

Rio de Janeiro, August 15, 2019.

## Light's Adjusted EBITDA increases by 4.5% in 1H19, driven by the performance of the Generation and Trading Companies

The completion of the Follow-on transaction will allow Light to focus on its operating turnaround and creation of value

### Operating and Financial Highlights

- In 2Q19, consolidated result was a net income of R\$11 million. The improvement of R\$36 million compared to a net loss of R\$25 million in 2Q18 was due to a better financial result.

- Consolidated adjusted EBITDA totaled R\$385 million in 2Q19. The decrease of R\$61 million compared to 2Q18 is due to the increase in energy losses of the Distribution Company, partially offset by an increase in EBITDA of the Generation Company.

- In 2Q19, PECLD totaled R\$71 million (compared to R\$125 million in 2Q18), accounting for 1.8% of gross revenue (12 months). PECLD decreased by 0.3 p.p.

compared to March 2019 (2.1%), due to decreased volume of REN in 2Q19.

- In June 2019, total losses on grid load (12 months) totaled 25.76%. This deterioration compared to 1Q19 (24.49%) is primarily due to an increase in average temperatures in 2Q19 compared to 2Q18 and decreased volume of REN.

- DEC (12 months) totaled 8.36 hours in 2Q19, representing a 3.3% increase compared to 1Q19, due to higher number of climate events during 2Q19. DEC is currently 1.6% above the level agreed with ANEEL for the end of 2019 (8.23 hours). FEC (12 months) was 4.38x in 2Q19, representing a 0.5% increase compared to 1Q19, but still 23.4% below the limit agreed with ANEEL for 2019 (5.72x).

- At the end of 2Q19, the Net Debt/EBITDA ratio was 3.69x, below the covenant limit of 3.75x set forth in most debt agreements.

- As a subsequent event, in July 2019, the Follow-on transaction was completed, with the issuance of 100 million new shares under the primary offering and the sale, by Cemig, of 33.3 million common shares under the secondary offering. The price per share was R\$18.75 and the capital increase totaled R\$1.9 billion.

- Also as a subsequent event, in August 2019, the court rendered a final and unappealable decision in favor of Light SESA, recognizing its right to exclude ICMS from the calculation basis of PIS and COFINS, retroactive to January 2002.

Financial Highlights (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Net Revenue*	2.632	2.778	-5,3%	5.811	5.621	3,4%
CVM EBITDA <sup>1</sup>	286	407	-29,7%	866	849	2,0%
EBITDA for Covenants (12 months) <sup>2</sup>	2.167	2.392	-9,4%	2.167	2.392	-9,4%
Adjusted EBITDA <sup>3</sup>	385	446	-13,8%	959	918	4,5%
EBITDA Margin**	14,6%	16,1%	-1,4 p.p.	16,5%	16,3%	0,2 p.p.
Net Income	11	(25)	-	175	67	160,1%
Net Debt***	7.989	7.935	0,7%	7.989	7.935	0,7%
Net Debt/EBITDA - covenants (x)	3,69	3,32	11,1%	3,69	3,32	11,1%
EBITDA/Interest - covenants (x)	2,99	4,14	-27,9%	2,99	4,14	-27,9%
PECLD/ROB	1,8%	2,0%	0,2 p.p.	1,8%	2,0%	-0,2 p.p.
CAPEX Light	203	168	20,7%	366	307	19,2%
Transfers to Subsidiaries	10	29	-65,4%	27	64	-58,3%

\* Does not consider construction revenue.

\*\* Considers Adjusted EBITDA

\*\*\* For covenants purposes

Operational Highlights	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Grid Load* (GWh)	9.195	8.762	4,9%	20.036	19.086	5,0%
Energy Consumption (GWh)	6.961	7.160	-2,8%	14.604	14.618	-0,1%
Captive Market (GWh)	4.459	4.700	-5,1%	9.706	9.798	-0,9%
Transported Energy - TUSD (GWh)	1.882	1.800	4,5%	3.662	3.517	4,1%
Sold Energy - Generation (MWm)	496	550	-9,7%	536	539	-0,6%
Commercialized Energy - Com (MWm)	643	762	-15,7%	642	754	-14,8%
Total Losses/Grid Load (12 months)	25,76%	22,98%	2,78 p.p.	25,76%	22,98%	2,78 p.p.
DEC - Hours (12 Months)	8,36	7,83	6,8%	8,36	7,83	6,8%
FEC - Times (12 Months)	4,38	4,71	-7,0%	4,38	4,71	-7,0%

\* Own Load + Use of Network

1- EBITDA is a non-BRGAAP and non-IFRS financial measure used by the Company as an additional measure of operating performance. It should not be considered in isolation or as an alternative to net income or operating income or as a measure of operating performance or liquidity. CVM EBITDA is calculated in accordance with CVM Instruction 527/2012 and represents net income before income tax and social contribution, net financial expense, depreciation and amortization. A reconciliation is provided in Appendix VII.

2- EBITDA for covenant purposes is CVM EBITDA less equity income, provisions and other operating income (expenses).

3- Adjusted EBITDA is CVM EBITDA less equity income and other operating income (expenses). Adjusted EBITDA has been used for the analyses included in this release.

B3: LIGT3  
OTC: LGSXY  
Total shares: 303,934,060 shares  
Market Cap (7/15/19): R\$6.0 billion

Conference Call:  
Date: 8/16/2019  
Time: 2 pm Brazil (in Portuguese) and 3 pm Brazil (in English)  
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## 1. Light S.A. – Consolidated

### 1.1. Consolidated Financial Performance

Income Statement (R\$ MN)	2Q19	2Q18	Var. %	1H19	1H18	Var. %
Gross Operating Revenue	4.638	4.761	-2,6%	10.053	9.660	4,1%
Deductions	(2.006)	(1.983)	1,2%	(4.242)	(4.039)	5,0%
Net Operating Revenue	2.632	2.778	-5,3%	5.811	5.621	3,4%
Operating Expense	(2.394)	(2.466)	-2,9%	(5.144)	(4.970)	3,5%
PMSO	(237)	(248)	-4,5%	(463)	(479)	-3,4%
Personnel	(118)	(100)	17,6%	(223)	(196)	14,1%
Material	(6)	(22)	-71,4%	(12)	(33)	-62,3%
Outsourced Services	(133)	(132)	0,5%	(266)	(258)	3,2%
Others	19	6	244,9%	39	7	436,2%
Purchased Energy	(1.851)	(1.895)	-2,3%	(4.081)	(3.839)	6,3%
Depreciation	(147)	(134)	9,4%	(293)	(268)	9,4%
Provisions	(159)	(189)	-16,0%	(308)	(385)	-20,1%
Adjusted EBITDA*	385	446	-13,8%	959	918	4,5%
Financial Result	(71)	(298)	-76,2%	(262)	(451)	-42,0%
Non Operating Result	(7)	(17)	-56,5%	(12)	(30)	-60,7%
Result Before Taxes and Interest	160	(3)	-	393	170	131,9%
Social Contributions and Income Tax	(48)	5	-	(137)	(51)	168,0%
Deferred Income Tax	(10)	(6)	71,7%	0	(12)	-
Equity Pickup	(91)	(22)	313,4%	(81)	(39)	110,4%
Net Income	11	(25)	-	175	67	160,1%

Obs: Does not consider Construction Revenue/Cost

\* Adjusted EBITDA is calculated based on net income before income tax and social contribution, equity income, other operating income / expenses, net financial expenses, depreciation and amortization.

Note: excludes Construction Revenue/Expenses

\* Adjusted EBITDA is calculated as net income before income tax and social contribution, equity income, other operating income (expenses), financial result, depreciation and amortization.

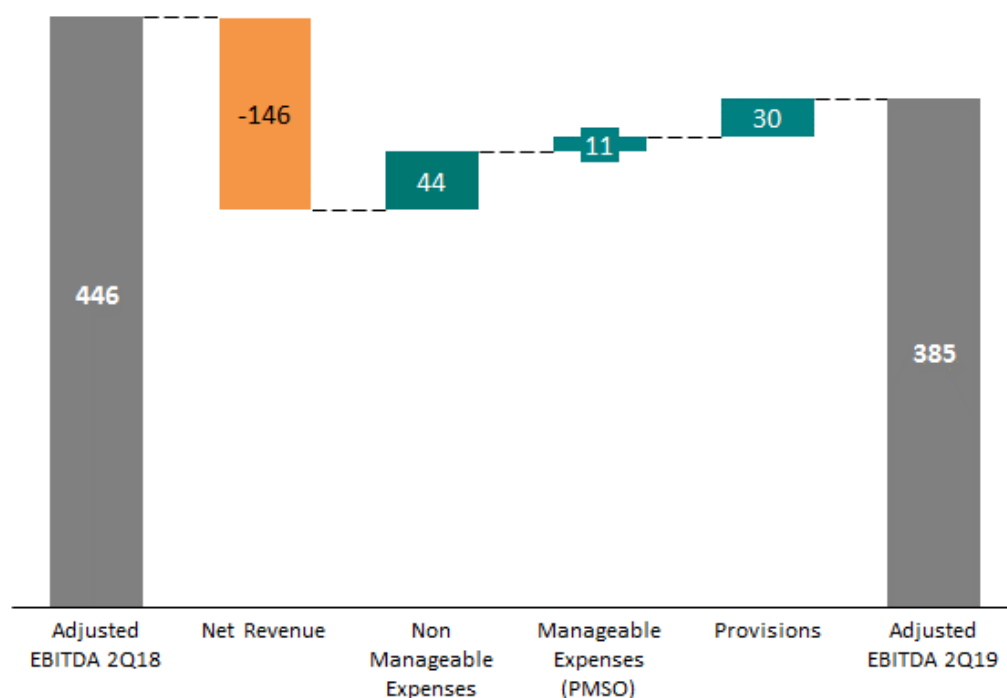
## 1.2. Consolidated Adjusted EBITDA<sup>4</sup>

Consolidated EBITDA by Segment (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Distribution	216	328	-34,2%	511	610	-16,3%
Generation	148	103	43,3%	379	276	36,9%
Trading	25	21	18,7%	77	41	86,7%
Services	-	3	-	-	3	-
Others and eliminations	(4)	(9)	-53,4%	(6)	(12)	-45,9%
<b>Total</b>	<b>385</b>	<b>446</b>	<b>-13,8%</b>	<b>959</b>	<b>918</b>	<b>4,5%</b>
EBITDA Margin (%)	14,6%	16,1%	-1,44 p.p.	16,5%	16,3%	0,17 p.p.

In 1H19, EBITDA increased by 4.5% compared to 1H18. In the quarterly comparison, EBITDA decreased by 13.8% due to EBITDA of the Distribution Company, which was affected by the increase in losses, as described in section 2.1.3.

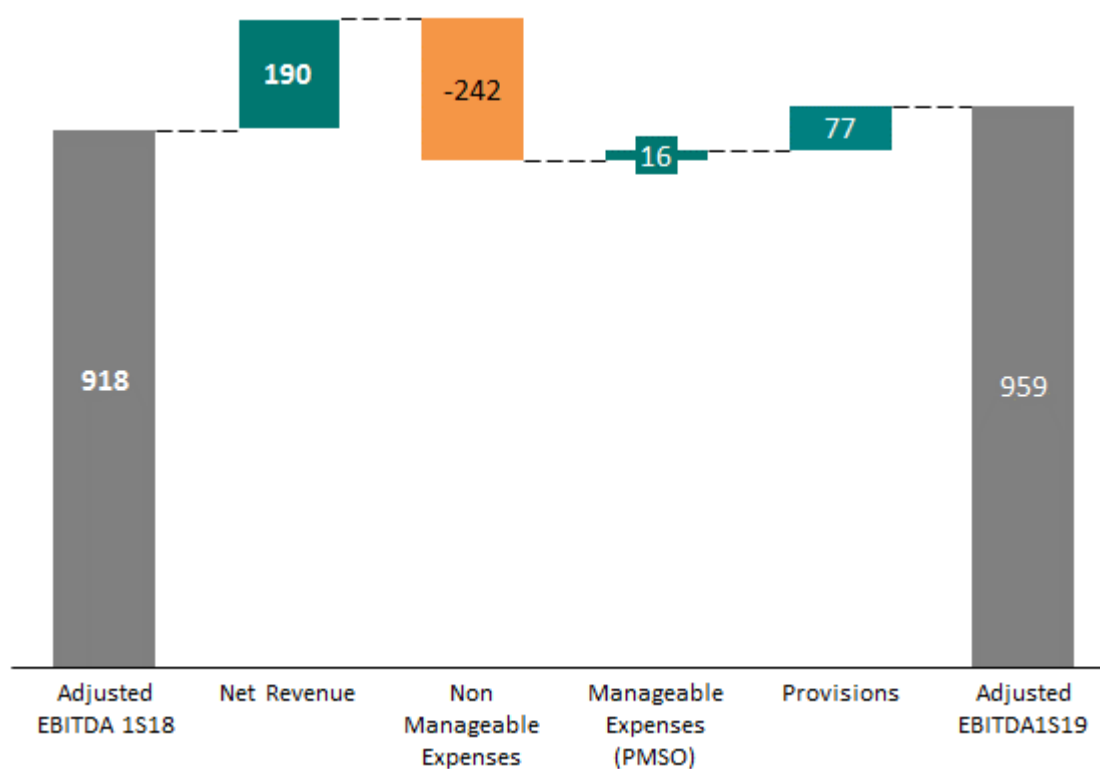
In the Generation segment, in 2Q19, average GSF slightly increased compared to 2Q18 (93% compared to 85%, as simple average). Notwithstanding a GSF below 1, in 2Q19, average PLD (R\$131.40/MWh) was significantly lower compared to 2Q18 (R\$302.70/MWh), generating a 42% decrease in operating expenses in 2019 compared to 2018 and allowing the EBITDA of the Generation company to reach R\$148 million in 2Q19, representing a 43% increase compared to 2Q18.

**Consolidated Adjusted EBITDA**  
**2Q18 / 2Q19 - R\$ Million**



<sup>4</sup> Adjusted EBITDA is calculated as net income (loss) before income tax and social contribution, equity income, other operating income (expenses), net financial result, depreciation and amortization.

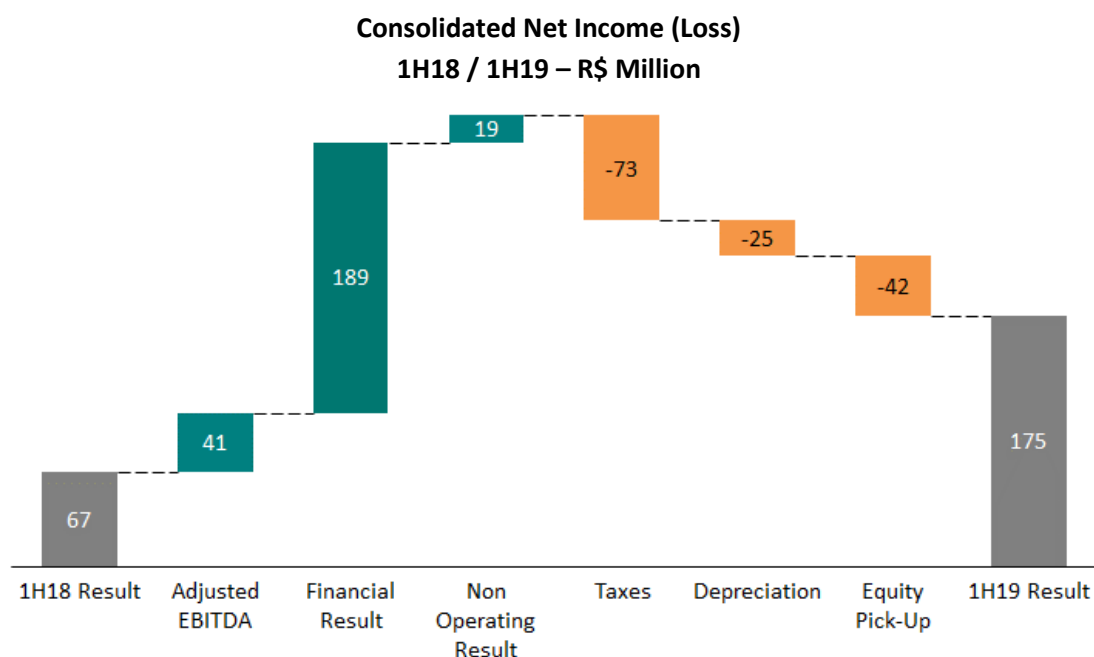
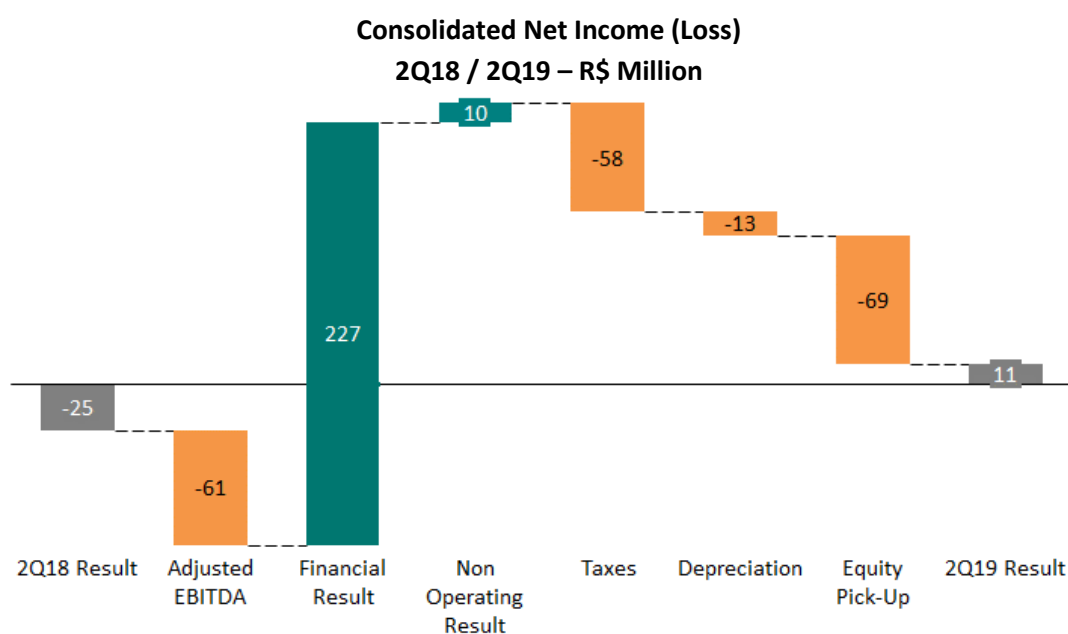
**Consolidated Adjusted EBITDA**  
1H18 / 1H19 – R\$ Million



### 1.3. Consolidated Net Income (Loss)

Consolidated Net Income/Loss by Segment (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Distribution	(10)	(14)	-28,3%	(35)	4	-
Generation	(2)	(11)	-85,1%	150	54	176,7%
Trading	26	14	86,8%	64	28	129,4%
Services	-	(9)	-	-	(12)	-
Others and eliminations	(4)	(6)	-29,3%	(4)	(7)	-44,2%
<b>Total</b>	<b>11</b>	<b>(25)</b>	<b>-</b>	<b>175</b>	<b>67</b>	<b>160,1%</b>
Net Margin (%)	0,4%	-0,9%	1,33 p.p.	3,0%	1,2%	1,81 p.p.

In 2Q19, consolidated net income was R\$11 million compared to a net loss of R\$25 million in 2Q18. This positive variation is due to a better financial result in 2Q19, although partially offset by negative equity income from Renova, in the amount of R\$92 million (compared to a negative equity income of R\$23 million in 2Q18 (see Section 3.2.4).



## 2. Light SESA – Distribution

### 2.1. Operating Performance

Operating Highlights	2Q19	2Q18	% Change 2Q19/2Q18
Nº of Consumers (thousand)	4.449	4.405	1,0%
Nº of Employees	4.632	4.008	15,6%
Average provision tariff* - R\$/MWh	828	806	2,7%
Average provision tariff* - R\$/MWh (w/out taxes)	569	545	4,4%
Average bilateral contracts cost** - R\$/MWh	211,7	202,0	4,8%
Average energy purchase cost with Spot*** - R\$/MWh	226,2	231,1	-2,1%

<sup>†</sup> Considers the number of active contracts

<sup>‡</sup> Increase due to the insourcing

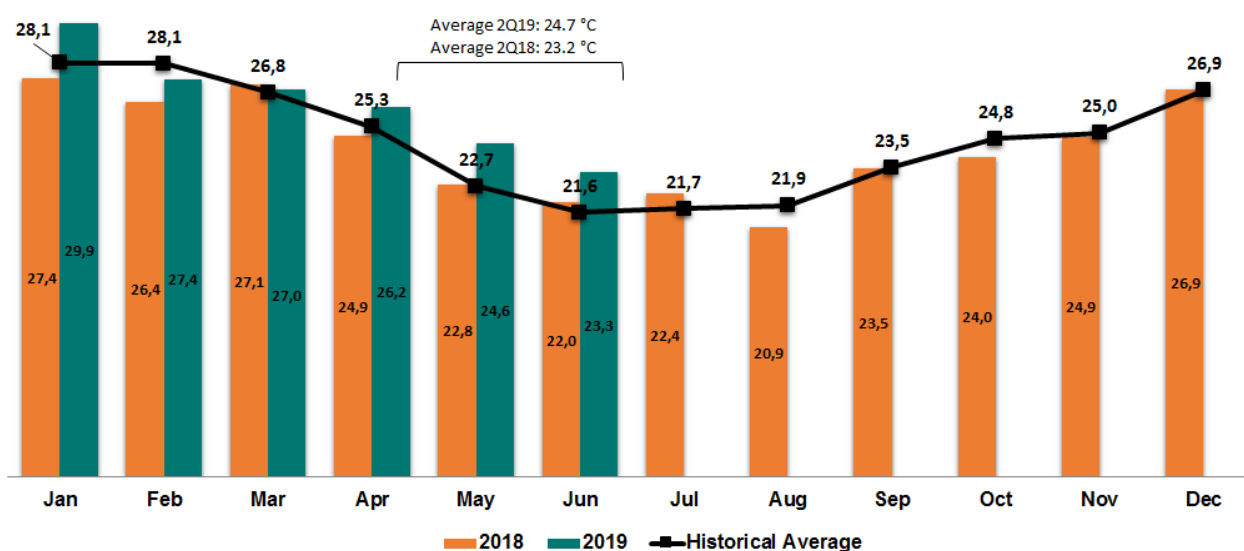
<sup>§</sup> Captive market

\* Does not include purchase in the spot market and hydrological risk

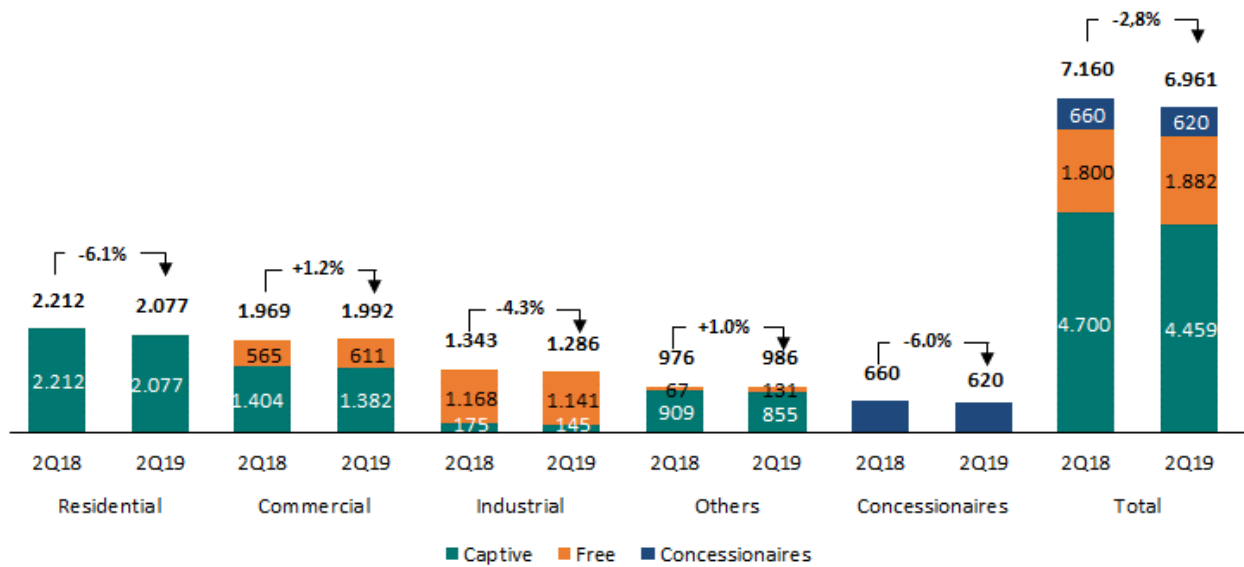
\*\*Does not include hydrological risk

#### 2.1.1. Market

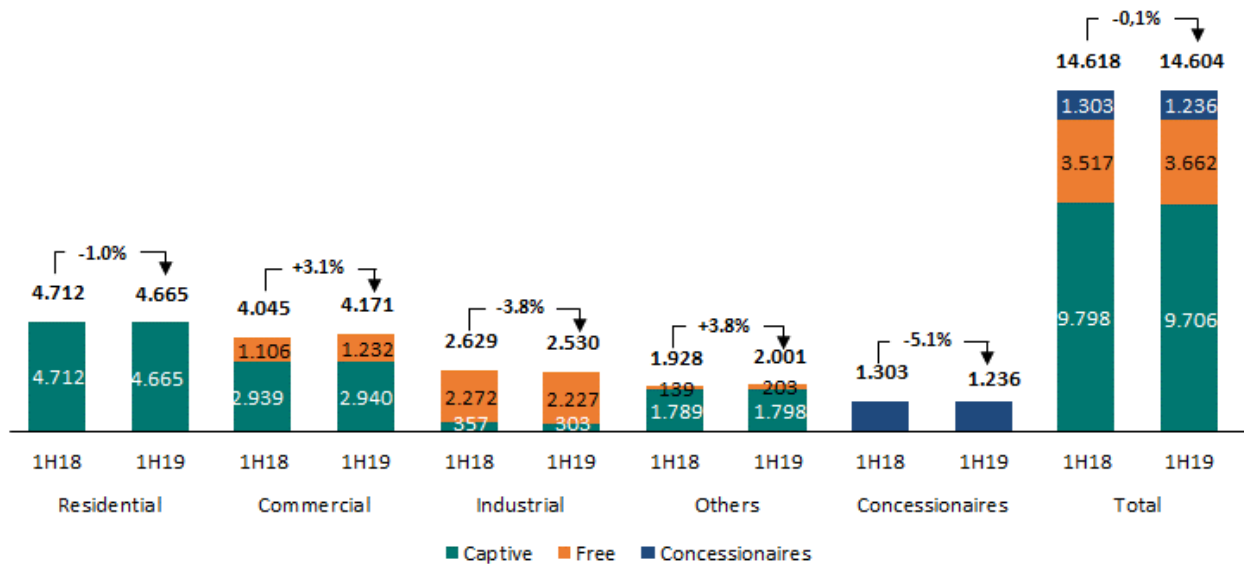
Temperature (Celsius degrees)



### Total Billed Market (GWh) 2Q19

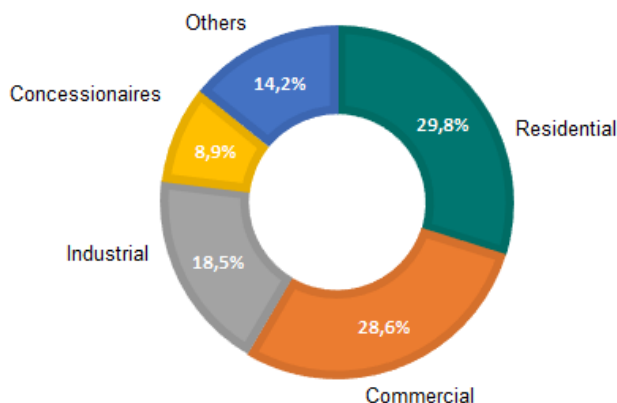


### Total Billed Market (GWh) 1H19

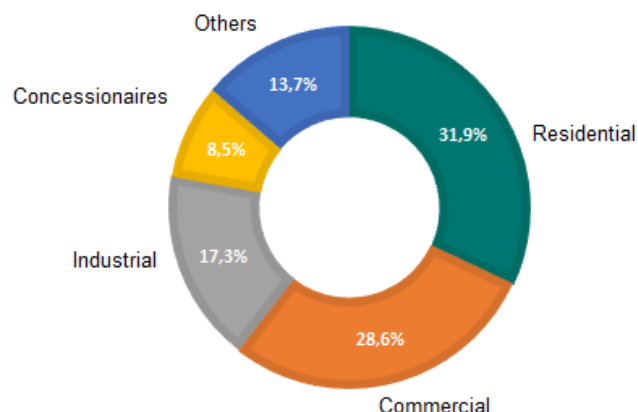




**Energy Market  
2Q19**



**Energy Market  
1H19**



In 2Q19, the total energy market amounted to 6,961 GWh, representing a 2.8% decrease compared to 2Q18. Excluding the effect of REN, no market variation occurred between the periods, as REN totaled 45 GWh in 2Q19 compared to 234 GWh in 2Q18 (representing an 80.8% decrease). In 1H19, the accumulated volume was virtually in line with that of 1H18; Excluding the effect of REN, the billed market increased by 2,3% compared to 2Q18.

The consumption of the residential segment, which totaled 2,077 GWh in 2Q19 (representing a 6.1% decrease compared to 2Q18), was affected by the 80.8% decrease in REN, as described above. Excluding the effect of REN, the residential segment increased by 0.3% in 2Q19 and 5.0% in 1H19.

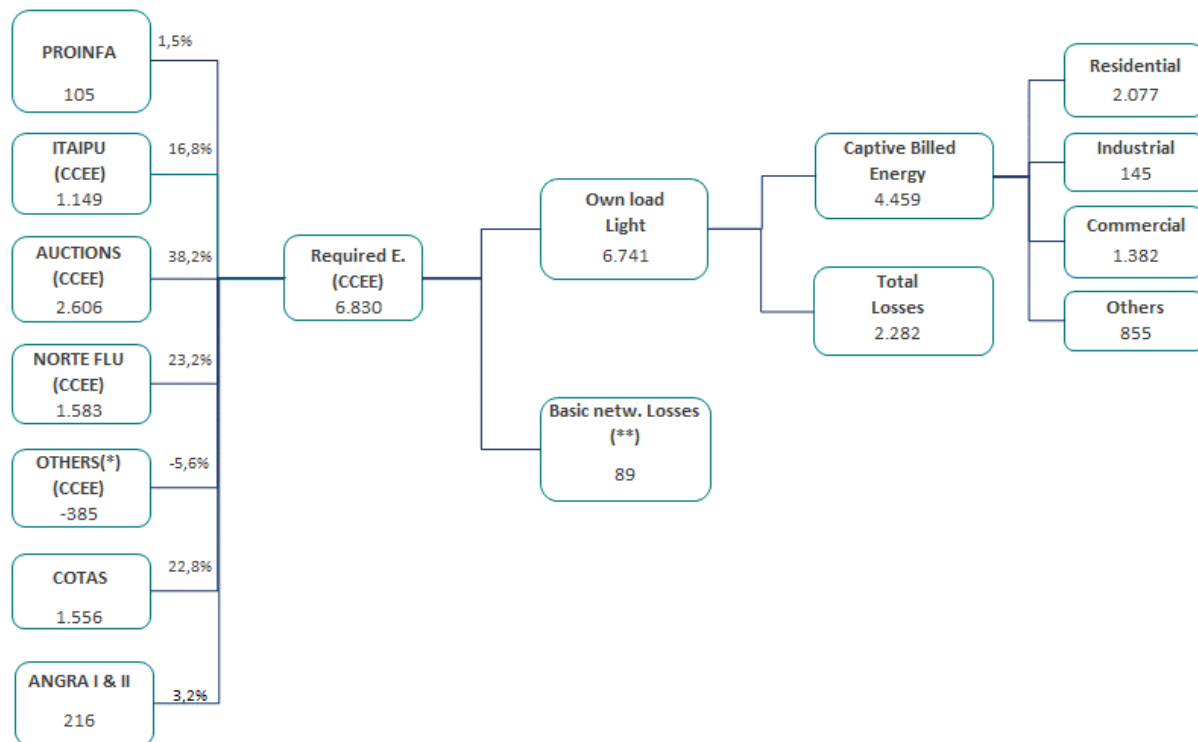
In 2Q19, the consumption of the commercial segment increased by 1.2% compared to 2Q18. The consumption of free customers increased by 8.1% in 2Q19 compared to 2Q18. The retail and wholesale sectors and condominiums contributed the most to this positive performance and, together, account for 44% of the total consumption in the free market.

In 2Q19, the consumption of the industrial segment decreased by 4.2% compared to 2Q18, primarily due to the decrease in consumption of the steel sector, which accounts for 60% of this segment.

At the end of 2Q19, the free market accounted for 27.0% of the total market of the Distribution Company. The migration of customers from the captive market to the free market does not affect margin, as energy continues to be transported by the Company, which receives TUSD.

## 2.1.2. Energy Balance

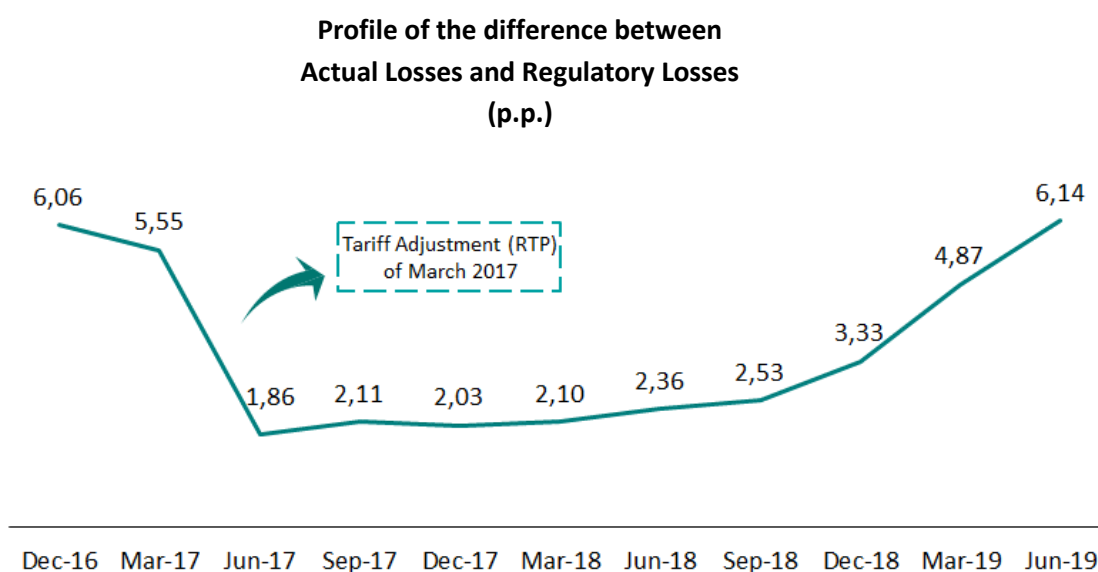
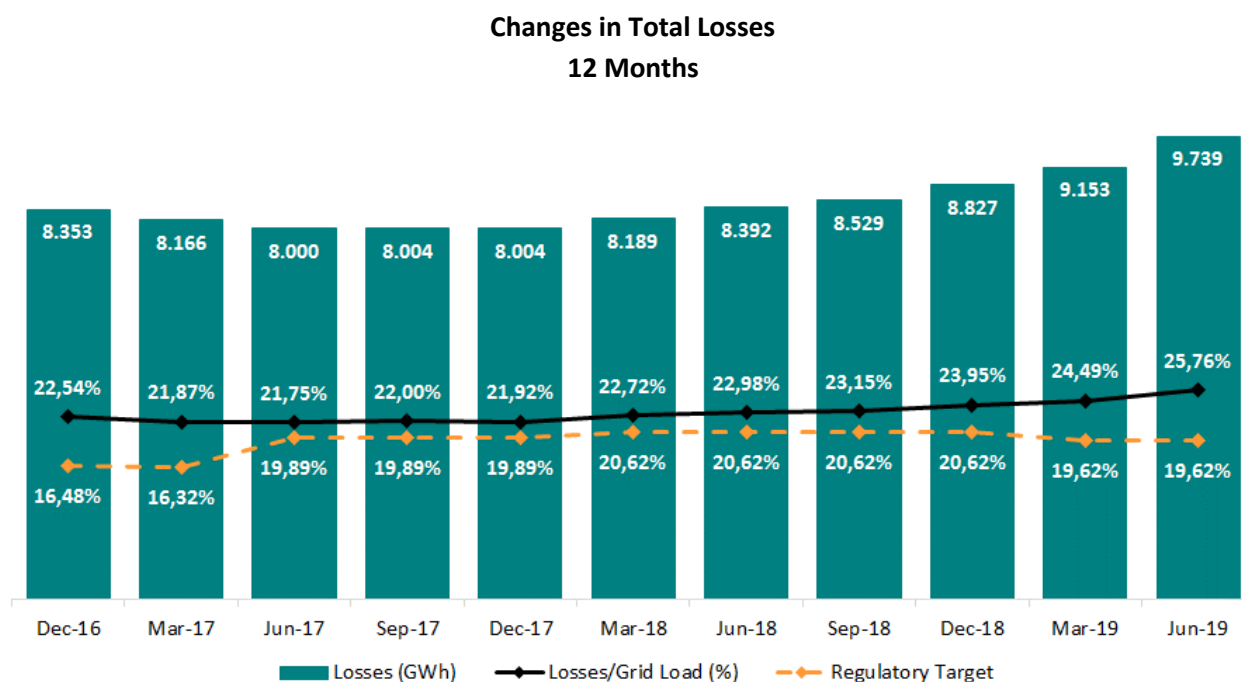
### Energy Distribution Balance (GWh) 2Q19



(\*) Others = Purchases in Spot - Sales in Spot.

Energy Balance (GWh)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
= Grid Load	9.195	8.762	4,9%	20.036	19.086	5,0%
- Energy transported to utilities	620	660	-6,0%	1.236	1.303	-5,1%
- Energy transported to free customers	1.833	1.706	7,5%	3.679	3.482	5,6%
= Own Load	6.741	6.396	5,4%	15.121	14.301	5,7%
- Billed Energy (Captive Market)	4.459	4.700	-5,1%	9.706	9.798	-0,9%
Low Voltage Market	3.371	3.507	-3,9%	7.368	7.361	0,1%
Medium and High Voltage Market	1.089	1.192	-8,7%	2.337	2.437	-4,1%
= Total Losses	2.282	1.696	34,5%	5.416	4.503	20,3%

### 2.1.3. Energy Losses



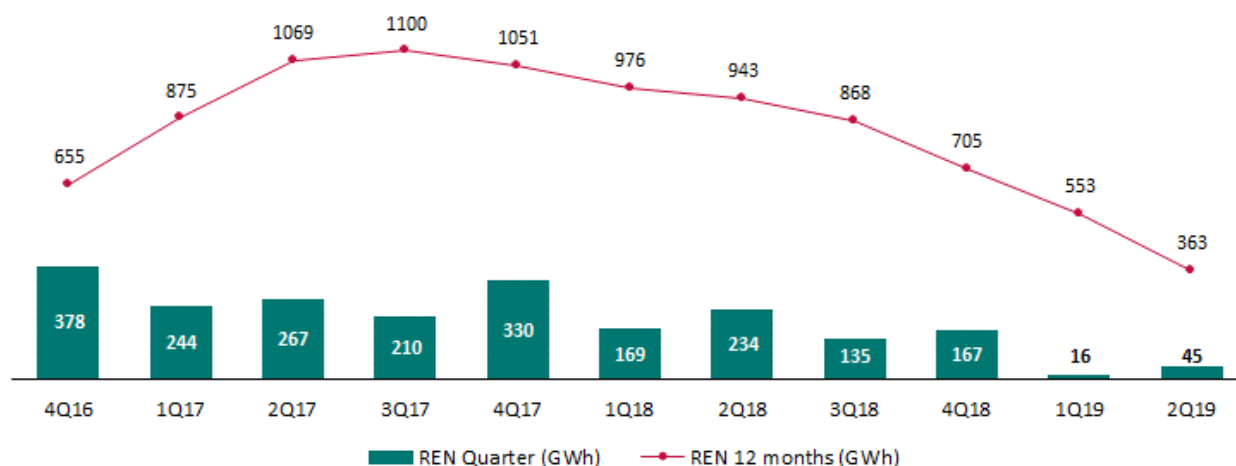
The Commercial area of the Company underwent a restructuring process in the last months, and a new officer was elected on June 28. The objective is to increase the efficiency of commercial processes and improve management, improving the results of commercial losses, customer service and collection.

Also as a result of the restructuring process in the commercial area, field activities related to the combat of non-technical losses are being gradually resumed as of August. Accordingly, the volume of REN decreased by 80.8% in the quarterly comparison (45 GWh in 2Q19 compared to 234 GWh in 2Q18). As a result of this fact, together with the increase in average temperatures in 2Q19 compared to 2Q18, the indicator of losses on grid load increased to 25.76% in the last 12 months ended June 2019.

The Company is 6.14 p.p. above the percentage of regulatory transfer to tariffs, of 19.62%<sup>5</sup>, pursuant to the parameters established by Aneel in the Periodic Tariff Adjustment (RTP) of March 2017, already adjusted by the reference market for the next 12 months and ratified by Aneel at the time of the tariff adjustment (IRT) in March 2019. The 1 p.p. difference in the regulatory level in 2018 compared to 2019 is due to the increase in the grid load and decrease in the low voltage market in the 2019 tariff adjustment (IRT).

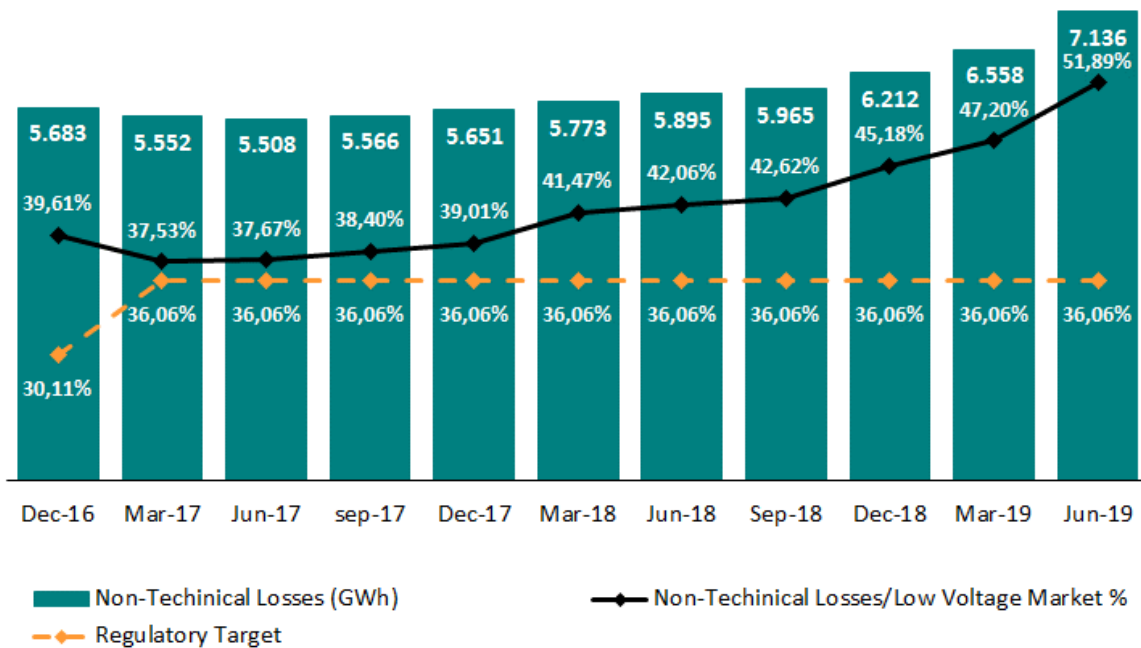
In 2Q19, in the risk areas, non-technical losses (12 months) totaled 3,748 GWh (53%). In 2Q19, in the possible areas, non-technical losses (12 months) totaled 3,388 GWh (47%), representing a 14.3% increase compared to 1Q19. This increase is due to a decreased volume of REN (-189 GWh) already mentioned above, allied to the decrease in inventory of unbilled energy in June 2019 compared to June 2018 (-81 GWh) and the increase in average temperatures.

**Changes in REN in the Quarter and in the Last 12 Months  
(GWh)**

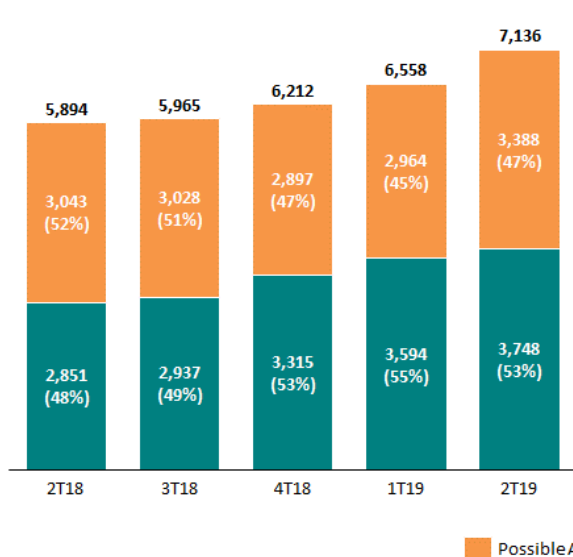


<sup>5</sup> Calculated based on loss pass-through levels established by ANEEL in the 4th Periodic Tariff Revision (4th RTP), ratified on March 15, 2017 for the 2017-2022 period, as follows: 6.34% for technical losses on the grid load and 36.06% for non-technical losses on the low voltage market. These percentages may vary during the cycle due to the performance of the low voltage market and the grid load.

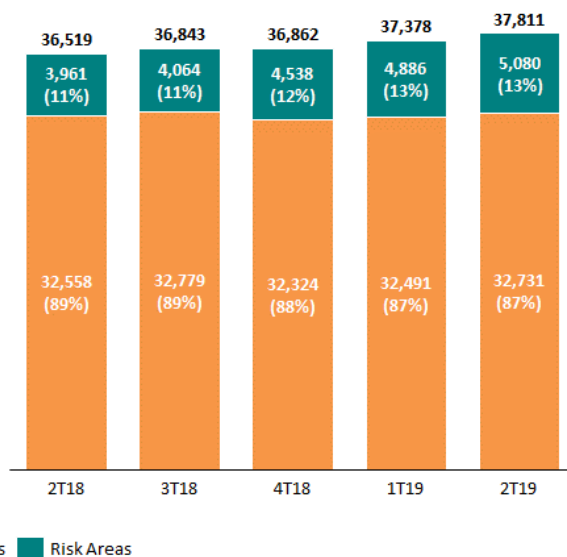
## Changes in Non-Technical Losses/Low Voltage Market 12 Months



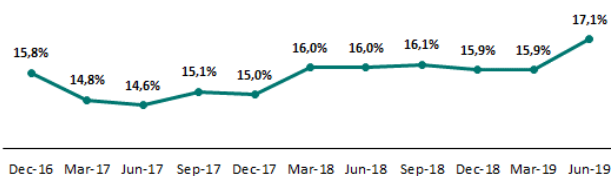
### Non Technical Losses (GWh) 12 months



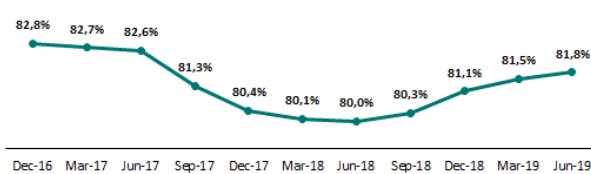
### Grid Load (GWh) 12 months



### Total Losses / Grid Load – Possible Areas 12 Months

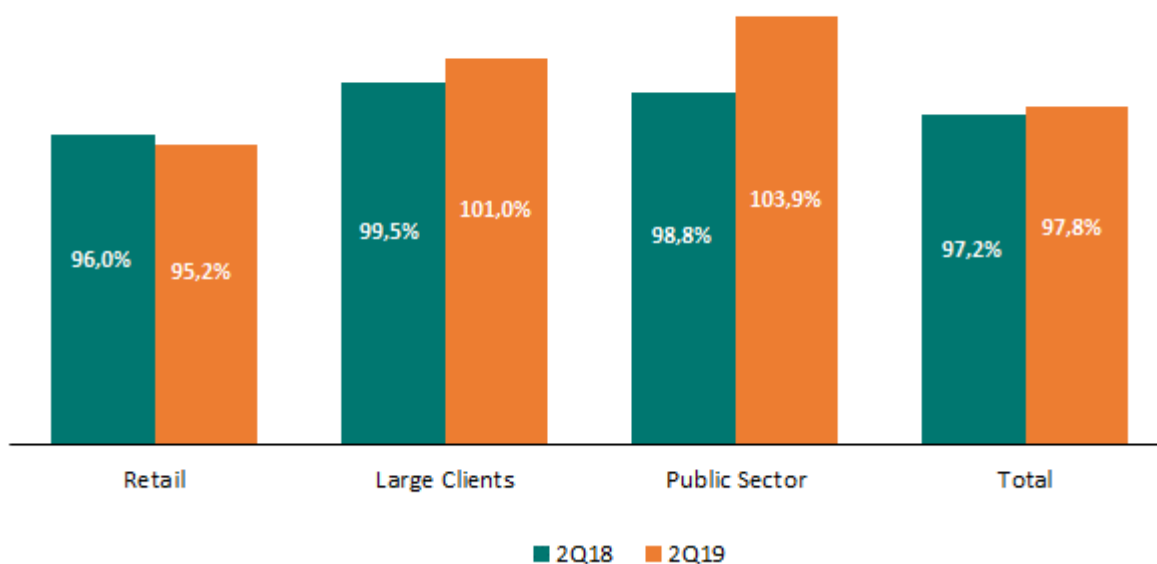


### Total Losses / Grid Load – Risk Areas 12 Months

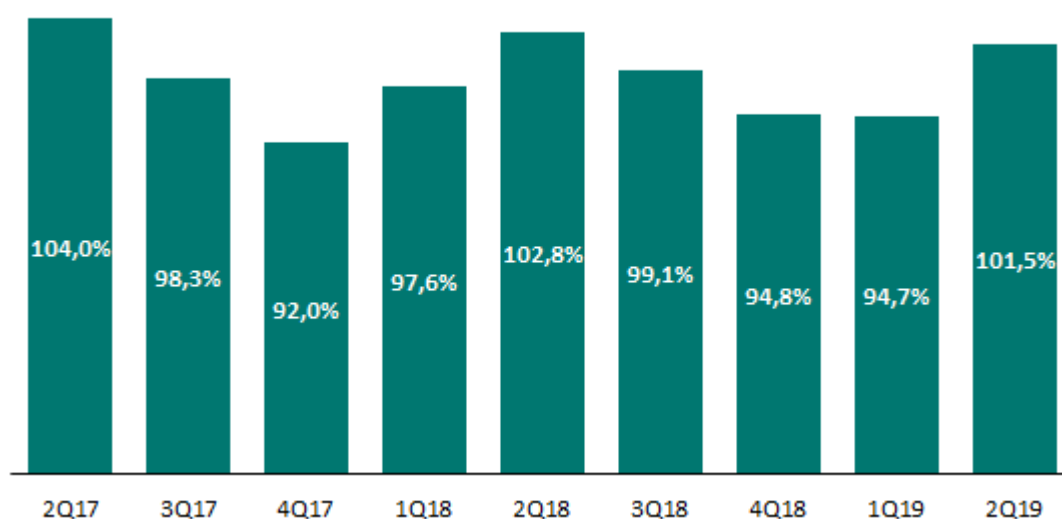


## 2.1.4. Collection

**Collection Rate by Segment –12 months  
(Considering REN overdue bills)**



**Historical Total Collection Rate  
(Considering REN overdue bills)**



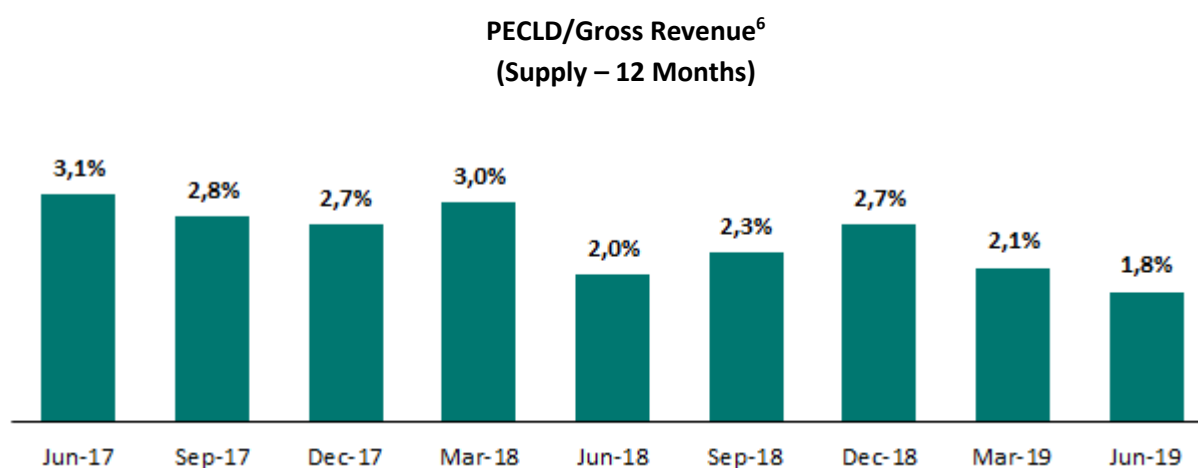
In the 12 months ended June 30, 2019, the total moving average collection rate was 97.8%, representing a 0.6 p.p. increase compared to 97.2% in 2Q18.

In the 12 months ended June 30, 2019, the accumulated collection rate regarding the Public Sector increased by 5.1 p.p. compared to the same period in the previous year, due to: (i) the collection of R\$110 million from the Rio de Janeiro State Government in November and December 2018 by means of compensations against ICMS due; and (ii) an agreement entered into with the Rio de Janeiro Municipal Government in October 2018, pursuant to which amounts will be paid in 22 installments, beginning in March 2019 (the amount adjusted for inflation is R\$75 million).

In July 2018, Light entered into an installment agreement with a large customer, pursuant to which the amount receivable was R\$163 million. In June 2019, Light executed an amendment to this agreement, pursuant to which the amount of R\$48 million was included in the debt installment amount. Of these amounts, the Company received R\$46 million, which explains the 1.5 p.p. increase in the collection rate of the Large Customers segment in the quarterly comparison for the last 12 months.

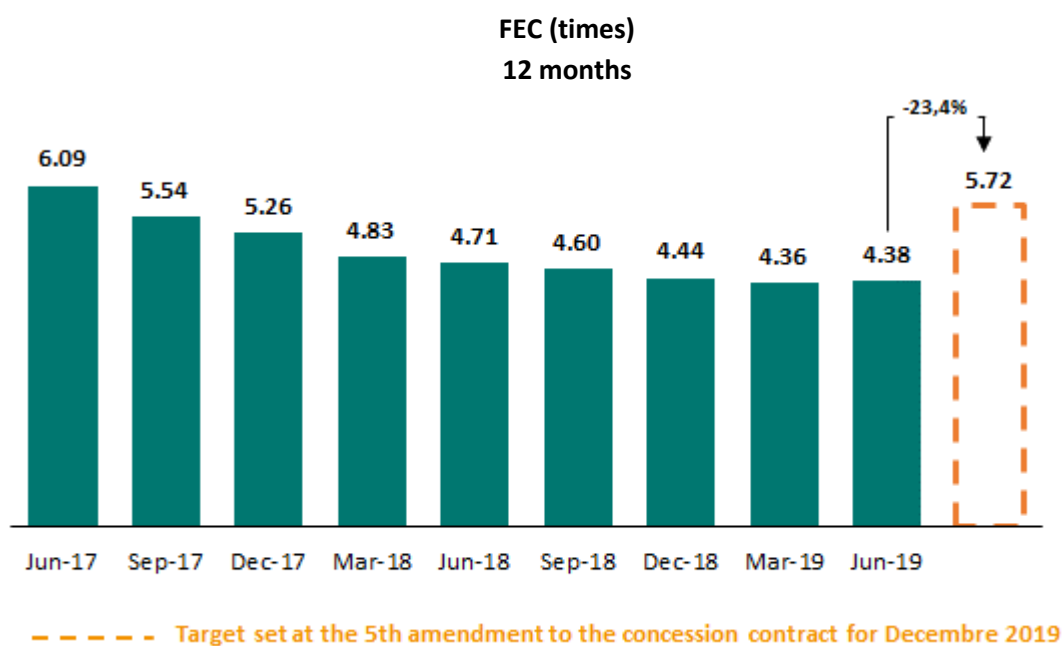
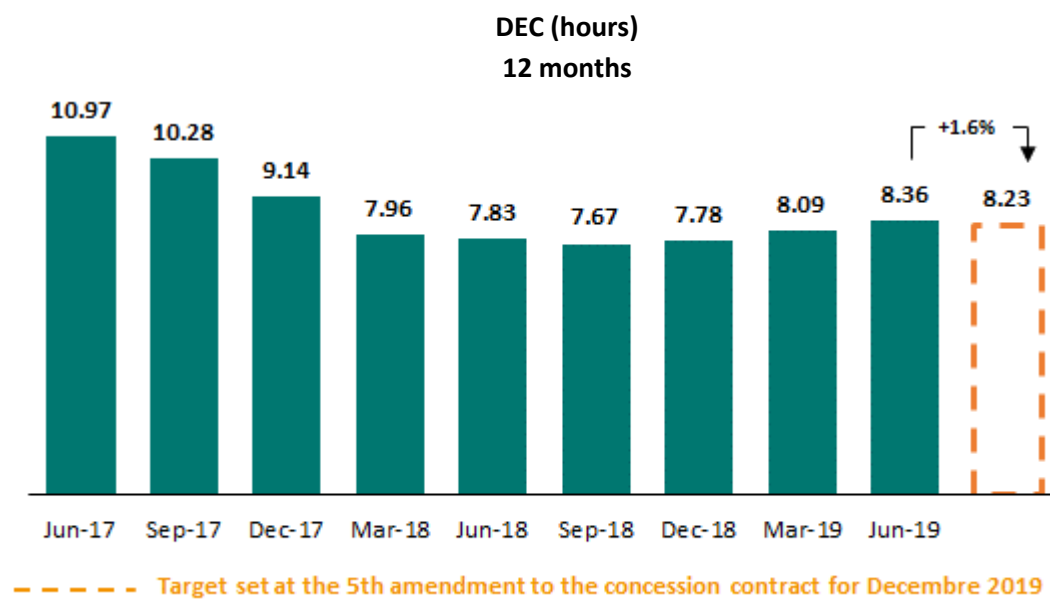
In the 12 months ended June 30, 2019, the PECLD/Gross Revenue ratio was 1.8%, representing a 0.3 p.p. improvement compared to the 12 months ended in 1Q19 and a 0.2 p.p. decrease compared to 2Q18.

The improvement in the indicator mentioned above is due to a lower PECLD in 2Q19, in the amount of R\$71 million, as a result of the decrease in REN.



<sup>6</sup> Gross Revenue from the Captive Market + Free Market.

## 2.1.5. Quality Indicators





In June 2019, DEC (12 months) was 8.36 hours, representing a 3.3% increase compared to March 2019, due to a higher number of climate events occurred in 2Q19. DEC is currently 1.6% above the limit established by ANEEL, of 8.23 hours. However, DEC is assessed annually and will only be measured at the end of 2019.

In June 2019, FEC (12 months) was 4.38x, representing a 0.5% increase compared to March 2019 and a 7.0% decrease compared to June 2018. FEC was 23.4% below the regulatory target for 2019, of 5.72x.

Income Statement (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Net Operating Revenue</b>	<b>2.337</b>	<b>2.453</b>	<b>-4,8%</b>	<b>5.117</b>	<b>4.946</b>	<b>3,5%</b>
Operating Expense	(2.258)	(2.245)	0,6%	(4.880)	(4.586)	6,4%
<b>Adjusted EBITDA</b>	<b>216</b>	<b>328</b>	<b>-34,2%</b>	<b>511</b>	<b>610</b>	<b>-16,3%</b>
Financial Result	(87)	(229)	-62,1%	(281)	(351)	-20,0%
Non Operating Result	(5)	(1)	905,7%	(10)	(12)	-18,3%
Result before taxes and interest	(8)	(20)	-57,6%	(44)	9	-
Income Tax/Social Contribution	(2)	6	-	10	(4)	-
<b>Net Income/Loss</b>	<b>(10)</b>	<b>(14)</b>	<b>-28,3%</b>	<b>(35)</b>	<b>4</b>	<b>-</b>
EBITDA Margin*	9,2%	13,4%	-4,14 p.p.	10,0%	12,3%	-2,35 p.p.

\* Does not consider construction revenue

## 2.2. Financial Performance

### 2.2.1. Net Revenue<sup>7</sup>

Net Revenue (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Captive Customers and Network Use (TUSD)	2.375	2.312	2,7%	4.990	4.586	8,8%
Non billed Energy	(96)	(101)	-5,2%	(23)	(31)	-26,1%
CCRB Account	15	0	6927,9%	13	(25)	-
CVA	6	159	-96,0%	32	289	-89,0%
Others	37	84	-56,0%	104	127	-17,7%
Concession Right of Use	35	64	-46,1%	96	88	9,2%
Others Revenues	2	19	-89,5%	8	39	-78,8%
<b>Subtotal</b>	<b>2.337</b>	<b>2.453</b>	<b>-4,8%</b>	<b>5.117</b>	<b>4.946</b>	<b>3,5%</b>
Construction Revenue*	188	146	28,4%	347	283	22,5%
<b>Total</b>	<b>2.524</b>	<b>2.600</b>	<b>-2,9%</b>	<b>5.464</b>	<b>5.229</b>	<b>4,5%</b>

\* The subsidiary Light SESA book revenues and costs, with zero margin, related to services of construction or improvement in infrastructure used in providing electricity distribution services.

In 1H19, net revenue, excluding construction revenue, increased by 3.5% (R\$171 million) compared to 1H18. In 2Q19, net revenue decreased by 4.8% (R\$116 million) compared to 2Q18, including the following highlights:

- an increase of R\$63 million in the Captive and Free Customers segment, due to the tariff increase in March 2019.
- a decrease of R\$153 million in CVA in 2Q19 compared to 2Q18, primarily due to the amortization of CVA in 2Q19 (-R\$100 million) and the decrease in formation of CVA regarding Energy Purchase (-R\$169 million).

<sup>7</sup> On December 10, 2014, the Company entered into the fourth amendment to its distribution concession agreement, pursuant to which the remaining balances of any tariff under-collected amounts or reimbursements at the end of the concession will be added to or deducted from the indemnification amount, allowing the recognition of the balances of these regulatory assets and liabilities.

million), offset by an increase in formation of CVA regarding the Energy Development Account (+R\$104 million).

- a decrease of R\$29 million in the fair value of the concession indemnifiable asset (VNR), due to the lower variation of IPCA in 2Q19 compared to 2Q18.

## 2.2.2. Costs and Expenses

Costs and Expenses (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Non-Manageable Costs and Expenses</b>	<b>(1.742)</b>	<b>(1.720)</b>	<b>1.3%</b>	<b>(3.871)</b>	<b>(3.533)</b>	<b>9.6%</b>
Energy Purchase Costs	(1.891)	(1.614)	17.1%	(4.188)	(3.330)	25.8%
Costs with Charges and Transmission	(217)	(257)	-15.5%	(428)	(509)	-15.8%
PIS/COFINS Credit on purchase	179	152	17.7%	357	307	16.3%
Crédito ICMS sobre compra de Energia	187	-	-	389	-	-
<b>Manageable Costs and Expenses</b>	<b>(516)</b>	<b>(525)</b>	<b>-1.7%</b>	<b>(1.009)</b>	<b>(1.054)</b>	<b>-4.2%</b>
PMSO	(220)	(216)	1.6%	(428)	(420)	1.8%
Personnel	(107)	(90)	18.8%	(204)	(176)	15.4%
Material	(6)	(5)	10.9%	(12)	(10)	18.9%
Outsourced Services	(127)	(130)	-2.0%	(256)	(255)	0.3%
Others	21	9	123.8%	43	21	104.8%
Provisions - Contingencies	(88)	(64)	37.2%	(164)	(107)	52.9%
Provisions - PECLD	(71)	(125)	-43.6%	(144)	(277)	-48.2%
Depreciation and Amortization	(132)	(119)	11.2%	(264)	(238)	11.3%
Non Operating Result	(5)	(1)	905.7%	(10)	(12)	-18.3%
<b>Total costs without Construction Revenue</b>	<b>(2.258)</b>	<b>(2.245)</b>	<b>0.6%</b>	<b>(4.880)</b>	<b>(4.586)</b>	<b>6.4%</b>
Construction Revenue	(188)	(146)	28.4%	(347)	(283)	22.5%
<b>Total Costs</b>	<b>(2.446)</b>	<b>(2.391)</b>	<b>2.3%</b>	<b>(5.227)</b>	<b>(4.869)</b>	<b>7.4%</b>

## 2.2.2.1. Non-Manageable Costs and Expenses

Non-Manageable Costs and Expenses (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Use of Basic Network and ONS Charges	(197)	(241)	-18,3%	(393)	(487)	-19,2%
Connection Charges - Transmission	(21)	(16)	26,0%	(35)	(22)	60,1%
Itaipu	(294)	(279)	5,2%	(565)	(513)	10,3%
Transported Energy - Itaipu	(29)	(27)	6,7%	(57)	(53)	6,8%
TPP Norte Fluminense	(602)	(361)	66,5%	(1.213)	(719)	68,7%
PROINFRA	(45)	(38)	20,4%	(89)	(84)	6,6%
Assured energy Quotas	(151)	(128)	17,7%	(311)	(279)	11,5%
Nuclear Quotas	(55)	(54)	1,5%	(110)	(108)	1,9%
Energy auction	(503)	(477)	5,5%	(1.031)	(1.040)	-0,8%
Contracts by Availabilities	(292)	(311)	-6,0%	(615)	(682)	-9,8%
Contracts by Quantity	(211)	(166)	27,0%	(415)	(358)	16,2%
Costs with Charges and Transmission	(211)	(249)	-15,1%	(812)	(535)	51,9%
Sale/ Purchase (Spot)	(172)	196	-	(484)	83	-
Submarket Exposure	138	4	3354,4%	35	(21)	-
Hydrological Risk	(66)	(301)	-78,0%	(116)	(329)	-64,9%
Effects of Contracts by Availabilities	(58)	(117)	-50,6%	(176)	(215)	-18,0%
ESS	(3)	19	-	(17)	(17)	-2,0%
Reserve Power	(39)	(30)	28,5%	(39)	(77)	-49,9%
Other	(12)	(20)	-39,7%	(16)	42	-
PIS / COFINS Credit on Purchase	179	152	17,7%	357	307	16,3%
ICMS Credit on Purchase	187	-	-	389	-	-
<b>Total</b>	<b>(1.742)</b>	<b>(1.720)</b>	<b>1,3%</b>	<b>(3.871)</b>	<b>(3.532)</b>	<b>9,6%</b>

In 2Q19, non-manageable costs and expenses remained virtually in line compared to 2Q18, having slightly increased by 1.3%, primarily due to:

- the adjustment of tariffs of Norte Flu due to the increase in tariff (price of gas) and the inclusion of ICMS. It is important to highlight that we recorded this ICMS credit as described in “ICMS credit on energy purchase”;
- the increase in Physical Guarantee Quotas due to the annual adjustment of quotaholder plants, driven by the review of the annual generation revenue (*receita anual de geração – RAG*) in July 2018;
- the increase of R\$45 million in the line item “agreements by availability” due to the recording of new agreements and occurrence of new thermal power plants auctions;
- the decrease in sales in the spot market due to the increase in load and the decrease in PLD in 2Q19 (average PLD in the Southeast region of R\$131.4/MWh) compared to 2Q18 (average PLD in the Southeast region of R\$302.7/MWh);
- the decrease in payments of Hydrological Risk due to the improvement in the system’s energy conditions (higher GSF and lower PLD);

Additionally, in the end of 2Q19, the volume of contracted energy was virtually in line with that of 2Q18, as the decreases in contracted energy from Itaipu, Physical Guarantee Quotas and Agreements for the Purchase of Energy in the Regulated Market (*Contratos de Compra de Energia no Ambiente Regulado*) (“CCEARs”) that expired in 2018 were offset by new agreements executed in ACR Auctions.

### 2.2.2.2. Manageable Costs and Expenses

In 2Q19, Manageable Costs and Expenses, which include PMSO (Personnel, Materials, Outsourced Services and Others), Provisions, Depreciation and Other Operating Income (Expenses), totaled R\$516 million, representing a decrease of R\$9 million compared to 2Q18.

PMSO increased by only R\$4 million compared to 2Q18, a percentage increase below inflation, due to the increase in Personnel expenses as a result of the annual collective bargaining agreement. The insourcing occurred after 2Q18 represented a decrease in PMSO (an increase in personnel expenses and a decrease in services expenses), with positive impacts due to productivity and operating efficiency through the establishment of multiskilled teams in the Engineering area.

Additionally, in “Others,” we highlight: (i) increased revenue from fines for late payment of energy bills (2Q19: R\$32.7 million compared to R\$27.7 million in 2Q18); and (ii) the credit in the amount of R\$4.7 million as a result of the application of a new standard, IFRS 16, which took effect in January/19.

In 2Q19, PECLD totaled R\$71 million, representing a decrease compared to R\$125 million in 2Q18, basically due to the decrease in revenue from REN.

In 2Q19, provisions for contingencies increased by R\$24 million compared to 2Q18, due to a higher number of civil and special civil judicial proceedings, primarily related to commercial lawsuits.

### 2.2.3. “A Component” Variation Offset Account – CVA

Net Regulatory Assets/ Liabilities (R\$ MN)	2Q19	1Q19	4Q18	3Q18	2Q18
Regulatory Assets	1.486	1.728	2.028	2.157	1.693
Regulatory Liabilities	(754)	(1.002)	(1.318)	(1.423)	(1.337)
<b>Net Regulatory Assets/ Liabilities</b>	<b>732</b>	<b>725</b>	<b>710</b>	<b>734</b>	<b>356</b>

In the end of 2Q19, the “A Component” Variation Offset Account – CVA totaled R\$732 million, encompassing: (i) the remaining balance of CVA and financial items ratified by Aneel and transferred to tariffs in the tariff adjustment of March 15, 2019, which will be invoiced and amortized in subsequent months; and (ii) the formation of CVA not yet transferred to tariffs, primarily comprised of amounts regarding the period from January to June 2019, which Aneel will take into account in the tariff process of March 2020.

## 2.2.4. Financial Result

Financial Result (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Financial Revenues</b>	<b>66</b>	<b>236</b>	<b>-72.2%</b>	<b>90</b>	<b>259</b>	<b>-65.3%</b>
Income from Financial Investments	4	7	-48.6%	13	9	43.6%
Swap Operations	38	175	-78.4%	38	149	-74.6%
Interest on energy accounts and debt installments	21	36	-41.6%	43	46	-5.7%
Restatement of Sector's Assets and Liabilities	0	12	-99.2%	(11)	48	-
Others Financial Revenues	3	5	-47.9%	6	7	-19.0%
<b>Financial Expenses</b>	<b>(152)</b>	<b>(465)</b>	<b>-67.2%</b>	<b>(371)</b>	<b>(611)</b>	<b>-39.2%</b>
Debt Expenses (Local Currency)	(110)	(81)	36.2%	(226)	(223)	1.5%
Debt Expenses (Foreign Currency)	(40)	(32)	25.9%	(80)	(17)	378.1%
Monetary Variation	(34)	(11)	222.3%	(65)	(24)	168.0%
Exchange Rate Variation	47	(271)	-	37	(282)	-
Swap Operations	-	-	-	(1)	-	-
Itaipu Exchange Rate Variation	8	(29)	-	8	(26)	-
Restatement of provision for contingencies	(2)	(2)	10.0%	(6)	(6)	9.4%
Restatement of R&D/PEE/FNDCT	(3)	(3)	9.3%	(7)	(6)	9.0%
Interest and Fines on Taxes	(2)	(5)	-72.2%	(4)	(8)	-52.8%
Installment Payment - Fines and Interest Rates Law 11	(1)	(1)	-18.3%	(2)	(3)	-19.6%
Other Financial Expenses (Includes IOF)	(16)	(29)	-46.8%	(25)	(15)	65.6%
Braslight (Private Pension Fund)	-	(1)	-	-	(2)	-
<b>Total</b>	<b>(87)</b>	<b>(229)</b>	<b>-62.1%</b>	<b>(281)</b>	<b>(351)</b>	<b>-20.0%</b>

In 2Q19, financial result improved by 62.1%, totaling net financial revenues of R\$87 million compared to net financial expenses of R\$229 million in 2Q18. This improvement is due to: (i) the depreciation of the U.S. dollar in the period, which positively affected the exchange rate variation line item of Itaipu by R\$37 million; and (ii) gains from mark-to-market swap transactions related to the Bonds agreements, in the amount of R\$85 million, as a result of the rate reduction in the future curve of the CDI rate in the period. It is worth noting that the Bonds are fully hedged by a swap agreement, including principal and interest, until expiration of the agreement. Accordingly, the debt is hedged against foreign exchange variation.

### 3. Light Energia – Generation

Operating Highlights	2Q19	2Q18	% Change 2Q19/2Q18
Nº of Employees	219	219	0,0%
Installed capacity (MW)	1.154	1.043	10,6%
Light Energia	872	855	1,9%
Participation*	282	188	50,1%
Assured energy (Average MW)	714	764	-6,5%
Light Energia	561	620	-9,5%
Participation*	153	144	6,4%
Pumping and internal losses (Average MW)	91	99	-8,1%
Available energy Light Energia (Average MW)*	470	521	-9,7%

\* Includes The Installed Capacity of Lajes

\* Proportional stake in associates: Renova, Belo Monte, Guanhães and PCH Paracambi.

The installed capacity of stakes increased by 50.1% in 2Q19 compared to 2Q18, due to the commencement of operations of the power plants of the Belo Monte Complex and three out of four Guanhães PCHs.

The Assured Energy of Light Energia decreased by 59 MWm in the quarterly comparison due to the seasonality policy adopted by the Company.

### 3.1. Operating Performance

#### 3.1.1. Energy Sales

Energy Sale (MWm)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Free Contracting Environment Sales	496	550	-9,7%	536	539	-0,6%
Spot Sales (CCEE)	49	3	1543,3%	91	54	70,3%

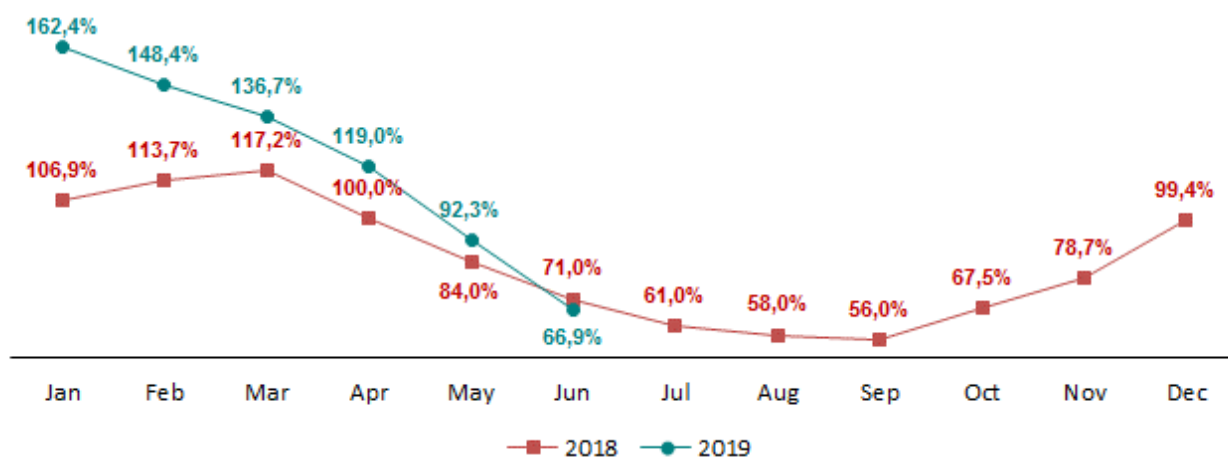
In 2Q19, energy sales in the ACL decreased compared to 2Q18, primarily due to the seasonality policy set forth in existing agreements. In 2Q19, energy sales in the spot market increased due to higher GSF amounts.

Pursuant to a court decision, Light Energia does not have to make payments relating to any exposure in monthly CCEE settlements, exempting it from making payments in the spot market and protecting its cash flows, even though this cost and revenue are regularly fully recognized in its result. As of June 2019, the outstanding balance of the liabilities for the period between May 2015 and June 2019 totaled approximately R\$984 million under trading in the short-term market. On the other hand, the balance of receivables of the Generation Company totaled R\$391 million, resulting in net liabilities of R\$593 million as of June 2019.

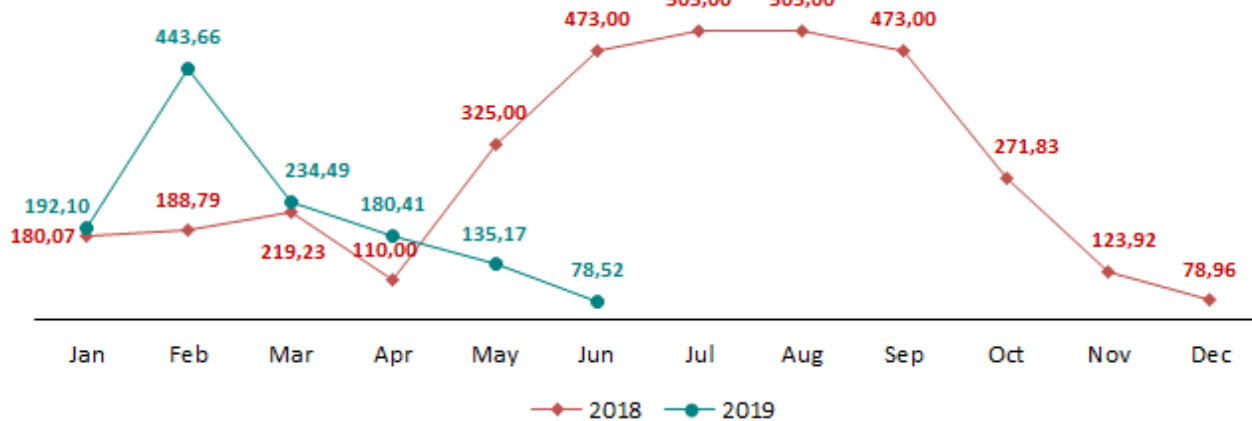
The completion of discussions on Bill 10,985/18 must be taken into account. This bill was already approved in June 2019 by the Brazilian Congress, including an amendment about another matter that does not concern renegotiation (distribution of funds from the sale of oil, natural gas and other hydrocarbons). The Bill will return to the Brazilian Senate solely as a result of this amendment. The Senate cannot present new amendments, it can only accept or reject the changes proposed by Congress before submitting the Bill to the Brazilian President for approval. The Bill sets forth that Aneel must regulate the matter within 90 days from the date of publication of the Law.



### GSF – Generation Scaling Factor



### Average Monthly PLD Southeast/Midwest (R\$/MWh)





### 3.2. Financial Performance

Income Statement (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Net Operating Revenue</b>	<b>210</b>	<b>226</b>	<b>-6,8%</b>	<b>495</b>	<b>466</b>	<b>6,0%</b>
Operating Expense	(79)	(136)	-42,2%	(145)	(219)	-33,9%
<b>Adjusted EBITDA</b>	<b>148</b>	<b>103</b>	<b>43,3%</b>	<b>379</b>	<b>276</b>	<b>36,9%</b>
Financial Result	(0)	(72)	-99,7%	(3)	(102)	-96,8%
Non Operating Result	(2)	0	-	(1)	(2)	-60,1%
Result before taxes and Equity Pickup	130	18	640,7%	345	143	141,0%
Income Tax/Social Contribution	(43)	(4)	1015,7%	(114)	(47)	144,4%
Equity Pickup	(90)	(24)	276,0%	(83)	(45)	85,4%
<b>Net Income/Loss</b>	<b>(2)</b>	<b>(11)</b>	<b>-85,1%</b>	<b>150</b>	<b>54</b>	<b>176,7%</b>
EBITDA Margin	70,3%	45,7%	24,58 p.p.	76,5%	59,3%	17,26 p.p.

#### 3.2.1. Net Revenue

Net Revenue (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Generation Sale (ACL)	178	184	-3,4%	407	369	10,4%
Short-Term	30	40	-23,6%	83	93	-11,5%
Others	2	2	14,5%	5	4	13,8%
<b>Total</b>	<b>210</b>	<b>226</b>	<b>-6,8%</b>	<b>495</b>	<b>466</b>	<b>6,0%</b>

In 1H19, net revenue increased by 6.0% compared to the same period in the previous year. However, in 2Q19, net revenue decreased by 6.8%, or R\$16 million, compared to 2Q18. This decrease is due to the seasonality policy of existing agreements in the ACL. In relation to sales in the spot market, notwithstanding increased sales in the period, net revenue decreased by R\$10 million in the quarterly comparison due to a lower average PLD in the Southeast and Midwest regions (R\$131.40/MWh in 2Q19 compared to R\$302.70/MWh in 2Q18).

#### 3.2.2. Costs and Expenses

Operating Costs and Expenses (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Personnel	(6)	(6)	0,2%	(12)	(12)	1,0%
Material and Outsourced Services	(4)	(4)	7,7%	(8)	(8)	8,6%
Purchased Energy / CUSD / CUST	(51)	(110)	-53,7%	(92)	(166)	-44,6%
Depreciation	(14)	(14)	4,9%	(28)	(27)	3,3%
Non Operating Result	(2)	0	-	(1)	(2)	-60,1%
Others (includes provisions)	(1)	(2)	-43,1%	(4)	(4)	-17,6%
<b>Total</b>	<b>(79)</b>	<b>(136)</b>	<b>-42,2%</b>	<b>(145)</b>	<b>(219)</b>	<b>-33,9%</b>

In 2Q19, costs and expenses decreased by R\$57 million compared to 2Q18, primarily due to lower energy purchase expenses, as a result of lower market prices.

### 3.2.3. Financial Result

Financial Result (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Financial Revenues</b>	<b>37,4</b>	<b>57,2</b>	<b>-34,7%</b>	<b>59,0</b>	<b>57,3</b>	<b>3,0%</b>
Income from Financial Investments	8,6	8,0	7,8%	17,2	8,4	104,9%
Swap Operations	28,5	48,2	-40,7%	41,5	45,4	-8,4%
Restatement of Parcel A and other Financial Items	-	1,0	-	-	3,4	-
<b>Financial Expenses</b>	<b>(37,6)</b>	<b>(129,5)</b>	<b>-71,0%</b>	<b>(62,6)</b>	<b>(161,7)</b>	<b>-61,3%</b>
Debt Expenses (Local Currency)	(4,1)	(15,6)	-73,5%	(11,7)	(36,3)	-67,7%
Debt Expenses (Foreign Currency)	(15,5)	(10,3)	50,3%	(30,9)	(12,4)	149,0%
Exchange Rate Variation	13,5	(88,3)	-	11,2	(87,4)	-
Restatement of provision for contingencies	(0,0)	(0,0)	185,7%	(0,0)	(0,0)	54,8%
Restatement of R&D/PEE/FNDCT	(0,2)	(0,2)	20,0%	(0,3)	(0,3)	16,8%
Interest and Fines on Taxes	(0,0)	(0,0)	-58,3%	(0,0)	(0,6)	-99,1%
Restatement of GSF	(25,2)	(14,6)	72,1%	(23,3)	(24,0)	-2,9%
Other Financial Expenses (Includes IOF)	(6,2)	(0,5)	1139,6%	(7,5)	(0,6)	1115,9%
<b>Total</b>	<b>(0,2)</b>	<b>(72,3)</b>	<b>-99,7%</b>	<b>(3,6)</b>	<b>(101,6)</b>	<b>-96,5%</b>

In 2Q19, net financial expenses totaled R\$0.2 million, representing an improvement of R\$72.1 million, primarily due to gains from mark-to-market swap transactions related to debt in foreign currency, as a result of the rate reduction in the future curve of the CDI rate in the period.

### 3.2.4. Net Income (Loss)

Net Income/Loss (R\$MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Light Energia (without Stakes)</b>	<b>89</b>	<b>13</b>	<b>559,7%</b>	<b>233</b>	<b>99</b>	<b>135,4%</b>
Guanhães - Equity Income	2	(1)	-	9	(1)	-
Renova Energia -Equity Income	(92)	(23)	300,4%	(92)	(44)	111,0%
<b>Net Result</b>	<b>(2)</b>	<b>(11)</b>	<b>-85,1%</b>	<b>150</b>	<b>54</b>	<b>176,7%</b>

In 2Q19, Light Energia's net income, excluding equity income, totaled R\$89 million, representing a R\$76 million improvement compared to 2Q18. Light Energia's net loss, including the effect of equity income, totaled R\$2 million in 2Q19, compared to a net loss of R\$11 million in 2Q18.

## 4. Light Com – Trading

### 4.1. Operating Performance

Operating Highlights	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Volume Sold - MWm	643	762	-15,7%	642	754	-14,8%
Average Selling Price (Net of Taxes) - R\$/MWh	185,0	181,1	2,2%	184,5	180,5	2,2%

In 2Q19, sales volume decreased by 15.7% compared to 2Q18, primarily due to the expiration of certain long-term agreements entered into with end consumers.

In 2Q19, average sales price increased by 2.2% compared to 2Q18, due to the annual adjustment of existing agreements and the completion of new sales.

### 4.2. Financial Performance

Income Statement (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Net Operating Revenue</b>	<b>260</b>	<b>301</b>	<b>-13,8%</b>	<b>537</b>	<b>591</b>	<b>-9,2%</b>
Energy Supply	260	301	-13,9%	514	590	-12,9%
Others	0	0	0,5%	22	0	5916,5%
Operating Expenses	(235)	(280)	-16,3%	(460)	(550)	-16,3%
Personnel	(1)	(1)	-14,1%	(2)	(2)	-7,7%
Material and Outsourced Services	(0)	(0)	105,3%	(0)	(0)	50,5%
Others	(0)	(0)	13,7%	(1)	(1)	22,6%
Purchased Energy	(233)	(279)	-16,4%	(457)	(547)	-16,4%
<b>Adjusted EBITDA</b>	<b>25</b>	<b>21</b>	<b>18,7%</b>	<b>77</b>	<b>41</b>	<b>86,7%</b>
EBITDA Margin	9,6%	7,0%	2,65 p.p.	14,3%	7,0%	7,34 p.p.
Financial Result	15	0	3924,3%	20	1	2009,3%
Financial Revenue	16	1	2202,0%	21	1	1318,5%
Financial Expense	(1)	(0)	182,8%	(1)	(1)	110,3%
Result Before Taxes and Interests	40	21	86,8%	96	42	129,5%
<b>Net Income/Loss</b>	<b>26</b>	<b>14</b>	<b>86,8%</b>	<b>64</b>	<b>28</b>	<b>129,4%</b>

In 2Q19, EBITDA of the Trading Company totaled R\$25 million, representing a R\$4 million increase compared to 2Q18, due to lower energy purchase expenses.

Additionally, Light Com's net income improved by R\$12 million in 2Q19 compared to 2Q18, primarily due to the financial revenue recorded in the period, as a result of the adjustment of Renova's indemnification.

## 5. Indebtedness

### 5.1. Light S.A.

R\$ Million	Current	%	Non Current	%	Total	%
<b>Light SESA</b>	<b>1.455</b>	<b>100,0%</b>	<b>6.978</b>	<b>100,0%</b>	<b>8.433</b>	<b>100,0%</b>
<b>Domestic Currency</b>	<b>1.384</b>	<b>95,1%</b>	<b>4.823</b>	<b>69,1%</b>	<b>6.207</b>	<b>73,6%</b>
Debentures 8th Issuance	39	2,7%	235	3,4%	274	3,3%
Debentures 9th Issuance - Serie A	250	17,2%	250	3,6%	500	5,9%
Debentures 9th Issuance - Serie B	211	14,5%	633	9,1%	844	10,0%
Debentures 10th Issuance	250	17,2%	-	0,0%	250	3,0%
Debentures 12ª Issuance 3	-	0,0%	58	0,8%	58	0,7%
Debentures 13ª Issuance	-	0,0%	491	7,0%	491	5,8%
Debentures 14ª Issuance	196	13,5%	163	2,3%	360	4,3%
Debentures 15ª Issuance 1	-	0,0%	554	7,9%	554	6,6%
Debentures 15ª Issuance 2	-	0,0%	160	2,3%	160	1,9%
Debentures 16ª Issuance 1	-	0,0%	133	1,9%	133	1,6%
Debentures 16ª Issuance 2	-	0,0%	423	6,1%	423	5,0%
Debentures 16ª Issuance 3	-	0,0%	63	0,9%	63	0,7%
Eletrobras	0	0,0%	-	0,0%	0	0,0%
CCB Bradesco	30	2,1%	-	0,0%	30	0,4%
CCB IBM	19	1,3%	-	0,0%	19	0,2%
CCB IBM 2019	1	0,1%	1	0,0%	2	0,0%
Leasing IBM	1	0,1%	-	0,0%	1	0,0%
BNDES (CAPEX)	189	13,0%	508	7,3%	696	8,3%
BNDES Olimpíadas	20	1,4%	22	0,3%	42	0,5%
FINEP - Inovação e Pesquisa	23	1,6%	44	0,6%	68	0,8%
FIDC 2018 Série A	165	11,3%	835	12,0%	1.000	11,9%
FIDC 2018 Série B	84	5,8%	335	4,8%	419	5,0%
Others	(94)	-6,5%	(84)	-1,2%	(178)	-2,1%
<b>Foreign Currency</b>	<b>71</b>	<b>4,9%</b>	<b>2.155</b>	<b>30,9%</b>	<b>2.226</b>	<b>26,4%</b>
Tesouro Nacional	-	0,0%	25	0,4%	25	0,3%
Citibank	77	5,3%	613	8,8%	690	8,2%
Notes Units	-	0,0%	1.533	22,0%	1.533	18,2%
Others	(6)	-0,4%	(16)	-0,2%	(22)	-0,3%
<b>Light Energia</b>	<b>181</b>	<b>100,0%</b>	<b>795</b>	<b>100,0%</b>	<b>976</b>	<b>100,0%</b>
<b>Domestic Currency</b>	<b>146</b>	<b>80,4%</b>	<b>36</b>	<b>4,6%</b>	<b>182</b>	<b>18,7%</b>
Debentures 2nd Issuance	106	58,7%	-	0,0%	106	10,9%
Debentures 3rd Issuance	3	1,4%	15	1,9%	18	1,8%
Debentures 6th Issuance	33	18,4%	-	0,0%	33	3,4%
BNDES (CAPEX)	0	0,1%	-	0,0%	0	0,0%
BNDES Lajes	4	2,1%	22	2,7%	25	2,6%
Others	(1)	-0,3%	(0)	0,0%	(1)	-0,1%
<b>Foreign Currency</b>	<b>36</b>	<b>19,6%</b>	<b>758</b>	<b>95,4%</b>	<b>794</b>	<b>81,3%</b>
Citibank	38	21,2%	-	0,0%	38	3,9%
Notes Units	-	0,0%	766	96,5%	766	78,5%
Others	(3)	-1,6%	(8)	-1,0%	(11)	-1,1%
<b>Light Itaocara</b>	<b>1</b>	<b>100,0%</b>	<b>1</b>	<b>100,0%</b>	<b>2</b>	<b>100,0%</b>
BNDES - Conecta (Domestic Currency)	1	100,0%	1	100,0%	2	100,0%
<b>Total</b>	<b>1.638</b>	<b>0,0%</b>	<b>7.773</b>	<b>0,0%</b>	<b>9.411</b>	<b>0,0%</b>

R\$ MM	Light SESA	Light Energia	Conecta	Others Light S.A.	Light S.A. 2Q19	Light S.A. 1Q19	Δ %
<b>Domestic Currency</b>	6.207	182	2	-	6.391	6.426	-0,5%
<b>Foreign Currency</b>	2.226	794	-	-	3.019	3.078	-1,9%
Loans and Financing	4.399	819	2	-	5.220	5.367	-2,7%
Debentures	4.034	156	-	-	4.191	4.137	1,3%
Interest	86	12	-	-	98	188	-47,8%
Swap Operations	-216	-153	-	-	-369	(260)	41,6%
<b>Gross Debt</b>	<b>8.303</b>	<b>835</b>	<b>2</b>	<b>-</b>	<b>9.140</b>	<b>9.431</b>	<b>-3,1%</b>
Cash and Cash Equivalents	367	708	6	70	1.151	1.187	-3,1%
<b>Net Debt</b>	<b>7.936</b>	<b>127</b>	<b>-4</b>	<b>-70</b>	<b>7.989</b>	<b>8.244</b>	<b>-3,1%</b>

At the end of 2Q19, the Company's net debt totaled R\$7,989 million, representing a 3.1% decrease compared to 1Q19. This decrease is due to gains from mark-to-market swap transactions related to the Bonds agreements in the period.

As of the date hereof, the main transactions in 2019 were:

February 2019:

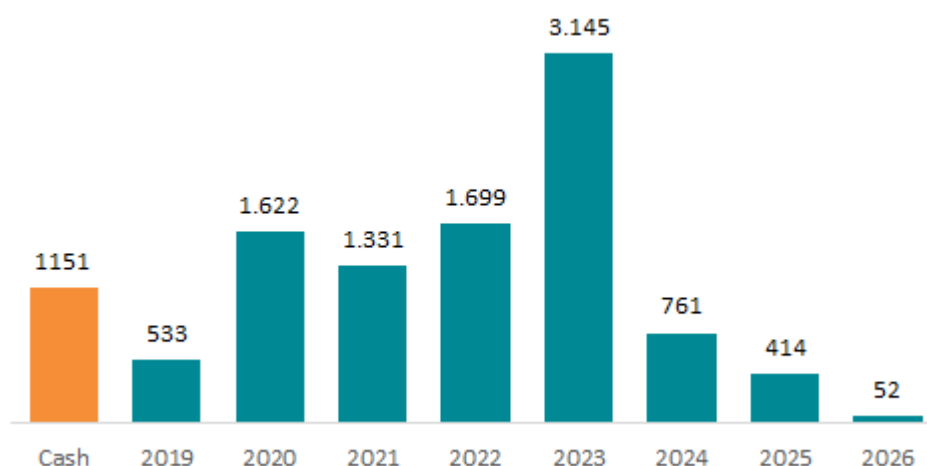
- Extension of debt maturity of the transaction under Resolution 4131, entered into between Light SESA and Citibank, in the amount of US\$180 million. The transaction provides for a grace period of one year for repayment of principal, semi-annual repayments, quarterly payments of interest and maturity in August 2022. A swap agreement was entered into to fully hedge principal, interest and taxes, accruing interest at the CDI rate + 2.20% p.a.
- Light SESA received the first disbursement of funds under the 2017-2018 Capex financing agreement entered into with BNDES, in the amount of R\$200 million. The transaction accrues interest at TLP + 3.16% p.a., maturing within seven years and providing for monthly repayments.

May 2019:

- On May 7, 2019, Light SESA completed its 16<sup>th</sup> Issuance of Debentures, in the amount of R\$617,950 thousand, in three series. The table below sets forth the amounts and conditions of each series:

Series	Amount in R\$ Thousand	Interest Rate p.a.	Maturity Date
1 <sup>st</sup> Series	132,500	CDI + 0.90%	April 15, 2022
2 <sup>nd</sup> Series	422,950	CDI + 1.25%	April 15, 2024
3 <sup>rd</sup> Series	62,500	CDI + 1.35%	April 15, 2025

**Amortization of Loans and Financing and Debentures (R\$ MM)**  
Average Maturity: 3.0 years



At the end of 2Q19, the Net Debt/EBITDA ratio was 3.69x, a slight improvement compared to 1Q19 (3.70x), but below the contractual maximum covenant limit of 3.75x, except for the 8<sup>th</sup> issuance of debentures of Light Sesa and the 3<sup>rd</sup> issuance of debentures of Light Energia, whose net debt/EBITDA ratio of 3.75x decreased to 3.50x as of the quarter ended March 2019. The Company obtained the waiver with the sole debenture holder (FI-FGTS) for 1H19.

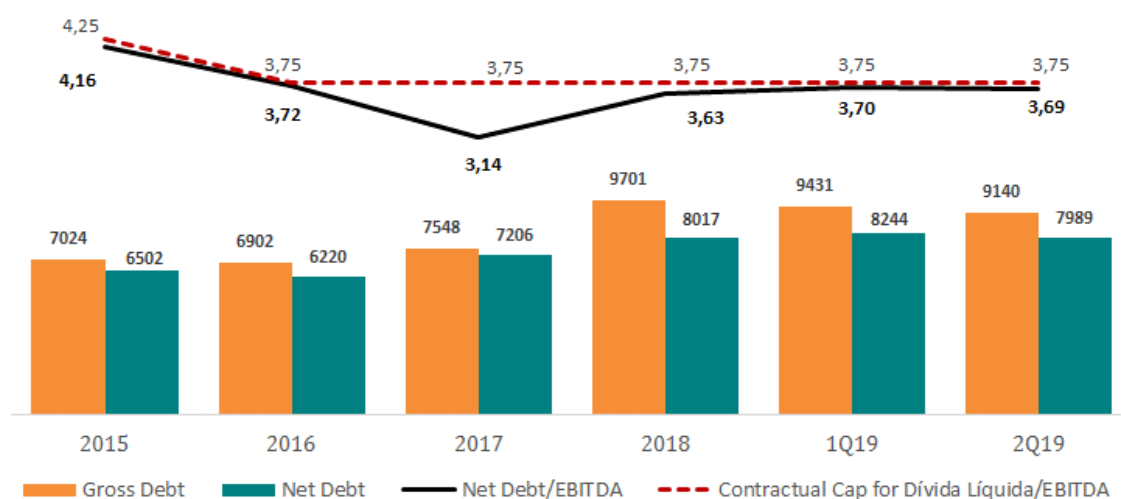
It is important to highlight that, pursuant to the relevant agreements, the maturity of debt is only accelerated upon failure to comply with at least one financial covenant in two consecutive quarters or four alternate quarters.

The bonds set forth restrictions on the incurrence of debt and, in 2Q19, the Company exceeded the Net Debt/EBITDA ratio limit of 3.50x and was required to follow the franchise limits for additional debt until it complies with this ratio limit again.

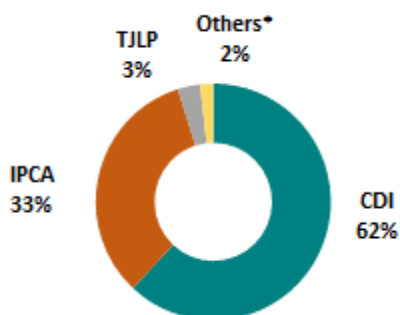
At the end of 2Q19, EBITDA/Interest ratio was 2.99x, above the minimum contractual limit of 2.0x.

Light intends to use the proceeds from the Primary Offering completed on July 16 to strengthen and optimize its capital structure, thus reducing its indebtedness, increasing its shareholders' equity and improving its cash position.

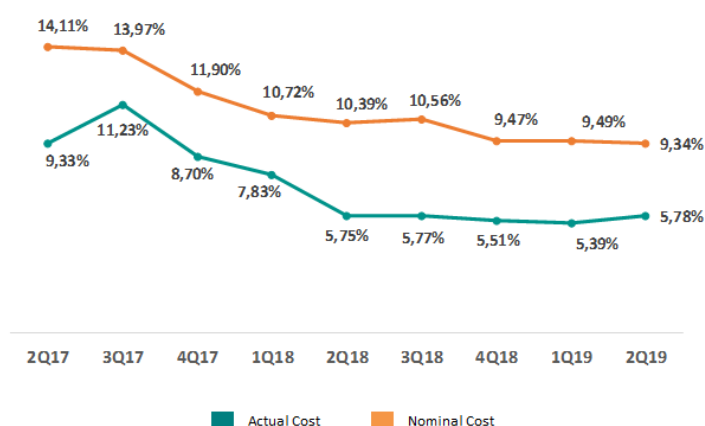
### Consolidated Gross and Net Debt (R\$ MM)



### Debt Indices<sup>1</sup>



### Debt Service Costs



<sup>1</sup>Considering Hedge

\*Equivalent to the sum of fixed cost, Libor and U.S. dollar exchange rate variation.

Covenants Multiple - R\$ MN		jun/19	mar/19	dec/18	sep/18	jun/18
Loans and Financing	+	5.293	5.367	5.561	5.876	5.951
Loans and Financing Cost	-	(72)	-	-	-	-
Interest related to Loans and Financing	+	39	88	62	109	58
Debentures	+	4.265	4.137	4.356	3.766	3.756
Debentures Cost	-	(74)	-	-	-	-
Interest related to Debentures	+	59	99	49	106	276
Swap Operations	+	(369)	(260)	(328)	(312)	(155)
<b>Gross Debt</b>	=	<b>9.140</b>	<b>9.431</b>	<b>9.701</b>	<b>9.545</b>	<b>9.886</b>
Cash	-	1.151	1.187	1.684	1.406	1.951
<b>Net Debt (a)</b>	=	<b>7.989</b>	<b>8.244</b>	<b>8.017</b>	<b>8.139</b>	<b>7.935</b>
<b>EBITDA CVM (12 months)</b>		<b>1.524</b>	<b>1.645</b>	<b>1.507</b>	<b>1.707</b>	<b>1.882</b>
Equity Pickup (12 months)	-	(128)	(59)	(85)	(254)	(271)
Provision (12 months)	-	(597)	(627)	(674)	(594)	(513)
Other Operational Revenues/Expenses (12 months)	-	(73)	(82)	(91)	(63)	(39)
Regulatory Assets and Liabilities (12 months)	+	(155)	(185)	(147)	(341)	(313)
<b>EBITDA for Covenants (12 months) (b)</b>	=	<b>2.167</b>	<b>2.229</b>	<b>2.211</b>	<b>2.277</b>	<b>2.392</b>
<b>Interests (c)</b>		<b>726</b>	<b>718</b>	<b>697</b>	<b>629</b>	<b>577</b>
<b>Net Debt/EBITDA for Covenants (a/b)</b>		<b>3,69</b>	<b>3,70</b>	<b>3,63</b>	<b>3,57</b>	<b>3,32</b>
Contractual Cap for Dívida Líquida/EBITDA		3,75	3,75	3,75	3,75	3,75
<b>EBITDA for Covenants/Interest (b/c)</b>		<b>2,99</b>	<b>3,10</b>	<b>3,17</b>	<b>3,62</b>	<b>4,14</b>
Contractual Lower Limit for EBITDA/Juros		2,00	2,00	2,00	2,00	2,00

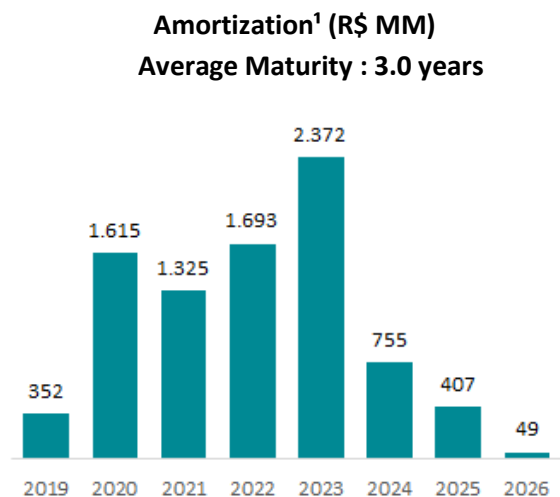
Ratings	Grade - jun/19		Date	Grade - jun/18		Date
	National	Foreign		National	Foreign	
Fitch	A+	BB-	07/16/2019	A+	BB-	04/19/2018
Standard & Poors	AA+	-	07/15/2019	AA+	-	07/11/2018
Moody's	A3.br	Ba3	09/04/2018	Baa1.br	B1	04/16/2018

In 2Q19, the Company's credit ratings did not change compared to 1Q19. However, on July 16, Fitch reaffirmed Light's credit rating as A+, on the national scale, and BB-, on the international scale, changing its outlook from negative to stable, due to the improvement in Light's financial profile, as a result of the cash received from the primary offering of common shares. Additionally, on July 15, Standard & Poor's reaffirmed Light's credit rating (AA+) and maintained its stable outlook.

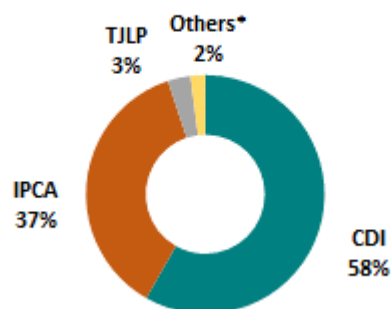


## 5.2. Debt Breakdown

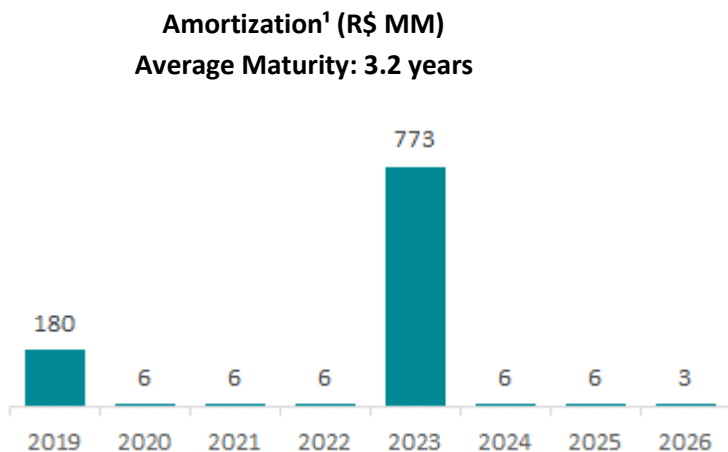
### Light SESA



### Debt Indices<sup>2</sup>



### Light Energia



### Debt Indices<sup>2</sup>



<sup>1</sup> Principal of loans and financing and debentures.

<sup>2</sup> Considering Hedge

\*Equivalent to the sum of fixed cost, Libor and the U.S. dollar exchange rate variation.

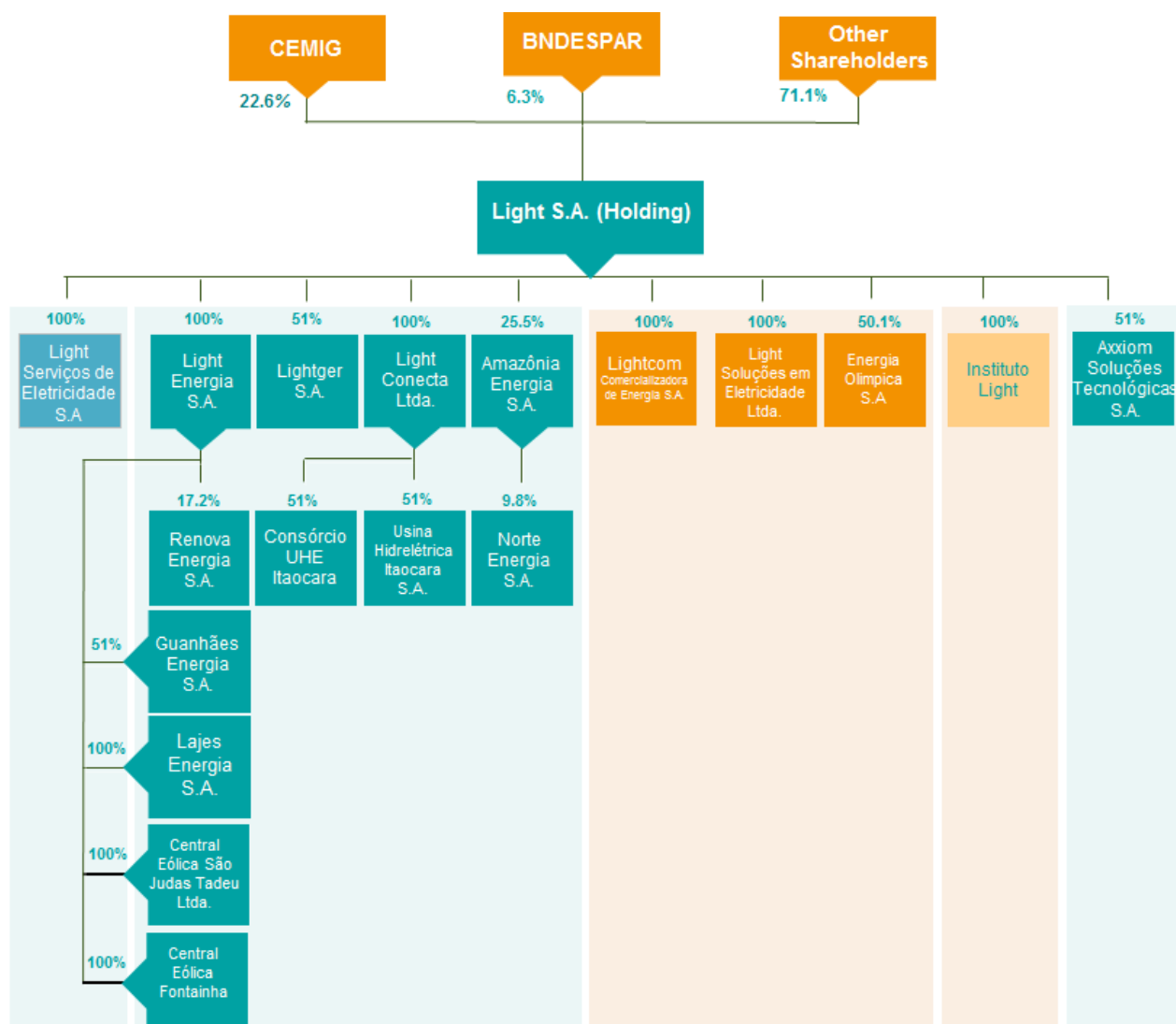


## 6. Consolidated Capital Expenditure

Capex (R\$ MM)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
Distribution	176	146	20,7%	321	271	18,4%
Engineering	129	101	27,7%	234	179	31,0%
Commercial	48	45	5,2%	86	92	-6,2%
Non-electrical Assets	16	15	8,0%	27	24	15,1%
Generation	11	7	45,7%	18	13	44,5%
<b>Total</b>	<b>203</b>	<b>168</b>	<b>20,7%</b>	<b>366</b>	<b>307</b>	<b>19,2%</b>
Transfers to subsidiaries	10	29	-65,4%	27	64	-58,3%
Belo Monte	0	11	-99,8%	0	24	-99,9%
Itaocara	-	1	-	-	4	-
Guanhães	4	18	-77,5%	21	36	-43,3%
Axxiom	6	-	-	6	-	-
<b>Total Capex (includes transfers to subsidiaries)</b>	<b>213</b>	<b>197</b>	<b>8,0%</b>	<b>393</b>	<b>371</b>	<b>5,9%</b>

The Company's consolidated capital expenditure, excluding contributions, increased by 20.7% in 2Q19 compared to 2Q18, primarily due to the fact that 2019 started with a higher mobilization of Engineering teams in projects for quality improvement and preventive maintenance of the network, and the increase in capacity of substations (seasonal effect), in addition to more cases of corrective maintenance due to a higher number of weather events compared to 2018. Contributions decreased by 65.4%, or R\$19 million, in the quarterly comparison.

## 7. Ownership and Corporate Structure and Capital Market<sup>8</sup>



Light S.A.'s shares (LIGT3) were priced at R\$19.38 at the end of June 2019. At the end of 2Q19, the Company's market value was R\$4.0 billion.

As of July 15, 2019, the initial date of trading of the shares after the follow-on transaction, the Company's shares were priced at R\$19.78 and the Company's market value was R\$6.0 billion.

Market Information	2Q19	2Q18
Volume Average - LIGT3 (R\$ Million)	23,7	21,3
Shares Average - LIGT3 (R\$ / share)	20,0	14,1
Price Change - LIGT3	-11,0%	-16,3%
Price Change - IEE	10,1%	-7,0%
Price Change - IBOV	5,1%	-14,8%

<sup>8</sup> On July 16, 2019, the public offering for primary and secondary distributions of shares was closed.

## 8. Subsequent Events

### 8.1. Public Offering for Distribution of Common Shares

On July 1, 2019, Light's Board of Directors approved the public offering for the primary and secondary distributions of, initially, 111,111,111 registered common shares, in book-entry form, without par value, issued by the Company, all free and clear of any encumbrances or liens, comprising: (i) the primary distribution of 100,000,000 new common shares to be issued by the Company ("Primary Offering"); and (ii) the secondary distribution of, initially, 11,111,111 common shares issued by the Company and held by Companhia Energética de Minas Gerais; the number of Shares initially offered may be increased in view of the placement of Additional Shares, with restricted placement efforts, pursuant to CVM Instruction 476 ("Restricted Offering").

The Board of Directors of the Company approved, at the meeting held on July 11, 2019, a price per Share of R\$18.75, the effective capital increase of the Company in the total amount of R\$1,875 million, equivalent to the issuance of 100,000,000 new shares of the Company, as well as its homologation, under the public offering for the primary and secondary distributions of 133,333,333 registered common shares, in book-entry form, without par value, issued by the Company, all free and clear of any encumbrances or liens, with restricted placement efforts, pursuant to CVM Instruction 476. As a result of the capital increase of the Company under the Restricted Offering, the capital stock of the Company currently totals R\$4,100 million, divided into 303,934,060 registered common shares, in book-entry form and without par value. The Shares under the Restricted Offering started to be traded at B3 S.A. – Brasil, Bolsa, Balcão on July 15, 2019 and the delivery and settlement of the shares occurred on July 16, 2019.

### 8.2. Capital Contribution in Subsidiary Light SESA

On July 17, 2019, Light S.A. made a contribution in the amount of R\$1,832 million in subsidiary Light SESA through the subscription and payment of 169,201,768,491 common shares, in book-entry form, without par value.

### 8.3. Stock Option Plan

The Company's Extraordinary Shareholders Meeting held on July 4, 2019 approved the stock option plan regarding the common shares issued by the Company, to be offered to members of management and employees of the Company and its subsidiaries. The total number of shares that may be purchased or subscribed for under the Stock Option Plan must not exceed 2.1% of the shares representing the total capital stock of the Company (including the shares to be issued as a result of the exercise of the options under the Stock Option Plan), on the date of approval of the Stock Option Plan. The Stock Option Plan will be managed by the Board of Directors of the Company or, at its choice, a committee to be established for this purpose.

### 8.4. Composition of the Board of Executive Officers

Considering the amendment to the bylaws approved at the Extraordinary Shareholders' Meeting held on July 4, 2019, the Board of Executive Officers of the Company currently comprises:

Board of Executive Officers	
Ana Marta Horta Veloso	Chief Executive Officer and Investor Relations Officer
Roberto Caixeta Barroso	Chief Financial and Business Development Officer

Claudio Bernardo Guimarães de Moraes	Chief Corporate Management Officer
Dalmer Alves de Souza	Chief Commercial Officer
Alessandra Genu Dutra Amaral	Chief Energy and Trading Officer
Marcus Auguste Pimenta	Chief Engineering Officer

### 8.5. Favorable Decision in Judicial Proceeding – Exclusion of ICMS from the calculation basis of PIS/COFINS

On August 7, 2019, the Federal Regional Court of the Second Region (*Tribunal Regional Federal da Segunda Região*) rendered a final and unappealable decision regarding the lawsuit filed by Light SESA, a subsidiary of the Company, that was favorable to Light SESA, recognizing its right to exclude ICMS from the calculation basis of PIS and COFINS, retroactive to January 2002.

Since the publication of the decision, Light SESA has been conducting the relevant legal and tax analyses of the impacts of retroactive effects, including the measurement of tax credits, the form of recovery of credits and related regulatory issues, among others. These effects will be recorded in the Quarterly Financial Information for the period ended September 30, 2019, which is expected to be disclosed in November 2019, in accordance with the annual calendar of the Company filed at CVM's website.

### 8.6. Funding with BNDES

On July 30, 2019, subsidiary Light SESA received the last disbursement of funds under the 2017/2018 Capex Financing agreement entered into with BNDES, in the amount of R\$89 million.

### 8.7. Early redemption of the 14<sup>th</sup> issuance of debentures of subsidiary Light SESA

On August 9, 2019, the 14<sup>th</sup> issuance of debentures of subsidiary Light SESA was fully early redeemed, with Banco do Brasil, in the amount of R\$328 million. The transaction accrued interest at CDI+3.50% p.a., maturing in March 2021.

### 8.8. Prepayment of the swap operation rate

On August 14, 2019, the prepayment of the swap operation rate (CDI x IPCA) of subsidiary Light SESA with Banco BMG has been made. The swap transaction changed the cost of CDI + 1.15% p.a. for IPCA + 7.82% p.a. of a debt of R\$ 400 million of principal and maturing in May 2021. The prepayment amount was R\$ 80,5 million, referring to the swap balance at market value on this date

### 8.9. Renova: Term Extension of the BNDES Bridge Loan

On July 15, 2019, Renova, a company in which Light Energia, a wholly-owned subsidiary of Light, is part of the control block, disclosed a notice to the market informing that the bridge loan entered into with BNDES, providing for funds intended for the performance of the works of the Alto Sertão III Wind Farm, in the amount of R\$988 million (base date June 30, 2019), maturing on July 15, 2019, had its maturity date extended for 30 days, and the new maturity date is August 15, 2019.

On August 15, 2019, BNDES further extended this term to October 15, 2019.

## 9. Reporting Schedule

### Schedule

**Teleconference**

08/16/2019, Friday, at 2 p.m. (Brazilian Time) - in portuguese

At 3 p.m. in english

**Access conditions**

Webcast: link on [www.light.com.br/ri](http://www.light.com.br/ri) (Portuguese and English)

Conference Call - Dial in:

Brazil: + 55 11 2188-0155

Other Countries: + 1 646 843-6054

Access code: Light

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### Disclaimer

*Operating information and information relating to Management's expectations on the future performance of the Company have not been reviewed by the independent auditors. Forward-looking statements are subject to risks and uncertainties. These statements are based on Management's judgment and assumptions and information currently available to the Company. Forward-looking statements include information about our current plans, opinions or expectations, as well as the plans, opinions or expectations of the members of the Board of Directors and Board of Executive Officers of the Company. Forward-looking statements and information also include information about potential or assumed results of operations, as well as statements that are preceded or followed by, or include the terms "believe," "may," "will," "continue," "expect," "predict," "intend," "estimate" or similar words. Forward-looking statements and information are not an assurance of future performance. They involve risks, uncertainties, and assumptions as they relate to future events and therefore are contingent on circumstances which may or may not occur. Future results and the creation of shareholder value may differ significantly from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and amounts are beyond the control of or cannot be predicted by LIGHT S.A.*

## ANNEX I

### Generation Projects

Current Generation Park					
Existing Power Plants	Installed Capacity (MW) <sup>1</sup>	Assured Energy (MWm) <sup>2</sup>	Operation Start	Concession / Authorization Expiration Date	Light's stake
Fontes Nova	132	99	1940	2026	100%
Nilo Peçanha	380	334	1953	2026	100%
Pereira Passos	100	49	1962	2026	100%
Ilha dos Pombos	187	109	1924	2026	100%
Santa Branca	56	30	1999	2026	100%
Elevatórias	-	(101)	-	-	-
SHPP Lajes	17	15	2018	2026	100%
SHPP Paracambi	13	10	2012	2031	51%
Renova	33	20	2008	2033	17%
Belo Monte	219	114	2016	2045	2%
Guanhães	18	9	2018	2047	51%
<b>Total</b>	<b>1154</b>	<b>688</b>	<b>-</b>	<b>-</b>	<b>-</b>

Generation Capacity Expansion Projects					
New Projects	Installed Capacity (MW) <sup>1</sup>	Assured Energy (MWm) <sup>12</sup>	Operation Start	Concession / Authorization Expiration Date	Light's stake
Belo Monte <sup>4</sup>	61	0	2016	2045	2%
Itaocara	77	48	jan-20	2050	51%
Guanhães <sup>1</sup>	5	3	2019	2047	51%
Renova <sup>2</sup>	75	65			17%
LER 2013	27	13	2019	2049	-
PPA	40	19	2019	2051	-
Free Market I	0	30	2019	2051	-
LER 2014 (Wind Power)	7	4	2019	2050	-
HYBRID-SOLAR	1	0	2019	2050	-
<b>Total</b>	<b>217</b>	<b>116</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup>Light's proportional stake

<sup>2</sup>Assured Energy as of Jan 1st, 2018 (MWm)

## ANNEX II

### CVM EBITDA Reconciliation

CVM EBITDA (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Net Operating Revenue (A)</b>	<b>11</b>	<b>(25)</b>	-	<b>175</b>	<b>67</b>	<b>160,1%</b>
Social Contributions & Income Tax (B)	(48)	5	-	(137)	(51)	168,0%
Deferred Income Tax (C)	(10)	(6)	71,7%	0	(12)	-
<b>EBT (A - (B + C))</b>	<b>69</b>	<b>(25)</b>	-	<b>312</b>	<b>131</b>	<b>138,2%</b>
Depreciation (D)	(147)	(134)	9,4%	(293)	(268)	9,4%
Financial Expenses Revenue (E)	(71)	(298)	-76,2%	(262)	(451)	-42,0%
<b>CVM EBITDA ((A) - (B) - (C) - (D) - (E))</b>	<b>286</b>	<b>407</b>	<b>-29,7%</b>	<b>866</b>	<b>849</b>	<b>2,0%</b>

## ANNEX III

### Income Statement – Light SESA

Income Statement (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Operating Revenues</b>	<b>4.488</b>	<b>4.533</b>	<b>-1,0%</b>	<b>9.611</b>	<b>9.167</b>	<b>4,8%</b>
Electricity Sales	3.676	3.677	0,0%	8.010	7.568	5,8%
CVA	6	159	-96,0%	32	289	-89,0%
Construction Revenues	188	146	28,4%	347	283	22,5%
Other Revenues	619	551	12,3%	1.222	1.027	19,0%
Deductions From Operating Revenues	(1.964)	(1.934)	1,6%	(4.148)	(3.938)	5,3%
<b>Net Operating Revenues</b>	<b>2.524</b>	<b>2.600</b>	<b>-2,9%</b>	<b>5.464</b>	<b>5.229</b>	<b>4,5%</b>
Electricity Costs	(1.930)	(1.866)	3,5%	(4.218)	(3.815)	10,6%
Operating Expenses	(378)	(406)	-6,7%	(735)	(804)	-8,6%
Personnel	(107)	(90)	18,8%	(204)	(176)	15,4%
Material	(6)	(5)	10,9%	(12)	(10)	18,9%
Third party services	(127)	(130)	-2,0%	(256)	(255)	0,3%
Provisions	(159)	(189)	-16,2%	(307)	(384)	-20,0%
Others	21	9	123,8%	43	21	104,8%
<b>Adjusted EBITDA</b>	<b>216</b>	<b>328</b>	<b>-34,2%</b>	<b>511</b>	<b>610</b>	<b>-16,3%</b>
Depreciation and amortization	(132)	(119)	11,2%	(264)	(238)	11,3%
Other operating revenues/expenses	(5)	(1)	905,7%	(10)	(12)	-18,3%
Operating Income	78	209	-62,5%	237	360	-34,3%
Net Financial Result	(87)	(229)	-62,1%	(281)	(351)	-20,0%
Financial Revenues	66	236	-72,2%	90	259	-65,3%
Financial Expenses	(152)	(465)	-67,2%	(371)	(611)	-39,2%
Income before tax	(8)	(20)	-57,6%	(44)	9	-
Income Tax / Social Contribution	-	2	-	-	-	-
Deferred Taxes	(2)	4	-	10	(4)	-
<b>Net Income</b>	<b>(10)</b>	<b>(14)</b>	<b>-28,3%</b>	<b>(35)</b>	<b>4</b>	<b>-</b>



## Income Statement – Light Energia

Income Statement (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Operating Revenues</b>	<b>241</b>	<b>257</b>	<b>-6,0%</b>	<b>563</b>	<b>530</b>	<b>6,1%</b>
Energy supply - Energy sales	204	209	-2,7%	463	420	10,5%
Energy supply - Spot	35	45	-22,5%	94	106	-11,5%
Others - TUSD	3	2	42,8%	5	4	33,1%
Others	0	1	-67,4%	1	1	-43,2%
Deductions from Operating Revenues	(31)	(31)	-0,7%	(68)	(64)	6,8%
<b>Net Operating Revenues</b>	<b>210</b>	<b>226</b>	<b>-6,8%</b>	<b>495</b>	<b>466</b>	<b>6,0%</b>
Electricity Costs	(51)	(110)	-53,7%	(92)	(166)	-44,6%
Operating Expenses	(11)	(12)	-5,9%	(24)	(24)	0,0%
Personnel	(6)	(6)	0,2%	(12)	(12)	1,0%
Material	(0)	(0)	0,9%	(0)	(0)	28,3%
Third party services	(4)	(4)	8,1%	(8)	(7)	7,6%
Provisions	(0)	(0)	7650,0%	(0)	(1)	-52,5%
Others	(1)	(2)	-56,0%	(3)	(4)	-12,2%
<b>Adjusted EBITDA</b>	<b>148</b>	<b>103</b>	<b>43,3%</b>	<b>379</b>	<b>276</b>	<b>36,9%</b>
Depreciation and amortization	(14)	(14)	4,9%	(28)	(27)	3,3%
Other operating revenues/expenses	(2)	0	-	(1)	(2)	-60,1%
Operating income	132	90	46,9%	350	247	41,5%
Equity Pickup	(90)	(24)	276,0%	(83)	(45)	85,4%
Net Financial Result	(0)	(72)	-99,7%	(3)	(102)	-96,8%
Financial Revenues	37	57	-34,7%	59	57	3,0%
Financial Expenses	(38)	(130)	-71,0%	(62)	(162)	-61,4%
Income before Tax	42	(7)	-	264	101	161,8%
Income Tax / Social Contribution	(35)	10	-	(104)	(35)	194,9%
Deferred Taxes	(8)	(14)	-39,2%	(10)	(11)	-13,0%
<b>Net Income</b>	<b>(2)</b>	<b>(11)</b>	<b>-85,1%</b>	<b>150</b>	<b>54</b>	<b>176,7%</b>

## ANNEX IV

### Statement of Financial Result – Light S.A.

Financial Result (R\$ MN)	2Q19	2Q18	% Change 2Q19/2Q18	1H19	1H18	% Change 1H19/1H18
<b>Financial Revenues</b>	<b>120</b>	<b>296</b>	<b>-59,4%</b>	<b>173</b>	<b>321</b>	<b>-46,1%</b>
Income from Financial Investments	13	16	-15,7%	32	18	74,7%
Swap Operations	66	223	-70,3%	79	195	-59,6%
Moratory Increase / Debts Penalty	21	36	-41,6%	43	46	-5,7%
Restatement of Sector's Assets and Liabilities	0	12	-99,2%	(10)	47	-
Others Financial Revenues	19	8	126,6%	28	14	105,5%
<b>Financial Expenses</b>	<b>(191)</b>	<b>(594)</b>	<b>67,9%</b>	<b>(435)</b>	<b>(772)</b>	<b>-43,7%</b>
Debt Expenses (Local Currency)	(114)	(99)	14,9%	(238)	(257)	-7,3%
Debt Expenses (Foreign Currency)	(56)	(42)	31,9%	(111)	(29)	280,1%
Monetary Variation	(34)	(11)	220,1%	(65)	(24)	166,4%
Exchange Rate Variation	61	(360)	-	48	(369)	-
Itaipu Exchange Rate Variation	8	(29)	-	8	(26)	-
Restatement of provision for contingencies	(2)	(2)	10,7%	(6)	(6)	9,6%
Restatement of R&D/PEE/FNDCT	(4)	(3)	9,8%	(7)	(6)	9,3%
Interest and Fines on Taxes	(2)	(6)	-71,7%	(4)	(9)	-57,0%
Installment Payment - Fines and Interest Rates Law 11	(1)	(1)	-18,3%	(2)	(3)	-19,6%
Restatement of GSF	(25)	(15)	72,1%	(23)	(24)	-2,9%
Other Financial Expenses (Includes IOF)	(23)	(27)	-14,6%	(34)	(17)	97,9%
Braslight (Private Pension Fund)	-	(1)	-	-	(2)	-
<b>Total</b>	<b>(71)</b>	<b>(298)</b>	<b>-76,2%</b>	<b>(262)</b>	<b>(451)</b>	<b>-42,0%</b>

## ANNEX V

### Statement of Financial Position – Light S.A. (R\$ million)

ASSETS	06/30/2019	12/31/2018
<b>Current</b>	<b>4.698</b>	<b>5.635</b>
Cash & cash equivalents	338	707
Marketable securities	813	977
Receivable accounts	2.521	2.855
Inventories	40	38
Taxes and contributions	142	75
Income tax and social contribution	58	30
Sector's financial assets	424	564
Prepaid expenses	26	30
Dividends receivable	3	0
Receivables from services rendered	89	90
Swap derivative financial instruments	7	15
Other current assets	239	254
<b>Non-current</b>	<b>13.166</b>	<b>12.228</b>
Receivable accounts	1.267	1.013
Taxes and contributions	54	52
Deferred taxes	415	405
Sector's financial assets	308	148
Concession financial asset	4.449	4.272
Deposits related to litigation	278	295
Swap derivative financial instruments	455	424
Other current assets	264	84
Contractual asset	536	330
Right of use asset	93	0
Investments	580	547
Fixed assets	1.548	1.560
Intangible	2.919	3.096
<b>Total Assets</b>	<b>17.864</b>	<b>17.864</b>
LIABILITIES	06/30/2019	12/31/2018
<b>Current</b>	<b>5.311</b>	<b>5.278</b>
Suppliers	2.341	2.120
Taxes and contributions	346	339
Income tax and social contribution	88	14
Loans and financing	610	1.041
Debentures	1.125	955
Financial liabilities of the sector	0	3
Dividends payable	39	39
Labor obligations	84	77
Leasing	31	0
Other obligations	646	691
<b>Non-current</b>	<b>8.989</b>	<b>9.196</b>
Loans and financing	4.649	4.582
Debentures	3.124	3.451
Swap derivative financial instruments	94	112
Taxes and contributions	276	305
Deferred taxes	218	208
Provisions for tax, civil, labor and regulatory risks	505	476
Leasing	64	0
Other obligations	58	62
<b>Shareholders' Equity</b>	<b>3.565</b>	<b>3.389</b>
Capital Stock	2.226	2.226
Profit reserves	929	929
Asset valuation adjustments	328	336
Other comprehensive income	-101	-101
Retained Earnings	183	0
<b>Total Liabilities</b>	<b>17.864</b>	<b>17.864</b>

## Statement of Financial Position – Light SESA (R\$ million)

ASSETS	06/30/2019	12/31/2018
<b>Current</b>	<b>3.360</b>	<b>4.357</b>
Cash & cash equivalents	256	491
Marketable securities	111	493
Receivable accounts	1.998	2.335
Inventories	35	34
Taxes and contributions	135	67
Income tax and social contribution	57	29
Sector's financial assets	424	564
Prepaid expenses	25	28
Receivables from services rendered	88	90
Swap derivative financial instruments	1	1
Other current assets	230	226
<b>Non-current</b>	<b>10.826</b>	<b>10.046</b>
Receivable accounts	1.224	875
Taxes and contributions	54	52
Deferred taxes	412	402
Sector's financial assets	308	148
Concession financial asset	4.449	4.272
Deposits related to litigation	274	292
Swap derivative financial instruments	309	324
Contractual asset	536	330
Right of use asset	89	0
Investments	29	30
Fixed assets	228	230
Intangible	2.914	3.091
<b>Total Assets</b>	<b>14.187</b>	<b>14.402</b>
LIABILITIES	06/30/2019	12/31/2018
<b>Current</b>	<b>3.817</b>	<b>3.791</b>
Suppliers	1.302	1.133
Taxes and contributions	340	329
Income tax and social contribution	1	1
Loans and financing	560	814
Debentures	980	777
Financial liabilities of the sector	0	3
Dividends payable	18	18
Labor obligations	75	68
Leasing	30	0
Other obligations	510	648
<b>Non-current</b>	<b>7.958</b>	<b>8.165</b>
Loans and financing	3.869	3.792
Debentures	3.109	3.433
Swap derivative financial instruments	94	112
Taxes and contributions	276	305
Provisions for tax, civil, labor and regulatory risks	500	471
Leasing	61	0
Other obligations	49	53
<b>Shareholders' Equity</b>	<b>2.412</b>	<b>2.446</b>
Capital Stock	2.314	2.314
Capital reserves	7	7
Profit reserves	222	222
Other comprehensive income	-97	-97
Accumulated losses	-35	0
<b>Total Liabilities</b>	<b>14.186</b>	<b>14.402</b>

## Statement of Financial Position – Light Energia (R\$ million)

ASSETS	06/30/2019	12/31/2018
<b>Current</b>	<b>1.315</b>	<b>1.265</b>
Cash & cash equivalents	38	90
Marketable securities	670	483
Receivable accounts	584	663
Taxes and contributions	5	6
Swap derivative financial instruments	7	14
Inventories	4	4
Prepaid expenses	1	2
Other current assets	5	4
<b>Non-current</b>	<b>1.576</b>	<b>1.507</b>
Swap derivative financial instruments	146	101
Contingency deposits	3	3
Investments	141	111
Fixed assets	1.279	1.289
Intangible	3	3
Right of use asset	4	0
<b>Total Assets</b>	<b>2.890</b>	<b>2.772</b>
LIABILITIES	06/30/2019	12/31/2018
<b>Current</b>	<b>1.435</b>	<b>1.466</b>
Suppliers	1.019	1.013
Taxes and contributions	3	3
Income tax and social contribution	78	1
Loans and financing	49	224
Debentures	145	178
Labor obligations	7	6
Leasing obligations	1	0
Other obligations	133	40
<b>Non-current</b>	<b>1.030</b>	<b>1.030</b>
Loans and financing	780	789
Debentures	15	17
Deferred taxes	218	208
Provisions for tax, civil, labor and regulatory risks	6	5
Other obligations	9	10
Leasing obligations	2	0
<b>Shareholders' Equity</b>	<b>426</b>	<b>276</b>
Capital Stock	77	77
Profit reserves	25	25
Asset valuation adjustments	328	336
Other comprehensive income	-4	-4
Accumulated losses	-1	-159
<b>Total Liabilities</b>	<b>2.890</b>	<b>2.772</b>

## ANNEX VI

### Statement of Cash Flows – Light S.A.

R\$ MN	1H19	1H18
<b>Net cash generated by operating activities</b>	<b>400</b>	<b>-152</b>
<b>Cash generated by (used in) operations</b>	<b>1.073</b>	<b>988</b>
Net income (loss) before income tax and social contribution	312	131
Allowance for doubtful accounts	144	277
Depreciation and amortization	293	268
Loss from the sale or write-off of intangible assets/property, plant and equipment/investment	18	6
Exchange and inflation adjustment losses from financial activities	17	394
Financial provisions and update for tax, civil, labor and regulatory risks and financial update of deposits related to litigation	167	109
Adjustment to present value and prepayment of receivables	-1	-8
Interest expense on loans, borrowings and debentures	349	284
Charges and inflation adjustment of post-employment obligations	0	2
Interest over lease obligations	4	0
Swap variation	-79	-195
Equity in the earnings of subsidiaries	81	39
Provisions for investment losses	0	4
Gain (loss) on investments valued at cost	1	0
Fair value of the concession's indemnifiable assets	-96	-88
Recognition and restatement of financial assets and liabilities of the sector	-136	-233
<b>Changes in assets and liabilities</b>	<b>-673</b>	<b>-1.141</b>
Marketable securities	-8	-15
Consumers, concessionaires and permissionaires	-62	-402
Dividends received	0	2
Taxes, fees and contributions to offset	-98	-23
Financial assets and liabilities of the sector	115	-21
Inventories	-2	-4
Receivables from services rendered	2	-12
Prepaid expenses	4	4
Deposits related to litigation	-1	-24
Other assets	-124	-149
Suppliers	211	-358
Labor obligations	8	2
Taxes, fees and contributions payable	-25	115
Payment of provisions for tax, civil, labor and regulatory risks	-121	-71
Post-employment benefits	0	0
Other liabilities	-159	147
Interest paid	-354	-240
Income tax and social contribution paid	-60	-90
<b>Net cash used in investing activities</b>	<b>-207</b>	<b>-1.673</b>
Receivables from sale of equity stakes	14	0
Acquisition of property, plant and equipment	-20	-16
Acquisition of intangible and contractual assets	-346	-275
Capital Increase	-27	-60
Redemption of financial investments	982	236
Financial investments	-810	-1.557
<b>Net cash generated by (used in) financing activities</b>	<b>-562</b>	<b>2.097</b>
Dividends Paid	0	-30
Payment of lease obligations	-18	0
Loans, borrowings and debentures	790	4.902
Amortization of loans, borrowings and debentures	-1.334	-2.720
Amortization of pension plan contractual debt	0	-54
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-369</b>	<b>272</b>
Cash and cash equivalents at the beginning of the year	707	270
Cash and cash equivalents at the end of the year	338	542

## Statement of Cash Flows – Light SESA

R\$ MN	1H19	1H18
<b>Net cash generated by operating activities</b>	<b>103</b>	<b>-294</b>
<b>Cash generated by (used in) operations</b>	<b>615</b>	<b>702</b>
Net income (loss) before income tax and social contribution	-45	9
Allowance for doubtful accounts	144	277
Depreciation and amortization	264	238
Loss from the sale or write-off of intangible assets/property, plant and equipment	16	3
Exchange and inflation adjustment losses from financial activities	28	306
Provisions for tax, civil, labor and regulatory risks and judicial deposits	167	108
Adjustment to present value and prepayment of receivables	-1	-8
Interest expense on loans, borrowings and debentures	306	238
Fair value of the concession's indemnifiable assets	-96	2
Interest over lease obligations	4	0
Swap variation	-37	-149
Recognition and restatement of financial assets and liabilities of the sector	-136	-88
Gain (loss) on investments valued at cost	1	-233
<b>Changes in assets and liabilities</b>	<b>-511</b>	<b>-996</b>
Marketable securities	10	-17
Consumers, concessionaires and permissionaires	-155	-402
Taxes, fees and contributions to offset	-98	-22
Financial assets and liabilities of the sector	115	-21
Inventories	-1	-5
Receivables from services rendered	2	-10
Prepaid expenses	3	3
Deposits related to litigation	0	-24
Other assets	48	-94
Suppliers	159	-329
Labor obligations	7	2
Taxes, fees and contributions payable	-18	137
Provisions for tax, civil, labor and regulatory risks	-120	-71
Other liabilities	-159	97
Interest paid	-302	-239
<b>Net cash used in investing activities</b>	<b>22</b>	<b>-1.028</b>
Acquisition of property, plant and equipment	-4	-3
Acquisition of intangible and contractual assets	-346	-275
Redemption of financial investments	666	156
Financial investments	-294	-906
<b>Net cash generated by (used in) financing activities</b>	<b>-360</b>	<b>1.392</b>
Dividends Paid	0	-22
Payment of lease obligations	-18	0
Loans, borrowings and debentures	790	4.024
Amortization of loans, borrowings and debentures	-1.133	-2.468
Amortization of pension plan debt	0	-52
Amortization of loans - related parties	0	-90
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-235</b>	<b>69</b>
Cash and cash equivalents at the beginning of the year	491	160
Cash and cash equivalents at the end of the year	256	229



## Statement of Cash Flows – Light Energia

R\$ MN	1H19	1H18
<b>Net cash generated by operating activities</b>	<b>356</b>	<b>213</b>
<b>Cash generated by (used in) operations</b>	<b>365</b>	<b>263</b>
Net income before income tax and social contribution	263	101
Depreciation and amortization	28	27
Loss from the sale of intangible assets/property, plant and equipment	0	3
Exchange rate and monetary losses (gains) from financial activities	-11	87
Provision for contingencies and restatement	0	1
Interest expense on loans, borrowings and debentures	43	45
Swap variation	-42	-46
Equity in the earnings of subsidiaries	83	45
<b>Changes in assets and liabilities</b>	<b>-9</b>	<b>-51</b>
Marketable securities	-17	-5
Concessionaires and licensees	79	-110
Taxes, fees and contributions	1	-1
Receivables from services rendered	0	-2
Inventories	-1	0
Prepaid expenses	1	1
Other assets	1	21
Suppliers	6	100
Estimated liabilities	0	1
Taxes, fees and contributions payable	-3	-2
Other liabilities	0	26
Interest paid	-52	-27
Income tax and social contribution paid	-24	-53
<b>Net cash used in investing activities</b>	<b>-207</b>	<b>-621</b>
Acquisition of property, plant and equipment	-16	-13
Redemption of financial investments	316	25
Financial investments	-486	-596
Investments/Acquisition of investments	-21	-36
<b>Net cash generated by (used in) financing activities</b>	<b>-201</b>	<b>630</b>
Obligation payment of finance lease	-1	0
Loans, borrowings and debentures	0	878
Amortization of loans, borrowings and debentures	-200	-335
Received loans - Related parties	0	90
Amortization of pension plan contractual debt	0	-3
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-52</b>	<b>222</b>
Cash and cash equivalents at the beginning of the year	90	53
Cash and cash equivalents at the end of the year	38	275



## List of Abbreviations and Acronyms

- **ACL** – Free Contracting Environment
- **ANEEL** – National Electric Energy Agency
- **BNDES** – Brazilian Development Bank
- **CCEE** – Brazilian Electricity Trading Chamber
- **CCRB** – Rate Tier Fund Account
- **CDE** – Energy Development Account
- **ACR Account** – Regulated Market Account
- **CUSD** – Distribution System Utilization Agreement
- **CUST** – Transmission System Utilization Agreement
- **CVA** – “A Component” Variation Offset Account
- **CVM** – Brazilian Securities Commission
- **DDSD** – Delegated Services Defense Office
- **DEC** – Equivalent Outage Duration
- **DIC** – Individual Outage Duration per Consumer Unit
- **DIT** – Other Distribution Facilities
- **ESS** – System Service Charges
- **FEC** – Equivalent Outage Frequency
- **FIC** – Individual Outage Frequency per Consumer Unit
- **GSF** – Generation Scaling Factor
- **IRT** – Annual Tariff Adjustment Index
- **O&M** – Operation and Maintenance
- **PCH** – Small Hydro Plant
- **PECLD** – Estimated Allowance for Doubtful Accounts
- **PLD** – Difference Settlement Price
- **PMSO** – Personnel, Materials, Services and Others
- **REN** – Energy Recovery
- **TOI** – Inspection Report
- **TUSD** – Distribution System Usage Charge
- **TUST** – Transmission System Usage Charge
- **UHE** – Hydropower Plant
- **UTE** – Thermal Power Plant
- **VNR** – New Replacement Value