

São Paulo, November 08, 2018 - Alupar Investimento SA (B3: ALUP11), discloses today its 3Q18 results. The quarterly information (ITR) and standardized financial statements (DFP) are presented in accordance with the accounting practices adopted in Brazil, in compliance with the provisions of the Brazilian Corporate Law, the International Financial Reporting Standards (IFRS) and the standards issued by the Accounting Pronouncements Committee (CPC).

3Q18

Conference Call: November 9 Portuguese

3:00 p.m. (BRT)
12:00 p.m. (NY Time)
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English (simultaneous translation)

3:00 p.m. (BRT)
12:00 p.m. (NY Time)
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Live Webcast:
www.alupar.com.br/ri

Price on 11/08/2018
ALUP11: R\$ 18.08
Total no. of UNITS¹:
293,037,090
Market-Cap: R\$ 5.298 billion

(1) Equivalent Units

Period Highlights

• **Corporate Income (IFRS):** In 3Q18, Adjusted Net Revenue reached **R\$ 406.0 million**, 5.2% higher than **R\$ 386.0 million** recorded in 3Q17. In 9M18, Adjusted Net Revenue reached **R\$ 1,129.6 million**, compared to **R\$ 1,117.8 million** in 9M17.

In 3Q18, EBITDA reached **R\$ 341.6 million**, 8.8% higher than **R\$ 314.0 million** registered in 3Q17. In 9M18, EBITDA reached **R\$ 892.9 million**, against **R\$ 882.3 million** in 9M17.

In 3Q18, Net Income totaled **R\$ 107.7 million**, against **R\$ 112.0 million** in 3Q17. In 9M18, Net Income totaled **R\$ 252.7 million**, 6.2% higher than the **R\$ 238.0 million** recorded in 9M17.

• **Regulatory Income:** In 3Q18, Net Revenue reached **R\$ 411.4 million**, compared to **R\$ 424.4 million** in 3Q17. In 9M18, Net Revenue totaled **R\$ 1,214.7 million**, against **R\$ 1,281.7 million** in 9M17.

In 3Q18, EBITDA totaled **R\$ 346.8 million**, compared to **R\$ 351.8 million** in 3Q17. In 9M18, EBITDA totaled **R\$ 977.6 million**, compared to **R\$ 1,044.5 million** in 9M17.

In 3Q18, Net Income totaled **R\$ 98.3 million**, compared to **R\$ 116.9 million** recorded in 3Q17. In 9M18, Net Income totaled **R\$ 258.2 million**, against **R\$ 271.1 million** in 9M17.

• **On October 17, Alupar announced the completion of the long-term funding of its subsidiaries, TPE and TCC, through the 1st issuance of Simple Debentures, Non Convertible into Shares, in a Single Series, of the Unsecured Type, with Additional Fiduciary Guarantee, for Public Distribution with Restricted Efforts, under the terms of ICVM 476. Together, the issuances totaled R\$ 1,750.0 million**

• **On September 27, Alupar won Lots K, M and O (in Consortium) of Eletrobras Auction 01/2018, for the sale of Eletrobras' and its subsidiaries' equity interests in Special Purpose Companies (SPC).**

• **On September 21, Alupar announced the conclusion of the long-term funding of its subsidiaries, ETAP and ETC, through the 2nd issuance of Simple Debentures, Non-Convertible into Shares, in Two Series, of the Unsecured Type, with Additional Fiduciary Guarantee, for Public Distribution with Restricted Efforts, under the terms of ICVM 476, being the second series under Law No. 12,431, of June 2011, as amended. Together, the issuances totaled R\$ 272.0 million.**



Key Consolidated Indicators

Key Indicators "CORPORATE LAW (IFRS)"						
R\$ MM	3Q18	3Q17	Var.%	9M18	9M17	Var.%
Adjusted Net Revenue	406.0	386.0	5.2%	1,129.6	1,117.8	1.1%
EBITDA (CVM 527)	341.6	314.0	8.8%	892.9	882.3	1.2%
Adjusted EBITDA Margin	84.1%	81.3%	2.8 p.p	79.1%	78.9%	0.2 p.p
Financial Results	(75.3)	(41.2)	82.7%	(196.3)	(210.3)	(6.7%)
Consolidated Net Income	201.4	202.9	(0.7%)	515.3	498.7	3.3%
Subsidiaries' Minority Interest	93.7	90.8	3.1%	262.6	260.7	0.7%
Alupar Net Income	107.7	112.0	(3.8%)	252.7	238.0	6.2%
Earnings per UNIT (R\$) *	0.37	0.38	(3.8%)	0.86	0.81	6.2%
Net Debt **	2,763.9	2,694.5	2.6%	2,763.9	2,694.5	2.6%
Net Debt / Ebitda ***	2.0	2.1		2.3	2.3	

Key Indicators "REGULATORY"						
R\$ MM	3Q18	3Q17	Var.%	9M18	9M17	Var.%
Net Revenue	411.4	424.4	(3.1%)	1,214.7	1,281.7	(5.2%)
EBITDA (CVM 527)	346.8	351.8	(1.4%)	977.6	1,044.5	(6.4%)
EBITDA Margin	84.3%	82.9%	1.4 p.p	80.5%	81.5%	(1.0 p.p)
Financial Results	(75.3)	(41.2)	82.7%	(196.3)	(210.3)	(6.7%)
Consolidated Net Income	186.6	213.0	(12.4%)	533.2	571.2	(6.7%)
Subsidiaries' Minority Interest	88.2	96.1	(8.2%)	275.1	300.1	(8.3%)
Alupar Net Income	98.3	116.9	(15.9%)	258.2	271.1	(4.8%)
Earnings per UNIT (R\$) *	0.34	0.40	(15.9%)	0.88	0.93	(4.8%)
Net Debt **	2,763.9	2,694.5	2.6%	2,763.9	2,694.5	2.6%
Net Debt / Ebitda ***	2.0	1.9		2.1	2.9	

*Net Income / Units Equivalents (293,037,090)

** Including Securities under Non-Current Assets

*** Annualized EBITDA.

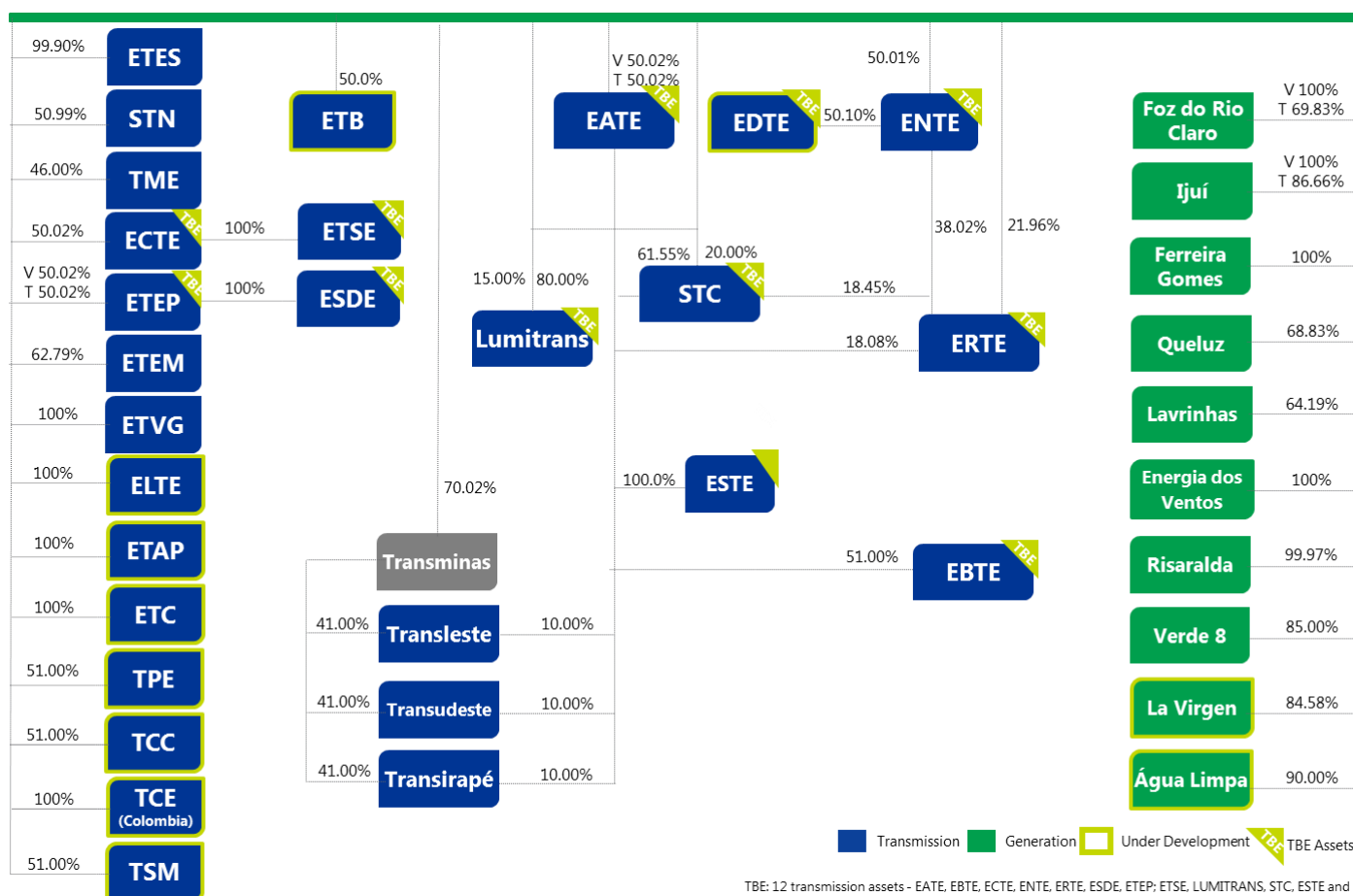
Notes:

1) "Adjusted" concept in the corporate law numbers: According to IFRS (ICPC 01 and IFRIC12), investments (Capex) by transmission companies must be recognized as revenue and cost. However, since we are dealing with investments and, in Alupar's case, since there is no effect on the Company's result (revenue and cost being equal, giving a zero margin), for analytical reasons we have disregarded this effect when analyzing the Company's revenues. The three main effects are figures relating to Adjusted Net Revenue (Net Revenue less Infrastructure Revenue, or Capex), Adjusted Operating Costs (same as the Revenue concept), and Adjusted EBITDA Margin (EBITDA divided by Adjusted Net Revenue).

2) "Regulatory" concept: This refers to the figures in the regulatory financial statements of our subsidiaries, whose main difference is the non-application of ICPC 01 (IFRIC 12). ICPC 01 has a material impact on our transmission segment companies with the creation of the "Financial Assets" account and the elimination of the "Fixed Assets" account in the balance sheet and several changes in the presentation of "Revenue" in the Statement of Income.

Overview

Alupar Investimento S.A. is a privately-held Brazilian holding company operating in the electricity transmission and generation segments, whose corporate purpose is to construct and operate infrastructure projects related to the energy sector in Brazil and other selected Latin American countries with economic, institutional and regulatory stability. Alupar is one of the largest companies in the Brazilian transmission segment in terms of Annual Permitted Revenue (RAP) and the largest one under private national control. The Company's ownership structure is shown below:



Alupar seeks to maximize shareholder returns through moderate financial leverage and a debt profile compatible with the low-risk nature of its business, high revenue predictability and the strong operating cash flow typical of the electricity transmission and generation segments.

Alupar's corporate credit ratings reflect this solid capital structure and predictable strong cash flow: **AAA (bra) for national scale and BB for international scale, from Fitch Ratings.**

Fully committed to creating value for its shareholders and society as a whole, Alupar is a socially responsible company with substantial technical ability and strong financial discipline, enabling it to continue growing in a sustainable manner through the development of generation and transmission system projects.

Transmission

Alupar retains an interest in 29 electric energy transmission system concessions with a total extension of 7,736 km of transmission lines, through 30-year terms, located in Brazil, and one perpetual in Colombia, of which 18 are operational and 11 in the implementation phase, scheduled for commercial startup until 2022.

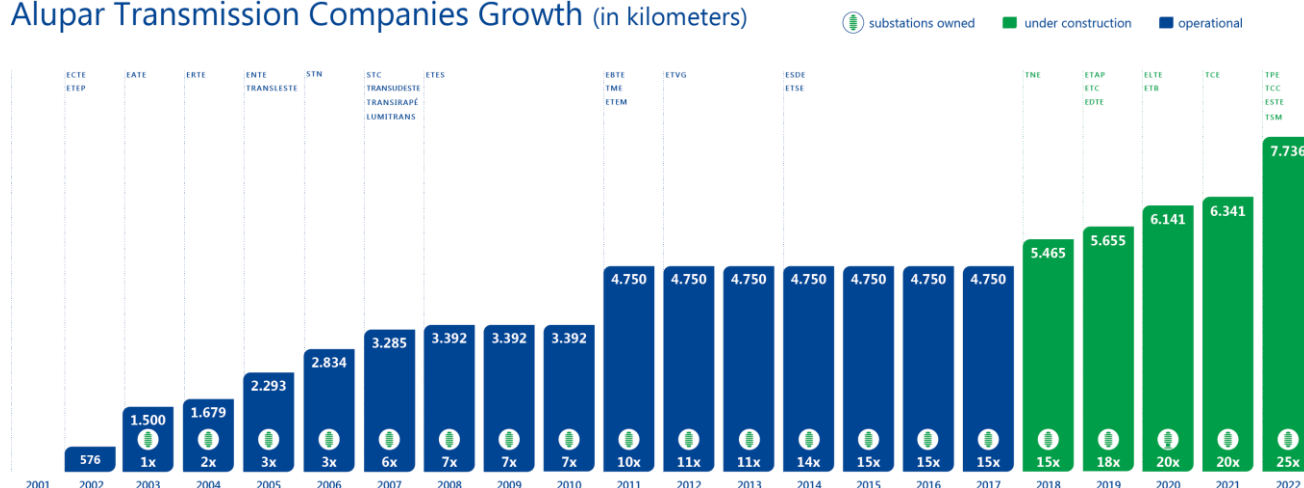
The main features of Alupar's transmission assets are shown below:

Company	Concession Term		Start-up	Extension	RAP/RBNI	RAP/RBNI	RAP/RBNI	Index
	Beginning	End	Operation	Line	(Cyclo 2016-17)	(Cyclo 2017-18)	(Cyclo 2018-19)	
ETEP	06/12/2001	06/12/2031	08/25/2002	323 km	R\$ 96.5	R\$ 56.4	R\$ 51.2	IGP-M
ENTE	12/11/2002	12/11/2032	02/12/2005	464 km	R\$ 221.6	R\$ 225.1	R\$ 234.7	IGP-M
ERTE	12/11/2002	12/11/2032	09/15/2004	179 km	R\$ 49.8	R\$ 50.5	R\$ 52.7	IGP-M
EATE	06/12/2001	06/12/2031	03/10/2003	924 km	R\$ 422.3	R\$ 354.3	R\$ 227.2	IGP-M
ECTE	11/01/2000	11/01/2030	03/26/2002	252,5 km	R\$ 79.7	R\$ 47.5	R\$ 49.6	IGP-M
STN	02/18/2004	02/18/2034	01/01/2006	541 km	R\$ 177.3	R\$ 180.1	R\$ 189.2	IGP-M
Transleste	02/18/2004	02/18/2034	12/18/2005	150 km	R\$ 40.2	R\$ 40.8	R\$ 42.5	IGP-M
Transudeste	03/04/2005	03/04/2035	02/23/2007	140 km	R\$ 24.9	R\$ 25.3	R\$ 26.4	IGP-M
Transirapé	03/15/2005	03/15/2035	05/23/2007	65 km	R\$ 29.2	R\$ 33.1	R\$ 34.5	IGP-M
STC	04/27/2006	04/27/2036	11/08/2007	195 km	R\$ 41.5	R\$ 44.0	R\$ 45.2	IPCA
Lumitrans	02/18/2004	02/18/2034	10/03/2007	51 km	R\$ 26.2	R\$ 26.6	R\$ 27.8	IGP-M
ETES	04/20/2007	04/20/2037	12/12/2008	107 km	R\$ 14.3	R\$ 14.1	R\$ 14.5	IPCA
EBTE	10/16/2008	10/16/2038	07/11/2011	775 km	R\$ 44.4	R\$ 47.0	R\$ 48.3	IPCA
TME	11/19/2009	11/19/2039	11/22/2011	348 km	R\$ 48.3	R\$ 50.1	R\$ 51.5	IPCA
ESDE	11/19/2009	11/19/2039	01/22/2014	Substation	R\$ 12.6	R\$ 13.1	R\$ 13.5	IPCA
ETEM	07/12/2010	07/12/2040	12/16/2011	235 km	R\$ 12.0	R\$ 12.5	R\$ 12.9	IPCA
ETVG	12/23/2010	12/23/2040	12/23/2012	Substation	R\$ 10.2	R\$ 10.7	R\$ 11.0	IPCA
TNE	01/25/2012	01/25/2042	Pre-Oper.	715 km	R\$ 162.5	R\$ 147.5	R\$ 151.8	IPCA
ETSE	05/10/2012	05/10/2042	12/01/2014	Substation	R\$ 21.6	R\$ 19.6	R\$ 20.2	IPCA
ELTE	09/05/2014	09/05/2044	Pre-Oper.	Substation+40km	R\$ 34.3	R\$ 35.6	R\$ 36.6	IPCA
ETAP (Lot I)	09/02/2016	09/02/2046	Pre-Oper.	Substation+20km	R\$ 50.5	R\$ 52.3	R\$ 53.8	IPCA
ETC (Lot T)	09/02/2016	09/02/2046	Pre-Oper.	Substation	R\$ 29.3	R\$ 30.3	R\$ 31.2	IPCA
TPE (Lot 2)	02/10/2017	02/10/2047	Pre-Oper.	541km	R\$ 214.7	R\$ 221.6	R\$ 228.0	IPCA
TCC (Lot 6)	02/10/2017	02/10/2047	Pre-Oper.	288km	R\$ 146.0	R\$ 150.7	R\$ 155.0	IPCA
ESTE (Lot 22)	02/10/2017	02/10/2047	Pre-Oper.	236km	R\$ 101.0	R\$ 104.3	R\$ 107.3	IPCA
TCE (Colombia)	11/22/2016	Perpetual	Pre-Oper.	200km	R\$ 73.1*	R\$ 73.1*	R\$ 86.8**	PPI
TSM (Lot 19)	08/11/2017	08/11/2047	Pre-Oper.	330 km	R\$ 99.1	R\$ 101.3	R\$ 104.2	IPCA
ETB (Lot E)	09/27/2016	09/27/2046	Pre-Oper.	446 km	-	R\$ 131.1	R\$ 134.8	IPCA
EDTE (Lot M)	12/01/2016	12/01/2046	Pre-Oper.	170 km	-	R\$ 64.2	R\$ 66.1	IPCA
TOTAL				7,736 km	R\$ 2,283.1	R\$ 2,362.8	R\$ 2,308.5	

*USD 1.0 - BRL 3.25 **USD 1.0 - BRL 3.86

Below is the evolution of the length in kilometers of the Company's transmission lines:

Alupar Transmission Companies Growth (in kilometers)



Generation

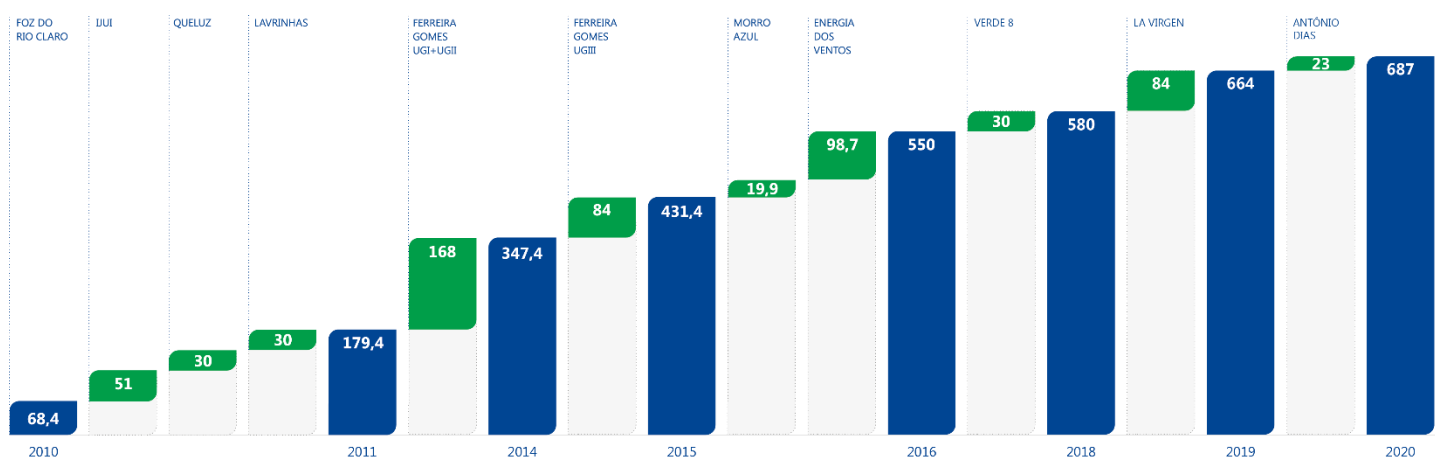
Alupar is currently involved in generating electricity by means of HPPs (hydroelectric power plants), SHPPs (small hydroelectric power plants) and wind farms in Brazil, Colombia and Peru. Its total asset portfolio has an installed capacity of 580.0 MW in operation and 84.0 MW under construction and one project (Antonio Dias) of 23 MW under licensing phase.

The main features of Alupar's generation assets are shown below:

	Concession Term		Start-up of Operations	Voting Capital	Total Capital	Installed Capacity - MW	Assured Energy - MW
	Beginning	End					
Queluz	Apr/04	Apr/34	Aug/11	68.83%	68.83%	30.0	21.4
Lavrinhas	Apr/04	Apr/34	Sep/11	64.19%	64.19%	30.0	21.4
Foz do Rio Claro	Aug/06	Aug/41	Aug/10	100.00%	69.83%	68.4	39.0
São José - Ijuí	Aug/06	Aug/41	Mar/11	100.00%	86.66%	51.0	30.4
Ferreira Gomes	Nov/10	Nov/45	Nov/14	100.00%	100.00%	252.0	153.1
Energia dos Ventos	Jul/12	Jul/47	Mar/16	100.00%	100.00%	98.7	50.9
Morro Azul (Risaralda)	Jan/09	Perpetual	Sep/16	99.97%	99.97%	19.9	13.2
Verde 08	Oct/12	Jun/44	May/18	85.00%	85.00%	30.0	18.7
La Virgen	Oct/05	Perpetual	Pre-Oper.	82.85%	82.85%	84.0	49.3
Antônio Dias	Jul/14	Jul/49	Pre-Oper.	90.00%	90.00%	23.0	11.4
TOTAL						687.0	408.8

Below we present the evolution of the Company's generating capacity:

Generation capacity evolution (in MW)



Combined Performance Analysis - Transmission Segment

The figures below reflect the combined results 100% of all the transmission subsidiaries in which Alupar holds an interest, as presented in **Note 34** of the 3Q18 financial statements, under "Information by Segment".

Due to the matters already addressed regarding differences between Regulatory and Corporate Law figures (see the Notes on page 2 of this report), the analysis of the transmission segment focuses on the Regulatory performance, except for the comments on revenue, EBITDA and income in the Corporate Law income statement.

Key Indicators "CORPORATE LAW (IFRS)"						
R\$ MM	3Q18	3Q17	Var. %	9M18	9M17	Var. %
Adjusted Net Revenue	267.5	252.0	6.1%	776.4	774.2	0.3%
Adjusted Operating Costs*	(22.4)	(21.9)	2.7%	(64.3)	(62.4)	2.9%
Depreciation / Amortization	(0.7)	(0.7)	-	(2.1)	(2.1)	-
Operating Expenses	(8.5)	(7.9)	7.6%	(28.4)	(28.5)	(0.3%)
EBITDA (CVM 527)	236.5	222.2	6.4%	683.8	683.2	0.1%
Adjusted EBITDA Margin	88.4%	88.2%	0.2 p.p	88.1%	88.3%	(0.2 p.p)
Financial Results	(25.5)	(29.3)	(12.8%)	(75.2)	(112.5)	(33.2%)
Net Income	178.8	164.5	8.7%	511.9	481.4	6.3%
Net Debt **	1,170.2	1,299.9	(10.0%)	1,170.2	1,299.9	(10.0%)
Net Debt / EBITDA ***	1.2	1.5		1.3	1.4	

Key Indicators "REGULATORY"						
R\$ MM	3Q18	3Q17	Var. %	9M18	9M17	Var. %
Net Revenue	269.2	289.0	(6.8%)	852.5	931.8	(8.5%)
Operating Costs	(20.5)	(21.3)	(3.7%)	(59.4)	(59.6)	(0.4%)
Depreciation / Amortization	(32.5)	(31.8)	2.2%	(96.3)	(95.7)	0.6%
Operating Expenses	(8.5)	(7.9)	7.9%	(28.4)	(28.5)	(0.3%)
EBITDA (CVM 527)	240.2	259.8	(7.5%)	764.7	843.7	(9.4%)
EBITDA Margin	89.2%	89.9%	(0.7 p.p)	89.7%	90.5%	(0.8 p.p)
Financial Results	(25.5)	(29.3)	(12.8%)	(75.2)	(112.5)	(33.2%)
Net Income	160.9	172.7	(6.8%)	522.7	548.0	(4.6%)
Net Debt **	1,170.2	1,299.9	(10.0%)	1,170.2	1,299.9	(10.0%)
Net Debt / EBITDA ***	1.2	1.3		1.1	1.2	

*Adjusted Operating Costs: excluding infrastructure costs ** Including Securities under Non-Current Assets

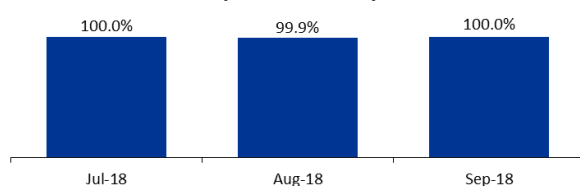
*** Annualized EBITDA

Throughout 3Q18, the Company's transmission lines presented consistent operational performance, maintaining a physical availability higher than 99.9 %.

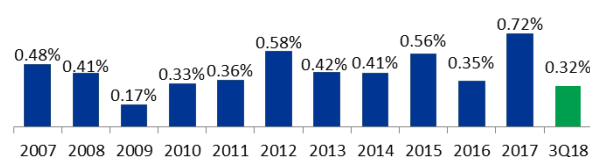
VP shows the impact of unavailability on the company's results.

The line's physical availability is an operational indicator that demonstrates the percentage of hours the line was available during a given period.

Physical Availability



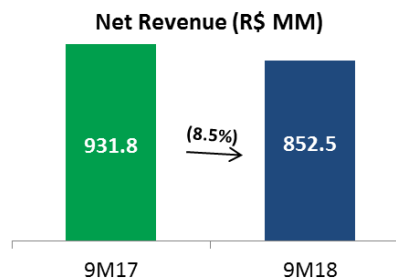
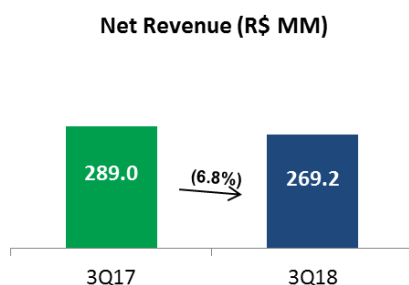
VP - Variable Portion



Combined Performance Analysis for Transmission - Regulatory

Net Revenue

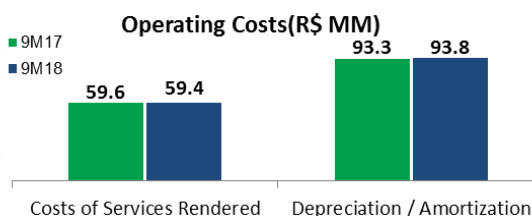
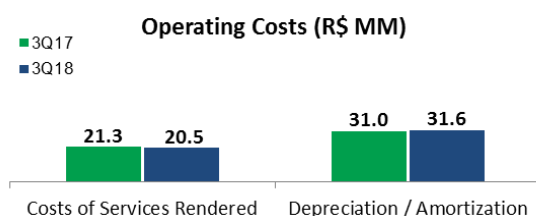
In 3Q18, net revenue totaled R\$ 269.2 million, compared to R\$ 289.0 million in 3Q17. This change is due to: (a) R\$ 32.4 million reduction in the revenues of EATE and ETEP transmitters, due to the 50% cliff in the Annual Revenue Allowed (RAP) for the 2018/2019 cycle, given the 15-year anniversary of the start of operations (EATE: Mar/18; ETEP: Aug/17); (b) increase of R\$ 12.4 million in the revenues of other transmission companies, impacted by the readjustment of the RAPs, pursuant to Ratifying Resolution No. 2,408 of June 26, 2018, which established an adjustment of 2.85% for IPCA-indexed contracts and 4.27% for contracts indexed by IGP-M. For further information, see the table in the section "Transmission" (pag.4)



Cost of Service

Totaled R\$ 52.1 million in 3Q18, compared to R\$ 52.2 million in 3Q17.

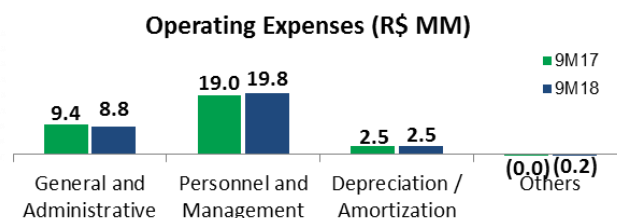
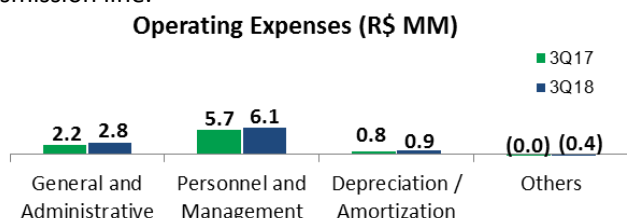
The **Cost of Services** presented a reduction of R\$ 0.8 million, mainly on the basis of: (i) a R\$ 1.1 million reduction in the EATE transmitter, due to lower spending on cleaning services of serfdom bands; (ii) a reduction of R\$ 0.6 million in ENTE transmitter, explained by lower spending on materials and equipment acquisition as well as maintenance of the electrical system of the substation; (iii) an increase in R\$ 0.2 million in TME transmitter, resulting from costs of preventive maintenance of the transmission line, carried out this quarter; (iv) R\$ 0.2 million increase in ETEM transmitter, related to environmental consulting expenses; (v) increase of R\$ 0.2 million in ETES transmitter, referring to the payment of contingencies. The **Depreciation/Amortization** account recorded an increase of R\$ 0.6 million, basically due to the increase, of the same value, in the EBTE transmitter, due to: (i) improvements in its office made in June/2017 and; (ii) correction of the depreciation of the assets that make up the RBNI of the substations BRASNORTE, NOVA MUTUM and PARECIS.



Operating Expenses

Totaled R\$ 9.4 million in 3Q18, compared to R\$ 8.7 million in 3Q17.

The **Administrative and General** account recorded an increase of R\$ 0.6 million, mainly due to: (i) increase of R\$ 0.5 million in ENTE and STN transmitters, as a result of expenses with legal advice and consulting services; (ii) increase of R\$ 0.5 million in TNE, due to the reversal of expenses in 3Q17 related to the storage of its cables, which were reclassified in assets and; (iii) a R\$ 0.2 million reduction in the ETVG, due to the reimbursement related to infrastructure adjustment (CCI), which was paid in ten installments of R\$ 0.1 million each, the last of which was paid in August/18. The **Personnel & Management** account presented a growth of R\$ 0.4 million, of which: (i) R\$ 0.2 million in EATE, related to severance indemnities and; (ii) R\$ 0.1 million in the TCE, due to the implementation of the transmission asset. A reduction of R\$ 0.4 million was registered in the **Others** account, due to the accounting of an additional revenue in the STN transmitter, in the same amount, due to a sectioning in the transmission line.

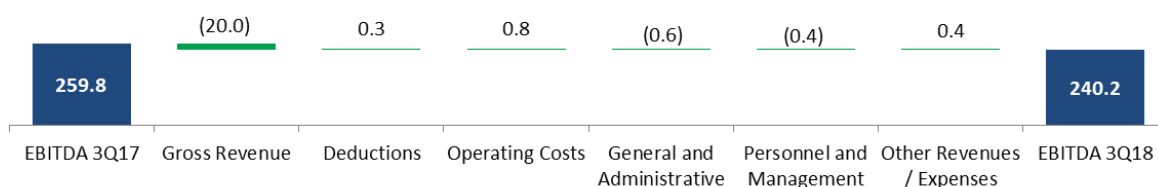


EBITDA and EBITDA Margin

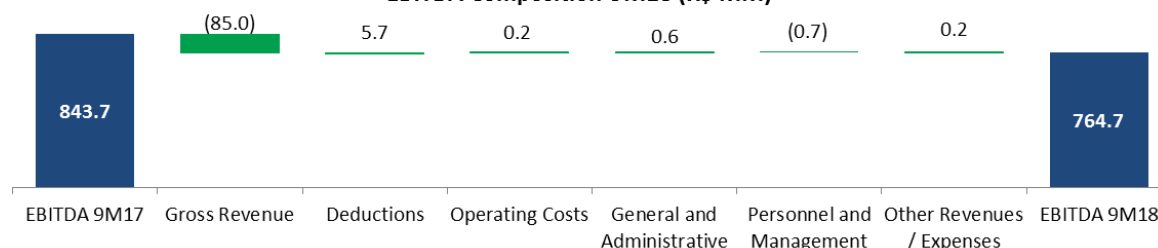
Totaled R\$ 240.2 million in 3Q18, compared to R\$ 259.8 million in 3Q17. This change primarily resulted from a R\$ 20.0 million decrease in **Gross Revenue**, mainly due to: (i) a reduction of R\$ 32.4 million in revenues from EATE and ETEP transmitters, due to the decrease of 50 % of the Annual Revenue Allowed - RAP for the 2018/2019 cycle, given the 15-year anniversary of the start of operations (EATE: Mar/18, ETEP: Aug/17); (ii) an increase of R\$ 12.4 million in the revenues of other transmission companies, impacted by the readjustment of the RAPs, according to Ratifying Resolution No. 2,408 of June 26, 2018, which established an adjustment of 2.85% for IPCA-indexed contracts and 4.27% for contracts indexed by IGP-M.

EBITDA margin reached 89.2% in 3Q18, against 89.9% in 3Q17.

EBITDA Composition 3Q18 (R\$ MM)



EBITDA Composition 9M18 (R\$ MM)

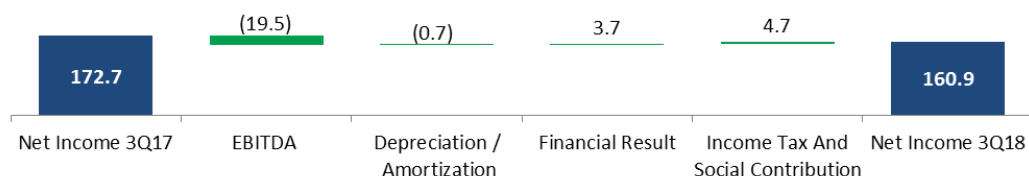


Net Income

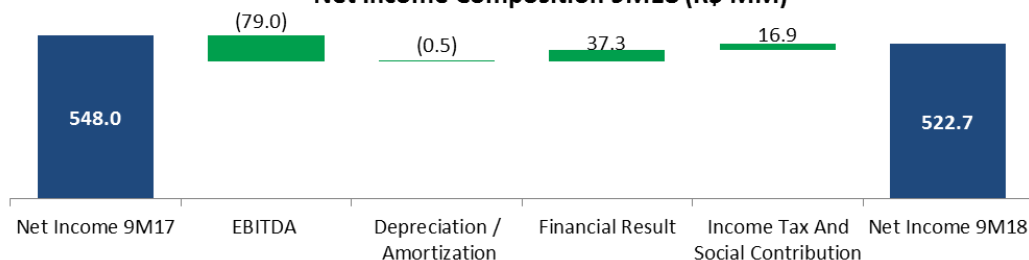
Totaled R\$ 160.9 million in 3Q18, against R\$ 172.7 million in 3Q17.

The income was affected by: (a) reduction of R\$ 19.5 million in **EBITDA**, especially by the fall of the gross revenue, as explained above; (b) R\$ 3.7 million reduction in **Financial Result** due to: (i) a decrease of 10% or R\$ 130 million in net debt, which amounted to R\$ 1.170 billion in this quarter, compared to the R\$ 1.300 billion recorded in 3Q17; (ii) reduction in the average rate of interbank deposits ("CDI"), which recorded 1.59% in the 3Q18 against 2.25% in the 3Q17 and; (iii) a reduction of the long-term interest rate ("TJLP"), which went from 7.0% p.a. during 3Q17 to 6.56% p.a. in 3Q18 and; (c) a R\$ 4.7 million decrease in **IRPJ/CSLL**, basically in the EATE and ETEP transmitters, due to the decrease in results from the 50% fall of the Annual Revenue Allowed (RAP) for the 2018/2019 cycle, due their respective 15-year anniversaries.

Net Income Composition 3Q18 (R\$ MM)



Net Income Composition 9M18 (R\$ MM)



Consolidated Results – Transmission Regulatory | 3Q18

	Quarter Ended in 09/30/2018					
	Share Control				Equity Pick-up - Indirect Investments	Transmission Consolidated
Transmission Combined	TNE	TME	ETB	Equity Pick-up TNE / TME / ETB		
Gross Operating Revenue	294,326	1,480	14,259	-	-	278,587
Energy Transmission Revenue	295,397	1,572	14,259	-	-	279,566
(-) Variable Portion	(1,071)	(92)	-	-	-	(979)
Deductions	(25,079)	(233)	(2,390)	-	-	(22,456)
PIS	(2,582)	(30)	(328)	-	-	(2,224)
COFINS	(11,090)	(139)	(1,509)	-	-	(9,442)
Quota for Global Reversal Reserve - RGR	(7,648)	(39)	(371)	-	-	(7,238)
Research & Development - R & D	(1,030)	(6)	(50)	-	-	(974)
National Development Fund and Technological Development - FNDCT	(1,029)	(6)	(50)	-	-	(973)
Ministry of Mines and Energy - MME	(518)	(3)	(25)	-	-	(490)
Electricity services inspection fee - TFSEE	(1,182)	(10)	(57)	-	-	(1,115)
Net Operating Revenue	269,247	1,247	11,869	-	-	256,131
Operating Costs	(52,112)	(1,234)	(3,440)	-	-	(47,438)
Cost of Services Rendered	(20,491)	(346)	(1,317)	-	-	(18,828)
Depreciation/Amortization	(31,621)	(888)	(2,123)	-	-	(28,610)
Gross Income	217,135	13	8,429	-	-	208,693
Expenses and Operating Revenues	(9,366)	(351)	106	(5)	2,315	(2,510)
General and Administrative	(2,804)	(215)	431	(5)	-	(3,015)
Personnel and Management	(6,073)	(135)	(325)	-	-	(5,613)
Equity Pickup	-	-	-	-	2,315	6,606
Depreciation/Amortization	(850)	-	-	-	-	(850)
Other Revenues	362	-	-	-	-	362
Other Expenses	(1)	(1)	-	-	-	-
EBIT	207,769	(338)	8,535	(5)	2,315	206,183
Depreciation / Amortization	(32,471)	(888)	(2,123)	-	-	(29,460)
EBITDA	240,240	550	10,658	(5)	2,315	235,643
Financial Expenses	(31,611)	(46)	(2,934)	-	-	(28,631)
Debt charges	(27,814)	-	(2,518)	-	-	(25,296)
Exchange rate variations	(26)	-	-	-	-	(26)
Others	(3,771)	(46)	(416)	-	-	(3,309)
Financial Revenues	6,106	150	345	-	-	5,611
Revenue from investments	5,537	128	244	-	-	5,165
Others	569	22	101	-	-	446
	(25,505)	104	(2,589)	-	-	(23,020)
EBT	182,264	(234)	5,946	(5)	2,315	183,163
Taxes	(21,315)	-	(648)	-	-	(20,667)
Income Tax	(9,603)	-	-	-	-	(9,603)
Social Contribution	(11,747)	-	(648)	-	-	(11,099)
Deferred Income Tax	25	-	-	-	-	25
Deferred Social Contribution	10	-	-	-	-	10
Consolidated Net Income	160,949	(234)	5,298	(5)	2,315	162,496
Non - Controlling Participation						(81,195)
Alupar Net Income						81,301

Consolidated Results –Transmission Regulatory | 9M18

	Period Ended in 09/30/2018						
Transmission Combined	Share Control				Equity Pick-up - Indirect Investments	Transmission Consolidated	
	TNE	TME	ETB	Equity Pick-up TNE / TME / ETB			
Gross Operating Revenue	929,726	3,339	41,755	-		884,632	
Energy Transmission Revenue	934,585	4,623	41,957	-		888,005	
(-) Variable Portion	(4,859)	(1,284)	(202)	-		(3,373)	
Deductions	(77,208)	(501)	(6,019)	-		(70,688)	
PIS	(7,517)	(64)	(785)	-		(6,668)	
COFINS	(33,499)	(297)	(3,616)	-		(29,586)	
Quota for Global Reversal Reserve - RGR	(24,030)	(87)	(1,086)	-		(22,857)	
Research & Development - R & D	(3,402)	(12)	(146)	-		(3,244)	
National Development Fund and Technological Development - FNDCT	(3,373)	(12)	(146)	-		(3,215)	
Ministry of Mines and Energy - MME	(1,661)	(6)	(73)	-		(1,582)	
Electricity services inspection fee - TFSEE	(3,726)	(23)	(167)	-		(3,536)	
Net Operating Revenue	852,518	2,838	35,736	-		813,944	
Operating Costs	(153,168)	(3,789)	(10,026)	-		(139,353)	
Cost of Services Rendered	(59,410)	(1,127)	(3,664)	-		(54,619)	
Depreciation/Amortization	(93,758)	(2,662)	(6,362)	-		(84,734)	
Gross Income	699,350	(951)	25,710	-		674,591	
Expenses and Operating Revenues	(30,888)	(993)	(1,134)	(45)	6,181	12,540	(9,995)
General and Administrative	(8,813)	(382)	221	(45)			(8,607)
Personnel and Management	(19,763)	(528)	(1,355)	-			(17,880)
Equity Pickup	-	-	-	-	6,181	12,540	18,721
Depreciation/Amortization	(2,515)	-	-	-			(2,515)
Other Revenues	400	-	-	-			400
Other Expenses	(197)	(83)	-	-			(114)
EBIT	668,462	(1,944)	24,576	(45)	6,181	12,540	664,596
Depreciation / Amortization	(96,273)	(2,662)	(6,362)	-	-	-	(87,249)
EBITDA	764,735	718	30,938	(45)	6,181	12,540	751,845
Financial Expenses	(90,308)	(54)	(8,358)	-	-	-	(81,896)
Debt charges	(83,636)	-	(7,666)	-			(75,970)
Exchange rate variations	314	-	-	-			314
Others	(6,986)	(54)	(692)	-			(6,240)
Financial Revenues	15,158	360	754	-	-	-	14,044
Revenue from investments	13,832	338	643	-			12,851
Others	1,326	22	111	-			1,193
	(75,150)	306	(7,604)	-	-	-	(67,852)
EBT	593,312	(1,638)	16,972	(45)	6,181	12,540	596,744
Taxes	(70,653)	-	(1,670)	-	-	-	(68,983)
Income Tax	(32,180)	-	-	-			(32,180)
Social Contribution	(38,473)	-	(1,670)	-			(36,803)
Deferred Income Tax	-	-	-	-			-
Deferred Social Contribution	-	-	-	-			-
Consolidated Net Income	522,659	(1,638)	15,302	(45)	6,181	12,540	527,761
Non - Controlling Participation							(262,743)
Alupar Net Income							265,018



Transmission - Combined Analysis - Corporate Law (IFRS)

With the adoption of IFRS, the Revenue for Provision (RAP - PV) was replaced by three new revenue categories: Infrastructure Revenue, Energy Transmission Revenue (O&M) and Revenue from Concession Asset Remuneration.

Infrastructure Revenue

Investment volume (CAPEX) in the transmission companies

Transmission Revenue

Revenue that remunerates the operational and maintenance costs of the transmission assets (O&M)

Asset Remuneration

The remuneration rate of a given transmission asset multiplied by the balance of its financial asset

Accordingly, the balance sheet of the transmission companies presented a Financial Asset account, broken down as follows:

Financial Asset on June 30, 2018
+
Infrastructure Revenue from 07/01/2018 to 09/30/2018
+
Financial Asset Remuneration from 07/01/2018 to 09/30/2018
+
O&M Revenue from 07/01/2018 to 09/30/2018
-
RAP from 07/01/2018 to 09/30/2018
-
Residual Value received from 07/01/2018 to 09/30/2018
=
Financial Asset on September 30, 2018

Note on residual value: if there is an inflow of funds related to possible indemnification resulting from the termination of the concession, this amount will also reduce the Financial Assets. Alupar's subsidiaries have long-term concessions falling due beginning November 2030.

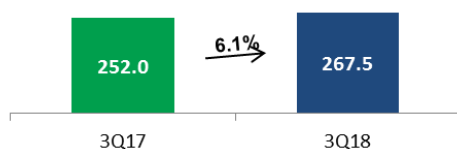
Adjusted Net Revenue - IFRS

Totaled R\$ 267.5 million in 3Q18, R\$ 15.5 million or 6.1% higher than the R\$ 252.0 million recorded in 3Q17.

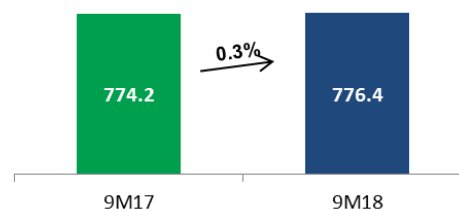
The **Revenue from Remuneration of Concession Assets** increased by R\$ 9.9 million, totaling R\$ 259.4 million in this quarter, compared to the R\$ 249.6 million registered in 3Q17. This increase is mainly due to the investments made in transmission projects in Brazil (ETAP, ETC, TPE, TCC, ESTE, TSM, EDTE and ETB), which together showed an increase of R\$ 8.9 million in this account. For more information, please see explanatory note 9 "Financial Assets of the Concession".

Increase of R\$ 5.3 million in **Energy Transmission Revenue**, which totaled R\$ 33.1 million in 3Q18, against R\$ 27.8 million in 3Q17, mainly due to the reduction of R\$ 4.3 million in the Variable Portion - PV. In 3Q17, we recorded a Variable Portion of: (i) R\$ 2.9 million in the ENTE transmitter, due to planned shutdowns for maintenance and a shutdown caused by a fault in the voltage control return of the Tucuruí/Marabá transmission line and; (ii) R\$ 1.1 million in the STN transmitter, as a result of the shutdown of the line due to fires and the alteration of the management system at Chesf's Fortaleza substation, accessed by STN.

Adjusted Net Revenue (R\$ MM)



Adjusted Net Revenue (R\$ MM)



EBITDA and EBITDA Margin - IFRS

Totaled R\$ 236.5 million in 3Q18, R\$ 14.3 million or 6.4% higher than the R\$ 222.2 million recorded in 3Q17.

Adjusted EBITDA margin reached 88.4% in 3Q18, 0.2 p.p. higher than the 88.2% reported in 3Q17.

This change is mainly due to the increase of R\$ 15.2 million in **Adjusted Gross Revenue**, as detailed above, in the section "Adjusted Net Revenue - IFRS".

EBITDA Composition - 3Q18 (R\$ MM)

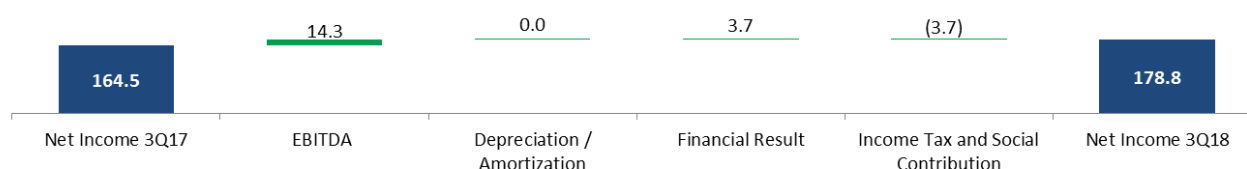


Net Income - IFRS

Totaled R\$ 178.8 million in 3Q18, 8.7% higher than the R\$ 164.5 million recorded in 3Q17.

The profit was impacted by the: (a) increase of R\$ 14.3 million in **EBITDA**, as explained earlier in section "EBITDA and EBITDA margin – IFRS"; (b) reduction of R\$ 3.7 million in the **Financial Result** due to: (i) reduction of 10% or R\$ 130 million in net debt, which amounted to R\$ 1.170 billion in this quarter, compared to the R\$ 1.300 billion recorded in 3Q17; (ii) reduction in the average rate of interbank deposits ("CDI"), which recorded 1.59% during the 3Q18, compared to the 2.25% in the 3Q17 and; (iii) reduction of long-term interest rate ("TJLP"), which was at 7.0% along the 3Q17 and went to 6.56% in 3Q18 and; (c) increase of R\$ 3.7 million in **IRPJ/CSLL**, exclusively for the accounting of deferred IRPJ/CSLL of the transmission projects in implementation in Brazil (ETAP, ETC, TPE, TCC, ESTE, TSM, EDTE and ETB), which totaled R\$3.7 million this quarter and did not present value in 3Q17.

Net Income Composition 3Q18 (R\$ MM)



Consolidated Results - Transmission Corporate Law IFRS | 3Q18

	Quarter Ended in 09/30/2018						
Transmission Combined	Share Control					Transmission Consolidated	
	TNE	TME	ETB	Equity Pick-up - TNE / TME / ETB	Equity Pick-up - Indirect Investments		
Gross Operating Revenue	373,893	1,453	16,779	14,436		341,225	
Energy Transmission Revenue	34,272	682	2,221	-		31,369	
Infrastructure Revenue	81,342	398	(359)	13,275		68,028	
Concession Asset Remuneration	259,430	465	14,917	1,161		242,887	
(-) Variable Portion	(1,151)	(92)	-	-		(1,059)	
Deduções da receita operacional bruta	(25,079)	(233)	(2,390)	-		(22,456)	
PIS	(2,582)	(30)	(328)	-		(2,224)	
COFINS	(11,090)	(139)	(1,509)	-		(9,442)	
Quota for Global Reversal Reserve - RGR	(7,648)	(39)	(371)	-		(7,238)	
Research & Development - R & D	(1,030)	(6)	(50)	-		(974)	
National Development Fund and Technological Development	(1,029)	(6)	(50)	-		(973)	
Ministry of Mines and Energy - MME	(518)	(3)	(25)	-		(490)	
Electricity services inspection fee - TFSEE	(1,182)	(10)	(57)	-		(1,115)	
Net Operating Revenue	348,814	1,220	14,389	14,436		318,769	
Costs of Services	(103,780)	(744)	(1,291)	(13,275)		(88,470)	
Cost of Services Rendered	(22,437)	(346)	(1,650)	-		(20,441)	
Infrastructure Cost	(81,342)	(398)	359	(13,275)		(68,028)	
Depreciation/Amortization	(1)	-	-	-		(1)	
Gross Income	245,034	476	13,098	1,161		230,299	
Expenses and Operating Revenues	(9,240)	(350)	106	(5)	4,602	3,862	(527)
General and Administrative	(2,804)	(215)	431	(5)			(3,015)
Personnel and Management	(6,080)	(135)	(325)	-			(5,620)
Equity Pickup	-	-	-	-	4,602	3,862	8,464
Depreciation/Amortization	(720)	-	-	-			(720)
Other Revenues	362	-	-	-			362
Other Expenses	2	-	-	-			2
EBIT	235,794	126	13,204	1,156	4,602	3,862	229,772
Depreciation / Amortization	(721)	-	-	-			(721)
EBITDA	236,515	126	13,204	1,156	4,602	3,862	230,493
Financial Expenses	(31,611)	(46)	(2,934)	-			(28,631)
Debt charges	(27,814)	-	(2,518)	-			(25,296)
Exchange rate variations	(26)	-	-	-			(26)
Others	(3,771)	(46)	(416)	-			(3,309)
Financial Revenues	6,106	150	345	-			5,611
Revenue from investments	5,537	128	244	-			5,165
Others	569	22	101	-			446
	(25,505)	104	(2,589)	-			(23,020)
EBT	210,289	230	10,615	1,156	4,602	3,862	206,752
Taxes	(31,472)	(55)	(1,629)	(395)			(29,393)
Income Tax	(9,579)	-	-	-			(9,579)
Social Contribution	(11,737)	-	(648)	-			(11,089)
Deferred Income Tax	(7,275)	(40)	(669)	(290)			(6,276)
Deferred Social Contribution	(2,881)	(15)	(312)	(105)			(2,449)
Consolidated Net Income	178,817	175	8,986	761	4,602	3,862	177,359
Non - Controlling Participation							(86,581)
Alupar Net Income							90,778

Consolidated Results - Transmission Corporate Law IFRS | 9M18

	Period Ended in 09/30/2018						
Transmission Combined	Share Control					Transmission Consolidated	
	TNE	TME	ETB	Equity Pick-up - TNE / TME / ETB	Equity Pick-up - Indirect Investments		
Gross Operating Revenue	993,868	2,633	49,534	21,764		919,937	
Energy Transmission Revenue	99,574	2,522	5,956	-		91,096	
Infrastructure Revenue	140,215	265	-	19,485		120,465	
Concession Asset Remuneration	759,042	1,130	43,780	2,279		711,853	
(-) Variable Portion	(4,963)	(1,284)	(202)	-		(3,477)	
Deduções da receita operacional bruta	(77,208)	(501)	(6,019)	-		(70,688)	
PIS	(7,517)	(64)	(785)	-		(6,668)	
COFINS	(33,499)	(297)	(3,616)	-		(29,586)	
Quota for Global Reversal Reserve - RGR	(24,030)	(87)	(1,086)	-		(22,857)	
Research & Development - R & D	(3,402)	(12)	(146)	-		(3,244)	
National Development Fund and Technological Development	(3,373)	(12)	(146)	-		(3,215)	
Ministry of Mines and Energy - MME	(1,661)	(6)	(73)	-		(1,582)	
Electricity services inspection fee - TFSEE	(3,726)	(23)	(167)	-		(3,536)	
Net Operating Revenue	916,660	2,132	43,515	21,764		849,249	
Costs of Services	(204,472)	(1,392)	(3,997)	(19,485)		(179,598)	
Cost of Services Rendered	(64,254)	(1,127)	(3,997)	-		(59,130)	
Infrastructure Cost	(140,215)	(265)	-	(19,485)		(120,465)	
Depreciation/Amortization	(3)	-	-	-		(3)	
Gross Income	712,188	740	39,518	2,279		669,651	
Expenses and Operating Revenues	(30,541)	(992)	(1,134)	(45)	12,333	11,424	(4,613)
General and Administrative	(8,813)	(382)	221	(45)			(8,607)
Personnel and Management	(19,770)	(528)	(1,355)	-			(17,887)
Equity Pickup	-	-	-	-	12,333	11,424	23,757
Depreciation/Amortization	(2,129)	-	-	-			(2,129)
Other Revenues	365	-	-	-			365
Other Expenses	(194)	(82)	-	-			(112)
EBIT	681,647	(252)	38,384	2,234	12,333	11,424	665,038
Depreciation / Amortization	(2,132)	-	-	-			(2,132)
EBITDA	683,779	(252)	38,384	2,234	12,333	11,424	667,170
Financial Expenses	(90,308)	(54)	(8,358)	-			(81,896)
Debt charges	(83,636)	-	(7,666)	-			(75,970)
Exchange rate variations	314	-	-	-			314
Others	(6,986)	(54)	(692)	-			(6,240)
Financial Revenues	15,158	360	754	-			14,044
Revenue from investments	13,832	338	643	-			12,851
Others	1,326	22	111	-			1,193
	(75,150)	306	(7,604)	-			(67,852)
EBT	606,497	54	30,780	2,234	12,333	11,424	597,186
Taxes	(94,592)	(180)	(5,983)	(1,045)			(87,384)
Income Tax	(32,180)	-	-	-			(32,180)
Social Contribution	(38,473)	-	(1,670)	-			(36,803)
Deferred Income Tax	(17,785)	(132)	(3,206)	(768)			(13,679)
Deferred Social Contribution	(6,154)	(48)	(1,107)	(277)			(4,722)
Consolidated Net Income	511,905	(126)	24,797	1,189	12,333	11,424	509,802
Non - Controlling Participation							(250,031)
Alupar Net Income							259,771



Projects in Progress:

Transmission Companies being Implemented	Extension (km)	RAP (MM) ⁽¹⁾	ANEEL Estimated Investment (MM) ⁽²⁾	Investment Made (MM) ⁽³⁾	Start-up of Operations (Regulatory)	Start-up of Operations (Management)
TNE ⁽⁴⁾	715	R\$ 151.8	R\$ 1,427.9 ⁽⁵⁾	R\$ 282.9	2015	-
ELTE	40	R\$ 36.6	R\$ 262.0	R\$ 9.3	2017	2020
ETAP	20	R\$ 53.8	R\$ 284.9	R\$ 58.8	2019	2019
ETC	-	R\$ 31.2	R\$ 151.0	R\$ 23.3	2019	2019
TPE ⁽⁶⁾	541	R\$ 228.0	R\$ 1,268.7	R\$ 26.6	2022	2022
TCC ⁽⁶⁾	288	R\$ 155.0	R\$ 698.8	R\$ 14.3	2022	2022
ESTE ⁽⁷⁾	236	R\$ 107.3	R\$ 485.8	R\$ 6.9	2022	2022
TCE	200	US\$ 22.5	US\$ 130.0	US\$ 7.8 ⁽⁸⁾	2021	2021
TSM ⁽⁶⁾	330	R\$ 104.2	R\$ 889.0	R\$ 10.4	2022	2022
ETB ⁽⁶⁾	446	R\$ 134.8	R\$ 720.5	R\$ 27.1	2020	2020
EDTE ⁽⁹⁾	170	R\$ 66.1	R\$ 368.0	R\$ 17.9	2019	2019

⁽¹⁾ Cyclo 2018/2019

⁽²⁾ Investment in the base date foreseen in the announcement of the respective auctions.

⁽³⁾ Considering the asset value of the fixed asset presented in the regulatory financial statements.

⁽⁴⁾ Total investment. This Project is 51% owned by Alupar and 49% by Eletronorte

⁽⁵⁾ Initial investment of R\$ 969.0 in Sep/11, updated by the IPCA rate Jun/18.

⁽⁶⁾ Total investment. This Project is 51% owned by Alupar and 49% by Perfin.

⁽⁷⁾ Project owned by subsidiary EATE (ESTE). There is no Alupar equity.

⁽⁸⁾ Considering the asset value of the fixed asset presented in the regulatory financial statements. Considering US\$1.0 = R\$4.0 (Base 09/28/2018)

⁽⁹⁾ Project owned by subsidiary ENTE (EDTE). There is no Alupar equity.

Status of the Projects:

Transmission Companies being Implemented	Concession Agreement Effective Date	State	Environmental Studies being Prepared	REIDI Enrollment		Priority Project
				MME	RFB	MME
ETAP (Lote I)	09/02/2016	RN	LI IDEMA - 09/20/17 LS IDEMA- 12/01/17	Approved 03/21/2017	Approved 07/27/2017	Approved 03/30/17
ETC (Lote T)	09/02/2016	ES	LI IEMA – 03/23/2018	Approved 03/23/2017	Approved 07/27/2017	Approved 02/21/17
TPE (Lote 2)	02/10/2017	MG/BA	IBAMA PL – 08/27/2018	Approved 07/11/2017	Approved 10/04/2017	Approved 10/13/17
TCC (Lote 6)	02/10/2017	MG/ES	IBAMA PL – 10/01/2018	Approved 07/12/2017	Approved 11/06/2017	Approved 10/13/17
ESTE (Lote 22)	02/10/2017	MG/ES	IBAMA Protocolo EIA – 01/31/18	Approved 07/24/2017	Approved 09/29/2017	Approved 09/14/17
TSM (Lote 19)	08/11/2017	SP/RJ	IBAMA Protocolo EIA – 05/30/18	Approved 11/06/17	Approved 04/06/18	Approved 11/14/17
ETB (Lote E)	09/27/2016	BA	INEMA Line 1 – PL 07/27/18 Line 2 – PL 08/15/18	Approved 02/21/2017	Approved 08/10/2017	Approved 12/06/2017
EDTE (Lote M)	12/01/2016	BA	INEMA LP – 06/21/2018	Approved 05/08/2017	Approved 08/10/2017	Approved 12/06/2017
TCE (Colombia)	11/23/2016	Risaralda / Tolima / Cundinamarca / Caldas	ANLA	-	-	-



TNE: Is a SPC company established by the partnership between Alupar (51%) and Eletronorte (49%) to implement a transmission system that will connect the State of Roraima to the National Interconnected Grid System (SIN), via the Lechuga substation, in the State of Amazonas, covering approximately 715.0 km of 500 kV line, in a double circuit, with two new substations, the Equador substation - 500 kV, to be installed in the city of Rorainópolis (RR) and the Boa Vista substation - 500/230 kV - 800 MVA, located in the city of Boa Vista (RR).

However, due to environmental licensing issues, the consortium filed an application with ANEEL (National Electric Energy Agency) on September 2, 2015 to amicably terminate the Concession Contract 003/2012 - ANEEL, due to the failure of FUNAI to issue a conclusive statement as to the viability of the project with regard to the indigenous component.

On December 19, 2016, the Aneel Decision 3,265 was published, reflecting the decision of its board, taken at the meeting held on December 13, 2016, which refers to the amicable termination of the TNE Concession Agreement, with recommendations to: (i) accept TNE's petition and, on merit, give it partial approval, recognizing that there are elements for the termination of the Concession Agreement 003 / 2012- ANEEL; and (ii) forward the records of this Administrative Proceeding to the Ministry of Mines and Energy with recommendations to: (a) terminate the Concession Agreement, by rescission, pursuant to article 472 of the Civil Code, or other form that it deems appropriate; (b) in the event of termination of the Concession Agreement, appoint a federal body or entity, in this case Eletronorte, to continue the provision of the public transmission service related to the CER of Boa Vista substation, until a later decision establishes an onerous reversal of the assets in service, and the Granting Authority may award the concession without prior reversal of the assets linked to the respective public service; and (c) in the event of termination of the Concession Agreement, consider as a reference for the indemnification of the assets in service, the new replacement value criterion, writing off the depreciation in the period, in an accounting opinion to be audited by the ANEEL, it being prohibited the indemnification of assets that were not in service.

On September 13, 2017, TNE filed the request, at the Federal Court, for the termination of Concession Agreement No. 003/2012- ANEEL, Case Nr.: 1012027-22.2017.4.01.3400, due to the impossibility of the implementation of the venture.

On February 22, 2018, the Ministry of Mines and Energy (MME), after receiving and analyzing the case file, forwarded to ANEEL Office No. 66/2018/SPE-MME for which it did not comply with the Dispatch no. 3,265/2016 and returned the file to ANEEL for reassessment.

In September 2018, after meeting with the indigenous community, TNE was authorized to develop studies within the affected area for the preparation of the Indigenous Component of the Basic Environmental Plan (PBA). Upon completion of the study, it will be sent to IBAMA. However, there is no forecast for the issuance of the Installation License, the main condition for the beginning of the project.

We emphasize that the Boa Vista substation started its operations in May 2015, generating revenues equivalent to 4% of the Venture's total Annual Permitted Revenue (RAP).

ELTE: It is an SPC established for the concession of public electricity transmission service through the Domênico Rangoni 345/138 kV and Manoel da Nóbrega 230/88kV substations, with an additional 40 km of transmission line. The project will be connected to the National Interconnected System and will reinforce the distribution companies' networks, in addition to meeting the increased demand for electrical power in the region of lower Santos, composed of nine municipalities (Bertioga, Cubatão, Guarujá, Itanhaém, Mongaguá, Peruibe, Praia Grande, Santos and São Vicente).

This project has a justifiable displacement in the schedule, regarding environmental licensing. Although ELTE is making its best efforts to obtain Environmental Licenses from the environmental agency of the State of São Paulo - (*Companhia Ambiental do Estado de São Paulo - CETESB*), the environmental licensing process has been extended for reasons that are not manageable on the part of ELTE, resulting in the displacement of the schedule originally established in the Concession Agreement 016/2014.

The issuance of the Preliminary License ("LP" in the Portuguese acronym) for the Domênico Rangoni 345/138 kV substation and its respective transmission lines was scheduled for October 2015; however, due to the unfavorable manifestation of the Regional Flight Protection Service of São Paulo (SRPV-SP), responsible for the Airport Zoning Plan for the Santos Air Base, and an unfavorable manifestation of the Forest Foundation, responsible for the State Park of Serra do Mar, CETESB rejected the request for a Preliminary License of this section. Additionally, the issuance of the Preliminary License for the Manoel da Nóbrega 230/88 kV substation and its respective transmission line, also scheduled for October 2015, was issued in March 2017.



ETAP: Is an SPC established for the concession of public electricity transmission service through the expansion of 500 kV of João Câmara III substation and implementation of the 230 kV transmission line of João Câmara II - João Câmara III in a double circuit with a 10 km length per circuit. Located between the cities of Parazinho and João Câmara, in the State of Rio Grande do Norte. The project will be connected to the Brazilian National Grid and will strengthen the transmission network in the Eastern area of the Northeastern region, in order to take potential wind power expected for this region, scheduled to be implemented through December 27, 2019. The Installation License of the João Câmara III Substation was issued on September 20, 2017 and the simplified license of the 230 kV transmission line was issued on December 1, 2017. In 3Q18, regarding the João Câmara III substation, the assembly of the 230 kV transmission line was completed. The reactors were delivered, starting the assembly. In addition, civil works began on the water and oil separator boxes of transformers and reactors; and also the installation of the patio equipment in the 230kV and in the 500kV sectors. In relation to the João Câmara II substation, the earthmoving and the foundations of the portals and equipment were completed.

ETC: Is an SPC established for the concession of public electricity transmission service through Rio Novo do Sul substation, located in the city of Rio Novo do Sul, in the State of Espírito Santo. The project will be connected to the Brazilian National Grid and will supply the Southern region of the State of Espírito Santo, in order to supply the Basic Network and the Basic Network of the Border by 2022, scheduled to be implemented through June 27, 2019. In 3Q18, earthmoving was completed for the 138kV and 345kV sectors. In addition, the 345kV patio equipment and the 138kV patio drainage system foundations, and the 138/345kV mesh of grounding of the courtyards began.

TPE: Is an SPC established for the concession of public electricity transmission service through the 500 kV Poções III - Padre Paraíso 2 transmission line, 334 km in length, and the 500 kV Padre Paraíso 2 - Governador Valadares 6 transmission line, 207 km in length; and the 500 kV Padre Paraíso 2 substation and the 500/230 kV Governador Valadares 6 substation. Located between the cities of Poções and Governador Valadares, in the States of Bahia and Minas Gerais, scheduled to be implemented through February 9, 2022. The application for the prior license was filed on January 05, 2018. The TPE preliminary License was issued on 08/27/2018.

TCC: Is an SPC established for the concession of public electricity transmission service through the 500 kV Governador Valadares 6 - Mutum transmission line, 156 km in length, the 500 kV Mutum - Rio Novo do Sul transmission line, 132 km in length, and the 500 kV Mutum substation and the 500/345 kV Rio Novo do Sul substation. Located between the cities of Governador Valadares and Rio Novo do Sul, in the States of Minas Gerais and Espírito Santo, scheduled to be implemented through February 9, 2022. The TCC Preliminary License was issued on 10/01/2018.

ESTE: Is an SPC established for the concession of public electricity transmission service through the 500 kV Mesquita - João Neiva 2 transmission line, 236 km in length, and the 500/345 kV João Neiva 2 substation. Located between the cities of Santana do Paraíso and João Neiva, in the States of Minas Gerais and Espírito Santo, scheduled to be implemented through February 9, 2022. The environmental study protocol was carried out on January 31, 2018. In 3Q18, requests from impacted areas were met after the public hearings held with the communities in the direct area affected by the project. The SPE is awaiting IBAMA's opinion for the LP issuance.

TCE: Is an SPC established for the concession of public electricity transmission service through *Transmisora Colombiana de Energia S.A.S*, comprised of a 500kV transmission line linking the Nueva Esperanza substation (near Bogotá) and the La Virginia substation (near Pereira), approximately 200 km in length, scheduled to be implemented through November 2021. In 3Q18, field and information consolidation works were continued for the preparation of the Environmental Impact Study (EIA) projected for 1Q19. The executive project of the transmission line and substations are almost complete. In the period, the archaeological prospection of the transmission line section began.



TSM: Is an SPC established for the concession of public electricity transmission service through the 500kV Fernão Dias - Terminal Rio transmission line, 330 km in length. The project aims to reinforce the supply in the Southeast region, which will enable the receipt of surplus energy from the North region. The line is located between the States of São Paulo and Rio de Janeiro, scheduled to be implemented through August 11, 2022. The Preliminary License was requested on May 30, 2018, through the protocol of the Environmental Impact Study (EIA/RIMA).

ETB: Is an SPC established for the concession of public electricity transmission service to implement and develop the Juazeiro III - Ourorândia II transmission line, in 500 kV, approximately 186 km in length and the Bom Jesus da Lapa II - Gentio do Ouro II transmission line, in 500 kV, approximately 260 km in length. B JL will increase the transmission capacity of the Northeast - Southeast interconnection to ensure the proper supply of current and future generation projects to be implemented in the Northeast region through June 27, 2020. The protocol of the EMI (Medium Impact Study) environmental study was carried out on January 24, 2018 for section 1 and on February 2, 2018 for section 2. The Preliminary License of section 1 was published on 07/27/2018 and of section 2 on 08/15/2018.

EDTE: Substation, with a total length of approximately 170 km. The benefit that IB will bring to the system is the expansion of the transmission system of the southern region of the State of Bahia, aiming at the adequate electric service to the consumers of that region. It is scheduled to be implemented through December 2019. The protocol of the EMI (Medium Impact Study) environmental study was carried out on January 23, 2018 and the preliminary license published on June 21, 2018. In 3Q18, the SPC met the conditions of the LP, aiming at the preparation of the opinion for the issuance of the Installation License (LI).

Generation Combined Performance Analysis - Corporate Law (IFRS)

The figures below reflect the combined results of 100% of all the generation subsidiaries in which Alupar holds an interest, as presented in **Note 34** of the 3Q18 financial statements, under "Information by Segment".

Unlike in the transmission segment, the adoption of ICPC 01 has had no material effects on the corporate figures vis-à-vis the regulatory figures. Thus, the regulatory and corporate performance analyses are basically the same.

Key Indicators "CORPORATE LAW (IFRS)"						
R\$ MM	3Q18	3Q17	Var. %	9M18	9M17	Var. %
Net Revenue	152.4	134.9	13.0%	411.4	382.5	7.6%
Operating Costs	(22.6)	(20.7)	8.9%	(89.8)	(60.4)	48.5%
Depreciation / Amortization	(25.2)	(23.7)	6.3%	(72.0)	(69.1)	4.3%
Energy Purchase	(13.2)	(7.5)	76.5%	(63.6)	(56.2)	13.2%
Operating Expenses	(4.2)	5.7	-	(12.6)	(3.4)	-
EBITDA (CVM 527)	112.5	112.4	0.1%	245.5	262.4	(6.5%)
Ebitda Margin	73.8%	83.3%	(9.5 p.p)	59.7%	68.6%	(8.9 p.p)
Financial Result	(36.5)	(15.3)	-	(101.6)	(81.9)	24.0%
Net Income / Loss	41.8	54.1	(22.9%)	53.9	91.6	(41.2%)
Net Debt *	1,619.8	1,629.2	(0.6%)	1,619.8	1,629.2	(0.6%)
Net Debt / EBITDA **	3.6	3.6		4.9	4.7	

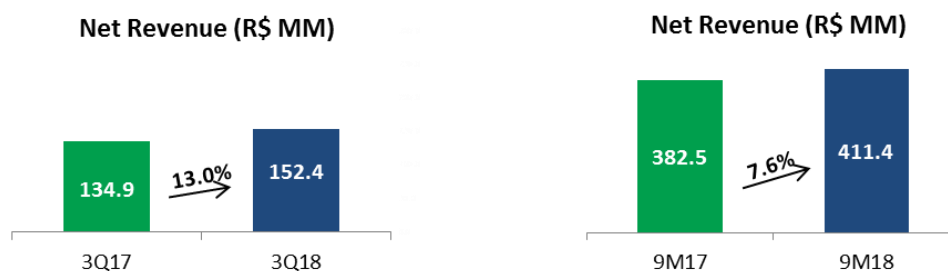
* Includes Securities under Non-Current Assets

** Annualized EBITDA

Net Revenue

Totaled R\$ 152.4 million in 3Q18, 13.0% up on the R\$ 134.9 million recorded in 3Q17.

This increase is due to: (a) increase of R\$ 18 million in turnover of Verde 8 SHPP, due the beginning of its commercial operation, of which: (i) R\$ 7.2 million are related to settlement in CCEE of the energy generated in 3Q18; (ii) R\$ 8.4 million relating to a SWAP operation, with delivery of 17,520 MWh of incentivized energy at the average price of R\$ 479.81 and; (iii) R\$ 2.4 million as a result of intercompany transactions; (b) R\$ 10.7 million increase in gross revenues of Ferreira Gomes HPP due to the seasonality strategy adopted in the period, mainly resulting from the sale of leftovers of the quarter, which totaled R\$ 22.5 million (20.6 MW of energy at a PLD of R\$ 494.95); (c) R\$ 4.5 million reduction in Morro Azul SHPP, as the cumulative values of 2Q17 and 3Q17 were accounted for in 3Q17, since there was no consolidation of the plant's figures in 2Q17, due to the change of ERP (management system); (d) reduction of R\$ 4.5 million in Queluz and Lavrinhas SHPPs since, over 2017 the results of the injunctions that protects the SHPPs against GSF were recognised in the income statements and from 2018 onwards they have been recognized in equity accounts, not being carried forward by the Companies' results; (e) readjustment of energy sale contracts, which are indexed for inflation (IPCA/IGP-M).



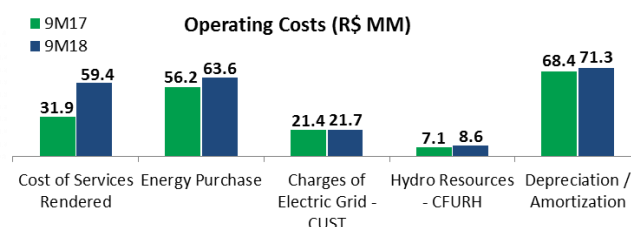
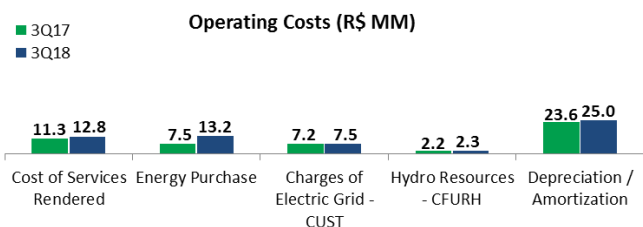
See below the breakdown of the revenue of the Generation companies:

REVENUES FROM GENERATORS / TRADING	Invoiced Energy (MWh)	Average Price (R\$/MWh)	Gross Revenue (R\$ million)
1. Long Term - Revenues of Bilateral Contracts	687.651	189.11	130.0
1.1 ACR (Long Term Contract)	460.849	154.33	71.1
1.2 ACL (Short Term Contract)	202.801	237.18	48.1
1.3 ACL (Short Term Contract) - Trading	24.000	449.75	10.8
1.4 - Others	-	-	-
2. SPOT / CCEE			31.8
3. Taxes (ICMS)			-
4. TOTAL GROSS GENERATION			161.9
5. TRADING			28.1
6. TOTAL GENERATION / TRADING			190.0
7. ELIMINATION			22.3
8. GENERATION CONSOLIDATED			167.7

Cost of Service

Totaled R\$ 60.7 million in 3Q18, against R\$ 51.8 million in 3Q17.

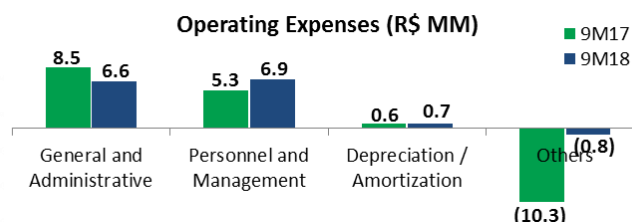
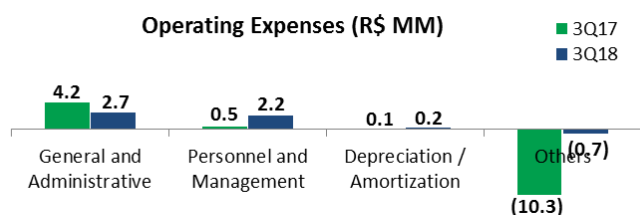
This change is explained mainly by: (a) increase of R\$ 1.5 million in the line **Cost of Services Rendered**, especially as a result of a: (i) R\$ 1.6 million increase in the Ferreira Gomes HPP, basically for the hiring of a risk insurance in December/17 and operating expenses with assistance and technical advice, and (ii) R\$ 0.4 million increase in Verde 8 SHPP due to its entry into commercial operation; (b) R\$ 5.7 million increase in **Energy Purchase**, chiefly influenced by the R\$ 8.1 million increase in Verde 8 SHPP, due to a SWAP operation, in which it was delivered 17,520 MWh of incentivized energy, totaling R\$ 8.4 million and the same amount was received in conventional energy, totaling R\$ 8.1 million; (c) increase of R\$ 0.3 million in the **Electric Grid Charges - CUST** line, resulting from the increase, in the same amount, in Verde 8 SHPP, due to its entry into commercial operation and; (d) increase of R\$ 1.4 million in the **Depreciation/Amortization** line, primarily, by the entry into commercial operation of Verde 8 SHPP, causing a R\$ 1.7 million impact.



Operating Expenses

Totaled R\$ 4.4 million in 3Q18, compared to R\$ (5.5) million in 3Q17.

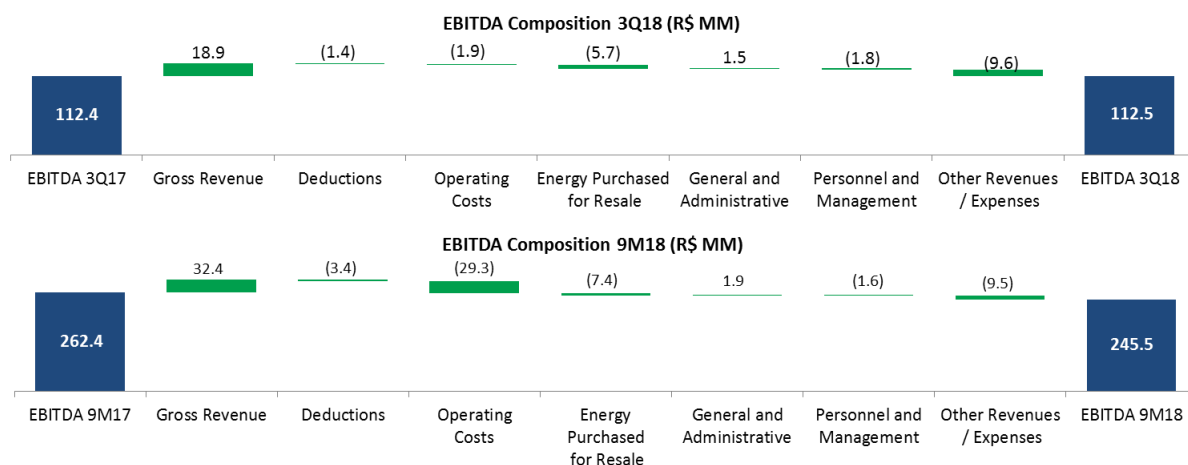
The **Administrative & General** account recorded a decrease of R\$ 1.5 million, mainly due to: (i) a reduction of R\$ 2.1 million in the Morro Azul SHPP, given that in 3Q17 expenses totaled R\$ 2.3 million, due to the reclassification of expenses from prior periods into this account and; (ii) an increase of R\$ 0.2 million in the Verde 8 SHPP, due to the commercial start-up of the asset. The **Personnel & Management** account showed an increase of R\$ 1.8 million, mainly because of the reversal of expenses incurred during the construction of the Morro Azul SHPP, due to the adoption of IFRS, with an impact of R\$ 1.1 million. The **Others** account presented an increase of R\$ 9.6 million, explained exclusively by the accounting of R\$ (10.3) million in 3Q17, due to the adoption of IFRS in the Morro Azul SHPP, capitalizing the expenses related to the implantation, incurred during its construction.



EBITDA and EBITDA Margin

In 3Q18, EBITDA amounted R\$ 112.5 million, in line with the R\$ 112.4 million registered in the 3Q17.

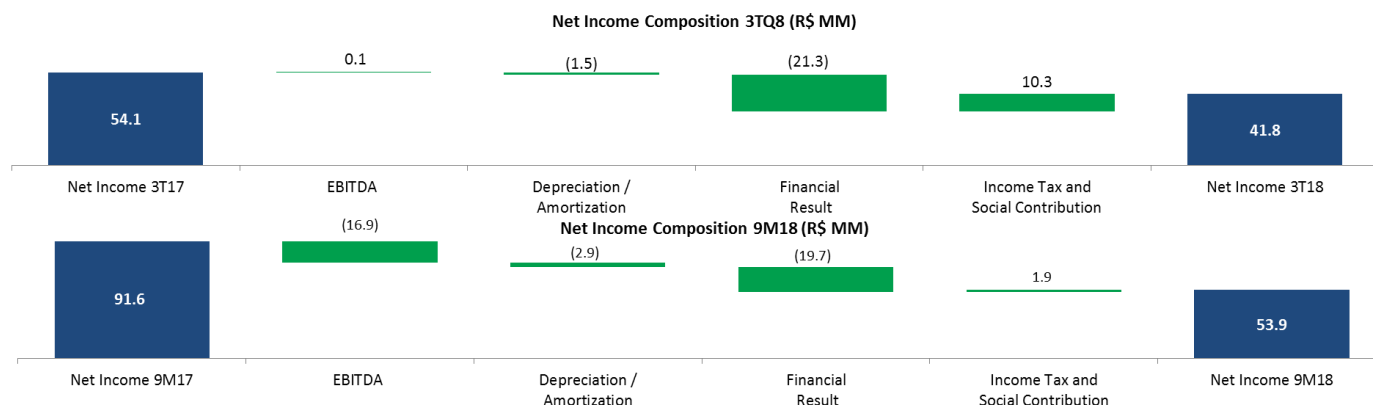
EBITDA was impacted mainly by: (a) a R\$ 18.9 million increase in **Gross Revenue**, due to: (i) an increase of R\$ 18 million in revenue of Verde 8 SHPP, given the beginning of its commercial operation; (ii) an increase of R\$ 10.7 million in the gross revenue of Ferreira Gomes HPP, in view of the seasonality strategy adopted in the period, mainly as a result of the sale of leftovers of the quarter, which totaled R\$ 22.5 million (20.6 MW of energy at a PLD of R\$ 494.95); (iii) reduction of R\$4.5 million in Morro Azul SHPP, as the cumulative values for 2Q17 and 3Q17 were accounted for in the 3Q17 due to the non-consolidation of the 2Q17 plant figures, by change of ERP (management system); (iv) R\$ 4.5 million reduction in Queluz and Lavrinhas SHPPs, resulting from the accounting of injunctions that protects the SHPPs against the GSF and; (v) the adjustment of energy sale contracts, which are indexed for inflation (IPCA/IGP-M); (b) an increase of R\$ 5.7 million in **Energy Purchased for Resale**, chiefly influenced by the increase of R\$ 8.1 million in Verde 8 SHPP, as a result of a SWAP operation, in which 17,520 MWh of incentivized energy was delivered, totaling R\$ 8.4 million, and the same amount in conventional energy was received, totaling R\$ 8.1 million; and (c) an increase of R\$ 9.6 million in **Others**, exclusively for the accounting of R\$ (10.3) million in the 3Q17 in the interest of the adoption of IFRS in Morro Azul SHPP, capitalizing the implementation costs incurred during its construction.



Net Income Generation

In 3Q18, the generation segment recorded an income of R\$ 41.8 million, against R\$ 54.1 million in 3Q17.

This result is explained by: (a) an increase of R\$ 21.3 million in the **Financial Result**, mainly as a result of the R\$ 18 million increase in financial expenses, explained by: (i) an increase of R\$ 1.9 million in Verde 8 SHPP, due to the start-up of its commercial operation; (ii) an increase of R\$ 12.9 million in Morro Azul SHPP, which recorded R\$ 1.8 million in this quarter against R\$ (11.1) million in 3Q17, due to the reversal of financial expenses on the basis of the adoption of IFRS, being the expenses incurred during the construction of the power plant capitalised and; (iii) increase of R\$ 1.9 million in La Virgen HPP, given the increase in the currency variation account and; (b) a R\$ 10.3 million reduction in **IR/CSLL**, explained by: (i) the R\$ 15 million reduction in Morro Azul SHPP, which recorded R\$ 1.1 million this quarter against R\$ 16.1 million in 3Q17, arising from the reversal of deferred income tax provision in relation to the loss recorded in 1Q17, reversed in 3Q17 and; (ii) the R\$ 4 million increase in Ferreira Gomes HPP, given that, due to the constitutive report of SUDAM, in Sep/17, a reversal was registered in this account in 3Q17.



Operational Indicators - Generation

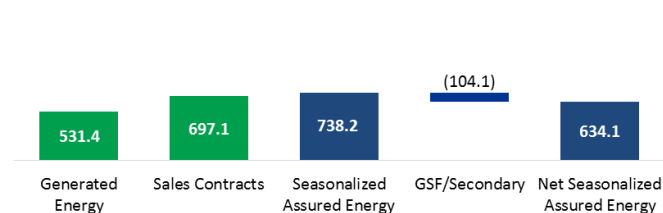
Availability was less than 100% because of the shutdowns for annual preventive maintenance of the equipment and contractual maintenance scheduled with the supplier.

The Company's energy balance, showing the impact of the GSF of 104.1 GWh in 3Q18, in addition to a negative exposure in the CCEE of 62.9 GWh, due to the seasonality strategy adopted by the Company.

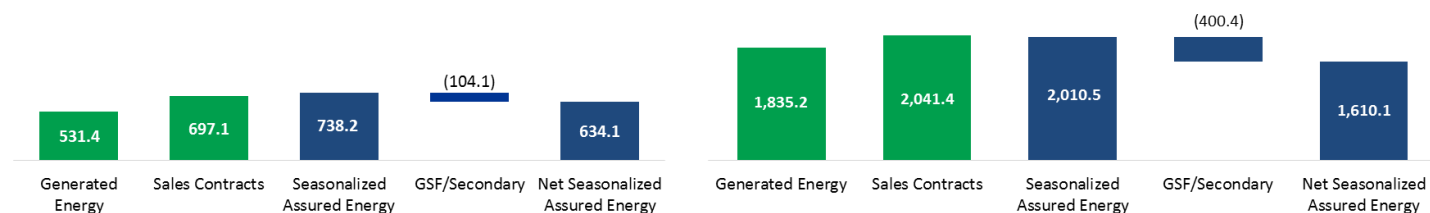
Generation Availability - 3Q18
Considering preventive maintenance



Energy Contracts x Generated Energy (GWh) - 3Q18



Energy Contracts x Generated Energy (GWh) - 9M18



Note: Consider allocation flat to SHPP Morro Azul and for the Energia dos Ventos Wind Farm

Trading

Alupar registered **revenue** of R\$ 28.1 million, compared to R\$ 54.7 million in 3Q17.

This revenue refers to: (a) the sale of 10.1 MW at the average price of R\$ 158.53, in the 15th Existing Energy Auction held on December 15, totaling R\$ 3.5 million; (b) the sale of energy to the market, totaling R\$ 9.0 million, of which: (i) R\$ 1.4 million are related to the sale of 3 MW at the average price of R\$ 209.67 and; (ii) R\$ 7.6 million are related to the sale of 18.4 MW at the average price of R\$ 188.84; (c) the sale of energy to the group's generation companies, totaling R\$ 3.3 million (6 MW at the average price of R\$ 248.25) and; (d) settlement in the CCEE's environment, totaling R\$ 12.3 million (11.3 MW at the average PLD of R\$ 494.65).

Purchases totaled R\$ 19.8 million in this quarter compared to R\$ 50.3 million in 3Q17.

Purchases refer to: (a) the purchase of 39.9 MW of Ferreira Gomes by Alupar trading company, totaling R\$ 16.6 million; (b) energy purchase operations in the market, totaling R\$ 4.7 million, of which: (i) R\$ 1.4 million are related to the purchase of 3 MW at an average price of R\$ 209.67 and; (ii) R\$ 3.3 million are related to the purchase of 6 MW at the average price of R\$ 248.25, to protect Alupar plants against the GSF and; (d) tax credits in the amount of R\$ 1.6 million.

This reduction of R\$ 30.5 million is mainly due to the purchase in 3Q17 of: (a) 50 MW in the NESA auction, no. 004/2017, at the amount of R\$ 180.50/MW, which totaled R\$ 19.9 million and; (b) 45 MW of the Alupar plants, due to the energy allocation strategy, impact of R\$ 15.5 million.

Eliminations

In 3Q18, the eliminations between intercompany operations totaled R\$ 22.3 million, as detailed below:

Companies		Amounts (Millions of R\$)	
Ferreira Gomes	↔	Alupar	R\$ 16.6
Alupar	↔	Queluz	R\$ 1.0
Alupar	↔	Lavrinhas	R\$ 1.0
Alupar	↔	Foz do Rio Claro	R\$ 0.7
Alupar	↔	Ijuí	R\$ 0.5
Verde 8	↔	Alupar	R\$ 0.5
Verde 8	↔	Foz do Rio Claro	R\$ 0.3
Verde 8	↔	Queluz	R\$ 0.9
Verde 8	↔	Lavrinhas	R\$ 0.8
Total			R\$ 22.3

3Q18 Consolidated Results – Generation

	Quarter Ended in 09/30/2018				
	Generation Combined	Trading	AF Energia + ACE	Eliminations Intercompany	Generation Consolidated
Gross Operating Revenue	161,865	28,106	2,867	(25,156)	167,682
Energy Supply	161,865	28,106	-	(22,289)	167,682
Regulatory consulting and advice	-	-	-	-	-
O&M Services	-	-	2,867	(2,867)	-
Deductions	(9,429)	(2,599)	(363)	-	(12,391)
PIS	(1,427)	(463)	(48)	-	(1,938)
COFINS	(6,582)	(2,136)	(218)	-	(8,936)
ICMS	-	-	-	-	-
ISS	-	-	(97)	-	(97)
IVA	(169)	-	-	-	(169)
Quota for Global Reversal Reserve - RGR	-	-	-	-	-
Research & Development - R & D	(365)	-	-	-	(365)
National Development Fund and Technological Development - FNDCT	(365)	-	-	-	(365)
Ministry of Mines and Energy - MME	(182)	-	-	-	(182)
Electricity services inspection fee - TFSEE	(339)	-	-	-	(339)
Net Operating Revenue	152,436	25,507	2,504	(25,156)	155,291
Cost of Services	(60,738)	(19,952)	(2,353)	25,156	(57,887)
Energy Purchase for Resale	(13,159)	(19,776)	-	22,289	(10,646)
Electric Grid Charges - CUST	(7,509)	-	-	-	(7,509)
Hydro Resources - CFURH	(2,264)	-	-	-	(2,264)
Cost of Services Rendered	(12,815)	(176)	(2,345)	2,867	(12,469)
Depreciation/Amortization	(24,859)	-	(8)	-	(24,867)
Use of Public Property - UBP	(132)	-	-	-	(132)
Gross Income	91,698	5,555	151	-	97,404
Expenses and Operating Revenues	(4,437)	-	(4)	-	(4,441)
General and Administrative	(2,699)	-	(3)	-	(2,702)
Personnel and Management	(238)	-	(1)	-	(239)
Equity Pickup	(2,228)	-	-	-	(2,228)
Depreciation/Amortization	-	-	-	-	-
Other Revenues	738	-	-	-	738
Other Expenses	(10)	-	-	-	(10)
EBIT	87,261	5,555	147	-	92,963
Depreciation/Amortization	(25,229)	-	(9)	-	(25,238)
EBITDA	112,490	5,555	156	-	118,201
Financial Expenses	(40,533)	-	(2)	-	(40,535)
Debt charges	(36,189)	-	-	-	(36,189)
Exchange rate variations	(2,869)	-	-	-	(2,869)
Others	(1,475)	-	(2)	-	(1,477)
Financial Revenues	4,008	-	9	-	4,017
Revenue from investments	3,538	-	9	-	3,547
Others	470	-	-	-	470
	(36,525)	-	7	-	(36,518)
EBT	50,736	5,555	154	-	56,445
Taxes	(8,974)	-	-	-	(8,974)
Income Tax	(2,811)	-	-	-	(2,811)
Social Contribution	(2,728)	-	-	-	(2,728)
Deferred Income Tax	(2,815)	-	-	-	(2,815)
Deferred Social Contribution	(620)	-	-	-	(620)
Consolidated Net Income	41,762	5,555	154	-	47,471
Non - Controlling Participation					(5,929)
Alupar Net Income					41,542

9M18 Consolidated Results – Generation

	Period Ended in 09/30/2018				Generation Consolidated
	Generation Combined	Trading	AF Energia + ACE	Eliminations Intercompany	
Gross Operating Revenue	440,419	62,327	8,168	(74,273)	436,641
Energy Supply	440,419	62,327	-	(66,105)	436,641
Regulatory consulting and advice	-	-	-	-	-
O&M Services	-	-	8,168	(8,168)	-
Deductions	(29,011)	(5,814)	(1,046)	-	(35,871)
PIS	(4,432)	(1,028)	(135)	-	(5,595)
COFINS	(20,428)	(4,786)	(621)	-	(25,835)
ICMS	-	-	-	-	-
ISS	-	-	(290)	-	(290)
IVA	(515)	-	-	-	(515)
Quota for Global Reversal Reserve - RGR	-	-	-	-	-
Research & Development - R & D	(1,042)	-	-	-	(1,042)
National Development Fund and Technological Development - FNDCT	(1,042)	-	-	-	(1,042)
Ministry of Mines and Energy - MME	(521)	-	-	-	(521)
Electricity services inspection fee - TFSEE	(1,031)	-	-	-	(1,031)
Net Operating Revenue	411,408	56,513	7,122	(74,273)	400,770
Cost of Services	(224,671)	(56,881)	(8,276)	74,273	(215,555)
Energy Purchase for Resale	(63,599)	(56,351)	-	66,105	(53,845)
Electric Grid Charges - CUST	(21,692)	-	-	-	(21,692)
Hydro Resources - CFURH	(8,647)	-	-	-	(8,647)
Cost of Services Rendered	(59,414)	(530)	(8,254)	8,168	(60,030)
Depreciation/Amortization	(70,924)	-	(22)	-	(70,946)
Use of Public Property - UBP	(395)	-	-	-	(395)
Gross Income	186,737	(368)	(1,154)	-	185,215
Expenses and Operating Revenues	(13,271)	-	(9)	-	(13,280)
General and Administrative	(6,553)	-	(6)	-	(6,559)
Personnel and Management	(683)	-	(3)	-	(686)
Equity Pickup	(6,850)	-	-	-	(6,850)
Depreciation/Amortization	-	-	-	-	-
Other Revenues	848	-	-	-	848
Other Expenses	(33)	-	-	-	(33)
EBIT	173,466	(368)	(1,163)	-	171,935
Depreciation/Amortization	(72,002)	-	(25)	-	(72,027)
EBITDA	245,468	(368)	(1,138)	-	243,962
Financial Expenses	(112,341)	-	(5)	-	(112,346)
Debt charges	(100,587)	-	-	-	(100,587)
Exchange rate variations	(5,654)	-	-	-	(5,654)
Others	(6,100)	-	(5)	-	(6,105)
Financial Revenues	10,757	-	26	-	10,783
Revenue from investments	10,037	-	26	-	10,063
Others	720	-	-	-	720
	(101,584)	-	21	-	(101,563)
EBT	71,882	(368)	(1,142)	-	70,372
Taxes	(17,971)	-	-	-	(17,971)
Income Tax	(6,944)	-	-	-	(6,944)
Social Contribution	(5,075)	-	-	-	(5,075)
Deferred Income Tax	(5,207)	-	-	-	(5,207)
Deferred Social Contribution	(745)	-	-	-	(745)
Consolidated Net Income	53,911	(368)	(1,142)	-	52,401
Non - Controlling Participation					(7,263)
Alupar Net Income					45,138



Projects in Progress:

Generation Companies	Installed Capacity (MW)	Assured Energy (MW)	Estimated Investments (million)	Investments Made (million)	Estimated Start-up (Regulatory)	Estimated Start-up (Management)
Antônio Dias	23.0	11.9	R\$ 166.8 ⁽¹⁾	R\$ 7.7	2018	-
La Virgen	84.0	49.3	US\$ 145.0 ⁽²⁾	US\$ 143.3 ⁽³⁾	N/A	2019

⁽¹⁾ Investment forecast by the area of implementation at the project's base date updated by IPCA up to June 2018.
⁽²⁾ Investment foreseen by the area of deployment, base June 2018.
⁽³⁾ Considering US\$ 1.0 = R\$ 4.0 (Base Sep 28, 2018)

La Virgen: La Virgen is an SPC established to implement the HPP La Virgen, with an installed capacity of 84.0 MW and assured energy of 49.3 MW, located in the province of Chanchamayo, Peru, to be developed in accordance with Generation Concession Agreement 253-2005 of October 7, 2005 and the Transmission Concession Agreement 313-2008 of June 11, 2008, entered into with the Ministry of Mines and Energy. In 3Q18, tunnel reinforcement work continued, together with detailed studies throughout the structure, to avoid further water leakage. The electromechanical equipment of the plant is assembled with the dry tests already carried out.

Água Limpa: Água Limpa is an SPE established to develop and implement the SHPP Antônio Dias, located in the city of Antônio Dias, in the State of Minas Gerais, with an installed capacity of 23.0 MW and assured energy of 11.4 MW. We emphasize that the construction of this project has not yet begun.

Analysis of Consolidated Income

Net Operating Revenue - IFRS

Alupar and its subsidiaries recorded an Adjusted Net Revenue of R\$ 406.0 million in 3Q18, 5.2% higher than the R\$ 386.0 million recorded in 3Q17. When analyzing the Company's Net Revenue, it is verified that in 3Q18 it totaled R\$ 474.1 million, 20.9% higher than the R\$ 392.1 million registered in 3Q17. However, this increase in Net Revenue, which is higher than the increase in Adjusted Net Revenue, is exclusively due to the fact that, in accordance with IFRS standards, the total investment volume (Capex) made by our transmission companies are recorded as revenue. On the other hand, since these are investments and have no effect on the Company's results, the same amount of revenue is excluded in the Cost - Infrastructure Cost. We disregarded this effect on the Company's revenues for analytical reasons, as detailed below:

Adjusted Net Revenue (R\$ MM)						
	3Q18	3Q17	Var. %	9M18	9M17	Var. %
Energy Transmission Revenue	30.3	25.7	17.8%	87.6	83.6	4.8%
Infrastructure Revenue	68.0	6.1	-	120.5	24.2	-
Remuneration of Concession Assets	242.9	234.8	3.5%	711.9	722.2	(1.4%)
Energy Supply	167.7	162.4	3.3%	436.6	425.9	2.5%
Gross Revenue	508.9	429.0	18.6%	1,356.6	1,255.9	8.0%
Deductions	34.8	36.9	(5.7%)	106.6	113.9	(6.5%)
Net Revenue	474.1	392.1	20.9%	1,250.0	1,142.0	9.5%
Exclusion of Infrastructure Revenue	68.0	6.1	-	120.5	24.2	-
Adjusted Gross Revenue	440.9	422.9	4.3%	1,236.1	1,231.7	0.4%
Adjusted Net Revenue	406.0	386.0	5.2%	1,129.6	1,117.8	1.1%

The change in **Adjusted Net Revenue** is mainly explained by:

R\$ 8.1 million increase in the **Remuneration Income from the Concession Asset**, due to the investments made in transmission projects in Brazil (ETAP, ETC, TPE, TCC, ESTE, TSM and EDTE), which increased this account by R\$ 7.7 million. For more information, please refer to note 9 "Financial Assets of the Concession".

Increase of R\$ 4.6 million in **Energy Transmission Revenue**, especially due to the increase of R\$ 2.7 million and R\$ 0.6 million in ENTE and STN transmitters, respectively, due to the reduction of R\$ 3.6 million in the Variable Portion - PV. For more information on changes in the generation revenue, please refer to the "Transmission Segment" section.

Increase of R\$ 5.3 million in **Energy Supply Revenue**, due to: (a) a R\$ 18.9 million increase in the **combined revenues of the generators**, mainly resulting from: (i) an increase of R\$ 18.0 million in revenues of Verde 8 SHPP, given the beginning of its commercial operation; (ii) an increase of R\$ 10.7 million in the gross revenue of the Ferreira Gomes HPP, due to the seasonality strategy adopted in the period; (iii) a reduction of R\$ 4.5 million in the Morro Azul SHPP, given that the accumulated figures for 2Q17 and 3Q17 were recorded in 3Q17, due to the non-consolidation of the 2Q17 plant figures because of a change in ERP (management system); (iv) a reduction of R\$ 4.5 million in the Queluz and Lavrinhas SHPPs given that, in 2017, the results of injunctions that protects the SHPPs against the GSF were recognized in the income statements and in 2018 they are recognized in equity accounts, not going through the results of the Companies and; (v) readjustment of energy sales contracts, which are inflation-indexed (IPCA/IGP-M); (b) on the other hand, there were reductions of: (i) R\$ 26.6 million in **revenues from the trading company**, which registered R\$ 28.1 million in this quarter against R\$ 54.7 million in 3Q17; (ii) R\$ 13.0 million in **eliminations**, due to lower intercompany operations. For more information on changes in the generation revenue, please refer to the "Generation Segment" section.

Net Revenue totaled R\$ 474.1 million in 3Q18, 20.9% higher than the R\$ 392.1 million reported in 3Q17. This variation is explained, in addition to the aforementioned factors, by the increase of R\$ 61.9 million in **Infrastructure Revenue**, due to the R\$ 62.5 million increase in the transmission companies being implemented in Brazil (ETAP, ETC, TPE, TCC, ESTE, EDTE and TSM), arising from the 2016 and 2017 auctions. For more information on the changes in Infrastructure Revenue (CAPEX), please see the "Investments" section below.

Cost of Services- IFRS

In 3Q18, Cost of Services totaled R\$ 146.4 million, compared to R\$ 94.7 million in 3Q17.

This variation is due to: (a) an increase of R\$ 1.4 million in the **Depreciation/Amortization account**, primarily by the entry into commercial operation of Verde 8 SHPP, which represented a R\$ 1.7 million impact; (b) a reduction of R\$ 11.8 million in **Energy Purchased for Resale**, arising from: (i) the increase of R\$ 5.7 million in the **combined cost of generators**, due to the increase of R\$ 8.1 million in Verde 8 SHPP, on the grounds of a SWAP operation; (ii) on the other hand were recorded reductions of: (ii.a) R\$ 30.5 million in the **trading company's costs**, which recorded R\$ 19.8 million this quarter, compared to R\$ 50.3 million registered in 3Q17 and; (ii. b) R\$ 13 million in **eliminations** due to smaller intercompany operations. For more information please check the "Generation Segment" section and; (c) an increase of R\$ 61.9 million in **Infrastructure Costs**, due to the increase of R\$ 62.5 million in transmission companies in Brazil (ETAP, ETC, TPE, TCC, ESTE, EDTE and TSM), originating from of the 2016 and 2017 auctions. For more information on the changes in Infrastructure Costs (CAPEX), please see the "Investments" section below.

Cash cost, excluding infrastructure costs (Capex) and depreciation/amortization, totaled R\$ 53.3 million (13.1% of Adjusted Net Revenue), 18.0% lower than the R\$ 65.0 million (16.8% of Adjusted Net Revenue) recorded in 3Q17.

Cost of Services R\$ (MM)						
Cost of Services	3Q18	3Q17	Var.%	9M18	9M17	Var.%
Cost of Services Rendered	32.9	33.1	(0.5%)	119.2	92.3	29.1%
Energy Purchased for Resale	10.6	22.5	(52.7%)	53.8	79.9	(32.6%)
Charges of Electric Grid - CUST	7.5	7.2	4.2%	21.7	21.4	1.1%
Hydro Resources - CFURH	2.3	2.2	1.2%	8.6	7.1	21.6%
Infrastructure Cost	68.0	6.1	-	120.5	24.2	-
Depreciation / Amortization	25.0	23.6	5.9%	71.3	68.5	4.2%
Total	146.4	94.7	54.5%	395.2	293.4	34.7%

Operating Expenses - IFRS

In 3Q18, Operating Expenses totaled R\$ 12.5 million, compared to R\$ 8.1 million in 3Q17.

The variation on this account is due to: (a) R\$ 2.2 million increase in the **Personnel and Management account**, mainly by: (i) an increase of R\$ 0.2 million in EATE related to severance indemnities; (ii) increase of R\$ 0.1 million in TCE and R\$ 0.2 million in Alupar Colombia - Holding, due to the implementation of the transmission asset; (iii) increase of R\$ 1.1 million in Morro Azul SHPP, due to the reversal, in 3Q17, of the costs incurred during construction, as a result of the adoption of IFRS; (b) an increase of R\$ 7.6 million in the **Equity Pickup** line, given that the amount recorded in 3Q17 of R\$ 0.9 million was impacted by a reversal of dividends from the transmitters, provisioned from prior periods and; (c) increase of R\$ 9.7 million in the **Others** account, basically by: (i) R\$ 10.2 million increase in Morro Azul SHPP, as in 3Q17 was registered R\$ (10.3) million due to the reversal of the costs incurred during construction, which were capitalised in view of the adoption of IFRS and; (ii) a reduction of R\$ 0.4 million in STN, due to the accounting of an additional revenue, in the same amount, resulting from a sectioning in the transmission line.

Despesas Operacionais R\$ (MM)						
Operating Expenses	3Q18	3Q17	Var.%	9M18	9M17	Var.%
General and Administrative	8.2	8.4	(2.2%)	22.2	24.6	(9.5%)
Personnel and Management	12.0	9.8	22.4%	40.9	36.0	13.4%
Equity Pickup	(8.5)	(0.9)	-	(23.8)	(15.8)	50.7%
Others	(0.7)	(10.3)	(93.5%)	(6.0)	(10.1)	(39.9%)
Depreciation / Amortization	1.4	1.1	24.5%	4.2	3.6	14.5%
Total	12.5	8.1	53.7%	37.5	38.4	(2.5%)



EBITDA - IFRS

In 3Q18, EBITDA totaled R\$ 341.6 million, R\$ 27.7 million or 8.8% higher than the R\$ 314.0 million recorded in 3Q17.

Adjusted EBITDA margin reached 84.1%, 2.8 p.p. higher than the 81.3% recorded in 3Q17.

The change in EBITDA is due to: (a) increase of R\$ 20.0 million in **Adjusted Net Revenue**, mainly as a result of: (i) a R\$ 12.7 million increase in **Energy Transmission Revenue Segment**, basically, on the basis of: (i.a) an increase of R\$ 8.1 million in **Revenue from Remuneration of Concession Asset**, as a result of investments made in transmission projects under implementation in Brazil (ETAP, ETC, TPE, TCC, ESTE, TSM and EDTE) and; (i.b) an increase of R\$ 4.6 million in **Energy Transmission Revenue**, mainly due to the reduction of the Variable Portion – PV in ENTE and STN transmitters; (ii) a R\$ 5.3 million growth in **Energy Supply** revenue, as previously detailed in the section "Net Operating Revenue – IFRS"; (b) reduction of R\$ 11.8 million in **Energy Purchase**, due to: (i) increase of R\$ 5.7 million in the **generations combined costs**; (ii) reduction of R\$ 30.5 million in the **trading company's costs** and, (iii) reduction of R\$ 13.0 million in the **eliminations**, as detailed in the section "Generation Segment"; (c) growth of R\$ 9.7 million the **Others** account, arising from the: (i) increase of R\$ 10.2 million on Morro Azul SHPP, due to the reversal, in 3Q17, of the costs incurred during construction by the adoption of IFRS; (ii) reduction of R\$ 0.4 million in the STN transmitter, due to the accounting of an additional revenue, in the same amount, due to a sectioning in the transmission line and; (d) an increase of R\$ 7.6 million in the **Equity Pickup** line, given that the amount recorded in 3Q17 of R\$ 0.9 million was impacted by a reversal of dividends from transmitters, provisioned from prior periods.

EBITDA - IFRS (R\$ MM)						
	3Q18	3Q17	Var.%	9M18	9M17	Var.%
Adjusted Net Revenue	406.0	386.0	5.2%	1,129.6	1,117.8	1.1%
Adjusted Operating Costs	(42.7)	(42.5)	0.4%	(149.5)	(120.9)	23.7%
Energy Purchase	(10.6)	(22.5)	(52.7%)	(53.8)	(79.9)	(32.6%)
Operating Expenses	(19.5)	(7.9)	-	(57.0)	(50.5)	12.9%
Equity Pickup	8.5	0.9	-	23.8	15.8	50.7%
EBITDA	341.6	314.0	8.8%	892.9	882.3	1.2%
Adjusted EBITDA Margin	84.1%	81.3%	2.8 p.p	79.1%	78.9%	0.2 p.p

The EBITDA structure is as follows:



EBITDA - Regulatory

In 3Q18, EBITDA totaled R\$ 346.8 million, compared to R\$ 351.8 million in 3Q17.

EBITDA margin reached 84.3%, 1.4 p.p. higher than the 82.9% registered in the same period of the previous year.

The main variation in Regulatory EBITDA, when compared to EBITDA - IFRS, refers to the revenue line. While in the corporate figures an increase of R\$ 20.0 million in adjusted net revenue was recorded, as previously explained in the analysis of "Net Operating Revenue - IFRS", in regulatory figures there was a reduction of R\$ 13.0 million in revenue. This change was exclusively in revenue from the transmission segment, which posted an increase of R\$ 12.7 million in corporate figures, as opposed to a reduction of R\$ 20.4 million in regulatory figures.

The reduction of R\$ 20.4 million in **Energy Transmission Revenue** is mainly due to the: (i) reduction of R\$ 32.4 million in revenues from EATE and ETEP transmitters, as a result of the 50% cliff in the Annual Revenue Allowed - RAP for the 2018/2019 cycle, due to the 15-year anniversary of their entry into operation (EATE: Mar/18, ETEP: Aug/17); (ii) an increase of R\$ 12.0 million in the revenues of other transmission companies, impacted by the readjustment of the RAPs, according to Ratifying Resolution No. 2,408 of June 26, 2018, which established an adjustment of 2.85% for IPCA-indexed contracts and 4.27% for contracts indexed by IGP-M.

EBITDA Regulatory (R\$ MM)						
	3Q18	3Q17	Var.%	9M18	9M17	Var.%
Net Revenue	411.4	424.4	(3.1%)	1,214.7	1,281.7	(5.2%)
Operating Costs	(41.1)	(41.9)	(2.0%)	(145.0)	(118.1)	22.8%
Energy Purchase	(10.6)	(22.5)	(52.7%)	(53.8)	(79.9)	(32.6%)
Operating Expenses	(19.5)	(7.8)	-	(57.0)	(50.5)	12.9%
Equity Pickup	6.6	(0.4)	-	18.7	11.2	66.6%
EBITDA	346.8	351.8	(1.4%)	977.6	1,044.5	(6.4%)
EBITDA Margin	84.3%	82.9%	1.4 p.p	80.5%	81.5%	(1.0 p.p)

The EBITDA structure is as follows:



Financial Results

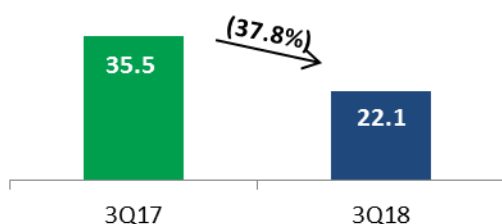
Totaling R\$ (75.3) million in 3Q18, against R\$ (41.2) million Y-o-Y.

This change in the financial result is due to:

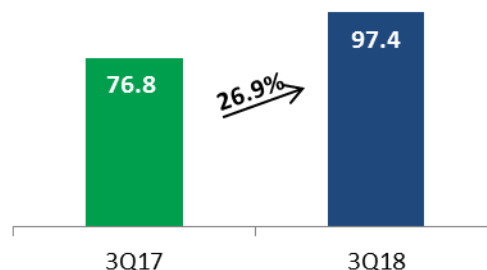
(a) R\$ 20.7 million increase in financial expenses resulting from: (i) increase of R\$ 1.9 million in Verde 8 SHPP given its entry into commercial operation; (ii) a R\$ 12.9 million increase in Morro Azul SHPP, which recorded R\$ 1.8 million in this quarter against R\$ (11.1) million in 3Q17, due to the reversal of financial expenses relating to the adoption of IFRS, being capitalized the costs related to the implementation, incurred during the construction of the plant; (iii) a R\$ 1.9 million increase in La Virgen HPP, due to the growth in the currency variation account; (iv) increase of R\$ 6.2 million in Alupar - Holding, mainly by the increase in the national consumer price index ("IPCA"), which affects 100% of the Holding Company's debt, registering 2.75% in the 3Q18, compared to -0.15% in 3Q17.

(b) a reduction of R\$ 13.4 million in financial revenues, mainly as a result of the reduction in the average rate of interbank deposits ("CDI"), which recorded 0.72% in 3Q18, compared to 0.59% accumulated in 3Q17, impacting financial investments, mainly in Alupar - Holding, which decreased by R\$ 8.8 million.

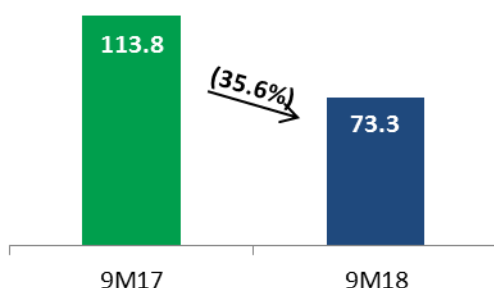
Financial Revenue (R\$ MM)



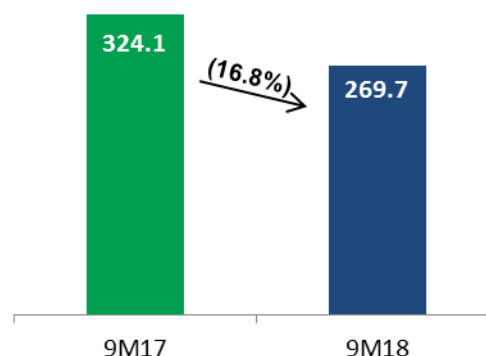
Financial Expenses (R\$ MM)



Financial Revenue (R\$ MM)



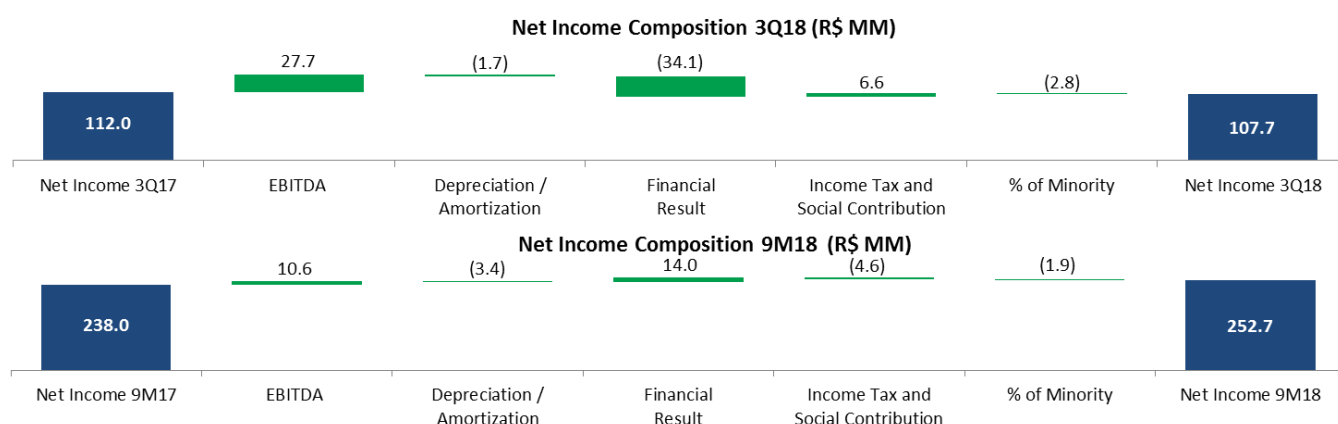
Financial Expenses (R\$ MM)



Net Income - IFRS

In 3Q18, Net Income totaled R\$ 107.7 million, against R\$ 112.0 million in 3Q17.

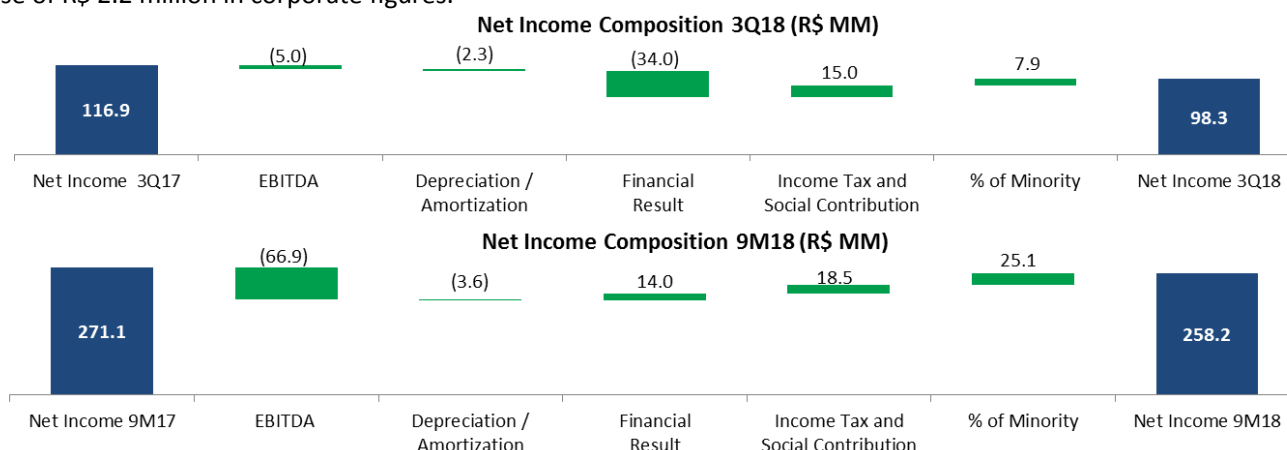
This variation is the result of: (a) increase of R\$ 27.7 million in EBITDA, mainly explained by the: (i) increase of R\$ 12.7 million in the transmission segment revenue; (ii) increase of R\$ 5.3 million in the generation segment revenue, as previously detailed in the section "Net Operating Revenue – IFRS"; (b) reduction of R\$ 34.1 million in the Financial Results, as explained earlier; (c) reduction R\$ 6.6 million in **IRPJ/CSLL**, of which: (i) R\$ 15 million reduction in Morro Azul SHPP arising from the reversal of deferred tax provision in relation to the loss recorded in 1Q17, reversed in 3Q17; (ii) increase of R\$ 4 million in Ferreira Gomes HPP, given that, as a result of the constitutional report of SUDAM, on September 17, a reversal was recorded in this account in 3Q17 and; (iii) increase of R\$ 3.3 million for the accounting of deferred IRPJ/CSLL relating to the projects under implementation (ETAP, ETC, TPE, TCC, ESTE, TSM and EDTE) and; (d) increase of R\$ 2.8 million in the **% Minority**, mainly due to the increase in income of EATE, ENTE and STN transmitters, which presented together a R\$ 4 million increase in this account.



Net Income - Regulatory

In 3Q18, net income totaled R\$ 98.3 million, compared to R\$ 116.9 million in 3Q17.

The changes in regulatory income, when compared to the Income - IFRS, mainly occur in **EBITDA**, **IRPJ/CSLL** and **% of Minority**. In the **EBITDA** line, there was a reduction of R\$ 5.0 million, while in corporate figures there was an increase of R\$ 27.7 million, as detailed earlier in the section "EBITDA - Regulatory". Regarding **IRPJ/CSLL**, while in corporate figures a reduction of R\$ 6.6 million was registered, in regulatory figures there was a reduction of R\$ 15.0 million. This change is explained exclusively in the transmission segment, which showed a reduction of R\$ 4.7 million in consolidated regulatory figures, as a result of the reduction in EATE and ETEP results, due to the 50% fall in RAP for the 2018 cycle/19 and an expense account recorded an increase of R\$ 3.7 million in consolidated figures in IFRS, exclusively for the accounting of deferred IRPJ/CSLL for the projects being implemented (ETAP, ETC, TPE, TCC, ESTE, TSM and EDTE). In **% of Minority**, there was a reduction of R\$ 7.9 million in regulatory figures, compared to an increase of R\$ 2.8 million in the corporate ones. This change is mainly due to the variation in the results of the EATE and ETEP transmitters, which together showed a reduction of R\$ 9.6 million in regulatory figures, compared to an increase of R\$ 2.2 million in corporate figures.



Consolidation of Results – IFRS

	Quarter Ended in 09/30/2018					Period Ended in 09/30/2018				
	Transmission Consolidated	Generation Consolidated	Holding Alupar	Holding Windpar / Transminas / Alupar Peru and Colombia	Consolidated	Transmission Consolidated	Generation Consolidated	Holding Alupar	Holding Windpar / Transminas / Alupar Peru and Colombia	Consolidated
Gross Operating Revenue	341,225	167,682			508,907	919,937	436,641			1,356,578
Energy Transmission Revenue	31,369				31,369	91,096				91,096
Infrastructure Revenue	68,028				68,028	120,465				120,465
Concession Asset Remuneration	242,887				242,887	711,853				711,853
Energy Supply		167,682			167,682		436,641			436,641
(-) Variable Portion	(1,059)				(1,059)	(3,477)				(3,477)
Deductions	(22,456)	(12,391)			(34,847)	(70,688)	(35,871)			(106,559)
PIS	(2,224)	(1,938)			(4,162)	(6,668)	(5,595)			(12,263)
COFINS	(9,442)	(8,936)			(18,378)	(29,586)	(25,835)			(55,421)
ICMS		-			-		-			-
ISS		(97)			(97)		(290)			(290)
IVA		(169)			(169)		(515)			(515)
Quota for Global Reversal Reserve - RGR	(7,238)	-			(7,238)	(22,857)	-			(22,857)
Research & Development - R&D	(974)	(365)			(1,339)	(3,244)	(1,042)			(4,286)
National Develop. Fund and Tech. Develop - FNDCT	(973)	(365)			(1,338)	(3,215)	(1,042)			(4,257)
Ministry of Mines and Energy - MME	(490)	(182)			(672)	(1,582)	(521)			(2,103)
Electricity services inspection fee - TFSEE	(1,115)	(339)			(1,454)	(3,536)	(1,031)			(4,567)
Net Operating Revenue	318,769	155,291			474,060	849,249	400,770			1,250,019
Cost of Services	(88,470)	(57,887)			(146,357)	(179,598)	(215,555)			(395,153)
Energy Purchase for Resale		(10,646)			(10,646)		(53,845)			(53,845)
Electric Grid Charges - CUST		(7,509)			(7,509)		(21,692)			(21,692)
Hydro Resources - CFURH		(2,264)			(2,264)		(8,647)			(8,647)
Cost of Services Rendered	(20,441)	(12,469)			(32,910)	(59,130)	(60,030)			(119,160)
Infrastructure Cost	(68,028)				(68,028)	(120,465)				(120,465)
Depreciation/Amortization	(1)	(24,867)			(24,868)	(3)	(70,946)			(70,949)
Use of Public Property - UBP	-	(132)			(132)	-	(395)			(395)
Gross Income	230,299	97,404	-	-	327,703	669,651	185,215	-	-	854,866
Expenses and Operating Revenues	(527)	(4,441)	(5,254)	(2,268)	(12,490)	(4,613)	(13,280)	(15,780)	(3,788)	(37,461)
General and Administrative	(3,015)	(2,702)	(1,327)	(1,190)	(8,234)	(8,607)	(6,559)	(4,814)	(2,246)	(22,226)
Personnel and Management	(5,620)	(2,228)	(3,956)	(173)	(11,977)	(17,887)	(6,850)	(15,771)	(349)	(40,857)
Equity Pickup	8,464				8,464	23,757				23,757
Depreciation/Amortization	(720)	(239)	(305)	(156)	(1,420)	(2,129)	(686)	(914)	(444)	(4,173)
Other Revenues	362	738	988	-	2,088	365	848	6,585	-	7,798
Other Expenses	2	(10)	(654)	(749)	(1,411)	(112)	(33)	(866)	(749)	(1,760)
EBIT	229,772	92,963	(5,254)	(2,268)	315,213	665,038	171,935	(15,780)	(3,788)	817,405
Depreciation/Amortization	(721)	(25,238)	(305)	(156)	(26,420)	(2,132)	(72,027)	(914)	(444)	(75,517)
EBITDA	230,493	118,201	(4,949)	(2,112)	341,633	667,170	243,962	(14,866)	(3,344)	892,922
Financial Expenses	(28,631)	(40,535)	(22,753)	(5,497)	(97,416)	(81,896)	(112,346)	(61,126)	(14,286)	(269,654)
Debt charges	(25,296)	(36,189)	(22,431)	1,422	(82,494)	(75,970)	(100,587)	(60,476)	(7,104)	(244,137)
Exchange rate variations	(26)	(2,869)	6	(1,814)	(4,703)	314	(5,654)	50	(1,814)	(7,104)
Others	(3,309)	(1,477)	(328)	(5,105)	(10,219)	(6,240)	(6,105)	(700)	(5,368)	(18,413)
Financial Revenues	5,611	4,017	11,941	546	22,115	14,044	10,783	46,737	1,744	73,308
Revenue from investments	5,165	3,547	11,491	434	20,637	12,851	10,063	35,891	1,638	60,443
Others	446	470	450	112	1,478	1,193	720	10,846	106	12,865
EBT	206,752	56,445	(16,066)	(7,219)	239,912	597,186	70,372	(30,169)	(16,330)	621,059
Taxes	(29,393)	(8,974)	-	(148)	(38,515)	(87,384)	(17,971)	-	(438)	(105,793)
Income Tax	(9,579)	(2,811)		(107)	(12,497)	(32,180)	(6,944)		(317)	(39,441)
Social Contribution	(11,089)	(2,728)		(41)	(13,858)	(36,803)	(5,075)		(121)	(41,999)
Deferred Income Tax	(6,276)	(2,815)		-	(9,091)	(13,679)	(5,207)		-	(18,886)
Deferred Social Contribution	(2,449)	(620)		-	(3,069)	(4,722)	(745)		-	(5,467)
Consolidated Net Income	177,359	47,471	(16,066)	(7,367)	201,397	509,802	52,401	(30,169)	(16,768)	515,266
Non - Controlling Participation					(93,671)					(262,580)
Alupar Net Income					107,726					252,686

Consolidation of Results - Regulatory

	Quarter Ended in 09/30/2018					Period Ended in 09/30/2018				
	Transmission Consolidated	Generation Consolidated	Holding Alupar	Holding Windpar / Transminas / Alupar Peru and Colombia	Consolidated	Transmission Consolidated	Generation Consolidated	Holding Alupar	Holding Windpar / Transminas / Alupar Peru and Colombia	Consolidated
Gross Operating Revenue	278,587	167,682			446,269	884,632	436,641			1,321,273
Energy Transmission Revenue	279,566				279,566	888,005				888,005
(-) Variable Portion	(979)				(979)	(3,373)				(3,373)
Energy Supply		167,682			167,682		436,641			436,641
Deductions	(22,456)	(12,391)			(34,847)	(70,688)	(35,871)			(106,559)
PIS	(2,224)	(1,938)			(4,162)	(6,668)	(5,595)			(12,263)
COFINS	(9,442)	(8,936)			(18,378)	(29,586)	(25,835)			(55,421)
ICMS		-			-		-			-
ISS		(97)			(97)		(290)			(290)
IVA		(169)			(169)		(515)			(515)
Quota for Global Reversal Reserve - RGR	(7,238)	-			(7,238)	(22,857)	-			(22,857)
Research & Development - R&D	(974)	(365)			(1,339)	(3,244)	(1,042)			(4,286)
National Develop. Fund and Tech. Develop - FNDCT	(973)	(365)			(1,338)	(3,215)	(1,042)			(4,257)
Ministry of Mines and Energy - MME	(490)	(182)			(672)	(1,582)	(521)			(2,103)
Electricity services inspection fee - TFSEE	(1,115)	(339)			(1,454)	(3,536)	(1,031)			(4,567)
Net Operating Revenue	256,131	155,291			411,422	813,944	400,770			1,214,714
Cost of Services	(47,438)	(57,887)			(105,325)	(139,353)	(215,555)			(354,908)
Energy Purchase for Resale		(10,646)			(10,646)		(53,845)			(53,845)
Electric Grid Charges - CUST		(7,509)			(7,509)		(21,692)			(21,692)
Hydro Resources - CFURH		(2,264)			(2,264)		(8,647)			(8,647)
Cost of Services Rendered	(18,828)	(12,469)			(31,297)	(54,619)	(60,030)			(114,649)
Depreciation/Amortization	(28,610)	(24,867)			(53,477)	(84,734)	(70,946)			(155,680)
Use of Public Property - UBP	-	(132)			(132)	-	(395)			(395)
Gross Income	208,693	97,404	-	-	306,097	674,591	185,215	-	-	859,806
Expenses and Operating Revenues	(2,510)	(4,441)	(5,254)	(2,272)	(14,477)	(9,995)	(13,280)	(15,780)	(3,788)	(42,843)
General and Administrative	(3,015)	(2,702)	(1,327)	(1,194)	(8,238)	(8,607)	(6,559)	(4,814)	(2,246)	(22,226)
Personnel and Management	(5,613)	(2,228)	(3,956)	(173)	(11,970)	(17,880)	(6,850)	(15,771)	(349)	(40,850)
Equity Pickup	6,606				6,606	18,721				18,721
Depreciation/Amortization	(850)	(239)	(305)	(156)	(1,550)	(2,515)	(686)	(914)	(444)	(4,559)
Other Revenues	362	738	988	-	2,088	400	848	6,585	-	7,833
Other Expenses	-	(10)	(654)	(749)	(1,413)	(114)	(33)	(866)	(749)	(1,762)
EBIT	206,183	92,963	(5,254)	(2,272)	291,620	664,596	171,935	(15,780)	(3,788)	816,963
Depreciation/Amortization	(29,460)	(25,238)	(305)	(156)	(55,159)	(87,249)	(72,027)	(914)	(444)	(160,634)
EBITDA	235,643	118,201	(4,949)	(2,116)	346,779	751,845	243,962	(14,866)	(3,344)	977,597
Financial Expenses	(28,631)	(40,535)	(22,753)	(5,497)	(97,416)	(81,896)	(112,346)	(61,126)	(14,286)	(269,654)
Debt charges	(25,296)	(36,189)	(22,431)	1,422	(82,494)	(75,970)	(100,587)	(60,476)	(7,104)	(244,137)
Exchange rate variations	(26)	(2,869)	6	(1,814)	(4,703)	314	(5,654)	50	(1,814)	(7,104)
Others	(3,309)	(1,477)	(328)	(5,105)	(10,219)	(6,240)	(6,105)	(700)	(5,368)	(18,413)
Financial Revenues	5,611	4,017	11,941	584	22,153	14,044	10,783	46,737	1,744	73,308
Revenue from investments	5,165	3,547	11,491	472	20,675	12,851	10,063	35,891	1,638	60,443
Others	446	470	450	112	1,478	1,193	720	10,846	106	12,865
	(23,020)	(36,518)	(10,812)	(4,913)	(75,263)	(67,852)	(101,563)	(14,389)	(12,542)	(196,346)
EBT	183,163	56,445	(16,066)	(7,185)	216,357	596,744	70,372	(30,169)	(16,330)	620,617
Taxes	(20,667)	(8,974)	-	(160)	(29,801)	(68,983)	(17,971)	-	(438)	(87,392)
Income Tax	(9,603)	(2,811)	-	(116)	(12,530)	(32,180)	(6,944)	-	(317)	(39,441)
Social Contribution	(11,099)	(2,728)	-	(44)	(13,871)	(36,803)	(5,075)	-	(121)	(41,999)
Deferred Income Tax	25	(2,815)	-	-	(2,790)	-	(5,207)	-	-	(5,207)
Deferred Social Contribution	10	(620)	-	-	(610)	-	(745)	-	-	(745)
Consolidated Net Income	162,496	47,471	(16,066)	(7,345)	186,556	527,761	52,401	(30,169)	(16,768)	533,225
Non - Controlling Participation					(88,239)					(275,057)
Alupar Net Income					98,317					258,168

Investments

In 3Q18, total investments of R\$ 164.3 million were made in our companies, of which R\$ 74.9 million were invested in the transmission segment, R\$ 87.6 million in the generation segment and R\$ 1.8 million in the development of new businesses, compared to R\$ 71.4 million in 3Q17, with R\$ 10.7 million invested in the transmission segment, R\$ 60.0 million invested in the generation segment and R\$ 0.7 million invested in the development of new businesses.

The volume of investments made in 3Q18 mainly reflects the end of the implementation of the Verde 08 SHPP, the implementation of the transmission line of the Energia dos Ventos wind farms and the the implementation of the transmission lines acquired in the auctions of 2016 and 2017.

	Investments (R\$ MM)			
	3Q18	3Q17	9M18	9M17
Transmission*	74.9	10.7	138.0	28.8
ELTE	0.1	0.2	0.5	0.4
ETAP	28.8	1.6	47.6	5.2
ETC	10.5	0.7	18.6	2.8
TCC	5.0	0.4	8.4	4.4
TPE	10.4	1.0	16.2	7.1
TCE	6.9	4.5	17.6	4.6
ESTE	2.4	0.7	5.2	1.8
TSM	4.3	0.8	8.6	0.8
EBTE	-	0.2	5.1	0.5
EDTE	6.3	-	9.7	-
Other	0.2	0.5	0.6	1.1
Generation	87.6	60.0	172.5	120.5
Energia dos Ventos	21.6	5.6	47.3	8.8
La Virgen	35.4	0.0	38.2	2.2
Verde 08	27.2	43.5	77.7	87.6
Other	1.3	(1.2)	9.4	9.6
Holding	1.8	0.7	3.0	7.1
Total	164.3	71.4	313.5	156.4

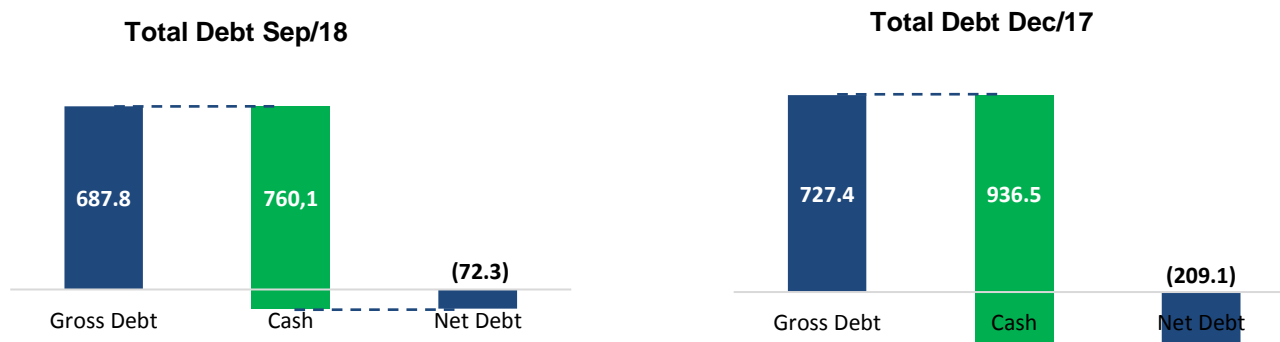
*Except for TCE, the amount of the investment of the transmitters is exactly the amount accounted for as infrastructure revenue.

Indebtedness

Alupar - Holding:

In 3Q18, the gross debt of Alupar - Holding amounted to R\$ 687.8 million, R\$ 39.6 million lower than the R\$ 727.4 million registered in Dec/17. This change is explained by: (i) the settlement of the fourth issue of debentures, with R\$ 50.0 million of principal and R\$ 2.3 million of interest; (ii) the settlement of the financing from FINEP, in the amount of R\$ 1.5 million; (iii) the amortization of R\$ 36.3 million of the fifth issue of debentures, of which R\$ 21.5 million as principal and R\$ 14.8 million relating to interest; (iv) the amortization of R\$ 11.6 million of the sixth issue of debentures and; (v) provisions for charges and monetary variations, totaling R\$ 62.1 million.

Cash and cash equivalents of Alupar - Holding totaled R\$ 760.1 million, R\$ 176.4 million lower than the R\$ 936.5 million registered in Dec/17. This change is mainly explained by: (i) amortization and payment of interest on the debts of the holding company, as detailed above, totaling R\$ 101.7 million; (ii) payment of interim dividends, on February 16, 2018, in the amount of R\$ 61.5 million; (iii) payment on June 20, 2018, of the residual portion of the dividends declared at the ASM, held on April 26, 2018, in the amount of R\$ 96.7 million; (iv) the receipt of dividends in the amount of R\$ 219.2 million and ; (v) contributions made in the projects, totaling R\$ 124.2 million.



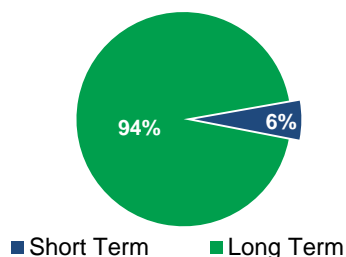
The gross debt of Alupar - Holding consists of 100% of debenture issues, all indexed by the CDI, with a very long profile, with approximately 25% of maturities after 2023.

Short-term debt totaled R\$ 40.1 million, R\$ 39.6 million lower than the R\$ 79.7 million recorded in 4Q17, mainly due to: (i) the fourth issue of debentures, in the amount of R\$ 52.3 million; (ii) the settlement of the financing from FINEP, in the amount of R\$ 1.5 million and; (iii) the amortization of the principal of the fifth issue of debentures in the amount of R\$ 21.5 million.

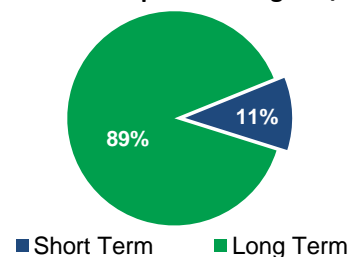
For more information on Alupar - Holding's debt, please see Explanatory Notes 22 "Loans and Financing" and 23 "Debentures" in the 3Q18 financial statements.

Below is the debt profile of Alupar - Holding:

Debt Profile Alupar - Holding Sep/18



Debt Profile Alupar - Holding Dec/17



Consolidated

The consolidated gross debt of Alupar and its subsidiaries totaled R\$ 4,551.5 million in 3Q18, R\$ 211.6 million lower than the R\$ 4,763.2 million recorded in Dec/17. This change is mainly explained by: (i) amortization and payment of interest on the debts of Alupar-Holding, amounting to **R\$ 101.7 million**; (ii) provisions for charges and monetary variations on the debts of Alupar-Holding in the amount of **R\$ 62.1 million**; (iii) amortization of debts of subsidiaries amounting to **R\$ 1,173.6 million**, of which: (iii.a) R\$ 258.4 million related to the settlement of bridges of La Virgen; (iii.b) R\$ 165.9 million refer to the settlement of bridges of Morro Azul SHPP; (iii.c) R\$ 150 million to the bridge of the ETAP transmitter; (iii) R\$ 100 million to the bridge of Verde 8 SHPP; (iv) payments of charges of the debt of the subsidiaries in the amount of **R\$ 203.6 million**; (v) provisions for charges and monetary variations of subsidiaries, totaling **R\$ 211.5 million**; (vi) loss on the depreciation of the BRL against the USD on debts of La Virgen HPP and Morro Azul SHPP, impact of **R\$ 83.4 million**; (vii) **R\$ 571.7 million** for the funding of long-term debts: (vii.a) R\$ 162.4 million on Morro Azul SHPP; (vii.b) R\$ 137.3 million on Verde 8 SHPP; (vii.c) R\$ 156 million on ETAP; (vii.d) R\$ 116 million in ETC; (viii) capturing the bridge of TCE (Colombia) transmission company, amounting to **R\$ 19.2 million** and; (ix) funding in operational transmitters (EATE, ETEP, EBTE, ETES and ETVG) totaling **R\$ 317.7 million**.

Cash and cash equivalents totaled R\$ 1,787.6 million, against R\$ 2,074.5 million in Dec/17. This change of R\$ 286.9 million in cash is mainly due to: (i) a reduction of R\$ 176.4 million in the cash of Alupar - Holding, as explained above; (ii) a reduction of R\$ 270.8 million in the cash of Alupar Peru/La Virgen, due to the amortizations of the bridges funded with Santander for the implementation of the La Virgen plant, as a result of the release, in Dec/17, of the long-term loan and; (iii) an increase of R\$ 101.5 million in the cash of the ETC transmitter, due to the funding of the II debenture issue, issued on 09/15/2018, in the amount of R\$ 116.0 million.

Net debt in 3Q18 was R\$ 2,763.9 million, compared to R\$ 2,688.6 million recorded in Dec/17.



Short-term debt recorded in 3Q18 totaled R\$ 810.7 million (18% of total debt), R\$ 280.7 million lower than the R\$ 1,091.4 million (23% of total debt) recorded in Dec/17.

Of the 18% of short-term debt, 15% or R\$ 122.1 million refers to bridge loans.

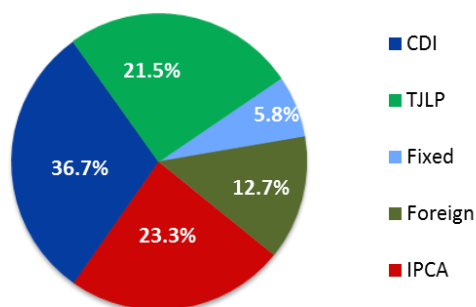
Of the consolidated gross debt, R\$ 687.8 million refers to Alupar - Holding, as detailed above, another R\$ 3,070.7 million is allocated to operating companies, which have a payment flow compatible with the respective cash generation and, finally, R\$ 793.0 million refers to the projects under implementation, of which R\$ 401.8 million was allocated to Alupar Peru/ La Virgen for the implementation of the La Virgen HPP, with R\$ 305.5 million referring to the long-term debt; R\$ 152.0 million allocated to the implementation of the ETAP transmitter; R\$ 218.1 million in the implementation of the ETC transmitter and; R\$ 21.1 million for the implementation of the TCE transmitter (Colombia).

In 3Q18, debenture issues corresponded to R\$ 2,716.7 million or 59.7% of total debt. The debentures issued by Alupar - Holding represent a balance of R\$ 687.8 million and the issues of the subsidiaries EATE, ECTE, ETEP, EBTE, ETES, ETVG, STN, Ferreira Gomes, Transirapé, Transleste, Transudeste, Windepar, Verde 8, ETAP and ETC represent a balance of R\$ 2,028.8 million.

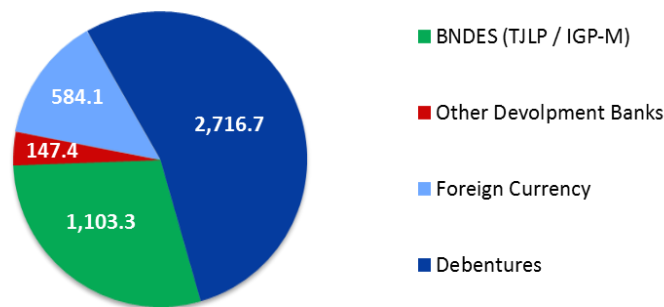
Foreign currency debt totaled R\$ 584.1 million or 12.8% of total debt and is allocated to generation and transmission projects in Peru and Colombia.



Gross Debt by Index (%)

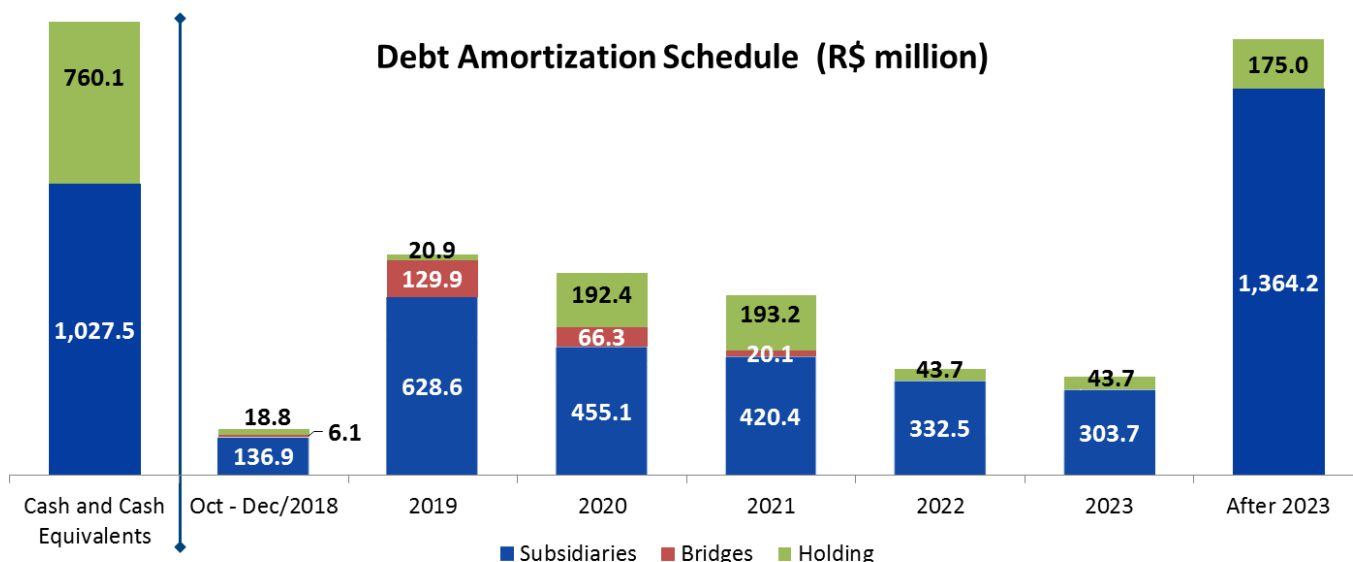


Total Debt Composition (in millions of R\$)



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

Debt Amortization Schedule (R\$ million)



BRIDGES (MM)	2018	2019	2020	2021
La Virgen / Alupar Inversiones	R\$ 6.0	R\$ 24.1	R\$ 66.2	
TCE (Colombia)	R\$ 0.1	R\$ 0.8	R\$ 0.2	R\$ 20.1
ETC		R\$ 105.0		
TOTAL	R\$ 6.1	R\$ 129.9	R\$ 66.3	R\$ 20.1

Fitch Ratings

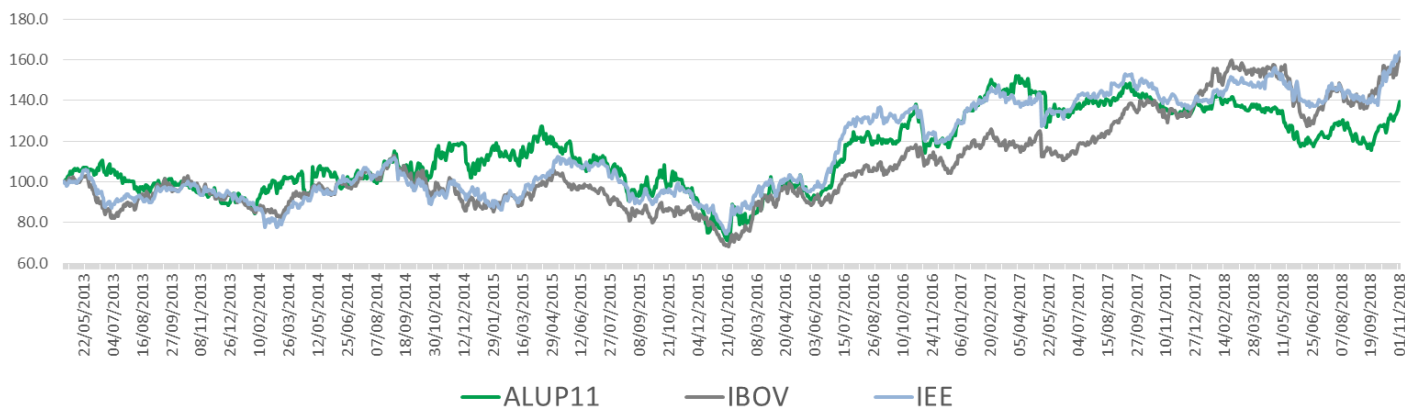
✓ Corporate (national scale) **AAA**

✓ International Scale **BB**

Capital Markets

Alupar was listed on the São Paulo Stock Exchange - BM&FBOVESPA on April 23, 2013. Its UNITS are traded under code ALUP11 and include 1 common share and 2 preferred shares (1 UNIT = 1 ON + 2 PN).

Performance ALUP11 x IBOV x IEE - Base 100



In all trading sessions since our listing, Alupar's Units were traded, with an average daily volume of R\$6.6 million. We highlight that during the 3Q18 the average daily volume was R\$ 9.9 million.

On November 09, 2018, the market value of Alupar was R\$ 5.298 billion.

Next Events

3Q18 Earnings Conference Call

Date: November 09, 2018

Portuguese

3:00 p.m. (Brasilia Time)
12:00 p.m. (New York Time)
Phone: +55 (11) 2188-0155
Password: Alupar
Replay: +55 (11) 2188-0400
Password: Alupar

English (simultaneous translation)

3:00 p.m. (Brasilia Time)
12:00 p.m. (New York Time)
Phone: +1 (646) 843-6054
Password: Alupar
Replay: +55 (11) 2188-0400
Password: Alupar

APPENDIX 01 – CORPORATE

	Holding		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
ASSET				
CURRENT	973,009	1,141,355	3,365,677	3,597,227
Cash and Cash Equivalents	499,418	570,694	1,417,211	1,580,070
Short-Term Investments	260,699	365,765	260,699	365,765
Marketable Securities	-	-	104,763	124,002
Trade Accounts Receivable	37,119	63,026	303,432	234,647
Receivables from related parties	53,901	4	-	-
Dividends to be received	84,487	97,208	14,118	16,878
Income tax and social contribution compensable	29,813	30,113	59,614	61,569
Other Taxes Recoverable	-	-	14,898	2,449
Advance for Suppliers	84	6,141	22,582	19,445
Inventories	-	-	1,075	662
Prepaid Expenses	46	43	7,844	6,956
Accounts Receivable - Concession Assets	-	-	1,110,920	1,105,358
Assets held for sale	-	-	2,674	-
Other Assets	7,442	8,361	45,847	79,426
NON CURRENT	3,929,843	3,685,312	8,257,836	7,866,145
Trade Accounts Receivable	-	-	15,508	12,092
Advances for Future Capital Increases	161,377	193,564	-	-
Marketable Securities	-	-	4,920	4,703
Income tax and social contribution compensable	-	-	29,898	31,187
Taxes Recoverable	-	-	2,774	2,774
Deferred Income and Social Contribution Taxes	-	-	10,627	13,443
Advance for Suppliers	-	-	11,237	868
Inventories	-	-	26,081	26,081
Collaterals and Judicial Deposits	2,885	2,671	20,045	14,988
Accounts Receivable - Concession Assets	-	-	3,261,497	3,218,152
Other Assets	-	-	26,707	28,421
Investments in associates and controlled jointly	319,129	252,999	396,239	331,674
Investments in controlled companies	3,350,708	3,141,927	-	-
Property to investments	7,786	7,786	7,786	7,786
Fixed assets	1,168	1,758	4,289,305	4,025,510
Intangibles Assets	86,790	84,607	155,212	148,466
TOTAL ASSET	4,902,852	4,826,667	11,623,513	11,463,372



	Holding		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
LIABILITIES				
CURRENT	86,886	282,431	1,375,293	1,705,261
Loans and Financing	-	1,471	182,152	619,446
Debentures	40,092	78,271	628,527	471,937
Suppliers	42,982	37,334	226,926	141,599
Salaries, vacation pay and social charges	2,739	3,106	17,239	19,763
Income and social contribution payable	-	-	66,149	71,206
Other payable taxes	1,047	3,982	33,331	35,788
Provision for assets built up	-	-	84,816	38,877
Dividends payable	1	158,242	46,724	213,404
Environmental liability accrual	-	-	13,712	15,228
Regulatory charges payable	-	-	58,342	58,776
Provision for litigation	-	-	121	77
Other liabilities	25	25	17,254	19,160
NON CURRENT	655,628	660,306	4,252,585	4,151,314
Loans and Financing	-	-	1,652,717	1,659,989
Debentures	647,725	647,643	2,088,134	2,011,799
Suppliers	-	-	824	-
Advance for future capital increase	-	-	2,616	-
Taxes payable	-	-	923	649
Current income and social contribution taxes	-	-	1,485	1,483
Deferred income and social contribution taxes	-	-	459,698	435,151
Provision for litigation	4,280	3,354	9,447	7,531
Environmental liability accrual	-	-	734	734
Provision for assets built up	-	-	6,677	6,677
Other liabilities	-	-	29,330	27,301
Provision to uncovered liability	3,623	9,309	-	-
EQUITY	4,160,338	3,883,930	5,995,635	5,606,797
Capital Subscribed and Paid	2,981,996	2,981,996	2,981,996	2,981,996
(-) Expenses on Issue of Shares	(65,225)	(65,225)	(65,225)	(65,225)
Capital Reserve	43,695	48,953	43,695	48,953
Income Reserves	907,750	907,750	907,750	907,750
Accumulated Earnings	252,686	-	252,686	-
Other Comprehensive Income	39,436	10,456	39,436	10,456
Non-controlling interest	-	-	1,835,297	1,722,867
Total Liabilities and Equity	4,902,852	4,826,667	11,623,513	11,463,372



GROSS OPERATING REVENUE

Energy Transmission System
Energy Generation System
Service Rendering

DEDUCTIONS

NET OPERATING REVENUE

OPERATING COSTS

Cost of Energy

Energy Purchased for Resale
Charges of Electric Grid - CUST
Hydro Resources - CFURH

Operating Costs

Cost of Services Rendered
infrastructure Cost
Depreciation / Amortization

GROSS PROFIT

OPERATING INCOME (EXPENSES)

General and Administrative
Equity Pickup
Other Income
Other Expenses

INCOME BEFORE FINANCIAL INCOME (EXPENSES)

Financial Expenses
Financial Income

INCOME BEFORE TAXES

Current income and social contribution taxes
Deferred income and social contribution taxes

NET INCOME FOR THE PERIOD

Attributed to Company Shareholders
Attributed to Non-Controlling Shareholders

	Holding				Consolidated			
	Quarter Ended in		Period Ended in		Quarter Ended in		Period Ended in	
	09/30/2018	09/30/2017	09/30/2018	09/30/2017	09/30/2018	09/30/2017	09/30/2018	09/30/2017
GROSS OPERATING REVENUE								
Energy Transmission System	-	-	-	-	341,225	266,645	919,937	830,011
Energy Generation System	28,106	54,677	62,327	113,026	167,682	162,396	436,641	425,889
Service Rendering	-	-	-	-	-	-	-	-
	28,106	54,677	62,327	113,026	508,907	429,041	1,356,578	1,255,900
DEDUCTIONS	(2,599)	(5,090)	(5,814)	(10,545)	(34,847)	(36,942)	(106,559)	(113,919)
NET OPERATING REVENUE	25,507	49,587	56,513	102,481	474,060	392,099	1,250,019	1,141,981
OPERATING COSTS								
Cost of Energy								
Energy Purchased for Resale	(19,776)	(50,298)	(56,351)	(118,874)	(10,646)	(22,495)	(53,845)	(79,873)
Charges of Electric Grid - CUST	-	-	-	-	(7,509)	(7,204)	(21,692)	(21,448)
Hydro Resources - CFURH	-	-	-	-	(2,264)	(2,237)	(8,647)	(7,110)
Operating Costs								
Cost of Services Rendered	(176)	(305)	(530)	(906)	(32,910)	(33,065)	(119,160)	(92,293)
infrastructure Cost	-	-	-	-	(68,028)	(6,141)	(120,465)	(24,167)
Depreciation / Amortization	-	-	-	-	(25,000)	(23,604)	(71,344)	(68,464)
	(19,952)	(50,603)	(56,881)	(119,780)	(146,357)	(94,746)	(395,153)	(293,355)
GROSS PROFIT	5,555	(1,016)	(368)	(17,299)	327,703	297,353	854,866	848,626
OPERATING INCOME (EXPENSES)								
General and Administrative	(5,588)	(5,965)	(21,499)	(21,178)	(21,631)	(19,347)	(67,256)	(64,230)
Equity Pickup	118,237	114,764	283,223	280,268	8,464	872	23,757	15,769
Other Income	988	(25)	6,585	(208)	2,088	(21)	7,798	(169)
Other Expenses	(654)	82	(866)	(41)	(1,411)	10,369	(1,760)	10,223
	112,983	108,856	267,443	258,841	(12,490)	(8,127)	(37,461)	(38,407)
INCOME BEFORE FINANCIAL INCOME (EXPENSES)	118,538	107,840	267,075	241,542	315,213	289,226	817,405	810,219
Financial Expenses	(22,753)	(16,568)	(61,126)	(62,318)	(97,416)	(76,758)	(269,654)	(324,141)
Financial Income	11,941	20,760	46,737	58,807	22,115	35,533	73,308	113,801
	(10,812)	4,192	(14,389)	(3,511)	(75,301)	(41,225)	(196,346)	(210,340)
INCOME BEFORE TAXES	107,726	112,032	252,686	238,031	239,912	248,001	621,059	599,879
Current income and social contribution taxes	-	-	-	-	(26,355)	(27,399)	(81,440)	(97,043)
Deferred income and social contribution taxes	-	-	-	-	(12,160)	(17,747)	(24,353)	(4,150)
	-	-	-	-	(38,515)	(45,146)	(105,793)	(101,193)
NET INCOME FOR THE PERIOD	107,726	112,032	252,686	238,031	201,397	202,855	515,266	498,686
Attributed to Company Shareholders	107,726	112,032	252,686	238,031	107,726	112,032	252,686	238,031
Attributed to Non-Controlling Shareholders	-	-	-	-	93,671	90,823	262,580	260,655
	107,726	112,032	252,686	238,031	201,397	202,855	515,266	498,686

APPENDIX 02 - REGULATORY

	Holding		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
ASSET				
CURRENT	973,009	1,141,349	2,252,682	2,490,351
Cash and Cash Equivalents	499,418	570,694	1,417,211	1,580,070
Short-Term Investments	260,699	365,765	260,699	365,765
Marketable Securities	-	-	104,763	124,002
Trade Accounts Receivable	37,119	63,026	303,432	234,647
Receivables from related parties	53,901	4	-	546
Dividends to be received	84,487	97,208	14,118	16,878
Interest on Equity	-	-	-	-
Income tax and social contribution compensable	29,813	30,120	57,614	59,577
Other Taxes Recoverable	-	(7)	14,898	2,442
Advance for Suppliers	84	6,141	22,582	19,445
Inventories	-	-	1,000	602
Prepaid Expenses	46	43	7,844	6,957
Cauções e depósitos judiciais	-	-	-	-
Accounts Receivable - Concession Assets	-	-	-	-
Assets held for sale	-	-	2,674	-
Other Assets	7,442	8,355	45,847	79,420
NON CURRENT	3,294,297	3,044,264	7,709,540	7,317,908
Trade Accounts Receivable	-	-	15,508	12,799
Receivables from related parties	-	-	-	-
Advances for Future Capital Increases	161,377	193,565	-	-
Marketable Securities	-	-	4,920	4,703
Income tax and social contribution compensable	-	-	3,187	3,187
Taxes Recoverable	-	-	2,774	2,774
Deferred Income and Social Contribution Taxes	-	-	10,627	13,443
Advance for Suppliers	-	-	11,237	868
Inventories	-	-	556	556
Collaterals and Judicial Deposits	2,885	2,671	20,106	15,049
Accounts Receivable - Concession Assets	-	-	-	-
Other Assets	-	-	24,961	26,681
Investments in associates and controlled jointly	209,469	203,427	315,305	255,882
Investments in controlled companies	2,824,822	2,550,445	-	-
Property to investments	7,786	7,786	7,786	7,786
Fixed assets	1,168	1,758	7,064,894	6,754,480
Intangibles Assets	86,790	84,612	227,679	219,700
TOTAL ASSET	4,267,306	4,185,613	9,962,222	9,808,259

LIABILITIES

CURRENT

	Holding		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
	86,887	282,431	1,415,117	1,749,991
Loans and Financing	-	1,471	182,152	619,446
Debentures	40,092	78,271	628,527	471,937
Suppliers	42,983	37,334	226,927	141,599
Salaries, vacation pay and social charges	2,739	3,106	17,239	19,763
Income and social contribution payable	-	-	66,081	71,137
Other payable taxes	1,047	3,982	33,333	35,788
Provision for assets built up	-	-	84,816	38,877
Dividends payable	1	158,242	46,724	213,404
Environmental liability accrual	-	-	13,712	15,228
Regulatory charges payable	-	-	58,342	58,776
Provision for litigation	-	-	121	77
Advances from customers	-	-	39,770	44,155
Other liabilities	25	25	17,373	19,804

NON CURRENT

	655,733	660,386	3,848,262	3,765,905
Loans and Financing	-	-	1,652,717	1,659,989
Debentures	647,725	647,643	2,088,134	2,011,799
Suppliers	-	-	824	-
Advance for future capital increase	-	-	2,616	(1)
Taxes payable	-	-	923	649
Deferred income and social contribution taxes	-	-	11,843	4,783
Provision for litigation	4,280	3,354	9,447	7,531
Advances from customers	-	-	44,985	46,506
Environmental liability accrual	-	-	734	734
Regulatory charges payable	-	-	-	-
Provision for assets built up	-	-	6,677	6,677
Other liabilities	-	-	29,362	27,238
Provision to uncovered liability	3,728	9,389	-	-

EQUITY

	3,524,686	3,242,796	3,524,686	3,242,796
Capital Subscribed and Paid	2,981,996	2,981,996	2,981,996	2,981,996
(-) Expenses on Issue of Shares	(65,225)	(65,225)	(65,225)	(65,225)
Capital Reserve	337	5,595	337	5,595
Income Reserves	309,974	309,974	309,974	309,974
Retained Earnings	-	-	-	-
Accumulated Earnings	258,168	-	258,168	-
Other Comprehensive Income	39,436	10,456	39,436	10,456

Non-controlling interest	-	-	1,174,157	1,049,567
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Equity + non-controlling interest

	3,524,686	3,242,796	4,698,843	4,292,363
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Total Liabilities

	4,267,306	4,185,613	9,962,222	9,808,259
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GROSS OPERATING REVENUE

Energy Transmission System
Energy Generation System
Service Rendering

DEDUCTIONS

NET OPERATING REVENUE

OPERATING COSTS

Cost of Energy

Energy Purchased for Resale
Charges of Electric Grid - CUST
Hydro Resources - CFURH

Operating Costs

Cost of Services Rendered
infrastructure Cost
Depreciation / Amortization

GROSS PROFIT

OPERATING INCOME (EXPENSES)

General and Administrative
Equity Pickup
Other Income
Other Expenses

INCOME BEFORE FINANCIAL INCOME (EXPENSES)

Financial Expenses
Financial Income

INCOME BEFORE TAXES

Current income and social contribution taxes
Deferred income and social contribution taxes

NET INCOME FOR THE PERIOD

Attributed to Company Shareholders
Attributed to Non-Controlling Shareholders

Holding				Consolidated			
Quarter ended in		Period ended in		Quarter ended in		Period ended in	
09/30/2018	09/30/2017	09/30/2018	09/30/2017	09/30/2018	09/30/2017	09/30/2018	09/30/2017
-	-	-	-	278,587	298,994	884,632	969,705
28,106	54,677	62,327	113,026	167,682	162,396	436,641	425,889
-	-	-	-	-	-	-	-
28,106	54,677	62,327	113,026	446,269	461,390	1,321,273	1,395,594
(2,599)	(5,090)	(5,814)	(10,545)	(34,847)	(36,942)	(106,559)	(113,919)
25,507	49,587	56,513	102,481	411,422	424,448	1,214,714	1,281,675
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(19,776)	(50,298)	(56,351)	(118,874)	(10,646)	(22,495)	(53,845)	(79,873)
-	-	-	-	(7,509)	(7,204)	(21,692)	(21,448)
-	-	-	-	(2,264)	(2,237)	(8,647)	(7,110)
-	-	-	-	-	-	-	-
(176)	(305)	(530)	(906)	(31,297)	(32,485)	(114,649)	(89,494)
-	-	-	-	-	-	-	-
-	-	-	-	(53,609)	(51,551)	(156,075)	(153,003)
(19,952)	(50,603)	(56,881)	(119,780)	(105,325)	(115,972)	(354,908)	(350,928)
5,555	(1,016)	(368)	(17,299)	306,097	308,476	859,806	930,747
-	-	-	-	-	-	-	-
(5,588)	(5,965)	(21,499)	(21,178)	(21,758)	(19,464)	(67,635)	(64,586)
108,828	119,589	288,705	313,351	6,606	(404)	18,721	11,239
988	(25)	6,585	(208)	2,088	5	7,833	(123)
(654)	82	(866)	(40)	(1,413)	10,369	(1,762)	10,224
103,574	113,681	272,925	291,925	(14,477)	(9,494)	(42,843)	(43,246)
109,129	112,665	272,557	274,626	291,620	298,982	816,963	887,501
(22,753)	(16,568)	(61,126)	(62,318)	(97,416)	(76,758)	(269,654)	(324,141)
11,941	20,760	46,737	58,807	22,153	35,533	73,308	113,801
(10,812)	4,192	(14,389)	(3,511)	(75,263)	(41,225)	(196,346)	(210,340)
98,317	116,857	258,168	271,115	216,357	257,757	620,617	677,161
-	-	-	-	(26,401)	(27,310)	(81,440)	(96,960)
-	-	-	-	(3,400)	(17,468)	(5,952)	(8,970)
-	-	-	-	(29,801)	(44,778)	(87,392)	(105,930)
98,317	116,857	258,168	271,115	186,556	212,979	533,225	571,231
98,317	116,857	258,168	271,115	98,317	116,857	258,168	271,115
-	-	-	-	88,239	96,122	275,057	300,116
98,317	116,857	258,168	271,115	186,556	212,979	533,225	571,231