	26,223	-47,716
6.01.02.03	Insurance damages receivable	0	121,561
6.01.02.04	Inventories	-10,075	-8,349
6.01.02.05	Tax credits recoverable	-12,543	-8,521
6.01.02.06	Restricted and judicial deposits	-44,682	58,654
6.01.02.07	Renegotiation of hydrological risk to appropriate	5,997	0
6.01.02.08	Other assets	-21,153	-11,231
6.01.02.09	Suppliers	75,323	-195,892
6.01.02.10	Payment of income and social contribution taxes	-46,904	-198,817
6.01.02.11	Payment of interest on debt, net of hedge	-44,355	-42,464
6.01.02.12	Other tax and regulatory obligations	-17,236	15,240
6.01.02.13	Retirement benefits obligations	-3,692	-3,064
6.01.02.14	Other liabilities	3,475	1,737
6.02	Net Cash from Investment Activities	-132,597	-223,586
6.02.01	Capital increase in subsidiaries	-93,736	-179,724
6.02.02	Acquisition of property, plant and equipment	-49,344	-42,937
6.02.03	Acquisition of intangible assets	-1,705	-925
6.02.04	Dividends received from subsidiaries	12,188	0
6.03	Net Cash from Financing Activities	-576,815	-201,608
6.03.01	Loans and financing obtained	58	47,471
6.03.02	Loans and financing paid	-249,748	-12,320
6.03.03	Concession installments paid	-14,289	-13,060
6.03.04	Dividends and interest on equity paid	-312,622	-222,021
6.03.05	Deposits related to debt service	-214	-1,678
6.05	Increase (Decrease) in Cash and Cash Equivalents	-215,840	-39,496
6.05.01	Opening Balance of Cash and Cash Equivalents	1,739,008	1,287,464
6.05.02	Closing Balance of Cash and Cash Equivalents	1,523,168	1,247,968

Parent Company Financial Statements / Changes in Shareholders' Equity Statement / DMPL - 1/1/2016 to 3/31/2016

(In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Loss)	Other Comprehensive Income	Shareholders' Equity
5.01	Opening Balances	2,445,766	91,695	3,333,102	0	769,309	6,639,872
5.03	Adjusted Opening Balances	2,445,766	91,695	3,333,102	0	769,309	6,639,872
5.05	Total Comprehensive Income	0	0	0	346,892	-122,685	224,207
5.05.01	Net Income for the Period	0	0	0	346,892	0	346,892
5.05.02	Other Comprehensive Income	0	0	0	0	-122,685	-122,685
5.05.02.06	Cash Flow Hedge Operations in Subsidiaries	0	0	0	0	-122,685	-122,685
5.06	Internal Changes in Shareholders' Equity	290,487	0	-285,368	3,487	-8,606	0
5.06.04	Capital Increase	290,487	0	-290,487	0	0	0
5.06.05	Tax Incentive Reserve	0	0	5,119	-5,119	0	0
5.06.06	Realization of Deemed Cost	0	0	0	8,606	-8,606	0
5.07	Closing Balances	2,736,253	91,695	3,047,734	350,379	638,018	6,864,079

Parent Company Financial Statements / Changes in Shareholders' Equity Statement / DMPL - 1/1/2015 to 3/31/2015

(In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Loss)	Other Comprehensive Income	Shareholders' Equity
5.01	Opening Balances	2,445,766	91,695	2,589,794	0	523,790	5,651,045
5.03	Adjusted Opening Balances	2,445,766	91,695	2,589,794	0	523,790	5,651,045
5.05	Total Comprehensive Income	0	0	0	344,508	114,897	459,405
5.05.01	Net Income for the Period	0	0	0	344,508	0	344,508
5.05.02	Other Comprehensive Income	0	0	0	0	114,897	114,897
5.05.02.06	Cash Flow Hedge Operations in Subsidiaries	0	0	0	0	114,897	114,897
5.06	Internal Changes in Shareholders' Equity	0	0	3,813	5,230	-9,043	0
5.06.04	Tax incentive Reserve	0	0	3,813	-3,813	0	0
5.06.05	Realization of Deemed Cost	0	0	0	9,043	-9,043	0
5.07	Closing Balances	2,445,766	91,695	2,593,607	349,738	629,644	6,110,450

Parent Company Financial Statements / Value Added Statement

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
7.01	Revenues	1,232,260	1,266,498
7.01.01	Sale of Products and Services	1,225,678	1,252,909
7.01.02	Other Income	6,582	13,589
7.02	Raw material Acquired from Third Parties	-348,021	-372,247
7.02.01	Cost of Products and Services Sold	-233,954	-171,394
7.02.02	Materials, Energy, Third Parties Services and Other	-29,286	-45,183
7.02.04	Other	-84,781	-155,670
7.02.04.01	Charges for the use of and connection to the power grid	-77,857	-70,933
7.02.04.02	Reversal (Recognition) of operating provisions	1,351	-68,093
7.02.04.03	Other	-8,275	-16,644
7.03	Gross Added Value	884,239	894,251
7.04	Retentions	-101,884	-95,754
7.04.01	Depreciation, Amortization and Depletion	-101,884	-95,754
7.05	Net Added Value Generated	782,355	798,497
7.06	Added Value Received in Transfer	182,856	101,222
7.06.01	Equity income	85,178	59,263
7.06.02	Financial Income	97,678	41,959
7.07	Total Added Value to Distribute	965,211	899,719
7.08	Distribution of Added Value	965,211	899,719
7.08.01	Labor	68,562	66,657
7.08.01.01	Direct Remuneration	44,532	43,332
7.08.01.02	Benefits	13,707	13,647
7.08.01.03	F.G.T.S.	3,146	2,815
7.08.01.04	Other	7,177	6,863
7.08.01.04.01	Profit sharing	7,177	6,863
7.08.02	Taxes, Duties and Contributions	264,200	271,757
7.08.02.01	Federal	259,685	263,132
7.08.02.02	State	3,397	7,738
7.08.02.03	Municipal	1,118	887
7.08.03	Third Parties Capital Remuneration	126,928	84,604
7.08.03.01	Interest	72,532	67,015
7.08.03.02	Rentals	2,373	2,372
7.08.03.03	Other	52,023	15,217
7.08.03.03.01	Capitalized interest and monetary variations	5,915	11,259
7.08.03.03.02	Other financial expenses	46,108	3,958
7.08.04	Remuneration of Own Capital	350,379	349,738
7.08.04.03	Retained Earnings / Loss for the Period	350,379	349,738
7.08.05	Other	155,142	126,963
7.08.05.01	Sectorial charges	56,283	52,934
7.08.05.02	Charges on concessions payable	102,346	79,259
7.08.05.03	Realization of deemed cost	-8,606	-9,043
7.08.05.04	Tax incentive reserve	5,119	3,813

Consolidated Financial Statements / Balance Sheet - Assets

(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2016	Prior Year 12/31/2015
1	Total Assets	14,893,758	15,289,386
1.01	Current Assets	4,068,797	4,431,818
1.01.01	Cash and Cash Equivalents	2,263,473	2,396,854
1.01.03	Accounts Receivable	898,381	917,851
1.01.03.01	Trade Accounts Receivable	780,355	773,602
1.01.03.02	Other Accounts Receivable	118,026	144,249
1.01.03.02.01	Fuel reimbursable	118,026	144,249
1.01.04	Inventories	99,104	88,888
1.01.06	Recoverable Taxes	41,218	46,385
1.01.06.01	Current Taxes Recoverable	41,218	46,385
1.01.06.01.02	Tax credits recoverable	41,218	46,385
1.01.08	Other Current Assets	766,621	981,840
1.01.08.03	Other	766,621	981,840
1.01.08.03.01	Restricted deposits	59,409	8,426
1.01.08.03.02	Unrealized hedge gains	468,888	778,227
1.01.08.03.03	Renegotiation of hydrological risk to appropriate	26,064	26,064
1.01.08.03.04	Other current assets	125,374	82,237
1.01.08.03.05	Non-current asset held for sale	86,886	86,886
1.02	Non-current Assets	10,824,961	10,857,568
1.02.01	Long Term Assets	634,857	716,695
1.02.01.09	Other Non-current Assets	634,857	716,695
1.02.01.09.03	Tax credits recoverable	48,665	46,763
1.02.01.09.04	Restricted deposits	166,675	158,139
1.02.01.09.05	Judicial deposits	136,877	132,480
1.02.01.09.06	Unrealized hedge gains	36,812	130,240
1.02.01.09.07	Renegotiation of hydrological risk to appropriate	190,563	197,079
1.02.01.09.08	Other non-current assets	55,265	51,994
1.02.03	Property, Plant and Equipment	9,935,010	9,897,550
1.02.03.01	Property, Plant and Equipment in Operation	9,085,312	9,154,772
1.02.03.03	Construction in Progress	849,698	742,778
1.02.04	Intangible Assets	255,094	243,323
1.02.04.01	Intangible Assets	255,094	243,323

Consolidated Financial Statements / Balance sheet - Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2016	Prior Year 12/31/2015
2	Total Liabilities	14,893,758	15,289,386
2.01	Current Liabilities	2,428,695	2,977,377
2.01.01	Social and Labor Obligations	112,662	102,992
2.01.01.02	Labor Obligations	112,662	102,992
2.01.01.02.01	Provision for payroll and charges	112,662	102,992
2.01.02	Suppliers	649,465	573,573
2.01.02.01	Domestic Suppliers	649,465	573,573
2.01.03	Tax Liabilities	90,722	17,799
2.01.03.01	Federal Tax Liabilities	90,722	17,799
2.01.03.01.01	Income and Social Contribution Taxes Payable	90,722	17,799
2.01.04	Loans and Financing	1,279,720	1,712,979
2.01.04.01	Loans and Financing	1,276,394	1,712,490
2.01.04.01.01	In Local Currency	275,182	260,314
2.01.04.01.02	In Foreign Currency	1,001,212	1,452,176
2.01.04.02	Debentures	3,326	489
2.01.05	Other Liabilities	247,210	522,118
2.01.05.02	Other	247,210	522,118
2.01.05.02.01	Dividends and Interest on Equity Payable	4,523	271,021
2.01.05.02.04	Concessions payable	62,047	60,572
2.01.05.02.05	Other tax and regulatory liabilities	84,775	97,665
2.01.05.02.06	Other current liabilities	95,865	92,860
2.01.06	Provisions	48,916	47,916
2.01.06.01	Tax, Social Security, Labor and Civil Provisions	26,727	25,727
2.01.06.01.01	Tax Provisions	177	177
2.01.06.01.02	Social Security and Labor Provisions	3,500	2,500
2.01.06.01.04	Civil Provisions	23,050	23,050
2.01.06.02	Other Provisions	22,189	22,189
2.01.06.02.04	Retirement benefits obligations	22,189	22,189
2.02	Non-current liabilities	5,598,505	5,669,873
2.02.01	Loans and Financing	2,482,369	2,534,215
2.02.01.01	Loans and Financing	2,295,712	2,353,268
2.02.01.01.01	In Local Currency	2,295,712	2,353,268
2.02.01.02	Debentures	186,657	180,947
2.02.02	Other Liabilities	2,174,454	2,074,407
2.02.02.02	Other	2,174,454	2,074,407
2.02.02.02.03	Concessions payable	2,097,711	2,009,980
2.02.02.02.04	Other Non-Current Liabilities	76,743	64,427
2.02.03	Deferred Taxes	424,339	558,826
2.02.03.01	Deferred Income and Social Contribution Taxes	424,339	558,826
2.02.04	Provisions	517,343	502,425
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	256,546	246,873
2.02.04.01.01	Tax Provisions	4,922	4,965
2.02.04.01.02	Social Security and Labor Provisions	7,252	7,508
2.02.04.01.04	Civil Provisions	244,372	234,400
2.02.04.02	Other Provisions	260,797	255,552

Consolidated Financial Statements / Balance Sheet - Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2016	Prior Year 12/31/2015
2.02.04.02.04	Retirement benefits obligations	260,797	255,552
2.03	Consolidated Shareholders' equity	6,866,558	6,642,136
2.03.01	Paid-in Capital Stock	2,736,253	2,445,766
2.03.02	Capital Reserves	91,695	91,695
2.03.02.07	Capital reserves	91,695	91,695
2.03.04	Profit Reserves	3,047,734	3,333,102
2.03.04.01	Legal Reserve	489,153	489,153
2.03.04.05	Retained Earnings Reserve	2,247,099	2,247,099
2.03.04.07	Tax Incentive Reserve	101,983	96,864
2.03.04.10	Additional Dividend Proposed	209,499	499,986
2.03.05	Retained Earnings/Losses	350,379	0
2.03.06	Assets Valuation Adjustments	638,018	769,309
2.03.09	Non-Controlling Interest	2,479	2,264

Consolidated Financial Statements / Income Statement

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
3.01	Revenue from Sales of Goods and/or Services	1,602,655	1,617,969
3.02	Cost of Products and/or Services Sold	-916,282	-930,594
3.02.01	Electrical energy purchased for resale	-389,323	-394,571
3.02.02	Transactions in the short-term energy market	-71,968	-12,385
3.02.03	Charges for the use of and connection to the power grid	-94,344	-86,698
3.02.04	Cost of electrical energy production	-353,656	-430,686
3.02.05	Cost of services rendered	-6,991	-6,254
3.03	Gross Income	686,373	687,375
3.04	Operating Expenses/Income	-47,773	-44,320
3.04.01	Sales Expenses	-4,647	-5,014
3.04.02	General and Administrative Expenses	-43,875	-41,632
3.04.04	Other Operating Income	752	2,348
3.04.05	Other Operating Expenses	-3	-22
3.05	Income Before Financial Result and Taxes	638,600	643,055
3.06	Financial Result	-128,153	-134,767
3.06.01	Financial Income	124,966	57,298
3.06.02	Financial Expenses	-253,119	-192,065
3.07	Income Before Income Taxes	510,447	508,288
3.08	Income and Social Contribution Taxes	-163,340	-163,538
3.08.01	Current	-235,716	-97,457
3.08.02	Deferred	72,376	-66,081
3.09	Net Income from Continuing Operations	347,107	344,750
3.11	Consolidated Net Income for the Period	347,107	344,750
3.11.01	Attributable to the Partners of the Parent Company	346,892	344,508
3.11.02	Attributable to Non-Controlling Partners	215	242
3.99	Earnings per share (R$ /share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	ON	0.53177	0.52816
3.99.02	Diluted Earnings per Share		
3.99.02.01	ON	0.53177	0.52816

Consolidated Financial Statements / Comprehensive Income Statement

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
4.01	Consolidated Net Income for the Period	347,107	344,750
4.02	Other comprehensive income	-122,685	114,897
4.02.01	Unrealized (losses)/gains from cash flow hedge operations	-192,027	174,086
4.02.02	Deferred income and social contribution taxes	65,289	-59,189
4.02.03	Realized gains from cash flow hedge operations in the year	4,053	0
4.03	Consolidated Comprehensive Income for the Period	224,422	459,647
4.03.01	Attributed to the Parent Company's Shareholders	224,207	459,405
4.03.02	Attributed to Non-controlling Shareholders	215	242

Consolidated Financial Statements / Cash Flow Statement - Indirect Method

(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
6.01	Net Cash from Operating Activities	682,656	449,942
6.01.01	Cash Generated from Operations	864,720	898,423
6.01.01.01	Income before income taxes	510,447	508,288
6.01.01.02	Depreciation and amortization	154,118	146,747
6.01.01.03	Monetary variation	49,088	61,310
6.01.01.04	Interest	150,128	113,565
6.01.01.05	(Reversal) Recognition of operating provisions	-840	68,060
6.01.01.06	Other	1,779	453
6.01.02	Changes in Assets and Liabilities	-182,064	-448,481
6.01.02.01	Trade accounts receivable	-4,882	-28,016
6.01.02.02	Fuel reimbursable	26,223	-47,716
6.01.02.03	Insurance damages receivable	0	121,561
6.01.02.04	Inventories	-10,216	-8,064
6.01.02.05	Tax credits recoverable	-3,407	-6,836
6.01.02.06	Restricted and judicial deposits	-50,834	-16,608
6.01.02.07	Renegotiation of hydrological risk to appropriate	6,516	0
6.01.02.08	Other assets	-26,604	-13,590
6.01.02.09	Suppliers	56,542	-149,659
6.01.02.10	Payment of income and social contribution taxes	-77,605	-238,146
6.01.02.11	Payment of interest on debt, net of hedge	-80,871	-79,015
6.01.02.12	Other tax and regulatory obligations	-21,120	21,674
6.01.02.13	Retirement benefits obligations	-3,692	-3,064
6.01.02.14	Other liabilities	7,886	-1,002
6.02	Net Cash from Investment Activities	-200,523	-192,207
6.02.01	Acquisition of investment, net of cash and cash equivalent of acquired companies	-7,866	0
6.02.02	Acquisition of property, plant and equipment	-190,829	-190,717
6.02.03	Acquisition of intangible assets	-1,828	-1,490
6.03	Net Cash from Financing Activities	-615,514	-244,364
6.03.01	Loans and financing obtained	58	47,471
6.03.02	Loans and financing paid	-287,759	-49,869
6.03.03	Concession installments paid	-15,659	-14,277
6.03.04	Dividends and interest on equity paid	-312,622	-222,021
6.03.05	Deposits related to debt service	-3,974	-6,029
6.03.06	Other	4,442	361
6.05	Increase (Decrease) in Cash and Cash Equivalents	-133,381	13,371
6.05.01	Opening Balance of Cash and Cash Equivalents	2,396,854	1,604,731
6.05.02	Closing Balance of Cash and Cash Equivalents	2,263,473	1,618,102

Consolidated Financial Statements / Changes in Shareholders' Equity Statement / DMPL - 1/1/2016 to 3/31/2016

(In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Loss)	Other Comprehensive Income	Shareholders' Equity	Interest of Non-Controlling Shareholders	Consolidated Shareholders' Equity
5.01	Opening Balances	2,445,766	91,695	3,333,102	0	769,309	6,639,872	2,264	6,642,136
5.03	Adjusted Opening Balances	2,445,766	91,695	3,333,102	0	769,309	6,639,872	2,264	6,642,136
5.05	Total Comprehensive Income	0	0	0	346,892	-122,685	224,207	215	224,422
5.05.01	Net Income for the Period	0	0	0	346,892	0	346,892	215	347,107
5.05.02	Other Comprehensive Income	0	0	0	0	-122,685	-122,685	0	-122,685
5.05.02.06	Cash flow Hedge	0	0	0	0	-122,685	-122,685	0	-122,685
5.06	Internal Changes in Shareholders' Equity	290,487	0	-285,368	3,487	-8,606	0	0	0
5.06.04	Capital Increase	290,487	0	-290,487	0	0	0	0	0
5.06.05	Tax Incentive Reserve	0	0	5,119	-5,119	0	0	0	0
5.06.06	Realization of Deemed Cost	0	0	0	8,606	-8,606	0	0	0
5.07	Closing Balances	2,736,253	91,695	3,047,734	350,379	638,018	6,864,079	2,479	6,866,558

Consolidated Financial Statements / Changes in Shareholders' Equity Statement / DMPL - 1/1/2015 to 3/31/2015

(In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Loss)	Other Comprehensive Income	Shareholders' Equity	Interest of Non-Controlling Shareholders	Consolidated Shareholders' Equity
5.01	Opening Balances	2,445,766	91,695	2,589,794	0	523,790	5,651,045	3,904	5,654,949
5.03	Adjusted Opening Balances	2,445,766	91,695	2,589,794	0	523,790	5,651,045	3,904	5,654,949
5.05	Total Comprehensive Income	0	0	0	344,508	114,897	459,405	242	459,647
5.05.01	Net Income for the Period	0	0	0	344,508	0	344,508	242	344,750
5.05.02	Other Comprehensive Income	0	0	0	0	114,897	114,897	0	114,897
5.05.02.06	Cash Flow Hedge	0	0	0	0	114,897	114,897	0	114,897
5.06	Internal Changes in Shareholders' Equity	0	0	3,813	5,230	-9,043	0	0	0
5.06.04	Tax incentive reserve	0	0	3,813	-3,813	0	0	0	0
5.06.05	Realization of deemed cost	0	0	0	9,043	-9,043	0	0	0
5.07	Closing Balances	2,445,766	91,695	2,593,607	349,738	629,644	6,110,450	4,146	6,114,596

Consolidated Financial Statements / Value Added Statement

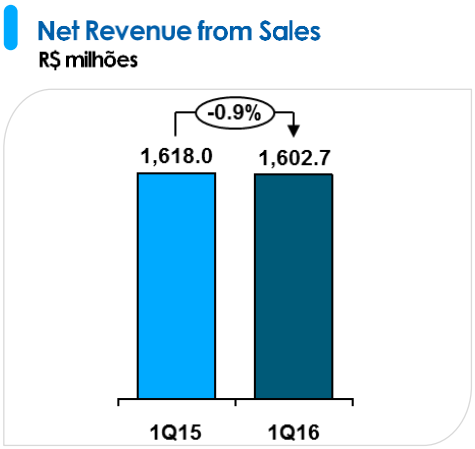
(In thousands of Reais)

Account Code	Account Description	Accumulated in the Current Year 1/1/2016 to 3/31/2016	Accumulated in the Prior Year 1/1/2015 to 3/31/2015
7.01	Revenues	1,921,154	1,924,795
7.01.01	Sale of Products and Services	1,777,497	1,797,424
7.01.02	Other Income	6,664	13,585
7.01.03	Income related to the Construction of Own Assets	136,993	113,786
7.02	Raw material Acquired from Third Parties	-784,235	-806,683
7.02.01	Cost of Products and Services Sold	-522,160	-463,389
7.02.02	Materials, Energy, Third Parties Services and Other	-42,573	-58,237
7.02.04	Other	-219,502	-285,057
7.02.04.01	Charges for the use of and connection to the power grid	-94,344	-86,698
7.02.04.02	Reversal (Recognition) of operating provisions	840	-68,060
7.02.04.03	Expenses with construction of plants	-117,247	-113,052
7.02.04.04	Other	-8,751	-17,247
7.03	Gross Added Value	1,136,919	1,118,112
7.04	Retentions	-154,118	-146,747
7.04.01	Depreciation, Amortization and Depletion	-154,118	-146,747
7.05	Net Added Value Generated	982,801	971,365
7.06	Added Value Received in Transfer	124,966	57,298
7.06.02	Financial Income	124,966	57,298
7.07	Total Added Value to Distribute	1,107,767	1,028,663
7.08	Distribution of Added Value	1,107,767	1,028,663
7.08.01	Labor	69,564	68,086
7.08.01.01	Direct Remuneration	45,212	44,313
7.08.01.02	Benefits	13,910	13,842
7.08.01.03	F.G.T.S.	3,216	3,068
7.08.01.04	Other	7,226	6,863
7.08.01.04.01	Profit sharing	7,226	6,863
7.08.02	Taxes, Duties and Contributions	343,019	345,755
7.08.02.01	Federal	338,371	337,078
7.08.02.02	State	3,485	7,790
7.08.02.03	Municipal	1,163	887
7.08.03	Third Parties Capital Remuneration	177,158	125,826
7.08.03.01	Interest	96,527	103,131
7.08.03.02	Rentals	3,527	3,903
7.08.03.03	Other	77,104	18,792
7.08.03.03.01	Capitalized interest and monetary variations	25,661	11,993
7.08.03.03.02	Other financial expenses	51,443	6,799
7.08.04	Remuneration of Own Capital	350,379	349,738
7.08.04.03	Retained Earnings / Loss for the Period	350,379	349,738
7.08.05	Other	167,647	139,258
7.08.05.01	Sectorial charges	66,054	62,136
7.08.05.02	Charges on concessions payable	104,865	82,110
7.08.05.03	Non-controlling shareholder	215	242
7.08.05.04	Realization of deemed cost	-8,606	-9,043
7.08.05.05	Tax incentive reserve	5,119	3,813

Economic-Financial Performance

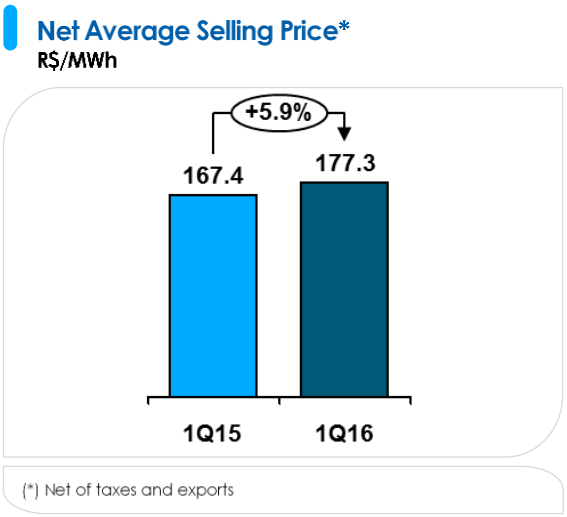
Net revenue from sales

In 1Q16, **net revenue from sales reported a reduction of 0.9%**, (R$ 15.3 million), when compared with 1Q15, a decrease of R$ 1,618.0 million to R$ 1,602.7 million. The principal factors contributing to this variation were: (i) R$ 95.7 million - an increase in the net average selling price; (ii) R$ 58.1 million - a reduction in volumes of energy sold and (iii) R$ 53.5 million - a decline in revenue from transactions in the short-term market – Electric Energy Trade Board (CCEE).



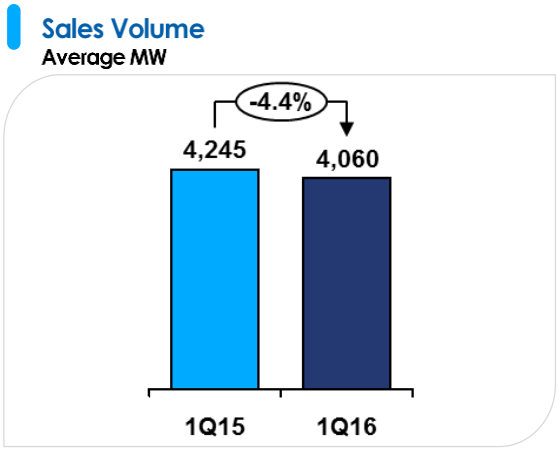
- **Net average selling price**

The net average selling price of energy, net of tax, reached R$ 177.29/MWh in 1Q16, 5.9% more than in 1Q15, when average prices were R$ 167.35/MWh. Higher prices were largely due to monetary restatement of existing agreements, partially offset by lower prices practiced for new agreements.



- **Sales volume**

Energy sales volume declined from 9,169 GWh (4,245 aMW) in 1Q15 to 8,867 GWh (4,060 aMW) in 1Q16, a reduction of 302 GWh (185 aMW) between compared periods. These variations were due to the expiry of bilateral agreements, the energy of which was settled in the short-term market.



Comments on variation in net revenue from sales by client class

Distributors

Net sales revenue from distributors reached R$ 770.9 million in 1Q16, an amount 1.3% higher than the R$ 760.7 million recorded in 1Q15 due to a combination of the following effects: (i) R$ 75.7 million — an increase of 10.4% in net average price; and (ii) R$ 65.5 million — a reduction of 367 GWh (190 aMW) in sales volume from 4,485 GWh (2.076 aMW) in 1Q15 to 4,118 GWh (1,886 aMW) in 1Q16.

Trading Companies

Net sales revenue from trading companies in the quarter was R$ 83.1 million, 67.9% higher than sales revenue registered in 1Q15 of R$ 49.5 million. This increase reflected the following aspects: (i) R$ 48.0 million — an increase of 306 GWh (139 aMW) in energy volumes sold, rising from 285 GWh (132 aMW) in 1Q15 to 591 GWh (271 aMW) in 1Q16; and (ii) R$ 14.4 million — a decrease of 19.0% in net average selling price.

Free Consumers

Net sales revenue from free consumers decreased 0.9% between comparative quarters, declining from R$ 724.2 million in 1Q15 to R$ 718.0 million in 1Q16. The following events contributed to this variation: (i) R$ 40.6 million — a reduction of 241 GWh (134 aMW) in the energy sales volume from 4,399 GWh (2,037 aMW) in 1Q15 to 4,158 GWh (1,903 aMW) in 1Q16; and (ii) R$ 34.4 million — an increase of 4.9% in the net average selling price of energy.

Transactions in the short term market – CCEE

In 1Q16, revenue from short-term market business, including transactions through the CCEE, was R$ 21.8 million, against R$ 75.3 million in 1Q15, representing a reduction of R$ 53.5 million (71.0%) when the two quarters under review are compared. A more detailed explanation of these variations is to be found in the item below “Details of short-term operations conducted through the CCEE”.

Costs of electric energy and services

The costs of the sale of energy and services decreased by R$ 14.3 million, (1.5%), year-on-year from R$ 930.6 million in 1Q15 to R$ 916.3 million in 1Q16. These variations are essentially due to the following principal factors:

a) **Electric energy purchased for resale:** reduction of R$ 5.2 million in 1Q16 compared with 1Q15, principally reflecting lower prices for new medium and long-term agreements.

b) **Transactions in the short-term market including those conducted through the CCEE:** year-on-year, costs with these transactions were R$ 59.6 million higher. A more detailed explanation of these variations is to be found in the specific item below.

c) **Charges for the use of and connection to the electricity grid:** year-on-year increase of R$ 7.6 million (8.8%) due largely to the annual readjustment in transmission tariffs.

d) **Personnel:** an increase of R$ 3.9 million (7.4%) in 1Q16 in relation to 1Q15 mainly due to the annual increase in employee compensation and benefits.

e) **Materials and third party services:** year-on-year decrease of R$ 17.3 million mainly due to the extraordinary recognition in 1Q16 of R$ 15.3 million with respect to recovery of a credit for PIS and Cofins taxes levied on materials and services contracted from third parties.

f) **Depreciation and amortization:** expansion of R$ 7.2 million between the compared quarters above all, due to the conclusion of major maintenance work on the Jorge Lacerda Thermoelectric Complex in 2Q15 and the startup in commercial operations in May 2015 of the number 5 turbo-generator at the Ferrari Thermoelectric Power Plant.

g) **Net operational provisions:** the positive effect on the result of R$ 70.3 million in 1Q16 compared to 1Q15. The variation is largely a reflection of the following events in 1Q15: (i) R$ 76.6 million — constitution of a civil provision for a legal dispute with a supplier involving the application of the current legislation for defining the price of an input; and (ii) R$ 6.1 million — reversal against payment of a civil provision relative to an indemnity for expropriations at the Cana Brava Hydroelectric Plant.

h) **Others:** a positive variation of R$ 3.3 million in 1Q16 in relation to 1Q15, essentially due to: (i) payment in 1Q15 of R$ 6.1 million in indemnification for the above mentioned expropriations; and (ii) the increase of R$ 3.8 million in premiums for insurance policies renewed by the Company.

Details of short term operations, including transactions on the Electric Energy Trade Board (CCEE)

Short-term operations are classified as energy purchase or sale operations not exceeding six months and having the optimization of Tractebel's exposure to the CCEE as their prime objective. Consequently, the price of these operations is characterized by the linkage with Price for Settlement of Differences (PLD) or spot price. This item also includes the transactions conducted through the CCEE, given the volatile and seasonal nature - and, therefore, short-term transactions - of the results originated from accounting in CCEE. Additionally, the long and short positions are settled at the spot price, thus, similar to the short-term operations described above.

As to the transactions conducted through the CCEE, the various monthly credit or debit entries to the account of an agent are summarized in a single billing as a receivable or a payable. This therefore requires an entry to either an income or an expenses account. In this context, it is worth pointing out that due to adaptations to the Company's portfolio management strategy, changes have been taking place in the billing profile in the past few years. Such fluctuations complicate the direct comparison of the elements comprising each billing in the two years - the reason for including this specific topic - allowing us to analyze the oscillations of the principal elements involved in spite of allocation being either to income or expenses according to the credit or debit nature of the billing to which they relate.

Generically speaking, these elements are income or expense items arising for example from: (i) the application of the Energy Reallocation Mechanism (MRE); (ii) the Assured Energy Adjustment Factor which occurs when generation in relation to allocated energy from the plants which are part of the MRE is greater (Secondary Energy) or less (Generation Scaling Factor - GSF); (iii) the so-called "sub-market risk"; (iv) dispatch triggered by the Risk Aversion Curve (CAR); (v) the application of System Service Charges (ESS), resulting in dispatch which diverges from the thermal plants order of merit; and (vi) naturally, exposure (a short or long position in the monthly accounting) which will be settled at the PLD price.

In 1Q16, the net result (difference between revenues and costs — less taxes on revenue and costs), of short-term transactions, including those conducted across the CCEE, was a negative R$ 50.1 million. Conversely, this same item was positive in 1Q15 at R$ 62.9 million, thus a negative variation of R$ 113.1 million between quarters.

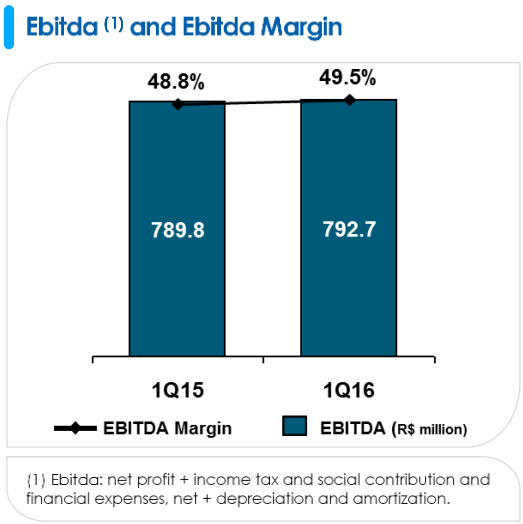
This variation is largely due to a combination of the following factors: (i) a significant reduction in 1Q16 of the negative effect of the adjustment in physical guarantee in relation to the GSF (Generation Scaling Factor) by virtue of the decrease in the reduction factor and PLD; (ii) a decrease in the long position on the CCEE, a reflection of the Company's monthly power allocation strategy (when comparing the two quarters) and a marked reduction in PLD; (iii) a decrease in the amount of thermoelectric exposure due to a significant reduction in average PLD in the current quarter in spite of the reduction in thermoelectric dispatch and the consequent increase in the amount of this exposure; (iv) negative impact in 1Q16 due to the difference of average PLD between the South/Southeast/Center-West and the Northeast submarkets; (v) reimbursement of costs in 1Q16 due to dispatch outside the order of merit of the William Arjona Thermoelectric Plant (UTWA); and (vi) recognition in 1Q15 of the amounts relative to the recovery from the negative impacts on the CCEE due to accidents at the generator units. The positive effects of items (i), (iii) and (v) attenuated the negative impact of the other items.

It is worth mentioning that the significant reductions of average PLD between quarters and the years under analysis (as shown below) made a notable contribution to mitigating the negative effects on results due to the GSF and to thermoelectric exposure while, on the other hand, also contributing to a reduction in the positive impact of surplus of energy settled across the CCEE.

In December 2015, Aneel set maximum and minimum PLD limits for the year 2016 at R$ 422.56/MWh and R$ 30.25/MWh, respectively. When comparing quarters, the average PLD for the South and Southeast/Center-West submarkets fell 91.1% from R$ 388.48/MWh in 1Q15 to R$ 34.60/MWh in 1Q16.

EBITDA and EBITDA Margin

Reflecting the aforementioned effects, Ebitda for 1Q16 was R$ 792.7 million, R$ 2.9 million (0.4%) above the R$ 789.8 million posted in 1Q15. The Ebitda margin was 49.5% in 1Q16, representing an increase of 0.7 p.p. compared with 1Q15. The above increases are largely the reflection of the following combination of factors: (i) the negative effect of R$ 113.1 million in transactions in the short-term market including those conducted across the CCEE; (ii) the positive effect of R$ 68.9 million in operational provisions, net; (iii) an increase of R$ 37.6 million net revenues from the sale of contracted energy; (iv) a decrease of R$ 15.6 million in materials and services from third parties; and (v) an increase of R$ 6.1 million for other costs and operational expenses.



To allow the reconciliation of the net income with Ebitda, we show the following table:

(In millions of R$)	1Q16	1Q15	Chg. %
Net income	347.1	344.8	0.7
(+) Income tax and social contribution	163.3	163.5	-0.1
(+) Financial expenses, net	128.2	134.8	-4.9
(+) Depreciation and amortization	154.1	146.7	5.0
Ebitda	**792.7**	**789.8**	**0.4**

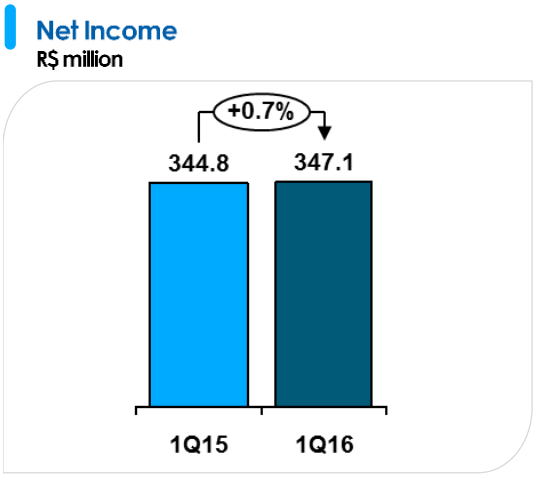
Financial result

- **Financial income:** in 1Q16, income totaled R$ 124.9 million, or R$ 67.6 million (118.0%) greater than the R$ 57.3 million reported in 1Q15, due substantially to: (i) the increase in the amount of R$ 27.2 million in revenue from financial investments; and (ii) recognition in the current quarter of R$ 37.2 million in interest and monetary restatement on accounts receivable from the sale of electricity as a result of a decision in favor of the Company with respect to a legal dispute with a Brazilian electricity sector agent.

- **Financial expenses:** expenses in 1Q16 were R$ 253.1 million, or **R$ 61.0 million (31.8%) higher** than the R$ 192.1 million reported in 1Q15. The principal variations were: (i) recognition in 1Q16 of R$ 46.3 million in monetary restatement on amounts to be paid in the CCEE and pending payment in the light of court injunctions suspending the application of the GSF by the CCEE; (ii) increase of R$ 22.8 million in the interest and monetary restatement on concession fees payable; and (iii) a reduction of R$ 8.3 million in interest and monetary restatement on debt.

Net Income

Net Income for 1Q16 was R$ 347.1 million, R$ 2.3 million (0.7%) greater than the R$ 344.8 million reported for 1Q15. This increase is largely the effect of the following: (i) growth of R$ 2.9 million in Ebitda; (ii) reduction of R$ 6.6 million in net financial expenses; (iii) increase of R$ 7.4 million in depreciation and amortization; and (iv) a reduction of R$ 0.2 million in income tax and social contribution.



TRACTEBEL ENERGIA S.A.

CNPJ Nº 02.474.103/0001-19 | NIRE Nº 42 3 0002438-4

NOTES TO THE QUARTERLY FINANCIAL STATEMENT AS OF 3.31.2016

(In thousands of Reais or other currencies, unless otherwise indicated)

1 - OPERATIONS

Tractebel Energia S.A. ("Company," "Tractebel Energia" or "TBLE") is an independent utility concessionaire and a publicly held corporation with its registered headquarters in the municipality of Florianópolis, Santa Catarina State, Brazil. The core business and main operating activity of the Company and its subsidiaries is the generation and sale of electrical energy, regulated by the Brazilian Electricity Regulatory Agency (Aneel), which is linked to the Ministry of Mines and Energy (MME).

The shares of the Company are listed in the New Market segment of BM&FBOVESPA under the ticker TBLE3. TBLE also trades Level 1 American Depositary Receipts (ADR) in the U.S. Over-the-Counter market under the ticker TBLEY, in the proportion of one ADR for each common share.

The Company is controlled by GDF SUEZ Energy Latin America Participações Ltda. ("ENGIE LA"), a company established in Brazil and controlled by International Power S.A., headquartered in Belgium. International Power is a subsidiary of International Power PLC, a company headquartered in the United Kingdom, which is part of the economic group ENGIE group, headquartered in France.

TBLE is the largest private company in electrical energy generation in Brazil, responsible for approximately 5.4%[1] of the country's installed capacity. At 3.31.2016, its installed capacity, including its stakes in energy generation consortiums, is 7,008.3[2] MW. Out of this total, 79.3% arises from hydroelectric power plants, 15.5% from thermoelectric power plants and 5.2% from complementary energy (Small Hydroelectric Power Plants – SHPP, wind farms, biomass and solar power plants). At 3.31.2016, assured energy for sale averaged 3,871.9 MW.

The Company's generation facilities in operation consist of twenty-eight plants, of which nine hydroelectric power plants, eight thermoelectric power plants (four coal, three biomass and one natural gas), three SHPP, seven wind farms and one photovoltaic solar power plant.

The main corporate and operational events occurred in the second quarter of 2015 are summarized as follows:

a) Payment of interest on equity for fiscal year 2015

Interest on equity for fiscal year 2015 was paid on 2.24.2016. The gross amount credited was R$ 314,000, corresponding to R$ 0.4810475006 per share.

[1] Information based on data as of 12.31.2015.

[2] The non-financial information herein, such as MW, average MW, installed power and others has not been audited by the independent auditors.

b) Capital increase

In February 2016, the Board of Directors of TBLE approved the proposal to increase the Company's capital by R$ 290,487, through capitalization of a portion of the net income for the year ended December 31, 2015, without issuing new shares, corresponding to R$ 0.4450258658 per share. Hence, the capital increased from R$ 2,445,766 to R$ 2,736,253.

2 - PRESENTATION OF QUARTERLY FINANCIAL INFORMATION

The quarterly information was prepared in accordance with the accounting practices adopted in Brazil (BRGAAP), as issued by the Accounting Pronouncement Committee (CPC), which are in line with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The quarterly information was prepared in compliance with the accounting practices adopted in Brazil (BRGAAP), as issued by the Accounting Pronouncements Committee (CPC), which are convergent with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The preparation of the quarterly information requires the Company´s management to rely on estimates when recording certain transactions that affect its assets and liabilities, revenues and expenses.

The content and values of certain explanatory notes presented in the financial statements for the year ended on 12.31.2015, which did not require significant updates, have not been repeated in the notes selected for the quarterly information of 3.31.2015. Therefore, these financial statements should be read together.

The accounting practices and calculation methods adopted in the preparation of quarterly information of 3.31.2016, as well as the main judgments and uncertainties in the estimates used in applying accounting practices are the same as those used in the preparation of the financial statements for the year ended on 12.31.2015.

a) EmpresasNet System

It is worth noting that the table "Statement of Changes in Shareholders' Equity" of CVM's "EmpresasNet" System, the Adjustment to fair value of property, plant and equipment mentioned in "Other Comprehensive Income", is presented in the column as such, since there is no more appropriate option in the standard CVM statement for the presentation of said transactions.

b) Approval of quarterly information

The quarterly information previously mentioned was approved by the Board of Directors in a meeting held on 5.5.2016.

3 - CASH AND CASH EQUIVALENTS

	Parent company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Cash and bank deposits	**3,623**	**3,664**	**25,295**	**11,691**
Marketable securities:				
Exclusive investment fund – Citibank				
Repurchase transactions backed by federal bonds	1,519,216	1,735,137	2,229,941	2,365,959
Transactions backed by debentures	-	-	7,521	17,855
Certificates of Bank Deposit (CDB) and Investment Funds	329	207	716	1,349
	329	**207**	**8,237**	**19,204**
Total of marketable securities	**1,519,545**	**1,735,344**	**2,238,178**	**2,385,163**
	1,523,168	**1,739,008**	**2,263,473**	**2,396,854**

4 - TRADE ACCOUNTS RECEIVABLE

a) Breakdown

	Parent company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Distributors	311,400	297,273	382,783	385,568
Traders	168,581	121,815	38,408	34,483
Free Consumers	25,566	22,500	326,341	330,222
Transactions within the CCEE[3]	26,714	6,180	39,292	29,798
Allowance for doubtful accounts	(6,180)	(6,180)	(6,469)	(6,469)
	526,081	**441,588**	**780,355**	**773,602**

The average term for receiving amounts relative to electrical energy sale invoices is approximately 30 days, as from the first day of month subsequent to the sale.

The breakdown of overdue accounts receivable recorded under current assets is as follows:

	Parent company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Overdue up to 30 days	3,507	1,429	4,834	3,009
Overdue more than 30 days	7,950	7,411	9,733	8,886
	11,457	**8,840**	**14,567**	**11,895**

The Company accrued allowance for doubtful accounts on overdue accounts receivable, for which the risk of recovery is deemed as probable.

[3] Electric Energy Commercialization Chamber

In addition to the provisions mentioned above, the Company has amounts receivable from transactions conducted in the Wholesale Electricity Market (MAE), currently CCEE, between 2000 and 2002, for which it maintains full allowance for doubtful accounts. The nature and amounts of these transactions are:

(i) R$ 110,598 – corresponds to credits from transactions made within the MAE between September 2000 and September 2002, which were not received due to certain debtor agents having taken Court action, disagreeing with the interpretation given by that organization, in relation to the provisions of the General Agreement of the Electrical Segment. The provision was established due to doubts in relation to the receipt of the values regarding the aforementioned transactions; and

(ii) R$ 12,388 – refers, substantially, to debts by defaulting agents in the first financial settlement made by MAE, on 12.30.2002, regarding the transactions made within the scope of that market. Such amounts are being the objects of bilateral negotiations for a long time. However, due to uncertainties regarding payment, the Company has set some cash aside as allowance for doubtful accounts, regardless of any legal action applicable to the case.

5 - RESTRICTED DEPOSITS

	Parent Company		Consolidated	
	3.31.2016	**12.31.2015**	**3.31.2016**	**12.31.2015**
Financing guarantees	3,658	3,546	154,975	146,766
Guarantees for debtor position at CCEE	46,564	210	48,846	287
Contractual commitments guarantees	-	-	6,060	6,056
Reinvestment deposits	4,503	2,083	4,503	2,083
Other	6,823	6,614	11,700	11,373
	61,548	**12,453**	**226,084**	**166,565**
Classification in the balance sheet				
Current assets	51,067	2,293	59,409	8,426
Non-current assets	10,481	10,160	166,675	158,139
	61,548	**12,453**	**226,084**	**166,565**

6 - JUDICIAL DEPOSITS

	Parent Company		Consolidated	
	3.31.2016	**12.31.2015**	**3.31.2016**	**12.31.2015**
Tax and social security	114,344	110,740	115,019	111,393
Civil	14,500	13,819	16,301	15,485
Labor	5,413	5,461	5,557	5,602
	134,257	**130,020**	**136,877**	**132,480**

7 - INVESTMENTS

a) Breakdown

	Parent company	
	3.31.2016	12.31.2015
Interest on subsidiaries:		
Measured at the equity method		
Equity in earnings of subsidiaries	3,665,306	3,645,624
"Goodwill" (Concession right)	72,676	73,511
	3,737,982	**3,719,135**

b) Changes in investments evaluated through the equity method

	Balance at 12.31.2015	Capital increase	Equity in earnings of subsidiaries	Dividends	Other comprehensive income (loss)	Balance at 3.31.2016
Itasa[4]	285,485	-	2,289	(37,382)	-	250,392
CEE[5]	1,041,035	-	12,013	-	-	1,053,048
Lages[6]	43,796	-	2,032	-	-	45,828
TBLC[7]	233,844	-	32,741	-	-	266,585
TBLP[8]	1,679,074	20,500	31,203	-	(41,616)	1,689,161
Pampa[9]	362,389	69,648	5,735	-	(81,069)	356,703
Norte Catarinense[10]	1	3,588	-	-	-	3,589
	3,645,624	**93,736**	**86,013**	**(37,382)**	**(122,685)**	**3,665,306**

a.1) Information on direct subsidiaries

	Itasa	CEE	Lages	TBLC	TBLP	Pampa	Norte Catarinense
Interest (%)	**48.75**	**99.99**	**99.99**	**99.99**	**99.99**	**99.99**	**99.99**
12.31.2015							
Assets	621,233	2,526,871	65,180	702,088	2,421,417	457,661	1
Shareholders' equity	585,610	1,041,035	43,796	233,844	1,666,289	355,827	1
3.31.2016							
Assets	604,656	2,532,165	68,403	744,719	2,393,542	400,899	3,589
Shareholders' equity	513,625	1,053,048	45,828	266,585	1,669,368	344,331	3,589
Capitalized interest	-	-	-	-	22,272	12,372	-
First quarter of 2016							
Net revenue	42,466	103,682	12,480	811,169	66,354	-	-
Net income (loss)	4,695	12,013	2,032	32,741	24,195	(74)	-
Capitalized interest	-	-	-	-	7,223	5,809	-
Other comprehensive income (loss)	-	-	-	-	(41,616)	(81,069)	-

[4] Itá Energética S.A., joint operation.
[5] Companhia Energética Estreito.
[6] Lages Bioenergética Ltda.
[7] Tractebel Energia Comercializadora Ltda.
[8] Tractebel Energias Complementares Participações Ltda.
[9] Usina Termelétrica Pampa Sul S.A.
[10] Usina Termelétrica Norte Catarinense Ltda.

The non-controlling interest of Ibitiúva in the shareholders' equity and the net income of TBLP presented above is R$ 2,479 and R$ 215, respectively.

Tractebel Energia took out loans to finance the construction of Thermal Power Plant Pampa Sul and the Campo Largo and Santa Mônica Wind Power Complexes. Interest on loans taken for investment in the construction of the subsidiaries' plants was capitalized in the consolidated financial statements and recognized in the equity income of the subsidiaries TBLP and Pampa Sul.

Capitalized amounts up to 3.31.2016 amounted to R$ 22,272 and R$ 12,372 in the subsidiaries TBLP and Pampa Sul, respectively. In the first quarter of 2016, the amounts of R$ 7,223 and R$ 5,809 were capitalized in the subsidiaries TBLP and Pampa Sul, respectively.

8 - PROPERTY, PLANT AND EQUIPMENT

a) Breakdown

		Parent Company			
		3.31.2016			12.31.2015
	Average rate of depreciation	Adjusted cost	Accumulated depreciation	Net amount	Net amount
In service					
Reservoirs, dams and ducts	2.8%	5,076,288	(2,778,966)	2,297,322	2,331,964
Buildings and improvements	3.0%	1,465,949	(869,961)	595,988	606,830
Machinery and equipment	3.9%	6,330,417	(4,017,240)	2,313,177	2,287,231
Furniture and fixtures	6.3%	9,712	(5,100)	4,612	4,691
Vehicles	14.3%	2,984	(1,930)	1,054	1,057
Special obligations		(12,374)	-	(12,374)	(12,420)
		12,872,976	**(7,673,197)**	**5,199,779**	**5,219,353**
In progress					
Reservoirs, dams and ducts		1,260	-	1,260	1,347
Buildings and improvements		4,041	-	4,041	2,811
Machinery and equipment		140,664	-	140,664	184,333
Advances to suppliers		30,866	-	30,866	27,890
Acquisitions to be apportioned		33,647	-	33,647	28,530
		210,478	**-**	**210,478**	**244,911**
		13,083,454	**(7,673,197)**	**5,410,257**	**5,464,264**

		Consolidated			
		3.31.2016			12.31.2015
	Average rate of depreciation	Adjusted cost	Accumulated depreciation	Net amount	Net amount
In service					
Reservoirs, dams and ducts	3.1%	7,114,215	(3,183,996)	3,930,219	3,983,941
Buildings and improvements	3.1%	1,780,816	(962,467)	818,349	832,520
Machinery and equipment	3.9%	8,944,818	(4,602,289)	4,342,529	4,344,016
Furniture and fixtures	6.3%	10,457	(5,408)	5,049	5,133
Vehicles	14.3%	4,319	(2,654)	1,665	1,707
Special obligations		(12,499)	-	(12,499)	(12,545)
		17,842,126	**(8,756,814)**	**9,085,312**	**9,154,772**
In progress					
Reservoirs, dams and ducts		24,946	-	24,946	15,800
Buildings and improvements		27,458	-	27,458	22,277
Machinery and equipment		241,187	-	241,187	198,094
Advances to suppliers		405,679	-	405,679	399,818
Acquisitions to be apportioned		150,428	-	150,428	106,789
		849,698	**-**	**849,698**	**742,778**
		18,691,824	**(8,756,814)**	**9,935,010**	**9,897,550**

b) Changes in property, plant and equipment

	Parent company						
	Reservoirs, dams and ducts	Buildings and improvements	Machinery and equipment	Other	Construction in progress	Special obligations	Total
Balance at 12.31.2015	**2,331,964**	**606,830**	**2,287,231**	**5,748**	**244,911**	**(12,420)**	**5,464,264**
Additions	-	-	-	-	40,706	-	40,706
Capitalized interest and monetary variation	-	-	-	-	5,915	-	5,915
Transfers	(739)	(298)	81,951	94	(81,054)	46	-
Write-offs	-	-	(3)	-	-	-	(3)
Depreciation	(33,903)	(10,544)	(56,002)	(176)	-	-	(100,625)
Balance at 3.31.2016	**2,297,322**	**595,988**	**2,313,177**	**5,666**	**210,478**	**(12,374)**	**5,410,257**

	Consolidated						
	Reservoirs, dams and ducts	Buildings and improvements	Machinery and equipment	Other	Construction in progress	Special obligations	Total
Balance at 12.31.2015	**3,983,941**	**832,520**	**4,344,016**	**6,840**	**742,778**	**(12,545)**	**9,897,550**
Additions	-	-	-	-	162,980	-	162,980
Capitalized interest and monetary variation	-	-	-	-	25,661	-	25,661
Transfers	(108)	(536)	82,219	100	(81,721)	46	-
Write-offs	-	-	(3)	(1)	-	-	(4)
Depreciation	(53,614)	(13,635)	(83,703)	(225)	-	-	(151,177)
Balance at 3.31.2016	**3,930,219**	**818,349**	**4,342,529**	**6,714**	**849,698**	**(12,499)**	**9,935,010**

c) Impairment of assets

The Company periodically evaluates the property, plant and equipment aiming to identify evidence of impairment, or when events or significant changes can indicate eventual impairment of their book value. If the book value exceeds the recoverable value, this loss is recognized in the income statement. In the first quarter of 2016, There is no evidence identified that indicate impairment in the assets of the Company.

9 - INTANGIBLE ASSETS

a) Breakdown

		Parent company			
		3.31.2016			12.31.2015
	Amortization period	Adjusted cost	Accumulated amortization	Total	Total
Right to use	Until 2034	51,682	(33,974)	**17,708**	**17,262**

		Consolidated			
		3.31.2016			12.31.2015
	Amortization period	Adjusted cost	Accumulated amortization	Total	Total
Energy purchase right	Until 2023	64,561	(19,579)	44,982	46,486
Right to use assets	Until 2037	71,162	(35,806)	35,356	34,962
Rights over Trairí Project	Until 2041	12,668	(1,290)	11,378	11,524
Rights over Campo Largo Project	-	81,392	-	81,392	81,392
Rights over Santo Agostinho Project	-	58,899	-	58,899	45,872
Rights over Assú Project	-	16,522	-	16,522	16,522
Rights over Santa Mônica Project	-	6,565	-	6,565	6,565
		311,769	**(56,675)**	**255,094**	**243,323**

Rights over the abovementioned projects arise from the fair value of the basic environmental projects, the certification of power generation, wind measurements, preliminary environmental licenses and leasing agreements acquired jointly with the companies. The amortization of these rights will start after the wind farms start to operate commercially and will be recognized through the straight-line method over the term of the authorization for use of the assets.

b) Changes

	Parent company	Consolidated
Balance at 12.31.2015	**17,262**	**243,323**
Addition	1,705	1,828
Fair value of acquired rights	-	13,027
Transfer to property, plant and equipment	-	(143)
Amortization	(1,259)	(2,941)
Balance at 3.31.2016	**17,708**	**255,094**

10 - SUPPLIERS

	Parent company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Electrical energy purchased	45,265	43,297	149,620	178,827
Transactions in the short-term market	277,839	120,918	294,504	121,189
Fossil fuels and biomass	60,561	101,478	61,363	102,834
Charges for the use of the power grid	30,961	30,940	37,677	37,692
Suppliers of materials and services	39,707	39,474	52,141	52,049
Suppliers of property, plant and equipment	27,757	36,395	54,160	80,982
	482,090	**372,502**	**649,465**	**573,573**

11 - TAX LIABILITIES

	Parent company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Income tax	114,337	46,465	122,129	57,600
Social contribution	42,046	1,617	45,476	7,385
	156,383	**48,082**	**167,605**	**64,985**
(-) Taxes recoverable	(74,988)	(46,512)	(76,883)	(47,186)
	81,395	**1,570**	**90,722**	**17,799**

12 - LOANS AND FINANCING

a) Breakdown

	Parent Company					
	3.31.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Measured at the amortized cost						
Local currency						
BNDES	47,672	262,942	310,614	35,712	277,763	313,475
BNDES onlending (Banks)	34,950	232,012	266,962	34,671	239,996	274,667
Nordic Investment Bank (NIB)	25,207	144,956	170,163	24,458	146,763	171,221
Financial charges	5,852	-	5,852	5,987	-	5,987
	113,681	**639,910**	**753,591**	**100,828**	**664,522**	**765,350**
Measured at fair value						
Foreign currency with hedge						
HSBC USA	501,554	-	501,554	920,668	-	920,668
Mizuho Bank	321,111	-	321,111	341,182	-	341,182
Bank of Tokyo	176,908	-	176,908	188,199	-	188,199
Financial charges	1,639	-	1,639	2,127	-	2,127
	1,001,212	**-**	**1,001,212**	**1,452,176**	**-**	**1,452,176**
Loans and financing	**1,114,893**	**639,910**	**1,754,803**	**1,553,004**	**664,522**	**2,217,526**

The balances of loans and financing in the parent company, net of hedge effects, are as follows:

	Parent Company					
	3.31.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Loans and financing	**1,114,893**	**639,910**	**1,754,803**	**1,553,004**	**664,522**	**2,217,526**
Effects of Hedge (swap) in the balance sheet						
Long position [11]	(268,775)	-	(268,775)	(488,802)	-	(488,802)
Loans and financing, net of hedge effects	**846,118**	**639,910**	**1,486,028**	**1,064,202**	**664,522**	**1,728,724**

	Consolidated					
	3.31.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Measured at the amortized cost						
Local currency						
BNDES	158,102	1,412,036	1,570,138	145,533	1,450,429	1,595,962
BNDES onlending (Banks)	74,982	736,407	811,389	73,918	752,771	826,689
Nordic Investment Bank	25,207	144,956	170,163	24,458	146,763	171,221
Banco do Brasil	3,966	2,313	6,279	3,966	3,305	7,271
Financial charges	12,925	-	12,925	12,439	-	12,439
	275,182	**2,295,712**	**2,570,894**	**260,314**	**2,353,268**	**2,613,582**
Measured at fair value						
Foreign currency with hedge						
HSBC USA	501,554	-	501,554	920,668	-	920,668
Mizuho Bank	321,111	-	321,111	341,182	-	341,182
Bank of Tokyo	176,908	-	176,908	188,199	-	188,199
Financial charges	1,639	-	1,639	2,127	-	2,127
	1,001,212	**-**	**1,001,212**	**1,452,176**	**-**	**1,452,176**
Loans and financing	**1,276,394**	**2,295,712**	**3,572,106**	**1,712,490**	**2,353,268**	**4,065,758**

The balances of loans and financing in the consolidated, net of hedge effects, are as follows:

	Consolidated					
	3.31.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Loans and financing	**1,276,394**	**2,295,712**	**3,572,106**	**1,712,490**	**2,353,268**	**4,065,758**
Effects of Hedge (swap) in the balance sheet						
Long position	(268,775)	-	(268,775)	(488,802)	-	(488,802)
Loans and financing, net of hedge effects	**1,007,619**	**2,295,712**	**3,303,331**	**1,223,688**	**2,353,268**	**3,576,956**

[11] The long position of the hedge is presented as part of the item "Unrealized gain from hedge operations"

b) Changes in loans and financings

	Parent company			Consolidated		
	Current	Non-current	Total	Current	Non-current	Total
Balance at 12.31.2015	**1,553,004**	**664,522**	**2,217,526**	**1,712,490**	**2,353,268**	**4,065,758**
Additions	-	58	58	-	58	58
Interest income (expenses)	17,928	-	17,928	35,375	-	35,375
Monetary variation	1,011	6,035	7,046	1,549	11,902	13,451
Capitalized interest and monetary variation	1,642	-	1,642	21,388	-	21,388
Exchange variation	(114,906)	-	(114,906)	(114,906)	-	(114,906)
Adjustment to fair value	42,080	-	42,080	42,080	-	42,080
Transfers	30,705	(30,705)	-	69,516	(69,516)	-
Amortization of principal	(396,939)	-	(396,939)	(434,950)	-	(434,950)
Interest payment	(19,632)	-	(19,632)	(56,148)	-	(56,148)
Balance at 3.31.2016	**1,114,893**	**639,910**	**1,754,803**	**1,276,394**	**2,295,712**	**3,572,106**

In March 2016, the Company settled a loan in foreign currency taken out in March 2014 from HSBC USA in the amount of R$ 378,130. In order to hedge all payment flows under this loan, the Company had contracted a swap operation with the Brazilian subsidiary of the same financial institution, which was settled on the same date of the loan. The gains from the hedge operation amounted to R$ 147,191.

c) Maturity of loans and financing under non-current liabilities

	Parent Company	Consolidated
April to December 2017	92,591	209,120
2018	123,742	274,247
2019	123,742	272,699
2020	104,111	250,542
2021	76,628	217,792
2022 to 2026	119,096	749,153
2027 to 2032	-	322,159
Loans and financing	**639,910**	**2,295,712**

d) Financial contractual commitments (covenants)

Debt	Covenants
Parent company	
Nordic Investment Bank	Parent company: Total debt / EBITDA ≤ 3.5 Consolidated: Total debt / EBITDA ≤ 4.5 Parent company and Consolidated: EBITDA / financial expenses ≥ 2.0
BNDES – Modernization	Net Debt/EBITDA ≤ 3.5
BNDES and Banks (BNDES onlending) – Usina São Salvador	Consolidated gross debt/EBITDA ≤ 4.5
HSBC USA, Mizuho Bank and Bank of Tokyo	EBITDA/consolidated financial expenses≥ 2.0 Consolidated gross debt/EBITDA ≤ 4.5
Subsidiaries	
BNDES and Banks (BNDES onlending)	Debt service coverage ratio[12] ≥ 1.2 or 1.3, depending on the subsidiary
BNDES – Expansion	Net Debt/EBITDA ≤ 3.5
BNDES - Ibitiúva	Total debt ratio ≤ 0.80 Debt service coverage ratio ≥ 1.3

The financial commitments established in the loan and financing agreements are being fulfilled by the Company.

13 - DEBENTURES

a) Changes in debentures

	Parent company and Consolidated		
	Current	Non-Current	Total
Balance at 12.31.2015	**489**	**180,947**	**181,436**
Accrued interest	1,428	-	1,428
Monetary variation in profit or loss	55	2,791	2,846
Capitalized interest and monetary variation	1,418	2,855	4,273
Transfers	(64)	64	-
Balance at 3.31.2016	**3,326**	**186,657**	**189,983**

[12]Debt service coverage rate: Activity cash generation/ Debt service

c) Contractual covenants

Debt	Covenants
5th Issuance - single series	EBITDA/consolidated financial expenses ≥ 2.0 Consolidated gross debt/EBITDA ≤ 4.5

The covenants are being fully complied with by the Company.

14 - CONCESSIONS PAYABLE

a) Breakdown

	Parent Company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Cana Brava hydroelectric power plant	853,156	810,919	853,156	810,919
Ponte de Pedra hydroelectric power plant	738,738	704,492	738,738	704,492
São Salvador hydroelectric power plant	516,744	505,170	516,744	505,170
Estreito hydroelectric power plant	-	-	51,120	49,971
	2,108,638	**2,020,581**	**2,159,758**	**2,070,552**
Classification in the balance sheet				
Current liabilities	56,744	55,388	62,047	60,572
Non-current liabilities	2,051,894	1,965,193	2,097,711	2,009,980
	2,108,638	**2,020,581**	**2,159,758**	**2,070,552**

b) Changes

	Parent company			Consolidated		
	Current	Non-current	Total	Current	Non-current	Total
Balance at 12.31.2015	**55,388**	**1,965,193**	**2,020,581**	**60,572**	**2,009,980**	**2,070,552**
Accrued interest	-	46,500	46,500	-	47,714	47,714
Monetary variations	-	55,846	55,846	-	57,151	57,151
Transfers	15,645	(15,645)	-	17,134	(17,134)	-
Amortizations	(14,289)	-	(14,289)	(15,659)	-	(15,659)
Balance at 3.31.2016	**56,744**	**2,051,894**	**2,108,638**	**62,047**	**2,097,711**	**2,159,758**

c) Maturities of concessions payable disclosed in non-current liabilities

	Parent Company	Consolidated
April to December 2017	39,912	43,578
2018	48,974	53,471
2019	55,834	59,922
2020	93,230	96,946
2021	113,567	116,945
2022 to 2026	818,469	831,269
2027 to 2031	659,976	667,922
2032 to 2037	221,932	227,658
	2,051,894	**2,097,711**

15 - CIVIL, TAX, SOCIAL SECURITY AND LABOR PROVISIONS

Suits and claims filed against the Company, assessed by legal counsels and management as probable risks of future disbursement, are provisioned in amounts considered sufficient to settle the respective liabilities.

a) Breakdown

	Parent Company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Civil				
Fuel purchase	193,967	184,956	193,967	184,956
Expropriations and administrative services	29,129	27,794	29,129	27,794
Retirement benefits	16,271	15,573	16,271	15,573
Environmental	9,602	11,448	9,602	11,448
Sundry lawsuits	14,585	14,168	18,453	17,679
	263,554	253,939	267,422	257,450
Tax	4,760	4,847	5,099	5,142
Labor	9,878	9,389	10,752	10,008
	278,192	**268,175**	**283,273**	**272,600**
Classification in the balance sheet				
Current liabilities	25,761	24,761	26,727	25,727
Non-current liabilities	252,431	243,414	256,546	246,873
	278,192	**268,175**	**283,273**	**272,600**

In 1Q16, there were no significant changes in tax, civil and labor liabilities whose risk of loss was assessed as probable.

b) Possible and remote risks

The Company is also a party to lawsuits that, in the opinion of the legal advisors and its Management, do not represent a probable risk of future disbursement, for which reason the amounts related to those lawsuits, are not provisioned for.

	3.31.2016			12.31.2015		
	Possible risk	Remote risk	Total	Possible risk	Remote risk	Total
Parent Company						
Tax	243,413	113,784	357,197	239,648	111,891	351,539
Civil	92,284	118,989	211,273	70,060	113,764	183,824
Labor	3,187	68,493	71,680	3,789	63,780	67,569
	338,884	**301,266**	**640,150**	**313,497**	**289,435**	**602,932**
Consolidated						
Tax	313,262	132,805	446,067	313,784	130,461	444,245
Civil	114,918	120,412	235,330	123,974	115,122	239,096
Labor	5,220	69,574	74,794	9,364	64,795	74,159
	433,400	**322,791**	**756,191**	**447,122**	**310,378**	**757,500**

Updated information on the provisions assessed as possible risk of loss

In 1Q16, the Company Management and its legal counsels reassessed the amount and the risk of loss from probable to possible for eleven environmental public-interest civil actions. These lawsuits are divided as follows: (i) three lawsuits requiring the installation of a lock, fish ladder and "lair out"; and (ii) eight lawsuits requiring reforesting and the establishment of a Permanent Conservation Area (APP) of one hundred meters around the reservoirs of two hydroelectric power plants.

16 - RETIREMENT BENEFITS OBLIGATIONS

a) Breakdown

	Parent Company and Consolidated					
	3.31.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Contracted obligations	7,601	86,385	93,986	7,423	85,491	92,914
Current contributions and service costs	143	54	197	220	130	350
Uncontracted deficit	14,445	174,358	188,803	14,546	169,931	184,477
Recorded actuarial liability	**22,189**	**260,797**	**282,986**	**22,189**	**255,552**	**277,741**

b) Changes

	Plans				
	ELOS BD	PREVIG BD	PREVIG BSPS	GC	Total
Liabilities recorded on 12.31.2015	**255,001**	**18,516**	**1,520**	**2,704**	**277,741**
Current service costs	-	-	-	22	22
Contributions/payments	-	(198)	-	(283)	(481)
Interest on actuarial liabilities/assets, net	8,509	491	42	66	9,108
Payment of obligations contracted	(2,566)	(764)	(74)	-	(3,404)
Liabilities recorded on 3.31.2016	**260,944**	**18,045**	**1,488**	**2,509**	**282,986**

c) Expected settlement of contracted amounts presented in non-current liabilities:

	ELOS	PREVIG	Total
April to December 2017	2,639	2,016	5,655
2018	5,345	2,779	8,124
2019	5,667	2,946	8,613
2020	6,006	3,123	9,129
2021	6,366	3,310	9,676
2022 to 2026	25,951	3,521	29,572
2027 to 2032	15,616	-	15,616
	67,590	**17,695**	**86,385**

17 - DEFERRED INCOME AND SOCIAL CONTRIBUTION TAXES

Deferred income and social contribution tax assets and liabilities, are presented net, as follows:

a) Breakdown

	Parent Company				
	3.31.2016				12.31.2015
Description of credits	**Calculation basis**	**IR**	**CS**	**Total**	**Total**
Liabilities:					
Property, plant and equipment deemed cost (fair value)	706,594	176,649	63,593	240,242	244,978
Accelerated depreciation	540,130	135,033	48,612	183,645	167,651
Unrealized hedge gains	267,215	66,804	24,049	90,853	179,655
Unrealized sale at MAE (currently CCEE)	107,456	26,864	9,671	36,535	36,535
Capitalized financial charges	56,334	14,084	5,070	19,154	17,219
Adjustment to fair value in business combination	40,784	10,196	3,671	13,867	14,054
Other	2,643	661	238	899	786
		430,291	**154,904**	**585,195**	**660,878**
Assets:					
Civil, tax and labor provisions	270,285	67,571	24,326	91,897	88,493
Retirement benefits obligations	188,975	47,244	17,008	64,252	62,830
Allowance for doubtful accounts	129,192	32,298	11,627	43,925	43,925
Fair value adjustment in business combinations	105,141	26,285	9,463	35,748	34,887
Interest on property, plant and equipment in progress (RIC)	87,903	21,976	-	21,976	22,885
Provision for impairment losses	57,462	14,366	5,172	19,538	20,426
Provision for Voluntary Layoff Program (PDV) and management bonus	37,493	9,373	3,374	12,747	11,762
Other	19,816	4,955	1,783	6,738	6,460
		224,068	**72,753**	**296,821**	**291,668**
Net amount		**206,223**	**82,151**	**288,374**	**369,210**

Description of credits	Consolidated				
	3.31.2016				12.31.2015
	Calculation basis	IR	CS	Total	Total
Liabilities:					
Property, plant and equipment deemed cost (fair value)	706,594	176,649	63,593	240,242	244,978
Accelerated depreciation	671,770	167,943	60,459	228,402	209,443
Unrealized hedge gains	504,143	126,036	45,373	171,409	322,344
Capitalized financial charges	108,825	27,206	9,794	37,000	28,352
Unrealized sale at MAE (currently CCEE)	107,456	26,864	9,671	36,535	36,535
Adjustment to fair value in business combination	40,784	10,196	3,671	13,867	14,054
Other	2,643	661	238	899	784
		535,555	**192,799**	**728,354**	**856,490**
Assets:					
Civil, tax and labor provisions	273,407	68,352	24,607	92,959	89,378
Retirement benefits obligations	188,975	47,244	17,008	64,252	62,830
Allowance for doubtful accounts	131,326	32,832	11,819	44,651	44,651
Fair value adjustment in business combinations	105,141	26,285	9,463	35,748	34,887
Interest on property, plant and equipment in progress (RIC)	87,903	21,976	-	21,976	22,885
Provision for impairment losses	57,462	14,366	5,172	19,538	20,426
Fair value adjustment of property, plant and equipment	37,898	9,475	3,411	12,886	13,117
Provision for Voluntary Layoff Program (PDV) and management bonus	37,491	9,373	3,374	12,747	11,762
Other	51,426	12,866	4,628	17,494	12,786
		242,769	**79,482**	**322,251**	**312,722**
Net amount		**292,786**	**113,317**	**406,103**	**543,768**
Classification in the balance sheet					
Liabilities		306,199	118,140	424,339	558,826
Assets[13]		(13,413)	(4,823)	(18,236)	(15,058)
Total		**292,786**	**113,317**	**406,103**	**543,768**

b) Change in deferred income and social contribution taxes, net

	Parent company	Consolidated
Balance at 12.31.2015	**369,210**	**543,768**
Taxes deferred in profit or loss	(80,836)	(72,376)
Taxes deferred in other comprehensive income	-	(65,289)
Balance at 3.31.2016	**288,374**	**406,103**

[13] Amount presented under "Other non-current liabilities"

c) Expected realization and required payments

	Parent Company		Consolidated	
	Assets	Liabilities	Assets	Liabilities
April to December 2016	29,438	106,024	34,292	160,677
2017	89,909	19,965	91,856	42,332
2018	61,256	55,288	62,769	59,845
2019	17,448	22,539	18,545	23,431
2020	13,048	23,009	15,416	23,901
2021	11,181	25,963	12,165	26,855
2022 to 2026	34,924	141,976	43,928	160,423
2027 to 2031	14,146	94,197	17,809	112,644
2032 onwards	25,471	96,234	25,471	118,246
	296,821	**585,195**	**322,251**	**728,354**

18 - SHAREHOLDERS' EQUITY

a) Authorized capital stock

The Company is authorized to increase its capital stock up to the limit of R$ 5,000,000, by resolution of Board of Directors, regardless of any amendment to its bylaws. Under the BM&FBOVESPA's New Market listing regulations, the Company cannot issue preferred shares or founder shares.

The Company has no treasury shares and did not perform any purchase and sale transactions involving shares of its own issuance as at 3.31.2016 and 12.31.2015.

b) Subscribed and paid-in capital

In the meeting held on 2.23.2016, the Board of Directors approved the allocation of a portion of the net income for the year ended 2015 to the capital increase, without issue of new shares. The increase amounted to R$ 290,487, corresponding to R$ 0.4450258658 per share. Thus, as at 3.31.2016, the Company's fully subscribed and paid-in capital is R$ 2,736,253 (R$ 2,445,766 at 12.31.2015), represented by 652,742,192 registered common shares without par value.

The book value of the share in Reais, at 3.31.2016, is R$ 10.52 (R$ 10.18 for each share at 12.31.2015).

At 3.31.2016 and 12.31.2015 the Company's ownership structure was as follows:

Shareholders	% of capital
GDF SUEZ Energy Latin America Participações Ltda. (ENGIE LA)	68.71%
Banco Clássico S.A.	10.00%
Other shareholders	21.29%
	100.00%

At 3.31.2016 and 12.31.2015, the management of the Company held 381,132 shares.

c) Other comprehensive income

The account records the following variations of the fair value, net of deferred income tax and social contribution: (i) obligations with the retirement benefits of defined benefit plans sponsored by the Company; and (ii) cash flow hedges of future commitments in foreign currency signed by the Company.

19 - RECONCILIATION OF NET REVENUE

	Parent Company		Consolidated	
	3.31.2016	3.31.2015	3.31.2016	3.31.2015
GROSS OPERATING INCOME				
Electrical energy distributors	528,264	574,857	850,878	839,318
Free consumers	69,624	68,071	795,456	806,063
Electrical energy traders	590,451	481,313	95,362	57,847
Transactions in the short-term market	20,535	113,001	24,467	83,439
Other revenues	16,804	15,667	11,334	10,757
	1,225,678	**1,252,909**	**1,777,497**	**1,797,424**
DEDUCTIONS FROM OPERATING INCOME				
PIS and Cofins	(119,737)	(128,902)	(161,846)	(162,206)
ICMS	(2,204)	(7,025)	(2,204)	(7,025)
ISS	(400)	(362)	(400)	(362)
Research and development	(9,450)	(9,131)	(10,392)	(9,862)
	(131,791)	**(145,420)**	**(174,842)**	**(179,455)**
NET REVENUE	**1,093,887**	**1,107,489**	**1,602,655**	**1,617,969**

20 - DETAIL OF OPERATING EXPENSES BY NATURE

a) Costs of electrical energy production and services rendered:

	Parent Company		Consolidated	
	3.31.2016	3.31.2015	3.31.2016	3.31.2015
Depreciation and amortization	99,754	93,754	151,980	144,739
Personnel	54,837	50,756	55,886	52,026
Fuel	50,506	47,118	52,724	52,129
Royalties	43,272	40,607	51,306	48,387
Material and third party services	19,619	37,616	31,800	49,067
(Reversal) Recognition of operating provisions	(1,000)	69,808	(488)	69,858
Other	14,469	17,901	17,439	20,734
	281,457	**357,560**	**360,647**	**436,940**
Classification in the income statement				
Power production cost	274,467	351,309	353,656	430,686
Cost of services rendered	6,990	6,251	6,991	6,254
	281,457	**357,560**	**360,647**	**436,940**

b) Selling, general and administrative expenses

	Parent Company		Consolidated	
	3.31.2016	3.31.2015	3.31.2016	3.31.2015
Personnel	20,014	21,091	20,145	21,197
Material and third party services	9,667	7,567	10,773	9,170
Management	5,745	5,392	5,765	5,646
Contributions and donations	2,929	2,181	3,627	2,887
Depreciation and amortization	2,130	2,000	2,138	2,008
Rentals	1,589	1,499	1,813	1,577
(Reversal) Recognition of operating provisions	(351)	(1,715)	(352)	(1,798)
Other	4,037	5,432	4,613	5,959
	45,760	**43,447**	**48,522**	**46,646**
Classification in the income statement				
Selling expenses	2,557	2,598	4,647	5,014
General and administrative expenses	43,203	40,849	43,875	41,632
	45,760	**43,447**	**48,522**	**46,646**

21 - FINANCIAL RESULT

	Parent Company		Consolidated	
	3.31.2016	3.31.2015	3.31.2016	3.31.2015
Financial income				
Income from marketable securities	51,351	32,912	73,577	44,792
Interest and monetary variation on receivables from energy sales – gain in lawsuit	37,172	-	37,172	-
Income from restricted deposits	161	2,663	4,620	6,206
Monetary variation on judicial deposits	4,381	3,297	4,484	3,362
Interest on receivables	2,893	2,045	3,382	1,837
Other financial income	1,720	1,042	1,731	1,101
	97,678	**41,959**	**124,966**	**57,298**
Financial expenses				
Interest and monetary variation				
Concessions payable	102,346	79,259	104,865	82,110
Loans and financing	24,974	13,158	48,826	48,977
Operations – Electric Energy Trade Board	42,903	-	46,291	-
Fair value hedge on loans	22,977	26,745	22,977	26,745
Provisions	11,199	11,038	11,342	11,335
Retirement benefit obligations	9,108	7,384	9,108	7,384
Debentures	4,274	8,690	4,274	8,690
Other	255	2,406	1,191	1,039
Exchange variation				
Loans	(114,906)	259,568	(114,906)	259,568
Fair value hedge on loans	114,906	(259,568)	114,906	(259,568)
Fair value adjustment	1,756	(158)	1,756	(158)
Other financial expenses	1,449	1,725	2,489	5,943
	221,241	**150,247**	**253,119**	**192,065**
Financial expenses, net	**123,563**	**108,288**	**128,153**	**134,767**

22 - INCOME TAXES RECONCILIATION, IN THE INCOME STATEMENT

	Parent Company			
	3.31.2016		3.31.2015	
	Income Tax	Social Contribution	Income Tax	Social Contribution
Income before taxes	**473,988**	**473,988**	**486,799**	**486,799**
Standard rates	25%	9%	25%	9%
Tax expense at standard rates	**(118,497)**	**(42,659)**	**(121,700)**	**(43,812)**
Permanent differences:				
Equity in net income of subsidiaries	21,503	7,741	15,024	5,409
Tax incentives	5,744	-	4,480	-
Other	(823)	(105)	(1,574)	(118)
	(92,073)	**(35,023)**	**(103,770)**	**(38,521)**
Breakdown of taxes in the income statement				
Current	(151,270)	(56,662)	(47,700)	(18,663)
Deferred	59,197	21,639	(56,070)	(19,858)
	(92,073)	**(35,023)**	**(103,770)**	**(38,521)**
Effective rate	**19.4%**	**7.4%**	**21.3%**	**7.9%**

	Consolidated			
	3.31.2016		3.31.2015	
	Income Tax	Social Contribution	Income Tax	Social Contribution
Income before taxes	**510,447**	**510,447**	**508,288**	**508,288**
Standard rates	25%	9%	25%	9%
Tax expense at standard rates	**(127,612)**	**(45,940)**	**(127,072)**	**(45,746)**
Permanent differences:				
Difference between tax bases under taxable and presumed income regimes	4,336	1,304	3,839	1,234
Tax incentives	5,744	-	4,480	-
Other	(988)	(184)	(504)	231
	(118,520)	**(44,820)**	**(119,257)**	**(44,281)**
Breakdown of taxes in the income statement				
Current	(171,526)	(64,190)	(70,423)	(27,034)
Deferred	53,006	19,370	(48,834)	(17,247)
	(118,520)	**(44,820)**	**(119,257)**	**(44,281)**
Effective rate	**23.2%**	**8.8%**	**23.5%**	**8.7%**

23 - RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

In order to conduct more efficiently risk evaluation and monitoring process in its business, the Company has the Risk Management Committee, which is responsible for: (i) internally promote the awareness on risk treatment; (ii) define goals and guidelines for its management; (iii) promote and suggest improvements in its evaluation processes; and (iv) classify and define control procedures.

The Company's business, the financial conditions and the results of operations may be adversely affected by any of the risk factors described below.

a) Market risk

The Company and its subsidiaries use financial instruments with the objective of hedging assets and liabilities, minimizing exposure to market risks, mainly in connection with interest rate, price indexes and currency fluctuations.

These risks are monitored by the Financial Committee that periodically evaluates the Company's exposure and propose operating strategies, control system and position and credit limits with other market partners. The Company does not perform financial operations in derivatives or any other instruments on a speculative basis.

In the three-month period ended 3.31.2016, there were no changes in the Company's exposure to market risks or in the management and measurement of these risks.

The main market risks to which the Company is exposed are as follows:

a.1) Risk related to debts with floating interest rates

This risk is related to the possibility of the Company incurring losses as a result of fluctuations in interest rates applied to its liabilities, affecting its financial expenses. The Company and its subsidiaries are exposed to floating interest rates linked to TJLP, DI rate, Euribor, IGP-M and IPCA variations.

With respect to the risk of inflation acceleration, all prevailing electrical energy sale contracts have an inflation adjustment clause for the application of IGP-M or IPCA, which represents a natural long-term hedge for debts and obligations indexed at inflation rates and/or linked to inflation acceleration, which is the case of debts linked to CDI.

Regarding the risk of floating interest rates, the majority of the Company's debt is linked to the Brazilian long-term interest rate (TJLP), which is expected to increase in the short and medium terms. Since the increase usually follows raises in the basic interest rate and inflationary trends, it tends to be protected by the aforementioned adjustments to energy contracts. Note that any amount corresponding to the portion of TJLP that exceeds 6% p.a. is added to the principal of the debt.

a.2) Risk related to liabilities denominated in foreign currency

The exchange rate risk is associated with the possibility of variation in foreign exchange rates, which affects the financial result and the balance of liabilities denominated in foreign currencies. The Company's policy to hedge against exchange rate variation risks seeks to achieve a low level of exposure for its liabilities and obligations denominated in foreign currency, which are permanently monitored by the Company's Financial Committee.

At 3.31.2016, the Company held no debt denominated in foreign currencies whose exchange variation was not fully hedged against.

Unrealized gains in hedge operations are as follows:

	Parent Company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Long position				
Fair value hedge operations on loans	268,775	488,802	268,775	488,802
Cash flow hedge operations on obligations	-	-	236,925	419,665
	268,775	**488,802**	**505,700**	**908,467**
Short position				
Cash flow hedge operations on obligations	-	-	(9,851)	(562)
	-	**-**	**(9,851)**	**(562)**
Net position	**268,775**	**488,802**	**495,849**	**907,905**
Classification in the balance sheet				
Current assets	268,775	488,802	468,888	778,227
Non-current assets	-	-	36,812	130,240
Current liabilities[14]	-	-	(7,014)	-
Non-current liabilities[15]	-	-	(2,837)	(562)
	268,775	**488,802**	**495,849**	**907,905**

a.2.1) Fair value hedge operations on loans

The Company contracted swap operations with the Brazilian subsidiaries of the same lending financial institutions, in order to hedge future payment flows of principal and interest, including any income tax levied thereon, against foreign exchange fluctuation.

Due to the characteristics of said financial instruments, the Company applied the rules of fair value hedge accounting to record them. As a result, both the underlying loan object of the hedge operation and the hedge instrument itself (swap) are measured at fair value through profit or loss, thus fully protecting the Company from the financial effects, as well as impacts from exchange variation in its results.

[14] Presented partially under "Other current liabilities."
[15] Presented under "Other non-current liabilities."

At 3.31.2016, the values of the loans and their swaps assessed at their amortized costs ("at the curve") and fair values were as follows:

Financial instrument	Notional value	Maturity	Interest payment	Interest	Amortized cost	Adjustment to fair value	Book balance
HSBC USA III	US$ 80,266	10.2016	Quarterly	1.7871% p.a.	286,752	1,181	287.933
Swap	R$ 200,000	10.2016	Quarterly	99.0% of CDI	(205,474)	31	(205.443)
HSBC USA IV	US$ 50,000	12.2016	Quarterly	1.8104 % p.a.	178,079	905	178.984
Swap	R$ 128,320	12.2016	Quarterly	98.6% of CDI	(133,478)	21	(133.457)
HSBC USA V	US$ 10,000	12.2016	Quarterly	1.8471 % p.a.	35,616	275	35.891
Swap	R$ 26,558	12.2016	Quarterly	97% of CDI	(27,161)	8	(27.153)
Mizuho Bank	US$ 90,000	12.2016	Quarterly	1.7260% p.a.	320,563	457	321.020
Swap	R$ 233,910	12.2016	Quarterly	96.02% of CDI	(235,328)	487	(234.841)
Bank of Tokyo	US$ 50,000	12.2016	Quarterly	114.2857% Libor + 0.5486% p.a.	178,068	(684)	177.384
Swap	R$ 130,500	12.2016	Quarterly	98.0% of CDI	(131,579)	36	(131.543)
Swap result					**266,058**	**2,717**	**268,775**

Changes in fair value hedge operations on loans

	Parent Company and Consolidated
	Current
Assets at 12.31.2015	**488,802**
Interest expense	(22,977)
Exchange variation	(114,906)
Fair value adjustment	40,324
Principal amortization	(147,191)
Interest amortization	24,723
Assets at 3.31.2016	**268,775**

In March 2016, the Company settled a swap operation contracted in March 2014 from HSBC. Gains from the hedge operation amounted to R$ 147,191. This operation was contracted to hedge a loan taken in U.S. dollars, settled on the same date.

a.2.2) Cash flow hedge operations

As at 3.31.2016, the Company maintains a Non-Deliverable Forward (NDF) operation to hedge all of its future foreign-denominated payments arising from contractual commitments related to the construction of the coal-fired thermal power plant UTE Pampa Sul and of the wind farms comprising the Campo Largo Complex and of the Assú Photovoltaic Power Plant. The NDFs used to hedge the commitments assumed by Campo Largo Wind Power Complex and Assú V Photovoltaic Solar Power Plant were contracted by Tractebel Energia – the indirect parent company – and fully transferred to the subsidiaries.

These NDF operations were contracted 84.5% from HSBC and 15.5% from Santander, and mature up to July 2018.

At 3.31.2016, unrealized gains with NDF totaled an asset of R$ 236,925 (R$ 419,665 at 12.31.2015) and a liability of R$ 9,851 (R$ 562 at 12.31.2015). The corresponding entry is recognized directly to shareholders' equity under "Other comprehensive income (loss)", net of deferred income and social contribution taxes, in the amount of R$ 149,869. In addition, an amount of R$ 17,700 was recognized under "Other comprehensive income," relating to the gains realized from NDF contracted again due to the revision of the supplier payment flow. Unrealized losses, net of impacts from deferred income and social contribution taxes, in the three-month period ended 3.31.2016, were R$ 126,738, and are recorded in the "Statement of comprehensive income."

a.3) Sensitivity analysis of the exposure to risks related to interest rates, floating rates and foreign currency quotation variation

In compliance with CVM Instruction no. 475/08 and for reference purposes, the Company prepared a sensitivity analysis on its loans, financing, debentures and concessions payable exposed to interest rate variation risks and floating rate risks, and and foreign currency variation risks.

The probable basic scenario for 3.31.2016 was defined using the following assumptions available in the market (Source: Central Bank of Brazil Market Readout).

Variation of interest rates and indices:	Change 3.31.2016	Probable Scenario 3.31.2017	Sensitivity		
			Probable	Δ + 25% (*)	Δ + 50% (*)
TJLP	6.8%	7.5%	+0.7 p.p.	1.9 p.p.	3.8 p.p.
CDI	13.7%	14.3%	+0.6 p.p.	3.9 p.p.	7.9 p.p.
IPCA	9.4%	6.5%	-2.9 p.p.	1.6 p.p.	3.2 p.p.
IGP-M	11.6%	6.1%	-5.5 p.p.	1.5 p.p.	3.1 p.p.

(*) Variations on probable scenario for 2017.

The probable sensitivity was calculated based on the variation of indices for the last 12 months ended 3.31.2016 and those expected in the probable scenario for the 12 months ending 3.31.2017. The other sensitivities shown were calculated based on the variation of 25% and 50% on the probable scenario for the 12 months ending 12.31.2017. The variations that could be caused on the consolidated financial result of the Company in the next 12 months compared to the last 12 months if the scenarios materialize are the following:

	Balance at 3.31.2016	Sensitivity		
		Probable	Δ + 25%	Δ + 50%
Loans and financing				
TJLP	2,356,862	(16,963)	(42,858)	(86,411)
CDI (Loans with swap to CDI rate)	1,001,212	(2,112)	(15,485)	(31,084)
IPCA	171,302	4,611	(2,567)	(5,134)
		(14,464)	**(60,910)**	**(122,629)**
Debentures				
IPCA	189,983	**5,821**	**(3,241)**	**(6,481)**
Concessions payable				
IGP-M	1,591,894	90,423	(25,255)	(50,509)
IPCA	567,864	16,269	(9,055)	(18,111)
		106,692	**(34,310)**	**(68,620)**
Total		**98,049**	**(98,461)**	**(197,730)**

b) Capital management risk

The Company manages its capital so as to maximize return to investors by optimizing the debt and equity balances, seeking to structure capital and maintaining indebtedness and debt coverage ratios that provide the return to investors.

c) Credit risk

The transactions that are relevant to the Company's business in which there exists credit risk are energy sales, financial investments and hedge operations. The Company's history of losses resulting from difficulties of banks and customers to honor their commitments is practically zero. The Company is the guarantor of certain financing agreements for its subsidiaries to guarantee compliance with the commitments assumed.

The "Investment and Derivatives Policy" imposes strong restrictions to the realization of derivative transactions and determines that exposures be continuously monitored in case this type of transaction is contracted.

As mentioned earlier, the only hedge operations contracted by the Company were (i) swaps to hedge payments of principal and interest related to loans denominated in U.S. dollars; and (ii) NDF to hedge future payment flows in foreign currencies related to contracts for purchase of equipment and services for the construction of plants.

d) Liquidity risk

The management of the Company's liquidity risk is under the responsibility of the Financial Committee, which manages fund raising requirements and short-, medium- and long-term liquidity by permanently monitoring forecasted and actual cash flows.

The Company, in order to ensure the capacity to pay its obligations, uses a minimum cash policy that is annually reviewed based on cash projections and monthly monitored in the Financial Committee meetings. The management of marketable securities focuses on short-term instruments, especially with daily maturities, in order to provide maximum liquidity and to cover disbursements.

The Company's cash generating feature and the low volatility in receipts and payment obligations throughout the months guarantee to the company the stability of its flows, reducing its liquidity risk.

e) Category and fair value of financial instruments

	Parent company		Consolidated	
	3.31.2016	12.31.2015	3.31.2016	12.31.2015
Financial assets				
Measured at fair value through profit or loss				
Marketable securities	1,519,545	1,735,344	2,238,178	2,385,163
Restricted deposits	61,548	12,453	226,084	166,565
Receivables and loans				
Cash and bank deposits	3,623	3,664	25,295	11,691
Trade accounts receivable	526,081	441,588	780,355	773,602
Dividends receivable from subsidiaries	233,971	208,777	-	-
Fuel reimbursable	118,026	144,249	118,026	144,249
Hedge operations				
Fair value hedge on loans	268,775	488,802	268,775	488,802
Cash flow hedge on obligations	-	-	236,925	419,665
	2,731,569	**3,034,877**	**3,893,638**	**4,389,737**
Financial liabilities				
Financial liabilities assessed at amortized cost:				
Suppliers	482,090	372,502	649,465	573,573
Loans and financing	753,591	765,350	2,570,894	2,613,582
Debentures	189,983	181,436	189,983	181,436
Concessions payable	2,108,638	2,020,581	2,159,758	2,070,552
Liabilities linked to investment acquisition [16]	-	-	53,533	47,516
Measured at fair value				
Loans and financing	1,001,212	1,452,176	1,001,212	1,452,176
Hedge operations				
Cash flow hedge operations on obligations	-	-	9,851	562
	4,535,514	**4,792,045**	**6,634,696**	**6,939,397**

Financial assets and liabilities measured at fair value through profit or loss are assessed based on the market prices in active markets (Level 1), excluding Loans and Financing and hedge operations, which are assessed based on observable data (Level 2).

f) Market value of financial instruments

In operations involving financial instruments, differences were identified only between amounts presented in the balance sheet and their market values, in loans and financing, debentures and concessions payable. These differences occurred mainly because these instruments have long-term settlements and different costs in relation to interest rates currently used for similar contracts. The market values were determined based on future cash flows discounted to present value at rates considered as adequate for operations with similar characteristics. Loans in foreign currency, net of hedge impacts, have the same market value and book value, as there are recognized at fair value.

[16] Presented under "Other current liabilities" and "Other non-current liabilities"

	Parent Company			
	3.31.2016		12.31.2015	
	Book	Market	Book	Market
Loans and financing in local currency	753,591	747,687	765,350	773,945
Debentures	189,983	193,982	181,436	176,729
Concessions payable	2,108,638	2,474,859	2,020,581	2,240,528
	3,052,212	**3,416,528**	**2,967,367**	**3,191,202**

	Consolidated			
	3.31.2016		12.31.2015	
	Book	Market	Book	Market
Loans and financing in local currency	2,570,894	2,568,014	2,613,582	2,802,011
Debentures	189,983	193,982	181,436	176,729
Concessions payable	2,159,758	2,535,784	2,070,552	2,296,789
	4,920,635	**5,297,780**	**4,865,570**	**5,275,529**

24 - TRANSACTIONS WITH RELATED PARTIES

a) Amounts recognized in balance sheet accounts

	ASSETS			LIABILITIES	
	Accounts receivable				
	Energy	Services	Dividends	Energy Supplier	IOE [17] dividends
3.31.2016					
TBLC	168,581	-	151,772	2,581	-
CEE	42,769	-	37,543	-	-
Lages	2,430	169	17,844	-	-
Itasa	-	1,229	26,812	10,414	-
Ceste	-	1,437	-	-	-
TBLP subsidiaries	-	164	-	-	-
Energie LA	-	444	-	-	-
	213,780	**3,443**	**233,971**	**12,995**	**-**
12.31.2015	**162,998**	**3,524**	**208,777**	**41,365**	**183,393**

[17]Interest on equity

b) Amounts recognized in the income statement:

	Revenue			Cost	Expense	
	Supply of energy	O&M Services	Administrative services	Energy purchase	Third party services	Financial income
3.31.2016						
TBLC	590,464	-	91	-	-	-
CEE	-	1,762	91	-	-	2,445
Lages	5,500	570	53	-	-	-
Itasa	-	4,144	-	12,398	-	-
TBLP subsidiaries	-	-	600	-	-	-
Ceste	-	4,845	-	-	-	-
Leme	-	-	-	-	262	-
Other	-	-	91	-	-	-
	595,964	**11,321**	**926**	**12,398**	**262**	**2,445**
3.31.2015	**483,722**	**9,023**	**632**	**22,420**	**661**	**1,521**

c) Other transactions with related parties

The Company has other related-party transactions that are described in more details in the financial statements as at 12.31.2015.

The main transactions are the following:

- Purchase and sale of electrical energy;

- Operation and maintenance;

- Administrative services;

- Guarantees;

- Sureties and guarantees;

- Loan between Ibitiúva and Andrade Açúcar e Álcool (Andrade); and

- Remuneration of key management personnel.

There were no significant changes in other related-party transactions in the first three months of 2016.

25 - INSURANCE

a) Operating and lost profit risks

The Company is covered by the international insurance policy for Property Damage and Business Interruption (PDBI) of the insurance program of its parent company ENGIE. The insurance is valid until 5.31.2016 and the coverage amount is R$ 14,515,616 in the parent company and R$ 18,234,456 in the consolidated statements, as shown below.

	Parent company		Consolidated	
Type of plant	Material damages	Loss of profit	Material damages	Loss of profit
Hydroelectric power plants	9,167,431	566,177	11,220,152	566,175
Thermoelectric power plants	3,251,606	1,530,402	3,251,606	1,530,403
Complementary plants (wind, biomass and SHPP)	-	-	1,320,807	345,313
	12,419,037	**2,096,579**	**15,792,565**	**2,441,891**

The maximum combined limit of indemnification for material damages and loss of profits is R$ 2,064,270 per event.

b) Engineering risks

The project for construction of the Santa Mônica Wind Power Complex has an engineering risk and civil liability with coverage of R$ 450,430 and R$ 20,000, respectively for the entire duration of construction works.

The project for construction of UTE Pampa Sul has insurance coverage for civil liability of R$ 190,000. Negotiations of an insurance coverage for engineering risks are advancing swiftly.

c) Other coverages

The Company also has insurance to cover national and international transportation risks, civil liability of the directors, officers and management, extended to its subsidiaries, as well as group life insurance for its officers and employees.

26 - LONG-TERM COMMITMENTS

The Company has long-term agreements, and further information can be obtained in the financial statements of 12.31.2015.

The Company's main long-term commitments are as follows:

- Power grid connection agreements;
- Transmission and Distribution Network Usage Agreements (CUST and CUSD);
- Bilateral contracts for purchase and sale of electrical energy;
- Purchase of natural gas;
- Lease agreements;
- Contracts for modernization and expansion of power plants;
- Construction agreements; and
- Lease agreement of registered office.

There were no major changes in long-term commitments in the first three months of 2016.

27 - ADDITIONAL CASH FLOW INFORMATION

The following main transactions that did not involve cash and cash equivalents were carried out:

	Parent company		Consolidated	
	3.31.2016	3.31.2015	3.31.2016	3.31.2015
Compensation of income and social contribution taxes	5,569	3,827	7,936	6,012
Suppliers of property, plant and equipment and intangible assets	(27,757)	(1,429)	(26,822)	(1,103)
Interest and monetary variation on capitalized financing for property, plant and equipment	5,915	11,259	25,661	11,992
Estimated future disbursements for investment in property, plant and equipment	-	-	(1,027)	(1,249)
Amounts payable from investment acquisition	-	-	13,027	37,081
Dividends receivable from subsidiaries	37,382	-	-	-

28 - SUBSEQUENT EVENTS

a) Proposed additional dividends

On 4.14.2016, the Annual Shareholders' Meeting approved the allocation of net income and the distribution of additional dividends proposed for fiscal year 2015 in the amount of R$ 209,499, corresponding to R$ 0.3209526559 per share. On said date, the Company recognized the payment obligation in the balance sheet. The Company's shares will trade ex-dividends as of 5.11.2016, and the dividends will be paid on 5.25.2016.

b) Acquisition of GD Brasil Energia Solar S.A.

On 4.19.2016, the Company concluded the operation for acquisition of 50% of the capital of GD Brasil Energia Solar S.A., whose corporate name changed to ENGIE Solar, through capital subscription. ENGIE Solar is part of the Araxá Group, one of the leading companies in the Brazilian market of distributed solar power generation, which consists in the decentralized generation of solar power by households and buildings. The investment in the joint venture may reach up to R$ 24,300.

BOARD OF DIRECTORS

Maurício Stolle Bähr
Chairman

Manoel Arlindo Zaroni Torres
Vice-Chairman

Pierre Jean Bernard Guiollot
Board Member

Shankar Krishnamoorthy
Board Member

Dirk Achiel Marc Beeuwsaert
Board Member

Willem Frans Alfons Van Twembeke
Board Member

Roberto Henrique Tejada Vencato
Board Member

José Pais Rangel
Board Member

Luiz Leonardo Cantidiano Varnieri Ribeiro
Board Member

BOARD OF EXECUTIVE OFFICERS

Manoel Arlindo Zaroni Torres
Chief Executive Officer

Eduardo Antonio Gori Sattamini
CFO and Investor Relations Officer

Marco Antônio Amaral Sureck
Energy Commercialization Officer

José Luiz Jansson Laydner
Projects Development and Implementation Officer

José Carlos Cauduro Minuzzo
Energy Production Officer

Edson Luiz da Silva
Planning and Control Officer

Júlio César Lunardi
Administrative Officer

ACCOUNTING DEPARTMENT

Marcelo Cardoso Malta
Accounting Department Manager
Accountant - CRC RJ 072259/O-5 T-SC

IDENTIFICATION OF PROJECTIONS

a. Purpose of projection

Investments in the maintenance, revitalization and expansion of the generation facilities.

The Company's investment statements segregate values in two groups:

- Investments financed with own capital, including acquisitions, and
- Investments financed with debts, including debts assumed in the acquisitions.

Both projection models are included in item "d" below.

The projections made are mere reasonable estimates that usually depend on future events, thus cannot be regarded as a promise to perform by the Company and its managers.

b. Period projected and projection term

Tractebel Energia quarterly discloses to the market its investment projections for the current year and the two subsequent years, valid until its realization or replacement by another projection.

c. Prospect assumptions, indicating which ones can be influenced by the Company's management

The Company's projections for investment are mainly based on the following assumptions:

- Schedule for maintenance of the generating units;
- Diagnosis of equipment;
- Regulatory obligations; and
- Strategic initiatives.

The amounts informed, projected and actual, do not consider interest on construction (interest on equity capital and loan capital).

The Management can influence all assumptions, except for the regulatory obligations that are beyond its control.

In case of a significant change in the foregoing assumptions, the projections can be reviewed.

d. Value of the indicators that are the subject matter of the projection

The estimated and actual amounts for the quarter ended 3.31.2016 are shown in the tables below. These amounts are expressed in millions of Brazilian real and do not include interest on financing that were capitalized during the construction of the plants.

First quarter of 2016

Estimate for the years 2016, 2017 and 2018 disclosed in the fourth quarter of 2015:

Description / projection period	2016	2017	2018
Financed with debt	1,882	567	1,034
Financed with own capital	469	1,033	879
Total	**2,351**	**1,600**	**1,913**

Estimate for the years 2016, 2017 and 2018 valid for the first quarter of 2016:

Description / projection period	2016	2017	2018
Financed with debt	1,040	1,452	924
Financed with own capital	1,089	211	1,112
Total	**2,129**	**1,663**	**2,036**

Changes between the estimate for the years 2016, 2017 and 2018 during the fourth quarter of 2015 and the current position in the first quarter of 2016:

Description / projection period	2016	2017	2018
Financed with debt	(842)	885	(110)
Financed with own capital	620	(822)	233
Total	**(222)**	**63**	**123**

Analysis of material variations:

The changes in relation to the initial estimates for 2016 (announced in the fourth quarter of 2015) mainly refer to (i) reduction in the amount for construction of the Campo Largo Wind Park, UTE Pampa Sul and the Santa Mônica Wind Power Plant resulting from project postponements; (ii) inclusion of the Assú Photovoltaic Project; and (iii) decrease in the amount for overall revision of the program for maintenance and modernization of the Company's generation facilities due to the cost reduction program.

With regard to the initial estimates for 2017 (announced in the fourth quarter of 2015), the reasons for the updates are the following: (i) the expenses for construction of the Campo Largo Wind Park, UTE Pampa Sul and the Santa Mônica Wind Power Plant are mostly covered by funds from third parties that return to the Company its own funds disbursed in the constructions during 2015 and 2016; (ii) small increase in amount for overall revision of the program for maintenance and modernization of the Company's generation facilities; and (iii) inclusion of the Assú Photovoltaic Project.

The changes in the estimates for 2018 (announced in the fourth quarter of 2015) basically refer to: (i) complement of expenses for construction of the Campo Largo Wind Park, UTE Pampa Sul and the Santa Mônica Wind Power Plant not realized in 2016; and (ii) small increase in the amount for overall revision of the program for maintenance and modernization of the Company's generation facilities, resuming cost reductions conducted in 2016.

Investments made through the First Quarter of 2016:

Description / projection period	Projected 2016	Actual 1Q16	Estimated 9M16
Financed with debt	1,040	-	1,040
Financed with own capital	1,089	173	916
Total	**2,129**	**173**	**1,956**

In the first quarter of 2016, the Company invested R$ 173 million, of which R$ 16 million in the maintenance and modernization of its Power Plants, R$ 34 million in the modernization of the Salto Santiago and Passo Fundo plants and R$ 123 million in the plants UTE Pampa Sul (R$ 67 million), Santa Mônica Wind Power Project (R$ 45 million) and other plants (R$ 11 million).

Other Relevant Information

There is no other information considered relevant by the Company.

Opinions and Statements / Special Review Report - Unqualified

To the Board Members, Directors and Shareholders of
Tractebel Energia S.A.
Florianópolis - SC

Introduction

We have reviewed the interim, parent company and consolidated accounting information of Tractebel Energia S.A. ("Company"), contained in the Quarterly Information - ITR Form for the quarter ended March 31, 2016, which comprise the balance sheet as of March 31, 2016 and the related statements of income, of comprehensive income and of changes in shareholders' equity and of cash flows for the three-month period then ended, including the summary of the main accounting policies and other explanatory notes.

The management of the Company is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with CPC 21 (R1) - Technical Pronouncement and with international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of this information in a manner consistent with the standards issued by the Securities Commission, applicable to the preparation of the Quarterly Information - 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 the Brazilian and international review standards for interim information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists in asking questions, chiefly to the persons in charge of financial and accounting affairs, and in applying analytical procedures and other review procedures. The scope of a review is significantly lower than that of an audit held in accordance with auditing rules, and as a result we were unable to ascertain whether we became aware of all the significant matters likely to be detected in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, we are not aware of any facts that would lead us to believe that the parent company and consolidated interim accounting information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information - ITR, and presented in a manner consistent with the standards issued by the Securities Commission.

Other matters

Value added statement

We also reviewed the parent company and consolidated value-added statements (SVA) for the three-month period ended on March 31, 2016, prepared by the Company's management, whose presentation in the interim information is required according to the standards issued by the CVM - Securities and Exchange Commission, applicable to the preparation of Quarterly Information - ITR and considered supplementary information by the IFRS, which do not require the presentation of the SVA. These statements were subjected to the review procedures previously described and, based on our review, we are not aware of any other event that make us believe that those were not prepared, in all material respects, consistent with the parent company and consolidated interim accounting information taken as a whole.

Florianópolis, May 5, 2016

KPMG Auditores Independentes
CRC SC-000071/F-8

Claudio Henrique Damasceno Reis
Accountant CRC SC-024494/O-1

Opinions and Statements/Statement of the Executive Officers on the Financial Statements

STATEMENT OF THE EXECUTIVE OFFICERS OF THE COMPANY

The Company's management declares that it has examined, discussed and reviewed all information contained in the Company's Financial Statements (parent company and consolidated) and also, agrees with the opinion of the independent auditors of the Company, KPMG Auditores Independentes as presented in the Special Review Report of the Independent Auditors.

Manoel Arlindo Zaroni Torres
Chief Executive Officer

Eduardo Antonio Gori Sattamini
CFO and Investor Relations Officer

José Luiz Jansson Laydner
Projects Development and Implementation Officer

Edson Luiz da Silva
Planning and Control Officer

Marco Antônio Amaral Sureck
Energy Commercialization Officer

José Carlos Cauduro Minuzzo
Energy Production Officer

Júlio César Lunardi
Administrative Officer

Florianópolis, May 5, 2016

Opinions and Statements / Statement of the Executive Officers on the Independent Auditors' Report

STATEMENT OF THE EXECUTIVE OFFICERS OF THE COMPANY

The Company's management declares that it has examined, discussed and reviewed all information contained in the Company's Financial Statements (parent company and consolidated) and also, agrees with the opinion of the independent auditors of the Company, KPMG Auditores Independentes as presented in the Special Review Report of the Independent Auditors.

Manoel Arlindo Zaroni Torres
Chief Executive Officer

Eduardo Antonio Gori Sattamini
CFO and Investor Relations Officer

José Luiz Jansson Laydner
Projects Development and Implementation Officer

Edson Luiz da Silva
Planning and Control Officer

José Carlos Cauduro Minuzzo
Energy Production Officer

Marco Antônio Amaral Sureck
Energy Commercialization Officer

Júlio César Lunardi
Administrative Officer

Florianópolis, May 5, 2016