

Rio de Janeiro, May 12, 2016 - Equatorial Energia S.A. (BM&FBOVESPA: EQTL3) announces its results for the first quarter of 2016 (1Q16).

Equatorial is a holding company with investments in Companhia Energética do Maranhão (CEMAR), Centrais Elétricas do Pará (CELPA), Geramar and Equatorial Soluções. Equatorial holds a 65.11% interest in CEMAR, the electricity distributor for the entire state of Maranhão, and 96.50% in CELPA, the electricity distributor for the entire state of Pará. It also holds a 25% interest in Geramar, the company responsible for the construction and operation of two thermoelectric plants in Maranhão with a combined installed capacity of 330MW. In the service segment, Equatorial holds a 100% interest in Equatorial Soluções. Non-financial information relating to Equatorial Energia and its subsidiaries and the PLPT ("Light for All Program"), as well as Management's expectations regarding the future performance of the Company and its subsidiaries were not reviewed by independent auditors.

CEMAR'S AND CELPA'S REQUIRED ENERGY INCREASES 5.0% AND 3.7%, RESPECTIVELY. QUALITY INDICATORS CONTINUE TO IMPROVE IN THE QUARTER.

1. FINANCIAL AND OPERATING HIGHLIGHTS

- ▶ **New Commercial System:** In this quarter, the new SAP/CCS commercial system was installed in Cemar and Celpa, which allowed the standardization of procedures and systems in both companies, the review of their business procedures and technology deployment with more agility in operations. However, during its implementation and stabilization period, some billing and loss combat activities are temporarily affected with direct consequences in the billed volume in the period, losses percentage, revenues, EBITDA and Net Income. Some of these impacts have been estimated and are highlighted in Section 2 – Implementation of the New Commercial System.
- ▶ **Solid Required Energy Growth:** Cemar's required energy grew 5.0% in the 1Q16. In Celpa, the growth amounted to 3.7%.
- ▶ CEMAR's **total energy volume** reached 1,460 GWh in 1Q16, 3.4% higher than in 1Q15. The total volume distributed by CELPA (captive and free markets) totaled 1,954 GWh in 1Q16, representing a decrease of 0.7% YoY. Considering our estimate of the SAP/CCS implementation's impact in billing, market growth could reach 4.7% in CEMAR and 3.4% in CELPA.
- ▶ In 1Q16, **Adjusted EBITDA** was R\$ 236 million, compared to R\$ 227 million in 1Q15, a 3.7% increase. Considering our estimate of the SAP/CCS implementation's impact in billing, the consolidated EBITDA could reach R\$ 264 million in the quarter.
- ▶ The **Adjusted Net Result** of the quarter was R\$ 122 million, increase of 182.0% over the previous year.
- ▶ In 1Q16, Equatorial's consolidated **investments** totaled R\$270 million, 16.8% less than those made in 1Q15.
- ▶ In 1Q16, CEMAR's **DEC** and **FEC** indexes (accumulated over the last 12 months) were 14.0 hours and 8.0 times respectively. In CELPA, these same indexes closed the quarter with improvements of 5.1% and 0.4%, respectively.
- ▶ In CEMAR, **energy losses** of the last 12 months ending 1Q16 represented 17.9% of the required energy. In CELPA, total losses ended the quarter at 29.9% of the required energy. Considering our estimate of the SAP/CCS implementation's impact in billing, the loss percentage could reach 17.7% in CEMAR and 29.2% in CELPA.

FINANCIAL DATA (R\$MM)	1Q15	4Q15	1Q16	Var.
Total Net Operating Revenue	1,679	1,875	1,734	3.3%
Adjusted EBITDA	251	333	236	3.7%
EBITDA (LTM)	1,401	1,176	1,134	-19.1%
<i>EBITDA Margin (% net revenues)</i>	13.5%	20.3%	13.6%	0.1 p.p.
Adjusted Net Income	43	292	122	182.0%
<i>Profit Margin (% net revenues)</i>	2.6%	7.6%	8.0%	5.4 p.p.
Net Income per Share (R\$ / share)	0.78	0.72	0.70	-10.5%
Investments				
CEMAR	69	128	106	53.5%
PLPT (CEMAR)	10	30	18	86.6%
CELPA	196	99	108	-45.0%
PLPT (CELPA)	47	70	35	-25.1%
Geramar	3	2	3	-10.3%
Total	325	329	270	-16.8%
Net Debt	2,134	1,682	1,977	-7.4%
Net Debt / Regulatory EBITDA (LTM)	1.9	1.4	1.7	-0.2 x

	1Q15	4Q15	1Q16	Var.
Distribution				
Billed Energy (GWh)				
CEMAR	1,412	1,598	1,460	3.4%
CELPA	1,967	2,413	1,954	-0.7%
Number of consumers (thousands)				
CEMAR	2,212	2,262	2,283	3.2%
CELPA	2,195	2,311	2,318	5.6%

2. NEW COMMERCIAL SYSTEM IMPLEMENTATION

Effects SAP/CCS Implementation	1Q15	4Q15	1Q16	Chg. %	Lower Estimate*	Higher Estimate*
CEMAR					+9 GWh	+18 GWh
Volume (GWh)	1,412	1,598	1,460	3.4%	1,469	1,478
Total Losses (last 12 months)	17.5%	17.6%	17.9%	0,4 p.p.	17.8%	17.7%
Adjusted NOR (R\$ MM)	657	781	728	10.9%	732	735
Adjusted EBITDA (R\$ MM)	142	168	135	-4.9%	139	142
CELPA					+50 GWh	+80 GWh
Volume (GWh)	1,967	2,413	1,954	-0.7%	2,004	2,034
Total Losses (last 12 months)	30.8%	29.2%	29.9%	-0,9 p.p.	29.5%	29.2%
Adjusted NOR (R\$ MM)	985	1,042	984	-0.1%	996	1,005
Adjusted EBITDA (R\$ MM)	84	223	106	26.2%	118	127
Equatorial Consolidated						
Adjusted NOR (R\$ MM)	1,679	1,875	1,767	5.2%	1,783	1,795
Adjusted EBITDA (R\$ MM)	227	381	236	3.8%	252	264

* Estimated Values

The estimates presented in this section are not considered in Company's Adjusted EBITDA and Net Income.

NEW COMMERCIAL SYSTEM IMPLEMENTATION

During 1Q16, a new commercial system was implemented, SAP/CCS, in both companies – January in Cemar and March in Celpa, which consumed R\$ 66 million in investments in the last 20 months. The benefits for transitioning to the new system can be summed up by: (i) savings of approximately R\$ 7 million per year in Opex in both companies; (ii) standardization of the systems and procedures in both companies; (iii) the review of commercial procedures and its interfaces, and; (iv) adoption of the most recent technology, allowing more agility and efficiency in the daily operations.

STABILIZATION PERIOD

CEMAR

In this 1Q16, at Cemar, some billing and loss combat activities were affected. We estimate that there was an impact between 9 and 18 GWh in volume sold, which represents up to 4.7% growth, close to the required energy growth in the period. Losses would have reached 17.7% and, consequently, EBITDA would be R\$ 7 million higher, reaching R\$ 142 million in the quarter. Even after the impacts estimate arising from the new system, there was a non-billed revenue of R\$ 14 million negative in the quarter (R\$ 1 million negative in 1Q15), which seasonally should be reverted throughout this year.

Since its implementation took place in January, the effects from its stabilization period could be partially compensated within this same quarter. Our expectation is that the billing and loss combat initiatives should be normalized by the 2Q16, allowing for the recovery of the mentioned impact until the end of this year.

CELPA

At Celpa, some billing and loss combat activities were affected only in March. We estimate that there was an impact between 50 and 80 GWh in volume sold, which represents up to 3.4% growth, close to the required energy growth in the period. Losses would have reached 29.2% and, consequently, EBITDA would be R\$ 21 million higher, reaching R\$ 127 million in the quarter. Even after the impacts estimate arising from the new system, there was a non-billed revenue of R\$ 31 million negative in the quarter (R\$ 1 million negative in 1Q15), which seasonally should be reverted throughout this year.

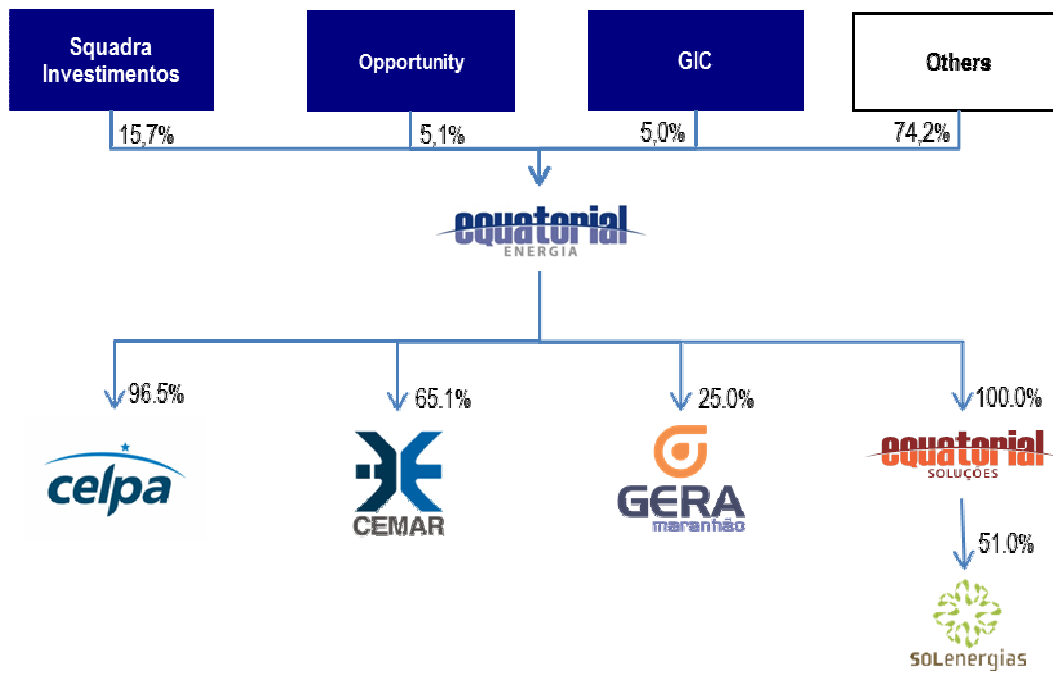
Since its implementation took place in March, the effects from its stabilization period are more relevant in the quarter. Our expectation is that the billing and loss combat initiatives may be affected by the 2Q16, allowing for the recovery of the mentioned impact until the end of this year.

Finally, we strengthened the commercial department structure to speed the normalization process and recovery of the activities forecast for the year.

3. SHAREHOLDERS' STRUCTURE

The information contained in this section reflects the current shareholding structure, as is in the same date of this Earnings Release.

Shareholder	Shares	%
Squadra Investimentos	31,176,900	15.69%
Opportunity	10,067,478	5.07%
GIC	10,001,775	5.03%
Demais Minoritários	147,429,814	74.21%
Total	198,675,967	100.00%



4. OPERATING PERFORMANCE

The operating information contained in this section is pro forma and reflects 100% of the operations of CEMAR and 100% of the operations of CELPA.

4.1 OPERATING PERFORMANCE

ELECTRIC ENERGY SALES

CEMAR

In 1Q16, energy sales (captive and free market) increased 3.4% over the same quarter of the previous year, reaching 1,460 GWh. The growth observed during the quarter was a result of the expansion of the client base of 3.2% in the quarter. Despite the strong increase in other segments (Residential, Commercial and Other), the captive industrial market and the free market showed consumption contraction this quarter.

CELPA

In 1Q16, sales of energy for the captive market decreased 0.7% compared to the same quarter of the previous year, reaching 1,954 GWh. In this quarter, with the migration to a new commercial system, loss prevention activities were affected in March, implementation period and stabilization of the system, which also impacted the billed market.

CONSUMPTION SEGMENTS (MWh)	1Q15	4Q15	1Q16	Var.
CEMAR				
Residential	703,967	785,132	746,781	6.1%
Industrial	99,550	105,283	87,860	-11.7%
Commercial	287,678	322,110	295,431	2.7%
Others	290,470	355,563	302,356	4.1%
TOTAL (Captive)	1,381,664	1,568,088	1,432,427	3.7%
Free Consumers	30,011	29,708	27,303	-9.0%
TOTAL (Captive + Free) - CEMAR	1,411,675	1,597,796	1,459,730	3.4%
CELPA				
Residential	803,747	1,084,082	834,693	3.9%
Industrial	327,927	343,778	262,655	-19.9%
Commercial	420,934	508,454	402,646	-4.3%
Others	326,713	408,713	344,183	5.3%
TOTAL	1,879,320	2,345,028	1,844,176	-1.9%
Free Consumers	88,036	68,408	109,848	24.8%
TOTAL (Captive + Free) - CELPA	1,967,357	2,413,435	1,954,023	-0.7%
TOTAL (Captive + Free) - CELPA	3,379,032	4,011,231	3,413,753	1.0%

Number of Consumers	1Q15	4Q15	1Q16	Var.
CEMAR				
Regular Residential	1,099,173	1,209,060	1,213,738	10.4%
Low Income Residential	868,659	803,113	818,637	-5.8%
Industrial	8,536	8,507	8,480	-0.7%
Commercial	147,345	151,361	152,240	3.3%
Others	88,526	89,561	89,949	1.6%
TOTAL	2,212,239	2,261,602	2,283,044	3.2%
CELPA				
Regular Residential	1,273,105	1,425,157	1,476,209	16.0%
Low Income Residential	617,467	562,525	509,467	-17.5%
Industrial	4,037	3,998	4,426	9.6%
Commercial	161,795	168,116	171,708	6.1%
Others	139,161	150,915	156,426	12.4%
TOTAL	2,195,565	2,310,711	2,318,236	5.8%
TOTAL EQUATORIAL	4,407,804	4,572,313	4,601,280	4.4%

The volume of required energy by CEMAR's system reached 1,768 GWh in 1Q16, a growth of 5.0% year on year. The amount of energy sold grew 3.4% over the same quarter of the previous year.

ENERGY BALANCE (GWh)	1Q15	4Q15	1Q16	Var.
Required Energy	1,684	1,948	1,768	5.0%
Sold Energy (*)	1,414	1,600	1,462	3.4%
Losses	270	348	306	13.4%

(*) Considers sales to the segments, own consumption and sales to CEPISA e CELTINS.

The volume of required energy by CELPA's system came to 2,907 GWh in 1Q16, up 3.7% over the same period in the previous year. The volume of energy sold during the quarter grew 1.9% over 1Q15.

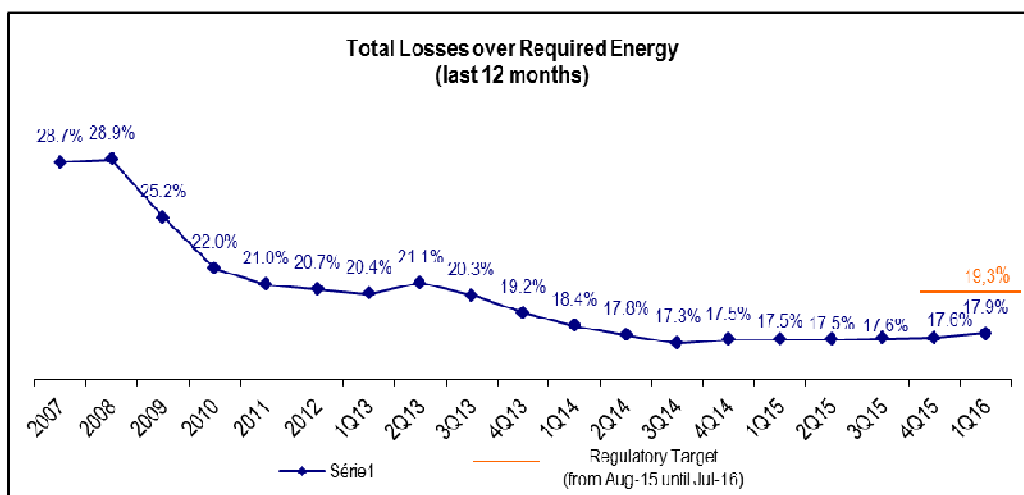
ENERGY BALANCE (GWh)	1Q15	4Q15	1Q16	Var.
Energy Sales (Captive + Own Consumption)	1,888	2,354	1,852	-1.9%
Free Market	88	68	110	24.8%
Losses	828	734	945	14.1%
Required Energy	2,804	3,157	2,907	3.7%
Own Generation	114	116	106	-6.7%
Energy Purchase (Contracts)	2,690	3,041	2,801	4.1%

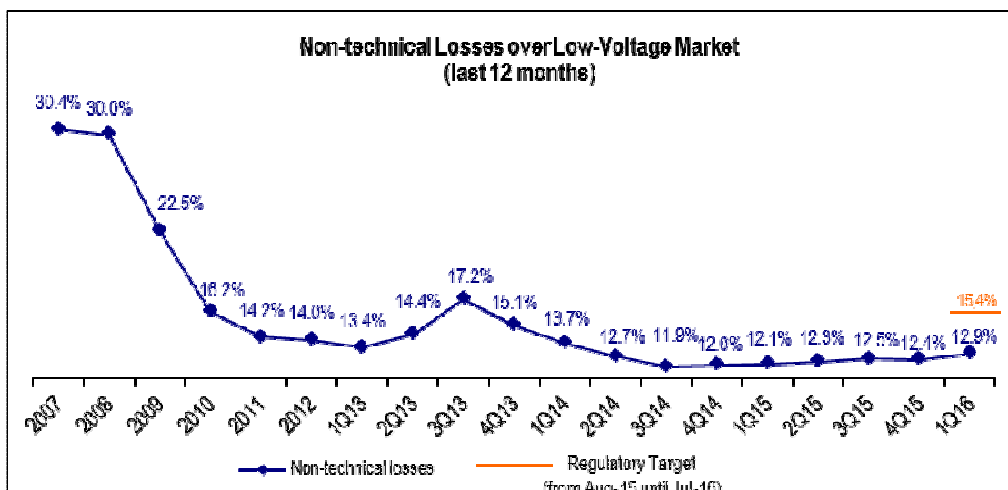
ENERGY DISTRIBUTION LOSSES

CEMAR

The total losses of the last 12 months ending in 1Q16 represented 17.9% of the Required Energy, an increase of 0.3 p.p. in comparison with the end of the last quarter, whereas non-technical losses in the low-voltage market represented 12.9%. We highlight that the calculation of non-technical losses is made using the regulatory percentage of 9.86% of technical losses over the Required Energy.

Despite a greater resistance against losses combat actions, due the current moment in the economy and the complexity of the concession area, we have been successful in maintaining a level considered low and stable for non-technical losses. We highlight that there was an impact due to the new commercial system SAP/CCS, estimated in Section 2 – Implementation of the New Commercial System.

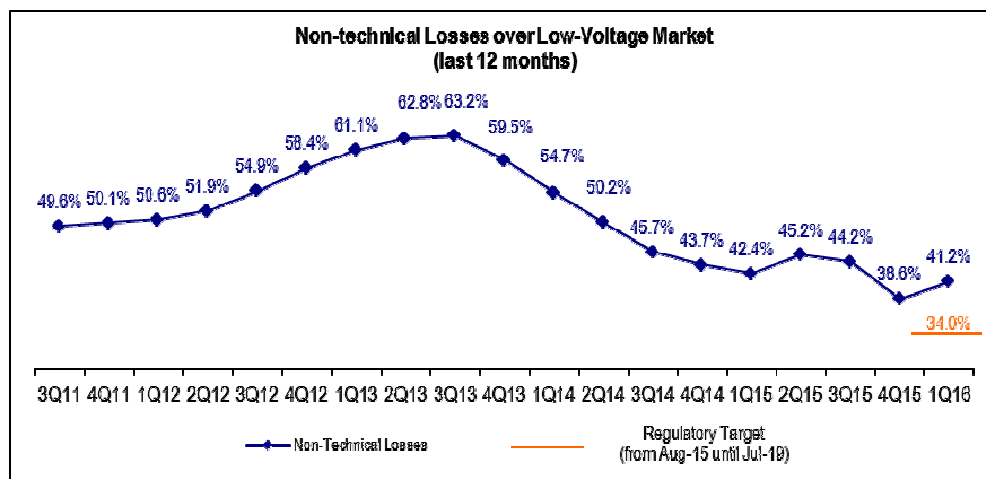
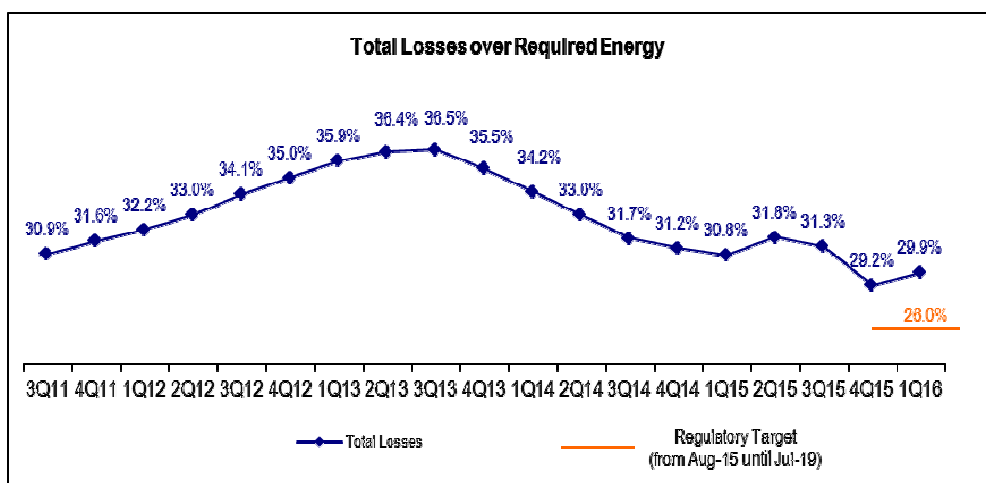




CELPA

The total losses of the past 12 months ending in 1Q16 accounted for 29.9% of the required energy, while non-technical losses on the Low Voltage market reached 41.2%, an increase of 2.6 p.p. Such increase is a result of the following factors: (i) greater resistance to loss combat actions due to the current economic environment; (ii) complexity of the concession area; (iii) migration to a new commercial system, affecting the loss combat actions during the implementation and stabilization period of the new system, especially in March. . We highlight that there was an impact due to the new commercial system SAP/CCS, estimated in Section 2 – Implementation of the New Commercial System.

For the calculation of the non-technical losses, the technical losses percentage subtracted from the total losses is that approved by ANEEL in the Company's last Tariff Review, 10.14%.



QUALITY INDICATORS – DEC AND FEC

The quality and efficiency of the distribution concessionaires' networks is measured by the DEC (Duration Equivalent of Interruption per Consuming Unit that measures the equivalent length of interruptions per consumer, measured in hours per consumer for a given period) and FEC (Frequency Equivalent of Interruption per Consuming Unit, measured as the number of interruptions per consumer for a given period).

CEMAR

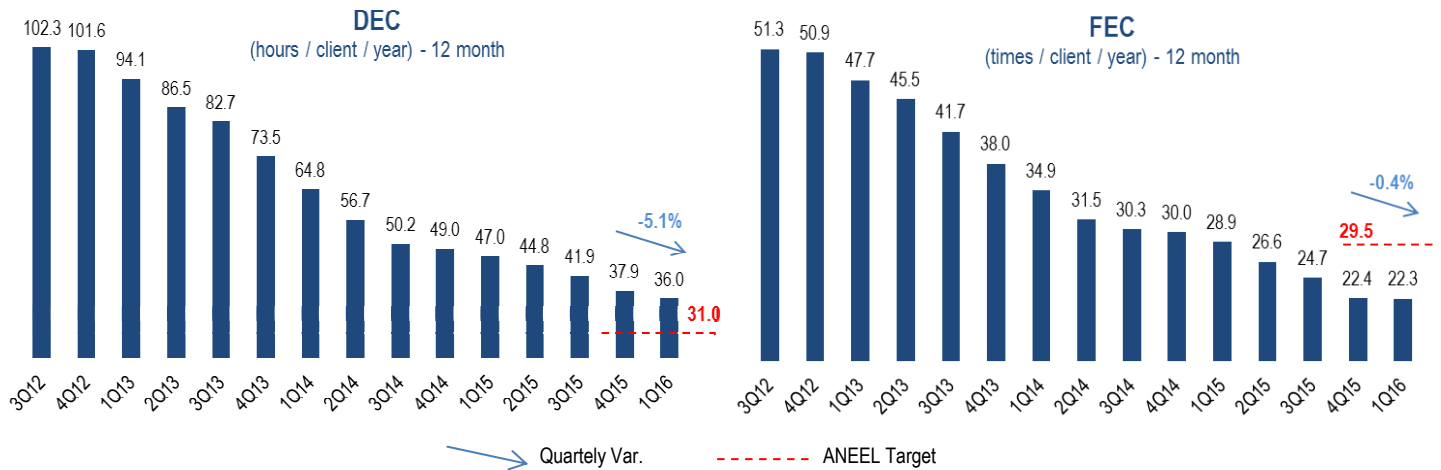
At the close of 1Q16, the 12-month DEC stood at 14.0 hours, compared to 15.3 hours at the end of 4Q15, a decrease of 8.4%. The FEC indicator (accumulated 12-month period) at the end of 1Q16 was 8.0 times, representing a 11.0% decrease in 4Q15's rate. As per the graph below, both indicators are well below the target set by ANEEL.



CELPA

At the close of 1Q16, the 12-month DEC stood at 36.0 hours that compared to 37.9 hours at the end of 4Q15 represented a decrease of 5.1%. The FEC indicator (accumulated 12-month period) at the end of 1Q16, was 22.3 times, representing a 0.4% decrease in 4Q15's rate. In Celpa, only FEC is currently below the target set by ANEEL.

In this quarter, DEC and FEC's fall trajectory has reduced its pace due to an increase of these indicators in the supplier, which DEC increased from 0,88h in 4Q15 to 2,76h in 1Q16. As for the FEC, this indicator in the supplier increased from 1,46x in 4Q15 to 2,16x in 1Q16.



AVERAGE ENERGY PURCHASE COST

CEMAR

AVERAGE ENERGY PURCHASE COST*	1Q15	4Q15	1Q16	Var.
Energy Purchase - Contracts (R\$MM)	194	220	223	15.0%
MWh Contracted	833,272	1,063,244	1,196,195	43.6%
Energy Purchase - Spot (R\$MM)	136	91	48	-65.2%
MWh - Spot	224,248	60,592	(85,985)	N/A
GSF (R\$ MM)	21	28	42	103.7%
MWh - GSF	615,651	846,222	687,774	11.7%
Average Energy Purchase Cost (R\$ / MWh)	210	172	174	-17.12%

* Net of PIS/COFINS

CELPA

AVERAGE ENERGY PURCHASE COST*	1Q15	4Q15	1Q16	Var.
Energy Purchase - Contracts (R\$MM)	388	354	398	-14.1%
MWh Contracted	1,648,970	1,727,833	2,032,264	3.0%
Energy Purchase - Spot (R\$MM)	207	138	42	-81.7%
MWh - Spot	345,833	267,847	(184,388)	N/A
GSF (R\$ MM)	22	31	55	148.9%
MWh - GSF	664,654	952,785	907,524	18.7%
Average Energy Purchase Cost (R\$ / MWh)	232	177	180	-25.3%

* Net of PIS/COFINS

ENERGY PURCHASE CONTRACTS

CEMAR

CONTRACTS (MWh)	2016	2017	2018	2019	2020
Hydro	3,100,669	2,957,281	3,108,106	2,754,222	2,180,286
Termal	1,426,298	1,801,910	1,897,349	2,362,048	2,237,425
GSF	2,981,684	2,630,590	2,630,590	2,630,590	2,630,590
Others	673,565	427,174	728,128	952,635	1,113,655
TOTAL - MWh	8,182,216	7,816,954	8,364,173	8,699,495	8,161,956

CELPA

CONTRACTS (MWh)	2016	2017	2018	2019	2020
Hydro	5,177,611	5,077,330	5,515,597	5,180,447	4,237,349
Termal	2,353,011	2,256,087	2,456,309	4,246,505	3,980,117
GSF	3,870,893	3,464,461	3,464,461	3,464,461	3,473,952
Others	1,042,903	1,101,821	1,776,529	2,417,951	2,424,576
TOTAL - MWh	12,444,418	11,899,699	13,212,896	15,309,364	14,115,994

5. ECONOMIC-FINANCIAL PERFORMANCE - CONSOLIDATED

The information in this section reflects: i) 100% of CEMAR's operations, excluding 34.89% related to minority interests before Net Income, or 65.11% of the total; ii) 100% of CELPA's operations, excluding 3.50% related to minority interests before Net Income, or 96.50% of the total and iii) 100% of Equatorial Soluções.

We highlight that, in accordance with Brazilian accounting rules, the results referred to the 25% participation in Geramar are consolidated in Equatorial, only from Patrimonial Equivalence.

5.1 ECONOMIC-FINANCIAL PERFORMANCE – CONSOLIDATED

INCOME STATEMENT (R\$MM)	1Q15	4Q15	1Q16	Var.
Gross Operating Revenues (GOR)	2,279	2,761	2,492	9.3%
Net Operating Revenue (NOR)	1,679	1,875	1,734	3.3%
Energy Cost	(1,191)	(1,126)	(1,204)	1.0%
Operating Costs / Expenses	(236)	(416)	(275)	16.6%
EBITDA	251	333	255	1.5%
Other Revenues/ Operational Expenses	(32)	(80)	(11)	-66.6%
Depreciation	(32)	(122)	(87)	174.9%
Service Income (EBIT)	187	131	157	-15.9%
Financial Result	(61)	(40)	61	-198.9%
Goodwill amortization	9	5	5	-49.1%
Earnings before taxes (EBT)	135	96	223	65.3%
Income Tax / Social Contribution	(24)	88	(52)	115.7%
Minority Interest	(25)	(42)	(32)	26.6%
Net Income	85	143	139	62.6%

EQUATORIAL'S CONSOLIDATED EBITDA

Besides the specific adjustments made in Cemar and Celpa (see EBITDA section of each company in this Earnings Release), for Equatorial holding, we also adjusted the Stock Option Plan expenses, amounting to R\$ 3 million in this quarter, since these expenses are non-cash.

In 1Q16, there is a R\$ 50 million difference in CELPA's EBITDA used in consolidation's PPA for the Equatorial's results by provisions reversals of contingencies classified as possible losses.

With these adjustments, Equatorial's regulatory EBITDA amounts to R\$ 236 million in the 1Q16, an increase of 3.7% if compared to 1Q15.

Consolidated EBITDA (R\$ million)	1Q15	4Q15	1Q16	Var.
CEMAR's EBITDA	134	146	117	-13.0%
CELPA's EBITDA	123	200	147	19.2%
EBITDA (Holding + Others)	(10)	(13)	(8)	-20.0%
Accounting EBITDA	247	333	255	3.3%
CEMAR's Adjustments	8	21	18	N/A
CELPA's Adjustments	(38)	24	(40)	4.2%
Stock Options Expense Adj. (Equatorial)	11	3	3	-70.1%
Adjusted Regulatory EBITDA	227	381	236	3.7%

* CELPA's Income Statement used in the consolidation Equatorial is different from the individual because of the IFRS

EQUATORIAL'S CONSOLIDATED NET INCOME

To calculate Equatorial's consolidated net income, besides the EBITDA and Net Income adjustments (see Net Income section of each company in this Earnings Release), there's also an adjustment regarding the stake Equatorial holds in each company (65.11% in Cemar and 96.5% in Celpa).

In 1Q16, there is a R\$ 41 million difference in CELPA's Net Income (already adjusted for their participation and tax impact) used in consolidation's PPA for the Equatorial's results by provisions reversals of contingencies classified as possible losses.

Considering these adjustments, we reach R\$ 122 million in the adjusted net income in the quarter, an increase of 182.0% if compared to 1Q15.

Consolidated Net Income (R\$ million)	1Q15	4Q15	1Q16	Chg.
CEMAR's Net Income	38	80	49	28.8%
CELPA's Net Income	35	30	82	136.9%
Net Income (Holding + Others)	12	33	7	-41.7%
Accounting Net Income	85	143	139	62.9%
CEMAR's Adjustments	4	12	10	120.7%
CELPA's Adjustments	(53)	135	(29)	-46.0%
Stock Options Expense Adj. (Equatorial)	7	2	2	-70.1%
Adjusted Regulatory Net Income	43	292	122	182.0%

* CELPA's Income Statement used in the consolidation Equatorial is different from the individual because of the IFRS

5.2 – FINANCIAL PERFORMANCE – CEMAR

The financial performance section considers 100% of CEMAR's operations.

CEMAR's Income Statement (R\$MM)	1Q15	4Q15	1Q16	Var.
Gross Operating Revenues (GOR)	861	1,084	986	14.6%
Net Operating Revenues (NOR)	657	781	710	8.2%
Electric Energy Cost	(422)	(489)	(484)	14.7%
Operating Costs / Expenses	(101)	(146)	(109)	8.1%
EBITDA	134	146	117	-12.4%
Other Revenues/Operational Expenses	(5)	(9)	(7)	55.7%
Service Income (EBIT)	98	104	76	-22.4%
Financial Result	(23)	45	19	-184.5%
Earnings Before Taxes (EBT)	75	149	96	27.4%
Income Tax / Social Contribution	(16)	(25)	(20)	21.6%
Net Income	59	123	76	29.0%

5.2.1 – OPERATING REVENUES

OPERATING REVENUE - CEMAR	1T15	4T15	1T16	Var.
Energy Sales (MWh)*	1,411,675	1,597,796	1,459,730	3.4%
Number of Clients**	2,212,239	2,261,602	2,283,044	3.2%
KWh per Client	638	706	639	0.2%
Gross Operating Revenue (R\$ MM)	640	828	712	11.3%
Residential	333	433	371	11.5%
Industrial	44	51	44	1.7%
Commercial	151	191	166	9.6%
Others	112	153	131	16.7%
Ajuste RNF - Bandeira Tarifária	0	1	(1)	NA
CVA	56	20	40	-28.1%
Values to receive from Parcel A and other financial items	-	-	-	NA
Supply	5	3	17	244.5%
Other Revenues	69	70	63	-9.1%
Low Income	50	44	45	-9.9%
Irrigantes	10	13	13	23.3%
Network Usage	1	2	0	-98.9%
Other Operating Revenues	8	12	6	-30.7%
Construction Revenues	90	163	154	70.4%
Deductions from Operating Revenues	(204)	(303)	(276)	35.2%
Net Operating Revenues	657	781	710	8.2%

* Does not consider own consumption and free consumers

** Excludes own consumption facilities

In 1Q16, Gross Revenue from energy sales increased 11.3%, mainly influenced by: i) the two tariff adjustment occurred in the period, the Extraordinary Tariff Readjustment in March of 2015 and the Ordinary Annual Adjustment occurred in August where the average effect perceived by consumers was 3.0% and 8.64%, respectively, and; ii) growth of 3.4% in the volume of energy sold in the quarter. The Net revenue reached R\$ 710 million (R\$ 556 million, excluding construction revenues), an increase of 8.2% compared to the same quarter of the previous year.

5.2.2 – COSTS AND EXPENSES

In 1Q16, total costs and expenses, manageable and non-manageable, not including depreciation and amortization was R\$ 600 million (R\$ 446 million, excluding construction costs) equivalent to 84.5% of net revenues, an increase of 3.8 p.p. compared to the 1Q15.

Manageable Operating Costs and Expenses

In 1Q16, manageable costs and expenses, including costs for Personnel, Materials, Outsourced Services and Others – PMSO, not including PDA (Provision for Doubtful Accounts), provisions for contingencies and other non-operating costs, reached R\$ 95 million, an increase of 4.1%, however when compared with the net value of PIS/COFINS, the increase is 1.8%.

In this quarter, personnel expenses totaled R\$ 29 million, 14.7% higher than the results reported in 1Q15 of R\$25 million, due to inflation, charges over payroll and rescission costs. Expenses with materials totaled R\$2 million in 1Q16, 50.0% below the amount presented in 1Q15.

Expenses for third party services in 1Q16 showed an increase of 5.1% in comparison to the results shown in 1Q15, at R\$57 million. Among its main accounts, we highlight: (i) intensification of collection actions of defaulting consumers, such as cutting, collection visits, which increased by R\$ 1.6 million in the period; and (ii) transfer of Pis/Cofins fiscal credits from third party services to the Deductions from Revenues, neutral for the EBITDA, but amounting to R\$ 2.0 million in the Manageable Expenses this quarter.

In 1Q16, PDA and Losses amounted to R\$ 10 million, or 1.2% of the Gross Operating Revenues (GOR), level 0.3 p.p above to the one observed in the same quarter last year, considered within regular levels, even despite the current macroeconomic scenario of the country.

R\$ MM	1Q15	4Q15	1Q16	Var.
Personnel	25	31	29	14.7%
<i>Relevance on Results</i>	8	8	8	1.3%
Material	3	3	2	-50.0%
Third Party Services	54	87	57	5.1%
Others	9	5	7	-14.0%
<i>Compensations DIC/FIC/DMIC</i>	4	2	4	-5.6%
PMSO	92	125	95	4.1%
<i>PIS/COFINS Credit for Third Party Services</i>	(2)	6	-	N/A
PMSO net of PIS/COFINS credit	94	120	95	
% Net Revenues (without Construction Costs)	16.5%	19.3%	17.1%	0.6 p.p.
Provisions	10	20	14	46.8%
<i>PDA and Losses</i>	6	17	10	51.2%
<i>% Gross Operating Revenue (without Construction Costs)</i>	0.8%	1.8%	1.2%	0.3 p.p.
Provision for Contingencies and Others	3	4	4	37.2%
Other Operating Expenses/Revenues	5	9	7	55.7%
COSTS AND MANAGEABLE EXPENSES	108	149	116	8.1%
% Net Revenues (without Construction Revenues)	19.0%	24.1%	20.9%	1.9 p.p.
Purchased Energy and Transportation	315	307	297	-5.8%
Connection and Network Usage Charges	15	18	32	108.2%
Construction Costs	90	163	154	70.4%
Other Costs	1	1	1	2.0%
NON-MANAGEABLE COSTS AND EXPENSES	422	489	484	14.7%
% Net Revenues (without Construction Revenues)	74.5%	79.2%	87.0%	12.5 p.p.
TOTAL	530	638	600	13.4%

5.2.3 – EBITDA

In 1Q15, EBITDA reached R\$117 million, already impacted by the recognition of the net regulatory asset and liabilities and by the change in the recognition of fines paid to consumers regarding individual quality indicators.

As non-recurring impacts, we highlight: (i) R\$10 million in Tariff Flags' accounting adjustments, to be reversed in the second quarter; (ii) R\$ 4.6 million of Energy Purchase not covered by the tariff due to an overpurchase above the transferred percentage of 105% of the required regulatory energy; (iii) 1.5 million of PIS/COFINS mismatch and R\$ 1.4 million in Energy Purchase from 2015.

EBITDA (R\$ million)	1Q15	4Q15	1Q16	Var.
Service Income (EBIT)	98	104	76	-22.4%
Depreciation and Amortization	31	33	34	8.9%
Other Operating Expenses/Revenues	5	9	7	55.7%
Reported EBITDA	134	146	117	-12.4%
Tariff Flags adjustments			10	N/A
Energy Overpurchase (above 105%)			5	N/A
Taxes Mismatching	11		1	N/A
2015 Energy purchase adjustments			1	N/A
CVA Eletronuclear	3	3		N/A
Judicial Expenser Provisions (PMSO)		19		N/A
Impact of Tariff Readjustment	(6)			N/A
Adjusted EBITDA	142	168	135	-4.9%

5.2.4 – FINANCIAL RESULTS

In 1Q16, the net financial result was positive in R\$19 million, compared to a negative R\$23 million in 1Q15. The improvement in the financial results can be explained by higher volume of invested cash by the company, appreciation of Real compared to Dollar and VNR results.

In this quarter, due to the appreciation of the Real, a R\$ 26 million revenue was accrued relating to the Company's foreign currency denominated debt. As a counterpart, it was recognized R\$ 30 million in Revenues with Swap Operations. We highlight that, as the accounting rules require that Swap Operations be accounted at its market value (R\$ 1 million this quarter), even though the hedge is perfect from a cash perspective, we might have some impact on results, as it happened in this quarter.

R\$ MM	1Q15	4Q15	1Q16	Var.
Financial Income	40	62	48	20.5%
Fine charged on Energy Sale	18	26	19	6.3%
SWAP operations' Revenue	45	1	-	N/A
Other Financial Revenues	3	0	0	-82.8%
New Replacement Value (NRV) Revenue	-	15	36	N/A
Financial Revenue	105	104	91	-14.0%
Interest on Loans and Financing	106	(50)	(32)	N/A
Monetary and Exchanging Variations	(2)	(2)	(3)	50.0%
Other Financial Expenses	(8)	(7)	(6)	-26.9%
SWAP operations' Expenses	(6)	-	(30)	443.2%
New Replacement Value (NRV) Expense	(7)	-	-	N/A
Financial Expenses	(128)	(89)	(71)	-44.7%
Net Financial Result	(23)	45	19	N/A

5.2.5 – INCOME TAX AND SOCIAL CONTRIBUTION

At CEMAR, the calculation of Income Tax (IRPJ) and Social Contribution on Net Profits (CSLL) is positively influenced by the following items: i) the tax incentive of a 75% reduction in income tax as a result of the total modernization benefit, effective through 2021; ii) tax incentives related to accelerated depreciation, obtained from the SUDENE, which allows investments in expansion and modernization of the distribution network to be considered as a fully tax-deductible expense for purposes of calculating income tax immediately (effective through 2018); and, iii) the offset of accrued losses. It should be noted that all items mentioned above are applicable only to income tax.

Effective Income Tax and Social Contribution Rate

Income Tax/ Social Contribution (R\$MM)	1T 15	4T 15	1T 16
EBT (1)	75	149	96
Income Tax/ Social Contribution Expenses	(16)	(25)	(20)
(-) Deferred Tax Assets	13	11	12
= Tax Payable	(4)	(15)	(7)
(+) Fiscal Credits	(1)	-	
= Tax - Cash Basis (2)	(5)	(15)	(7)
Effective Tax Rate = (2) / (1)	6.0%	9.9%	7.7%

In 1Q16, the result of income tax and social contribution was R\$ 20 million and, considering the use of deferred tax assets for compensation, the cash outflow for the payment of such taxes ended up being R\$ 7 million.

5.2.6 – NET INCOME

In 1Q16, CEMAR presented an Adjusted Net Income of R\$ 91 million versus R\$ 66 million in 1Q15, up by 38.0%. This quarter, we kept the same adjustments in EBITDA, net of their tax effects, and we stopped adjusting the impact of VNR (New Replacement Value) as nonrecurring.

NET INCOME (R\$ million)	1Q15	4Q15	1Q16	Var.
NET INCOME	59	123	76	29.0%
EBITDA's net impact	7	19	15	114.4%
Adjusted NET INCOME	66	142	91	38.0%

5.3 ECONOMIC-FINANCIAL PERFORMANCE – CELPA

CELPA's Income Statement (R\$MM)	1Q15	4Q15	1Q16	Var.
Gross Operating Revenues (GOR)	1,376	1,617	1,443	4.9%
Net Operating Revenues (NOR)	985	1,042	969	-1.6%
Electric Energy Cost	(744)	(585)	(683)	-8.2%
Operating Costs / Expenses	(118)	(257)	(190)	61.1%
EBITDA	123	200	96	-21.6%
Other Revenues/Operational Expenses	(23)	(71)	(4)	-84.1%
Service Income (EBIT)	99	40	40	-59.9%
Financial Result	(63)	(107)	23	N/A
Earnings Before Taxes (EBT)	36	(67)	63	73.2%
Income Tax / Social Contribution	(1)	98	(20)	N/A
Net Income	36	31	43	20.3%

5.3.1 – OPERATING REVENUES

In 1Q16, Gross Revenue from energy sales increased 8.5%, influenced mainly by: (i) the Periodic Tariff Review of 7.47% (Average effect perceived by consumers) authorized by ANEEL and applied as of August 07, 2015; (ii) Extraordinary Tariff Review applied since March, 2015. Net revenue reached R\$ 969 million (R\$ 826 million, excluding construction revenues), a decrease of 1.6%, compared to the same quarter of the previous year, due to higher revenue deductions.

OPERATING REVENUE - CELPA	1Q15	4Q15	1Q16	Var.
Energy Sales (MWh)*	1,879,320	2,345,028	1,844,176	-1.9%
Number of Clients**	2,195,565	2,310,711	2,318,236	5.6%
KWh per Client	856	1,015	796	-7.1%
Gross Operating Revenue (R\$ MM)	1,098	1,499	1,191	8.5%
Residential	499	744	569	14.2%
Industrial	157	175	157	0.1%
Commercial	282	362	294	4.3%
Others	160	218	170	6.7%
(-) Exceeded demand / reactive surplus	(8)	(10)	(9)	-6.1%
Supply	9	(132)	37	325.0%
Other Revenues	64	92	74	16.3%
Low Income	51	62	59	15.4%
Network Usage	6	6	6	-14.0%
Other Operating Revenues	6	24	9	57.8%
Values to receive from Parcel A and other financial items	72	(19)	7	-90.1%
PIS and COFINS on Parcel A	(37)	-	-	100.0%
Construction Revenues	180	187	143	-20.7%
Deductions from Operating Revenues	(391)	(575)	(474)	-21.0%
Net Operating Revenues	985	1,042	969	-1.6%

5.3.2. – COSTS AND EXPENSES

In 1Q16, total costs and expenses, manageable and non-manageable, not including depreciation and amortization was R\$ 881 million (R\$ 727 million, excluding construction costs), 0,2% higher than 1Q15.

We kept opening the Manageable Expenses (PMSO) with the cost to run the generation plants for the isolated systems. The isolated systems are cities or regions that are not connected to the SIN (National Interconnected System, in Portuguese) and, thus, need thermal power plants exclusively dedicated to generating power to these regions. The PIS/COFINS credits are now launched in Revenue Deductions, not impacting manageable costs of the Company. The cost of operations this quarter, net from these tax credits, was R\$ 47 million. Comparing the evolution of this cost, it is worth noting that there was a reduction of the CCC subsidy due to: (i) increase on the disallowance factor over the subsidy, considering the Dispatch 3,552 from Oct/15; (ii) increase in average ACR from R\$ 192.7 to R\$ 295.1 due to Dispatch 3,491 from Oct/15

Since 2015, expenses with compensations paid to consumers regarding individual quality indicators started to be recognized within the line Other when previously they were accounted as financial expenses and, in 1Q16, this amount represented R\$ 4 million. This quarter, were also recognized R\$ 12 million in expenses recovery within the line Other due to bonus for reducing these compensations under the so-called Transition Plan for the period of January/15 to August/15. We recall that in 1Q15, R\$ 58 million of this same bonus were recognized for the period November/12 to December/14.

To maintain comparability of PMSO, it is important to note: (i) from 4Q15, there was a transfer of PIS/COFINS credits to Revenue deductions (R\$ 6 million of 1Q15), and (ii) in 1Q16, there was R\$ 7.1 million in expenses that were provisioned in 2015, paid in 2016, but didn't have their provisions reversed.

In PDA, it was recorded a net provision of R\$ 35 million this quarter, equivalent to 2.7% of the Gross Operating Revenue, disregarding the Construction Revenue.

R\$ MM	1Q15	4Q15	1Q16	Var.
Personnel	39	54	38	-2.8%
<i>Relevance on Results</i>	5	8	4	-13.7%
Material	1	9	2	188.8%
Third Party Services	54	93	72	34.2%
Others	(19)	30	4	N/A
<i>Compensations DIC/FIC/DMIC</i>	(31)	23	(8)	73%
PMSO	74	186	115	55.0%
PIS/COFINS Credit - Third Party Services	(6)	17	-	N/A
Provisions for Duplicate Payments	-	-	7	N/A
Comensation Bonus of Quality Indicators	(58)	-	(12)	78.8%
PMSO net of PIS/COFINS credit and compensation bonus	139	169	121	-12.9%
Isolated Systems Costs	19	22	47	146.8%
<i>Plants Operations and Rent</i>	28	31	47	69.5%
<i>(-) Credit PIS/COFINS - Plants</i>	(9)	(9)	-	N/A
Provisions	23	47	32	38.9%
<i>PDA and Losses</i>	22	42	35	56.9%
<i>% Gross Operating Revenue (without Construction Revenues)</i>	1.9%	2.9%	2.7%	0.8 p.p.
Provision for Contingencies and Others	1	(0)	(3)	559.8%
Pension Plan Provision	-	5	-	N/A
Other Operating Expenses/Revenues	23	71	4	-84.1%
MANAGEABLE COSTS AND EXPENSES	140	327	198	41.6%
<i>% Net Revenues (without Construction Costs)</i>	17.4%	38.2%	24.0%	6.5 p.p.
Purchased Energy and Transportation	539	363	491	-9.0%
Connection and Network Usage Charges	26	37	50	90.5%
Construction Costs	180	187	143	-20.7%
Subvention CCC	(77)	(82)	(90)	-16.4%
Raw Material for Power Generation	71	64	108	51.9%
NON-MANAGEABLE COSTS AND EXPENSES	740	587	683	-7.7%
<i>% Net Revenues (without Construction Revenues)</i>	69.5%	46.8%	65.3%	-4.1 p.p.
TOTAL	880	914	881	0.2%

5.3.3. – EBITDA

In 1Q16, Accounting EBITDA was R\$96 million, already impacted by the recognition of the net regulatory asset and liabilities and by the change in the recognition of fines paid to consumers regarding individual quality indicators, which was transferred from financial expenses to the line Others inside the PMSO (manageable costs), above the EBITDA (which began in 1Q15).

In this quarter, we highlight: (i) R\$ 8.6 million of Energy Purchase not covered by the tariff due to an overpurchase above the transferred percentage of 105% of the required regulatory energy; (ii) as already detailed in the cost and operating expenses session, R\$ 12 million of bonus for reducing the fines individual quality indicators and R\$ 7 million in provisioned expenses related to third party services, but not reversed this quarter; (iii) R\$ 6 million in effects of provision / reversals of regulatory assets.

EBITDA (R\$ million)	1Q15	4Q15	1Q16	Var.
Service Income (EBIT)	99	40	40	-59.7%
Depreciation and Amortization	0	88	53	N/A
Other Operating Expenses/Revenues	23	71	4	-84.1%
Reported EBITDA	123	200	96	-21.6%
NOR Impacts			6	N/A
Energy Overpurchase (above 105%)			9	N/A
Quality Fines Bonus	(58)		(12)	N/A
Third part Services provisioned and not reverted			7	N/A
Retirement Program		15		N/A
3Q15 Parcel A Neutrality		8		N/A
Injunctions without correspondent CVA	15			N/A
Net Eletronuclear	4			N/A
Adjusted EBITDA	84	223	106	26.3%

5.3.4. – FINANCIAL RESULTS

In 1Q16, the net financial result was R\$ 23 million, versus of negative result of R\$ 63 million in 1Q15.

This quarter, due to Real appreciation, a gross accounting positive (gain) impacted by R\$ 70 million over the Company's debt, of which R\$ 30 million related to non-hedged debt and with a very long maturity. As a counterpart, it was recognized R\$ 104 million in Expenses with Swap Operations. We highlight that, as the accounting rules require that Swap Operations be accounted at its market value (expenses of R\$ 13 million this quarter) and the debt accounted in the curve, generating distortion in the debt balance in Reais, net of Swaps. Thus, even though the hedge is perfect from a cash perspective, we might have some impact on results, as it happened in this quarter.

In 1Q16, there was a R\$ 4 million disallowance in the use of federal tax credit that was adjusted as nonrecurring in Net Income.

R\$ MM	1Q15	4Q15	1Q16	Var.
Financial Income	11	21	41	280.7%
Interest Income	2	2	2	-9.6%
CVA Interest Income	11	12	9	-16.9%
Taxes over Financial Income	-	(2)	(2)	N/A
Fine charged on energy sale	32	42	23	-29.1%
Discounts	2	0	4	77.6%
Adjustment - Concession Financial Asset		(48)		N/A
Adjustment - VNR		-	53	N/A
Adjustment - CDE		(24)		N/A
Adjustment - Subrogation	-	5		N/A
Present Value Adjustment JR	0	(15)	(8)	N/A
Swap Operations	129	(427)	(104)	N/A
Other Revenues	20	(25)	19	-3.5%
Total Financial Revenues	207	(460)	38	-81.7%
Monetary and Exchange Variations	(152)	(53)	74	148.9%
Related Party Charges	(15)	(11)	-	N/A
Restatement of contingencies	(5)	(5)	(3)	42.5%
Debt Charges	(21)	42	(37)	-79.5%
Interest, fines, Adjustment (not related to energy)	(3)	1	(2)	39.7%
Fines for violation of goals	(0)	(0)	-	100.0%
Regulatory Fines	(1)	-	-	100.0%
Debt Adjustment to Present Value	(2)	(3)	-	100.0%
Adjustment - Concession Financial Asset	-	-	(13)	N/A
Swap Operations	(52)	420	-	N/A
Interest on Liabilities	(7)	(4)	-	N/A
CVA Interest on Liabilities	(5)	(6)	(9)	-77.6%
Other Expenses	(8)	(27)	(25)	-208.1%
Total Financial Expenses	(270)	353	(15)	95%
FINANCIAL RESULT	(63)	(107)	23	N/A

5.3.5. – NET INCOME

For 1Q16, CELPA's accounting net profit was R\$ 43 million, versus R\$ 36 million in 1Q15. From this quarter, we stopped making the VNR (New Replacement Value) Adjustments due to a more stable figure after the conclusion of the asset base revaluation for the Tariff Review in August/15. To maintain the comparability, we also excluded VNR Adjustments from previous quarters.

The adjustments already presented in EBITDA, as well as the cut in the use of PIS/COFINS credits, are net of their tax effects, reaching to an Adjusted Net Income of R\$ 56 million in the quarter.

NET INCOME/LOSSES (R\$ million)	1Q15	4Q15	1Q16	Var.
Net Income/Losses	36	31	43	20.1%
EBITDA Impacts	(36)	22	9	N/A
Credit disallowance of PIS/COFINS			4	N/A
Deferred taxes adjustments		(52)		N/A
Other operational results	20	55		N/A
Swap results		(18)		N/A
Depreciation and amortization	(44)	43		N/A
Parcel A Neutrality		7		N/A
Reversal of monetary adjustments over sector charges		29		N/A
Correction in the Intangible and financial assets		51		N/A
Adjusted NET INCOME	(24)	169	56	N/A

5.4 FINANCIAL AND ECONOMIC PERFORMANCE – Geramar

The information in this section reflects 25.0% of Geramar's operations

Geramar's Income Statement (R\$MM)	1Q15	4Q15	1Q16	Var.
Gross Operating Revenues (GOR)	65	66	31	-52.8%
Net Operating Revenues (NOR)	59	60	28	-52.8%
Receitas não operacionais	0	-		NA
Electric Energy Cost	(39)	(47)	(15)	-60.6%
Operating Costs / Expenses	(5)	(4)	(4)	-19.3%
EBITDA	15	10	9	-42.6%
Depreciation	-	1	(0)	-100.0%
Service Income (EBIT)	14	10	9	-37.6%
Financial Result	(1)	(1)	(1)	9.1%
Earnings Before Taxes (EBT)	13	8	7	-42.3%
Income Tax / Social Contribution	(2)	(1)	(1)	-42.3%
Net Income	11	7	6	-42.3%

5.4.1 – OPERATING REVENUE

In 1Q16, Net Operating Revenue (NOR) totaled R\$ 31 million, 52.8% lower than the one recorded in 1Q15. The decrease compared to the same quarter last year is due to a lower dispatch of the plants this quarter.

5.4.2 – COSTS AND EXPENSES

The total expenditures by plants in 1Q16 totaled R\$ 19 million, the decrease is due to the lower dispatch order of plants in the last quarter.

Operating Costs and Expenses	1Q15	4Q15	1Q16	Var.
CUST + Generation Costs	39	47	15	-60.6%
PMSO	5	4	4	-19.3%
Depreciation	1	0	0	-100.0%
Geramar	45	51	19	-57.5%

5.4.3 – EBITDA

Geramar's EBITDA in 1Q16 reached R\$ 9 million, figure considered as recurrent for the plants.

5.4.4 – FINANCIAL RESULTS

The financial results for the 1Q16 were negative by R\$1 million due to interest on long-term loans signed to finance the construction of the plants.

5.4.5 – NET INCOME

Geramar's net income was R\$ 6 million this quarter, figure considered as recurrent.

6. REGULATORY ASSETS AND LIABILITIES

Since March, 2015, when the Extraordinary Tariff Review and the new value for the Tariff Flags were implemented, we have been observing material decrease in the net balance of the Regulatory assets in both distribution companies, reaching, in this quarter, negatives values.

6.1 – CEMAR

Regulatory Assets	1Q15	2Q15	3Q15	4Q15	1Q16
Saldo Inicial					
CVA Constitution	118,088	169,076	46,030	39,180	53,078
<i>CDE</i>	4,506	4,613	19,809	31,677	30,439
<i>Proinfra</i>	104	212	-	-	3,422
<i>ESS</i>	-	1,116	18,614	-	8,224
<i>Basic Network</i>	6,074	6,863	4	-	1,545
<i>Energy Purchases</i>	107,404	156,272	7,603	7,503	9,448
CVA Amortization	39,125	15,623	262,866	199,505	118,463
<i>CDE</i>	385	154	34,987	26,052	15,776
<i>Proinfra</i>	538	215	272	196	124
<i>ESS</i>	23	11	-	1,152	-
<i>Basic Network</i>	940	375	6,157	4,731	2,778
<i>Energy Purchases</i>	37,239	14,868	221,450	167,374	99,785
Other Subsidiaries	82,223	56,097	15,373	15,463	7,648
<i>Other</i>	17,349	7,869	10,987	12,369	5,737
<i>Eletronuclear</i>	4,828	1,837	4,386	3,094	1,901
<i>Overpurchase</i>	60,045	46,391	-	-	10
Final Balance	239,436	240,796	324,269	254,148	179,189

Regulatory Liabilities	1Q15	2Q15	3Q15	4Q15	1Q16
Saldo Inicial					
CVA Constitution	(55,638)	(107,295)	(72,165)	(58,490)	(83,915)
<i>Energy Purchase</i>	(1,991)	(39,713)	(55,166)	(38,321)	(46,206)
<i>Basic Network</i>	-	-	(411)	17	-
<i>ESS</i>	(53,646)	(67,582)	(16,588)	(10,827)	(26,462)
<i>CDE</i>	-	-	-	(9,361)	(11,247)
CVA Amortization	(3,829)	(1,528)	(85,330)	(109,578)	(37,953)
<i>Basic Network</i>	(2)	(1)	-	-	-
<i>Energy Purchase</i>	-	-	-	(40,672)	-
<i>CDE</i>	(1)	(0)	(30,861)	(21,771)	(13,373)
<i>ESS</i>	(3,826)	(1,527)	(54,469)	(47,135)	(24,580)
Parcel A Neutrality	(2,339)	(890)	(4,206)	(13,359)	(11,892)
Other Regulatory Liabilities	(4,783)	2,197	(84,515)	(76,011)	(63,287)
<i>Others</i>	(722)	(275)	(2,741)	(11,353)	(16,845)
<i>Financial Exposure</i>	(4,062)	2,471	-	-	(4,638)
<i>Overpurchase</i>	-	-	(81,774)	(64,658)	(41,805)
Final Balance	(66,589)	(107,516)	(246,216)	(257,439)	(197,047)

Net Regulatory Assets, plus Low Income Assets are shown below.

Net Regulatory Assets / Liabilities	1Q15	2Q15	3Q15	4Q15	1Q16
Regulatory Assets	239,436	240,796	324,269	254,148	179,189
Regulatory Liabilities	(66,589)	(107,516)	(246,216)	(257,439)	(197,047)
Net Regulatory Assets	172,847	133,280	78,053	(3,291)	(17,858)

6.2 – CELPA

Regulatory Assets	1Q15	2Q15	3Q15	4Q15	1Q16
Initial Balance					
CVA Constitution	190,453	204,148	122,334	87,532	110,712
CDE	2,195	17,013	42,472	-	45,987
Proinfra	422	946	135	-	4,673
Basic Network	9,807	11,838	-	237	2,651
RTE Energy				5,475	16,328
Energy Purchases	178,029	174,351	79,727	81,820	41,073
CVA Amortization	82,755	38,197	331,600	205,107	115,965
CDE	387	177	46,193	29,787	16,318
Proinfra	596	272	801	591	328
ESS	-	-	3,236	-	-
Basic Network	3,062	1,406	10,759	6,954	3,831
Energy Purchases	78,710	36,342	270,611	167,775	95,488
Overpurchase	61,203	77,625	-	-	-
Other Regulatory Assets	14,214	79,450	29,115	34,204	18,989
Others	7,005	58,660	9,734	19,446	13,166
CCEAR Guarantee	632	651	637	530	150
Financial Exposure	-	17,269	12,986	10,560	3,685
Electronuclear Differential	6,577	2,870	5,759	3,668	1,988
Final Balance	348,625	399,420	483,049	326,844	245,667

Regulatory Liabilities	1Q15	2Q15	3Q15	4Q15	1Q16
Initial Balance					
CVA Constitution	(136,621)	(178,035)	-	(2,121)	(92,295)
ESS	(136,621)	(178,035)	-	(2,121)	(63,448)
CDE	-	-	-	-	(28,847)
CVA Amortization	(8,436)	(3,879)	(218,481)	(153,711)	(67,833)
Basic Network	-	-	(20)	-	-
Energy Purchases	-	-	(7,791)	(5,266)	(3,196)
CDE	(109)	(58)	(66,193)	-	(13,521)
ESS	(8,117)	(3,710)	(144,477)	(118,157)	(51,116)
Proinfra	(210)	(111)	-	-	-
RECEITA ULTR DEMANDA/REA EXC				(30,288)	
Parcel A Neutrality	(4,927)	(2,150)	(3,104)	(21,359)	(40,575)
Other Regulatory Assets - Others	15,518	(45,267)	(151,558)	(212,899)	(124,676)
Others	(34,730)	(43,827)	(96,777)	(180,618)	(22,309)
Financial Exposure	(3,300)	(1,440)	-	-	(18,919)
Overpurchase	53,548	-	(54,781)	(32,281)	(83,448)
Final Balance	(134,466)	(229,331)	(373,143)	(390,090)	(325,379)

Net Regulatory Assets / Liabilities	1Q15	2Q15	3Q15	4Q15	1Q16
Regulatory Assets	348,625	399,420	483,049	326,844	245,666
Regulatory Liabilities	(134,466)	(229,331)	(373,143)	(390,090)	(326,450)
Net Regulatory Assets	214,159	170,089	109,906	(63,246)	(80,784)

7. DEBT

In 1Q16, the consolidated gross debt, including charges, totaled R\$ 4,572 million, decrease of 3.8% compared to the amount of the 4Q15.

Gross Debt Maturity Timetable (100% CEMAR + 100% CELPA)

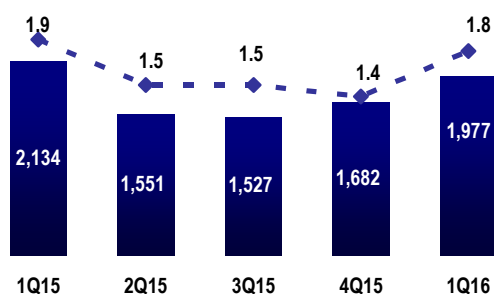
Index	R\$ Thousands (*)	Average Cost	Average	Average	Part. (%)	Maturity	CEMAR	CELPA	Consolidated	% of Total
FOREIGN CURRENCY	309,657	14.8%		1.9	6.8%	Short Term	271	494	765	16.7%
Liber (no swap)	5,614	3.4%	Apr-24	8.2	0.1%	Long Term	1,938	1,869	3,807	83.3%
Fixed (US\$) (no swap)	8,214	6.0%	Apr-24	8.2	0.2%	2017	545	168	713	15.6%
CDI (with swap)	295,829	15.3%	Oct-17	1.7	6.5%	2018	620	275	896	19.6%
						2019	305	129	435	9.5%
						2020	247	84	331	7.2%
						After 2020	221	1,212	1,433	31.3%
LOCAL CURRENCY	1,899,405	12.3%		4.5	41.5%	Gross Debt	2,209	2,363	4,572	100.0%
TJLP	401,952	9.3%	May-20	4.3	8.8%	Cash	1274	889	2162	
CDI (national)	634,718	15.3%	Nov-18	2.7	13.9%	Holding (Cash Position)			236	
IPCA	247,084	16.3%	Jun-20	4.4	5.4%	Equatorial Soluções (Cash Position)			46	
Fixed (R\$)	401,705	6.0%	Sep-21	5.6	8.8%	Net Regulatory Assets	-18	-81	-98	
IGP-M	147,656	15.6%	Dec-23	7.9	3.2%	CCC Subrogation	0	59	59	
SELIC	66,290	16.8%	Mar-24	8.2	1.4%	Judicial Deposits	11	116	127	
TOTAL (CEMAR)	2,209,062	12.4%		4.1	48.3%	CDE	4	7	12	
						Swaps	79	-27	52	
						Net Debt	659	1,400	1,977	
FOREIGN CURRENCY	1,048,983	12.7%		4.4	22.9%					
Fixed (US\$)	618,963	11.3%	May-21	5.1	13.5%					
Liber Semester	27,112	2.7%	Apr-24	8.2	0.6%					
Liber Quarter	402,909	15.8%	Feb-19	2.9	8.8%					
LOCAL CURRENCY	1,313,950	11.2%		7.5	28.7%					
TJLP	278,466	9.3%	Jun-22	6.3	6.1%					
CDI	55,717	14.8%	Jul-18	2.4	1.2%					
TR - IPCA	127,445	16.9%	May-21	5.2	2.8%					
Fixed (R\$)	493,805	11.1%	Jan-20	3.8	10.8%					
RGR	6,055	6.0%	Apr-22	6.2	0.1%					
IGP-M	226,683	13.1%	Sep-34	18.8	5.0%					
FINISA	35,178	6.0%	Jun-27	11.4	0.8%					
TR - SELIC	90,602	5.7%	Mar-24	8.1	2.0%					
TOTAL (CELPA)	2,362,933	11.9%		6.1	51.7%					
TOTAL	4,571,996	12.1%		5.2	100.0%					

Below, we disclose 25% of Geramar's loans, which are no longer consolidated under Equatorial since 2013.

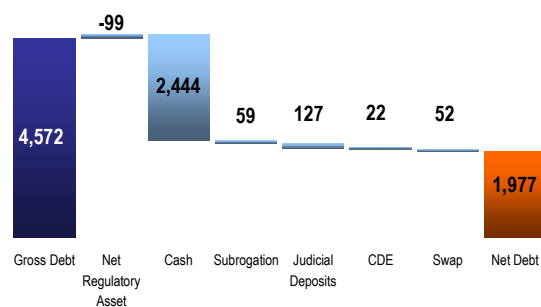
Index	R\$ Mil	Average Cost (a.a.)	Average Due Date (month/year)	Average Period (in years)	Part. (%)
LOCAL CURRENCY	92,381	9.1%		10.0	100.0%
TJLP	73,085	8.8%	Dec-25	9.8	79.1%
Fixed (R\$)	19,295	10.0%	Dec-26	10.8	20.9%
TOTAL (Geramar)	92,381	9.1%		10.0	100.0%

Below is the consolidated Net Debt of Equatorial, with its gross debt adjusted by net regulatory assets, cash and swaps to hedge foreign currency denominated debt.

Net Debt (R\$ MM) and Net Debt / EBITDA

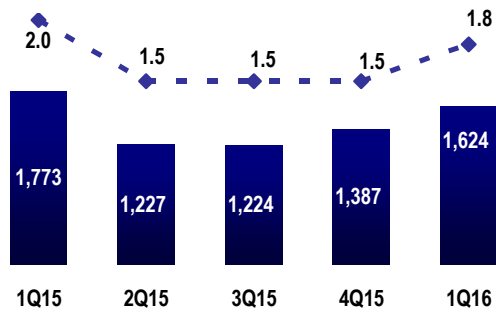


Net Debt Conciliation (R\$ MM)

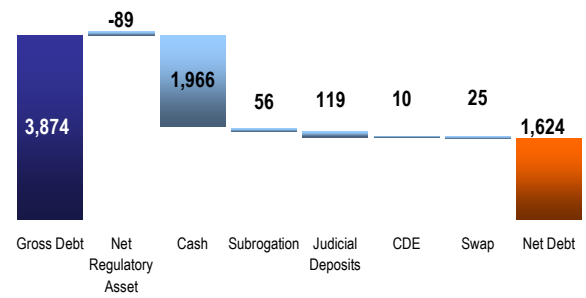


Total consolidated net debt, adjusted for Equatorial's interest in CEMAR (65.11%) and CELPA (96.50%), totaled R\$1,624 million in March 2016, representing a ratio of 1.8x consolidated EBITDA for the last 12 months.

Net Debt (R\$ MM) and Net Debt / EBITDA



Net Debt Conciliation (R\$ MM)



8. CAPITAL EXPENDITURES

Information relating to Capex made in the period reflects 100% of CEMAR's and CELPA's figures and 25% of Geramar's.

INVESTMENTS (R\$MM)	1Q15	4Q15	1Q16	Var.
CEMAR				
Grid Maintenance	18	21	17	-5.1%
Grid Expansion	30	99	72	137.7%
Systems and Equipments	21	7	16	-21.2%
Others	0	1	1	198.8%
Own Total (*)	69	128	106	53.5%
PLPT	10	30	18	86.6%
CELPA				
Grid Maintenance	33	19	19	-40.4%
Grid Expansion	143	60	55	-61.2%
Systems and Equipments	12	11	6	-47.3%
Universalization	-7	3	0	-106.6%
Special Projects - (Subrogation CCC)	-17	2	31	-281.1%
Others	33	5	-5	-114.4%
Own Total (*)	196	99	108	-45.0%
PLPT	47	70	35	-25.1%
Geramar (25%)				
Generation	3	2	2	-10.3%
TOTAL EQUATORIAL	325	329	270	-16.8%

(*) Includes direct investmets in PLPT

8.1 – CEMAR

CEMAR's investments, not including direct investment related to PLPT totaled R\$106 million in 1Q16, an increase of 53.5% compared to 1Q15. Such investments are mainly aimed at increasing the grid capacity, given the continuous growth in energy demand in Maranhão.

Investments in the Light for All Program - PLPT

At the end of 1Q16, 335 thousand customers were connected to CEMAR's electric power distribution network through the PLPT providing direct benefits to almost 1.6 million inhabitants of the state of Maranhão. The PLPT has now reached all 217 municipalities in Maranhão, contributing to the development of isolated areas in urban metropolitan areas and to the generation of income in these communities.

8.2 – CELPA

CELPA's investments, not including direct investment related to PLPT totaled R\$ 108 million in 1Q16, representing a decrease of 45.0% compared to the number reported in 1Q15. Such decrease arises from the material amount of investments made in that quarter and the deceleration of the growth in the required energy by the system.

Investments in the Light for All Program – PLPT

At the end of 1Q16, 386 thousand customers were connected to CELPA's electric power distribution network through the PLPT providing direct benefits to almost 1.9 million inhabitants of the state of Pará. The PLPT has now reached all 144 municipalities in Pará, contributing to the development of isolated areas in urban metropolitan areas and to the generation of income in these communities.

8.3 – Geramar

The capital expenditures presented in 1Q16 mainly refer to plant maintenance, because its construction phase was fully concluded in 1Q10. The amount of R\$ 3 million presented is proportional to the 25% stake that the Company holds in the generator.

9. CAPITAL MARKET

The stock from the company closed the 1Q16 at R\$ 40.30, 19.6% higher than the end of 4Q15, R\$ 33.69. In comparison to 1Q15, there was an appreciation of 33.69%.

In terms of volume traded, the Company had a R\$ 49.3 million average of daily transactions over the 90 days trade sessions, ended in March, 31. The stocks of the Company are traded in "Novo Mercado" of BM&FBOVESPA and integrate the following indices: IBovespa, MSCI Brazil, IBrX-50, IEE, ITAG, IGC.

10. SERVICES PROVIDED BY THE INDEPENDENT AUDITORS

The Company did not contract Ernst & Young Auditores Independentes, its external auditors, for any other services beyond the independent audit and those services required by ANEEL. The Company's contracting policy is designed to ensure the independence of the auditors in line with the prevailing regulations. Essentially, these determine that the auditors may not audit their own work, exercise any managerial function for their clients or promote their clients' interests.

The following information was not reviewed by the independent auditors: i) CEMAR's and CELPA's operating information (including that related to the Light for All Program PLPT); ii) pro-forma financial information and its comparison with the corporate results presented in the period; and; iii) Management's expectations regarding the future performance of the companies.

11. CONFERENCE CALL

CONFERENCE CALL IN ENGLISH

Friday, March 13, 2016
12h30 (Brasilia Time)
10h30 AM (EST)
Phones: +55 11 2188-0155 / +1 646 843 6054
Code: 848856#

CONFERENCE CALL IN PORTUGUESE

Friday, March 13, 2016
2h00 PM (Brasilia Time)
12h30 PM (EST)
Phone: +55 11 2188-0155
Code: 848856#

- ▶ Participants should connect approximately 10 minutes before the start of the call.
- ▶ **SLIDES AND WEBCAST:** The presentation slides will be available for viewing and download on the Investor Relations section of our website <http://www.equatorialenergia.com.br/ri> as of the date of the calls. The audio of the calls will be transmitted live on the Internet on the same site, remaining available after the event.

CONTACTS

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- ▶ **E-mail:** ri@equatorialenergia.com.br
- ▶ **Website:** www.equatorialenergia.com.br/ri

DISCLAIMER

Forward-looking statements are subject to risks and uncertainties, and are based on the expectations of Management and on the information currently available to the Company. Forward-looking statements include information on our current intentions, beliefs or expectations, as well as those of the Board of Directors and the Executive Board.

The reservations concerning forward-looking statements include information related to presumed or possible operating results, as well as declarations preceded, followed by, or including such expressions as "believe", "can", "will", "continue", "expect", "forecast", "intend", "estimate" or similar wording.

Since they refer to future events and are therefore dependent on circumstances that may or may not occur, such statements are not a guarantee of performance. Future results and the creation of shareholder value may differ substantially from those expressed or suggested by said forward-looking statements, since many of the factors determining these results are outside the Company's control.

Accounting criteria adopted:

The information contained herein is presented in consolidated figures, pursuant to Brazilian Corporate Law, based on revised financial information. The consolidated financial information represents 100% of CEMAR's results, excluding 34.89% related to minority interests, 96.50% of CELPA and 100% of Equatorial Soluções' results.

The consolidated operating information represents 100% of CEMAR's, 100% of CELPA and 100% of Equatorial Soluções' results.

ANNEX 1 – CONSOLIDATED INCOME STATEMENT (R\$ MM)

CEMAR'S INCOME STATEMENT

INCOME STATEMENT (R\$MM)	1T15	4T15	1T16
GROSS OPERATING REVENUES	860,736	1,084,277	986,234
Electricity Sales to Final Consumer	756,022	905,084	809,834
Electricity Supply	4,851	3,202	16,712
Construction Revenues	90,366	162,865	153,997
Other Revenues	9,498	13,127	5,691
DEDUCTIONS FROM OPERATING REVENUES	(204,196)	(303,413)	(276,081)
NET OPERATING REVENUES	656,541	780,864	710,154
ELECTRICITY COSTS	(421,887)	(489,161)	(483,946)
Electricity Purchased for Resale	(315,226)	(307,326)	(297,072)
Transmission and Distribution Network Usage Charges	(15,305)	(17,960)	(31,867)
Construction Costs	(90,366)	(162,865)	(153,997)
Others non managable costs	(990)	(1,010)	(1,010)
OPERATING COSTS/EXPENSES	(101,101)	(145,803)	(109,275)
Personnel	(25,403)	(30,762)	(29,126)
Material	(3,156)	(3,128)	(1,578)
Services	(54,312)	(86,791)	(57,098)
Provisions	(9,534)	(20,481)	(13,992)
Others	(8,697)	(4,641)	(7,481)
EBITDA	133,552	145,901	116,933
Other Operating Revenues/Expenses	(4,561)	(9,048)	(7,100)
Depreciation and Amortization	(30,992)	(32,864)	(33,743)
EBIT	97,999	103,989	76,089
FINANCIAL RESULTS	(23,003)	44,797	19,430
Financial Revenue	98,103	104,083	90,624
Financial Expenses	(121,106)	(59,286)	(71,194)
RESULTADO OPERACIONAL	74,996	148,786	95,520
RESULT BEFORE INCOME TAX	74,996	148,786	95,520
Social Contribution	(3,547)	(14,796)	(7,308)
Income Tax	(9,611)	(24,609)	(13,245)
Deferred Taxes	(12,530)	(10,550)	(12,236)
SUDENE Incentive	9,611	24,609	13,245
NET INCOME	58,919	123,439	75,976

CELPA'S INCOME STATEMENT

INCOME STATEMENT (R\$MM)	1Q15	4Q15	1Q16
GROSS OPERATING REVENUES	1,376,260	1,617,133	1,443,066
Electricity Sales to Final Consumer	1,175,600	1,531,919	1,248,551
Use of the Grid	6,497	5,516	5,590
Electricity Supply	8,721	(131,584)	37,063
Construction Revenues	179,950	186,928	142,749
Other Revenues	5,492	24,355	9,114
DEDUCTIONS FROM OPERATING REVENUES	(391,296)	(575,124)	(473,609)
NET OPERATING REVENUES	984,963	1,042,009	969,457
ELECTRICITY COSTS	(745,425)	(586,991)	(683,056)
Electricity Purchased for Resale	(539,374)	(362,794)	(490,593)
Transmission and Distribution Network Usage Charges	(26,102)	(37,269)	(49,713)
Construction Costs	(179,950)	(186,928)	(142,749)
OPERATING COSTS/EXPENSES	(116,515)	(255,368)	(189,939)
Personnel	(39,012)	(53,662)	(37,908)
Material	(706)	(8,585)	(1,643)
Services	(78,321)	(119,899)	(96,146)
Others	18,806	(35,040)	(3,603)
PMSO	(99,233)	(217,186)	(139,301)
Subvention CCC	77,168	82,181	89,823
Raw Material for Power Generation	(71,363)	(72,997)	(108,401)
Provisions	(23,088)	(47,366)	(32,059)
EBITDA	123,023	199,650	96,462
Other Operating Revenues/Expenses	(23,339)	(71,238)	(3,708)
Depreciation and Amortization	(215)	(88,495)	(52,647)
EBIT	99,470	39,917	40,107
FINANCIAL RESULTS	(62,717)	(106,929)	22,945
Financial Revenue	280,919	(79,639)	204,084
Financial Expenses	(343,636)	(27,291)	(181,139)
RESULT BEFORE INCOME TAX	36,753	(67,012)	63,052
Deferred Taxes	(841)	98,372	(19,907)
NET INCOME	35,912	31,360	43,147

EQUATORIAL'S CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (R\$MM)	1Q15	4Q15	1Q16
GROSS OPERATING REVENUES	2,279	2,761	2,492
Electricity Sales to Final Consumer	1,962	2,470	2,094
Electricity Supply	14	(128)	54
Construction Revenues	270	350	297
Other Revenues	33	69	47
DEDUCTIONS FROM OPERATING REVENUES	(600)	(886)	(758)
NET OPERATING REVENUES	1,679	1,875	1,734
ELECTRICITY COSTS	(1,191)	(1,126)	(1,204)
Electricity Purchased for Resale	(881)	(722)	(874)
Transmission and Distribution Network Usage Charges	(40)	(54)	(32)
Construction Costs	(270)	(350)	(297)
Others non managable costs	-	(1)	(1)
OPERATING COSTS/EXPENSES	(236)	(416)	(275)
Personnel	(84)	(98)	(90)
Material	(4)	(11)	(4)
Services	(134)	(208)	(154)
Provisions	(33)	(68)	4
Others	18	(31)	(30)
EBITDA	251	333	255
Other Operating Revenues/Expenses	(32)	(80)	(11)
Depreciation and Amortization	(32)	(122)	(87)
EBIT	187	131	157
Equity Income	11	7	6
Goodwill Amortization	(2)	(2)	(2)
FINANCIAL RESULTS	(61)	(40)	61
Financial Revenue	345	(435)	303
Financial Expenses	(407)	396	(242)
RESULT BEFORE INCOME TAX	135	96	223
Social Contribution	(6)	(19)	(9)
Income Tax	(18)	(43)	(18)
Deferred Taxes	(12)	96	(39)
SUDENE Incentive	13	55	15
MINORITY STAKE	(25)	(42)	(32)
NET INCOME	85	143	139

ANNEX 2 – REGULATORY X ACCOUNTING – CEMAR AND CELPA

CEMAR

INCOME STATEMENT (R\$MM)	1Q15		1Q15	1Q16		1Q16
	Regulatory	Adjustments	IFRS	Regulatory	Adjustments	IFRS
GROSS OPERATING REVENUES	767,563	93,173	860,736	832,237	153,997	986,234
Electricity Sales to Final Consumer	756,022	-	756,022	809,834	-	809,834
Electricity Supply	4,851	-	4,851	16,712	-	16,712
Construction Revenues	(2,808)	93,173	90,366	-	153,997	153,997
Other Revenues	9,498	-	9,498	5,691	-	5,691
DEDUCTIONS FROM OPERATING REVENUES	(204,196)	-	(204,196)	(276,081)	-	(276,081)
NET OPERATING REVENUES	563,367	93,173	656,541	556,157	153,997	710,154
ELECTRICITY COSTS	(328,714)	(93,173)	(421,887)	(329,949)	(153,997)	(483,946)
Electricity Purchased for Resale	(315,226)	-	(315,226)	(297,072)	-	(297,072)
Transmission and Distribution Network Usage Charges	(15,305)	-	(15,305)	(31,867)	-	(31,867)
Construction Costs	2,808	(93,173)	(90,366)	-	(153,997)	(153,997)
Other Non-Manageable Expenses	(990)	-	(990)	(1,010)	-	(1,010)
OPERATING COSTS/EXPENSES	(101,101)	-	(101,101)	(109,275)	-	(109,275)
Personnel	(25,403)	-	(25,403)	(29,126)	-	(29,126)
Material	(3,156)	-	(3,156)	(1,578)	-	(1,578)
Services	(54,312)	-	(54,312)	(57,098)	-	(57,098)
Provisions	(9,534)	-	(9,534)	(13,992)	-	(13,992)
Others	(8,697)	-	(8,697)	(7,481)	-	(7,481)
EBITDA	133,552	-	133,552	116,933	-	116,933
Other Operating Revenues/Expenses	(4,561)	-	(4,561)	(7,100)	-	(7,100)
Depreciation and Amortization	(30,992)	-	(30,992)	(33,743)	-	(33,743)
EBIT	97,999	-	97,999	76,089	-	76,089
FINANCIAL RESULTS	(15,728)	(7,275)	(23,003)	(3,453)	22,884	19,430
Financial Revenue	98,103	-	98,103	54,485	36,139	90,624
Financial Expenses	(113,831)	(7,275)	(121,106)	(57,938)	(13,255)	(71,194)
RESULT BEFORE INCOME TAX	82,271	(7,275)	74,996	72,636	22,884	95,520
Social Contribution	(3,547)	-	(3,547)	(7,308)	-	(7,308)
Income Tax	(9,611)	-	(9,611)	(13,245)	-	(13,245)
Deferred Taxes	(12,530)	-	(12,530)	(12,236)	-	(12,236)
SUDENE Incentive	9,611	-	9,611	13,245	-	13,245
NET INCOME	66,194	(7,275)	58,919	53,093	22,884	75,976

CELPA

INCOME STATEMENT (R\$MM)	1Q15			1Q16		
	Regulatory	Adjustments	IFRS	Regulatory	Adjustments	IFRS
GROSS OPERATING REVENUES	934,763	(441,496)	1,376,260	1,300,318	142,749	1,443,067
Electricity Sales to Final Consumer	920,551	(261,546)	1,182,097	1,254,140	-	1,254,140
Electricity Supply	8,721	-	8,721	37,063	-	37,063
Encargo de Capacidade Emergencial	-	(0)	0	-	-	-
Construction Revenues	-	(179,950)	179,950	-	142,749	142,749
Other Revenues	5,492	-	5,492	9,114	-	9,114
DEDUCTIONS FROM OPERATING REVENUES	(391,296)	-	(391,296)	(473,609)	-	(473,609)
NET OPERATING REVENUES	543,467	(441,496)	984,963	826,709	142,749	969,456
ELECTRICITY COSTS	(297,002)	441,216	(738,218)	(558,885)	(142,749)	(701,634)
Electricity Purchased for Resale	(369,747)	169,626	(539,374)	(490,593)	-	(490,593)
Transmission and Distribution Network Usage Charges	(7,162)	17,538	(24,700)	(49,713)	-	(49,713)
Construction Costs	-	179,950	(179,950)	-	(142,749)	(142,749)
Recovery of expenses (CDE)	74,102	74,102	-	-	-	-
Other Non-Manageable Expenses	5,806	-	5,806	(18,579)	-	(18,579)
OPERATING COSTS/EXPENSES	(123,442)	280	(123,723)	(171,360)	-	(171,360)
Personnel	(39,012)	-	(39,012)	(37,908)	-	(37,908)
Material	(706)	-	(706)	(1,643)	-	(1,643)
Services	(78,321)	-	(78,321)	(96,146)	-	(96,146)
Provisions	(23,088)	-	(23,088)	(32,059)	-	(32,059)
Others	17,684	280	17,404	(3,603)	-	(3,603)
EBITDA	123,023	(0)	123,023	96,464	-	96,462
Other Operating Revenues/Expenses	(6,015)	17,324	(23,339)	(3,708)	-	(3,708)
Depreciation and Amortization	5,056	5,270	(215)	(52,647)	-	(52,647)
EBIT	122,064	22,594	99,470	40,109	-	40,107
FINANCIAL RESULTS	(82,365)	(19,648)	(62,717)	(17,035)	39,981	22,945
Financial Revenue	261,272	(19,648)	280,919	151,073	53,012	204,084
Financial Expenses	(343,636)	-	(343,636)	(168,108)	(13,031)	(181,139)
RESULT BEFORE INCOME TAX	39,699	2,946	36,753	23,074	39,981	63,052
Social Contribution	(841)	-	(841)	(5,565)	-	(5,565)
Income Tax	(3,251)	-	(3,251)	(14,342)	-	(14,342)
Deferred Taxes	3,251	-	3,251	-	-	-
NET INCOME	38,858	2,946	35,912	3,167	39,981	43,145

ANNEX 3 – INCOME STATEMENT PER COMPANY (R\$ MM)

- ▶ The following table reflects Equatorial's consolidation process, i.e. the sum of Equatorial Holding + 100% of Equatorial Soluções + 100% of CEMAR + 100% of CELPA + Eliminations.
- ▶ The "Minority Interest" line contains an adjustment so that the net income of each company in Equatorial's consolidated result reflects its real ownership interest in CEMAR of 65.11% and in CELPA of 96.50%.

	Equatorial Holding	Equatorial Soluções	CEMAR	CELPA	Eliminations	Equatorial Consolidated
INCOME STATEMENT PER COMPANY (R\$MM)						
GROSS OPERATING REVENUES	-	62	986	1,443	-	2,492
Electricity Sales to Final Consumer	-	48	797	1,249	-	2,094
Electricity Supply	-	-	17	37	-	54
Emergency Capacity Charges	-	-	-	6	-	6
Construction Revenues	-	-	154	143	-	297
Other Revenues	-	14	18	9	-	42
DEDUCTIONS FROM OPERATING REVENUES	-	(7)	(277)	(474)	-	(758)
NET OPERATING REVENUES	-	55	709	969	-	1,734
ELECTRICITY COSTS	-	(37)	(484)	(683)	-	(1,204)
Electricity Purchased for Resale	-	(37)	(297)	(540)	-	(874)
Transmission and Distribution Network Usage Charges	-	-	(32)	-	-	(32)
Construction Costs	-	-	(154)	(143)	-	(297)
Others non managable costs	-	-	(1)	-	-	(1)
OPERATING COSTS/EXPENSES	(14)	(13)	(108)	(140)	-	(275)
Personnel	(13)	(10)	(29)	(38)	-	(90)
Material	(0)	(1)	(2)	(2)	-	(4)
Services	(1)	(1)	(57)	(96)	-	(154)
Provisions	-	(0)	(14)	18	-	4
Others	(1)	(1)	(6)	(22)	-	(30)
EBITDA	(14)	6	117	147	-	255
Other Operating Revenues/Expenses	-	-	(7)	(4)	-	(11)
Depreciation and Amortization	(0)	(0)	(34)	(53)	-	(87)
EBIT	(14)	6	76	90	-	157
EQUITY INCOME	139	-	-	-	(135)	5
Equity Income	141	-	-	-	(135)	6
Goodwill Amortization	(2)	-	-	-	-	(2)
FINANCIAL RESULTS	17	1	19	23	-	61
Financial Revenue	17	1	91	204	(10)	303
Financial Expenses	-	(0)	(71)	(181)	10	(242)
RESULTADO OPERACIONAL	142	7	96	113	(135)	223
RESULT BEFORE INCOME TAX	142	7	96	113	(135)	223
Social Contribution	(1)	(0)	(7)	(0)	-	(9)
Income Tax	(2)	(1)	(13)	(2)	-	(18)
Deferred Taxes	-	-	(12)	(27)	-	(39)
SUDENE Incentive	-	-	13	2	-	15
MINORITY STAKE	-	(3)	-	-	(29)	(32)
NET INCOME	139	3	76	85	(164)	139

ANNEX 4 – BALANCE SHEET (R\$ MM)

CEMAR'S BALANCE SHEET

ASSETS (R\$ MM)	1T 15	2T 15	3T 15	4T 15	1T 16
SHORT TERM	1,884,184	2,011,252	2,217,892	2,274,153	2,158,061
Cash and cash equivalents	1,063,045	1,156,366	1,339,929	1,405,235	1,273,513
Short term Investments	632,390	662,402	715,043	765,246	762,727
(-) PDA and Losses	(81,230)	(78,502)	(76,011)	(87,368)	(71,869)
Inventory	4,455	4,193	3,857	3,895	4,244
Taxes Recoverable	53,150	59,466	61,631	79,752	82,068
Low Income	57,673	36,955	38,456	34,537	34,208
Prepayments	6,326	6,207	3,849	5,010	5,205
Judicial Deposits	19,747	20,873	19,384	18,767	20,547
Services Provided	44,916	51,819	41,817	34,713	38,174
Values to receive from Parcel A and other financial items	50,851	50,111	34,340	-	-
Energy Costs Recovery and charges	23,450	35,367	-	-	-
Receivables from Tariff Flags	-	-	30,274	5,438	(0)
Other Receivables	9,409	5,996	5,323	8,928	9,244
LONG TERM ASSETS	2,707,188	2,706,766	2,748,348	2,845,186	2,967,618
LONG TERM Receivables	980,045	967,325	1,011,373	1,086,463	1,105,044
Consumers and Resellers	74,169	76,946	76,752	77,964	86,218
Taxes Recoverable	24,467	21,415	22,590	31,614	44,230
Values to receive from Parcel A and other financial items	121,995	83,169	43,713	10,859	5,500
Judicial Deposits	9,015	9,015	9,015	9,015	12,635
Indemnifiable Financial Asset	673,726	699,386	728,675	814,904	845,457
Swap Operations	65,075	66,174	116,702	128,115	98,014
Other Accounts Receivable	11,598	11,220	13,926	13,992	12,991
FIXED ASSETS	1,727,143	1,739,441	1,736,975	1,758,723	1,862,575
Investments	-	-	-	-	-
Goodwill	1,727,143	1,739,441	1,736,975	1,758,723	1,862,575
TOTAL ASSETS	4,591,372	4,718,018	4,966,240	5,119,338	5,125,680

LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ MM)	1T 15	2T 15	3T 15	4T 15	1T 16
CURRENT	844,607	852,581	887,223	965,709	945,812
Suppliers	271,464	264,917	268,182	350,552	306,671
Salaries	11,529	12,638	13,554	11,231	13,447
Dividends / Interest on Equity	62,767	63,199	63,199	69,406	69,406
Taxes and Social Contribution	61,734	65,949	69,780	82,157	75,448
Loans and Financing	239,392	233,982	234,073	206,607	208,765
Debentures	23,813	39,792	54,915	47,303	62,131
Values to return from Parcel A and other financial items	-	-	-	14,152	23,358
Public Lighting	16,480	15,849	15,763	17,433	11,296
Provision for Contingencies	46,303	38,082	36,036	35,835	43,394
SWAP Operations	17,066	19,098	18,329	18,984	18,763
Efficiency	27,491	33,609	29,481	22,634	26,202
Others	66,568	65,466	83,911	89,415	86,932
LONG TERM LIABILITIES	2,034,295	2,070,593	2,185,535	2,205,356	2,155,618
Taxes and Social Contribution	969	1,000	1,022	1,104	1,073
Deferred Income Tax / Social Contribution	101,968	105,927	126,231	136,781	149,017
Debentures	513,796	486,174	489,125	495,182	502,468
Loans and Financing	1,364,261	1,423,850	1,512,774	1,502,459	1,435,698
Provision for Contingencies	32,651	34,992	37,733	39,698	37,231
Efficiency	20,650	18,650	18,650	30,132	30,131
RESULTADOS DE EXERCÍCIOS FUTUROS	-	-	-	-	-
SHAREHOLDERS EQUITY	1,712,470	1,794,844	1,893,482	1,948,273	2,024,249
Capital Stock	698,660	840,410	840,408	840,410	840,410
Capital Reserves	674	674	674	674	674
Profit Reserves	954,217	812,035	812,036	1,107,189	1,107,189
Retained Earnings/Accumulated Deficit	58,919	141,725	240,364	-	75,976
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	4,591,372	4,718,018	4,966,240	5,119,338	5,125,680

CELPA'S BALANCE SHEET

ASSETS (R\$ Mil)	1Q15	2Q15	3Q15	4Q15	1Q16
SHORT TERM	1,804,985	1,873,451	2,304,635	2,560,150	2,415,413
Cash and cash equivalents	156,295	10,313	112,329	40,860	54,844
Short Term Investments	154,080	314,220	455,617	757,774	833,701
Receivables from clients	884,856	960,834	1,066,717	1,246,976	1,113,167
Receivables from tariff flags				104	-
Values to receive from Parcel A and other financial items	109,068	49,480	98,011	-	7,118
Inventory	18,667	13,065	9,879	7,535	7,137
Taxes Recoverable	72,274	72,637	74,680	40,807	41,824
Income taxes recoverable	20,701	28,495	33,740	49,700	65,381
Fuel Purchase - CCC Account	230,545	219,383	195,253	221,298	168,868
Judicial deposits	523	721	1,375	2,306	1,333
Services provides	72,688	92,253	111,639	77,589	85,481
Swap operations	-	-	78,839	71,810	-
Energy costs recovery and charges	35,062	64,486	22,512		-
Other receivables	50,226	47,564	44,044	43,391	36,559
LONG TERM ASSETS	4,207,143	4,297,077	4,283,077	4,296,059	4,320,210
LONG TERM RECEIVABLES	1,911,331	2,022,952	2,030,868	2,137,947	2,086,327
Consumers and resellers	132,279	149,071	168,361	199,624	261,012
Values to receive from Parcel A and other financial items	105,092	100,625	-	-	-
Income taxes recoverable	37,379	37,882	38,776	39,661	40,099
Swap operations	112,772	116,043	136,962	145,688	-
Taxes Recoverable	61,626	57,089	56,679	56,619	55,120
Judicial deposits	131,930	137,761	135,953	141,512	142,888
Indemnifiable financial asset	1,184,280	1,293,633	1,350,703	1,414,027	1,458,525
CCC Subrogation	82,544	69,244	68,765	65,824	58,529
Other accounts receivable	63,429	61,604	74,669	74,992	70,153
FIXED ASSETS	2,295,812	2,274,125	2,252,209	2,158,112	2,233,884
Investments	6,842	6,800	6,774	6,748	6,748
Goodwill	2,288,970	2,267,325	2,245,435	2,151,364	2,227,136
TOTAL ASSETS	6,012,128	6,170,528	6,587,712	6,856,209	6,735,623

LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ Mil)	1T15	2T15	3T15	4T15	1T16
CURRENT	1,625,819	1,735,829	1,819,529	2,209,875	2,030,336
Suppliers	675,689	667,212	581,789	565,740	498,019
Salaries charges				20,737	23,746
Salaries	32,749	31,293	39,460		
Loans and financing	158,950	218,428	550,541	598,780	493,752
Derivatives	40,635	62,807	-		11,877
Taxes and Contribution	134,601	155,232	204,046	231,170	210,968
Dividends				17,366	17,366
Consumer charges				33,205	32,125
Related parties	255,584	286,886	2,523	258,656	282,425
Provision for Contingencies			96,722	99,115	95,063
Values to return from Parcel A and other financial items				35,409	-
R&D and Energy efficiency	58,989	52,153	58,215	52,454	57,471
Profit sharing				31,882	15,318
Judicial recovery	77,745	97,539	95,937	91,446	91,575
Others	190,877	164,279	190,296	173,915	200,630
LONG TERM LIABILITIES	3,621,960	2,622,007	2,953,665	2,801,364	2,817,171
Loans and Financing	2,150,823	958,459	960,266	1,084,807	1,045,735
Derivatives					15,420
Taxes and Contribution	69,772	64,222	57,364	49,605	42,994
Income taxes and social contribution		136,522	169,697	63,541	83,046
Provision for Contingencies	189,042	186,503	91,006	95,573	99,340
Values to return from Parcel A and other financial items			6,434	27,837	87,660
R&D and Energy efficiency	89,322	92,032	95,193	98,395	101,599
Related parties	323,975	6,777	298,613	49,861	32,529
Advance for future capital increase	306,000		-	-	
Retirement plan and pension	47,768	47,768	47,768	36,718	36,718
Judicial recovery	236,498	907,983	973,833	995,599	979,088
Others	208,760	221,741	253,491	299,428	293,042
SHAREHOLDERS EQUITY	764,349	1,812,692	1,814,518	1,844,970	1,888,116
Capital Stock	924,524	1,521,740	1,521,740	1,521,740	1,521,740
Capital Reserves	190,314	184,643	178,561	171,456	165,946
Profit Reserves				150,465	150,465
Other comprehensive results	(15,148)	(15,148)	(15,148)	1,309	1,309
Retained Earnings/Accumulated Deficit	(335,341)	121,457	129,365	-	48,656
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	6,012,128	6,170,528	6,587,712	6,856,209	6,735,623

EQUATORIAL'S CONSOLIDATED BALANCE SHEET

ASSETS (R\$ MM)	1Q15	2Q15	3Q15	4Q15	1Q16
SHORT TERM	4,083	4,321	4,965	5,158	4,907
Cash and cash equivalents	368	285	452	398	404
Short term Investments	1,348	1,551	1,838	2,083	2,040
Consumers and Resellers	1,517	1,605	1,764	1,983	1,860
Inventory	23	17	14	11	11
Taxes Recoverable	171	192	204	212	220
Regulatory Assets	160	100	132	-	-
Judicial Deposits	20	24	25	25	26
Fuel Purchases - CCC account	231	219	195	221	169
Energy costs recovery and charges	59	100	53	-	-
Swap operations	-	-	79	53	-
Other Accounts receivable	186	229	209	171	177
LONG TERM ASSETS	2,890	2,988	3,033	3,211	3,167
Consumers and Resellers	206	226	245	278	347
Taxes Recoverable	123	116	118	128	139
Judicial Deposits	141	147	145	151	156
Regulatory Assets	227	184	37	-	-
Indemnifiable Financial Assets	1,858	1,993	2,079	2,229	2,304
CCC Subrogation	83	69	69	66	59
Swap operations	178	182	254	274	83
Other Accounts receivable	74	71	86	86	80
FIXED ASSETS	4,330	4,316	4,289	4,217	4,399
Investments	87	87	86	86	93
Goodwill	4,243	4,229	4,202	4,131	4,306
TOTAL ASSETS	11,303	11,625	12,287	12,586	12,474
LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ MM)	1T15	2T15	3T15	4Q15	1Q16
CURRENT	2,432	2,519	2,928	3,131	2,918
Suppliers	963	953	870	935	822
Salaries	47	44	55	34	45
Dividends / Interest on Equity	180	174	174	218	217
Taxes and Social Contribution	215	243	299	331	300
Loans and Financing	398	452	785	805	703
Debentures	24	40	55	47	62
Public Lighting	29	16	16	17	58
SWAP Operations	58	82	18	-	31
Provision for Contingencies	46	38	133	135	138
Others	472	477	524	609	542
LONG TERM LIABILITIES	5,307	4,967	5,114	5,225	5,156
Taxes and Social Contribution	71	250	296	193	226
Debentures	514	486	489	495	502
Deferred Income Tax / Social Contribution	44	-	-	-	-
Loans and Financing	3,515	2,383	2,473	2,587	2,481
Provision for Contingencies	558	558	464	470	421
Retirement and pension plan	48	48	48	37	37
Judicial Recovery	236	908	974	996	979
Others	321	335	370	447	509
PARTICIPAÇÃO DE MINORITÁRIOS	631	700	730	750	779
SHAREHOLDERS EQUITY	2,932	3,439	3,516	3,479	3,621
Capital Stock	1,977	1,977	1,979	1,980	1,980
Capital/Profit Reserve	904	911	913	1,517	1,520
Equity Adjustment	(22)	(22)	(22)	(22)	(22)
Other comprehensive results	(12)	(12)	(12)	4	4
Retained Earning / Accumulated deficit	85	585	657	-	139
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	11,303	11,625	12,287	12,586	12,474