

LIGHT S.A.  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2016 AND DECEMBER 31, 2015  
(In thousands of reais)

ASSETS	Notes	Parent Company		Consolidated	
		06.30.2016	12.31.2015	06.30.2016	12.31.2015
Cash and cash equivalents	4	859	83,694	550,433	447,441
Marketable securities	5	3	-	72,230	74,682
Consumers, concessionaires, permissionaires and clients	6	-	-	1,957,368	2,199,230
Inventories		-	-	41,565	34,960
Taxes and contributions	7	-	86	193,423	90,443
Income tax and social contribution	7	753	561	14,615	86,237
Financial assets of the sector	9	-	-	226,480	568,675
Prepaid expenses		120	306	30,523	24,958
Dividends receivable	12	5,910	4,203	150	-
Receivables from services rendered		134	134	33,028	23,597
Receivables from swap transactions	32	-	-	77,206	196,145
Other receivables	11	603	1,005	224,650	229,868
<b>TOTAL CURRENT ASSETS</b>		<b>8,382</b>	<b>89,989</b>	<b>3,421,671</b>	<b>3,976,236</b>
Consumers, concessionaires, permissionaires and clients	6	-	-	268,952	218,527
Taxes and contributions	7	-	-	95,591	85,939
Deferred taxes	8	-	-	586,845	496,891
Prepaid expenses		-	-	-	201
Financial assets of the sector	9	-	-	-	43,001
Concessions' financial assets	10	-	-	3,192,066	2,932,833
Deposits related to litigation	19	410	407	244,459	240,304
Receivables from swap transactions	32	-	-	125,144	386,858
Other receivables	11	-	-	2,322	2,147
Investments	12	3,605,983	3,628,749	755,928	749,645
Property, plant and equipment	13	672	672	1,716,256	1,709,633
Intangible assets	14	-	-	3,856,935	4,059,205
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,607,065</b>	<b>3,629,828</b>	<b>10,844,498</b>	<b>10,925,184</b>
<b>TOTAL ASSETS</b>		<b>3,615,447</b>	<b>3,719,817</b>	<b>14,266,169</b>	<b>14,901,420</b>

The notes are an integral part of the interim financial information.

**LIGHT S.A.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2016 AND DECEMBER 31, 2015**  
(In thousands of reais)

PASSIVO	Notes	Parent Company		Consolidated	
		06.30.2016	12.31.2015	06.30.2016	12.31.2015
Trade accounts payable	15	244	526	1,212,246	1,449,642
Taxes and contributions	16	32	143	297,699	356,860
Income tax and social contribution	16	2	3	84,927	15,262
Loans and borrowings	17	-	-	1,441,371	1,629,166
Debentures	18	-	-	296,792	215,007
Financial liabilities of the sector	9	-	-	332,330	-
Payable swap transactions	32	-	-	50,192	-
Dividends payable		10,069	51,099	10,069	51,099
Estimated liabilities		1,056	1,210	55,887	54,478
Post-employment benefits	21	14	12	217	67
Other payables	22	1,107	860	589,151	627,790
<b>TOTAL CURRENT LIABILITIES</b>		<b>12,524</b>	<b>53,853</b>	<b>4,370,881</b>	<b>4,399,371</b>
Loans and borrowings	17	-	-	1,775,388	2,547,976
Debentures	18	-	-	3,261,637	3,182,236
Payable swap transactions	32	-	-	12,997	720
Taxes and contributions	16	-	-	174,849	183,183
Deferred taxes	8	-	-	218,937	268,147
Financial liabilities of the sector	9	-	-	166,166	-
Provisions	19	-	-	557,420	541,434
Post-employment benefits	21	-	-	46,163	37,189
Other payables	22	901	901	79,709	76,101
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>901</b>	<b>901</b>	<b>6,293,266</b>	<b>6,836,986</b>
<b>SHAREHOLDERS' EQUITY</b>					
Capital stock	24	2,225,822	2,225,822	2,225,822	2,225,822
Profit reserves	24	1,137,971	1,137,971	1,137,971	1,137,971
Equity valuation adjustments	24	380,646	390,317	380,646	390,317
Other comprehensive income	24	(95,062)	(89,047)	(95,062)	(89,047)
Accumulated losses		(47,355)	-	(47,355)	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>3,602,022</b>	<b>3,665,063</b>	<b>3,602,022</b>	<b>3,665,063</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>3,615,447</b>	<b>3,719,817</b>	<b>14,266,169</b>	<b>14,901,420</b>

The notes are an integral part of the interim financial information.

LIGHT S.A.  
STATEMENTS OF OPERATIONS  
FOR THE THREE- AND SIX-MONTH PERIODS ENDED JUNE 30, 2016 AND 2015  
(In thousands of reais)

Notes	Parent Company				Consolidated			
	04.01.2016 to 06.30.2016	01.01.2016 to 06.30.2016	04.01.2015 to 06.30.2015	01.01.2015 to 06.30.2015	04.01.2016 to 06.30.2016 Restated	01.01.2016 to 06.30.2016 Restated	04.01.2015 to 06.30.2015 Restated	01.01.2015 to 06.30.2015 Restated
<b>NET REVENUE</b>	26	-	-	-	2,235,311	4,835,359	2,485,445	5,686,133
<b>COST OF OPERATIONS</b>		-	-	-	(1,905,767)	(4,011,232)	(2,211,008)	(4,782,546)
Electric power purchased for resale	29	-	-	-	(1,480,570)	(3,048,707)	(1,769,983)	(3,936,827)
Personnel	28	-	-	-	(62,474)	(109,030)	(51,491)	(110,552)
Material	28	-	-	-	(14,970)	(29,109)	(15,830)	(22,368)
Outsourced services	28	-	-	-	(78,944)	(168,929)	(77,994)	(143,063)
Depreciation and amortization	28	-	-	-	(110,079)	(217,986)	(102,464)	(202,520)
Cost of construction	28	-	-	-	(198,077)	(518,650)	(208,443)	(397,453)
Other income and expenses / cost	28	-	-	-	39,347	81,179	15,197	30,237
<b>GROSS PROFIT</b>		-	-	-	329,544	824,127	274,437	903,587
<b>OPERATING EXPENSES</b>		(3,374)	(6,686)	(2,495)	(5,845)	(474,564)	(173,983)	(329,804)
General and administrative expenses	28	(3,374)	(6,686)	(2,495)	(5,845)	(251,666)	(446,077)	(171,726)
Other revenues		-	-	-	-	2,126	34	121
Other expenses		-	-	-	(13,280)	(30,613)	(2,291)	(14,116)
<b>EQUITY IN THE EARNINGS OF SUBSIDIARIES</b>	12	(55,150)	(50,519)	(54,925)	76,679	(9,515)	(35,885)	(49,150)
<b>EARNINGS BEFORE THE FINANCIAL RESULT AND TAXES</b>		(58,524)	(57,205)	(57,420)	70,834	55,083	254,656	524,633
<b>FINANCIAL RESULT</b>		75	179	122	408	(136,017)	(292,507)	(388,577)
Revenue	30	219	792	129	417	64,332	140,891	66,813
Expense	30	(144)	(613)	(7)	(9)	(200,349)	(433,398)	(199,204)
<b>RESULT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>		(58,449)	(57,026)	(57,298)	71,242	(80,934)	(37,851)	(67,822)
Current income tax and social contribution	31	-	-	-	-	(49,094)	(156,394)	(9,824)
Deferred income tax and social contribution	31	-	-	-	-	71,579	137,219	20,348
<b>NET INCOME (LOSS) FOR THE PERIOD</b>		(58,449)	(57,026)	(57,298)	71,242	(58,449)	(57,026)	(57,298)
Attributed to the controlling shareholders		(58,449)	(57,026)	(57,298)	71,242			
<b>BASIC AND DILUTED EARNINGS (LOSSES) PER SHARE (R\$ / Share)</b>	25	(0.29)	(0.28)	(0.28)	0.35			

The notes are an integral part of the interim financial information.

LIGHT S.A.  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE- AND SIX-MONTH PERIODS ENDED JUNE 30, 2016 AND 2015  
(In thousands of reais)

	Parent Company				Consolidated			
	04.01.2016 to 06.30.2016	01.01.2016 to 06.30.2016	04.01.2015 to 06.30.2015	01.01.2015 to 06.30.2015	04.01.2016 to 06.30.2016	01.01.2016 to 06.30.2016	04.01.2015 to 06.30.2015	01.01.2015 to 06.30.2015
Profit (Loss) for the period	(58,449)	(57,026)	(57,298)	71,242	(58,449)	(57,026)	(57,298)	71,242
Other comprehensive income not reclassified to profit or loss in subsequent periods								
Losses on actuarial liabilities, net of tax effects	-	(3,775)	-	-	-	(3,775)	-	-
Equity accounting on other comprehensive income of jointly owned subsidiary	6,431	(2,240)	-	-	6,431	(2,240)	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(52,018)</b>	<b>(63,041)</b>	<b>(57,298)</b>	<b>71,242</b>	<b>(52,018)</b>	<b>(63,041)</b>	<b>(57,298)</b>	<b>71,242</b>
Attributed to the controlling shareholders	(52,018)	(63,041)	(57,298)	71,242				

The notes are an integral part of the interim financial information.

LIGHT S.A.  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY - PARENT COMPANY AND CONSOLIDATED  
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2016 AND 2015  
(in thousands of reais)

	Notes	PROFIT RESERVES			PROPOSED ADDITIONAL DIVIDENDS	EQUITY VALUATION ADJUSTMENTS	OTHER COMPREHENSIVE INCOME	RETAINED EARNINGS	TOTAL
		CAPITAL STOCK	LEGAL RESERVE	RETAINED EARNINGS					
<b>BALANCES ON DECEMBER 31, 2015</b>		<b>2,225,822</b>	<b>261,636</b>	<b>876,335</b>	-	<b>390,317</b>	<b>(89,047)</b>	-	<b>3,665,063</b>
Total comprehensive income:									
Profit for the period	25	-	-	-	-	-	-	(57,026)	(57,026)
Other comprehensive income not reclassified to profit or loss in subsequent periods									
Losses on actuarial liabilities, net of tax effects	12	-	-	-	-	(3,775)	-	-	(3,775)
Equity accounting on other comprehensive income of jointly owned subsidiary	12	-	-	-	-	(2,240)	-	-	(2,240)
Realization of equity valuation adjustment, net of taxes		-	-	-	-	(9,671)	-	9,671	-
<b>BALANCES ON JUNE 30, 2016</b>		<b>2,225,822</b>	<b>261,636</b>	<b>876,335</b>	-	<b>380,646</b>	<b>(95,062)</b>	<b>(47,355)</b>	<b>3,602,022</b>

	Notes	PROFIT RESERVES			PROPOSED ADDITIONAL DIVIDENDS	EQUITY VALUATION ADJUSTMENTS	OTHER COMPREHENSIVE INCOME	RETAINED EARNINGS	TOTAL
		CAPITAL STOCK	LEGAL RESERVE	RETAINED EARNINGS					
<b>BALANCES ON DECEMBER 31, 2014</b>		<b>2,225,822</b>	<b>259,516</b>	<b>831,181</b>	-	<b>409,824</b>	<b>(97,718)</b>	-	<b>3,628,625</b>
Total comprehensive income:									
Profit for the period	25	-	-	-	-	-	-	71,242	71,242
Other comprehensive income not reclassified to profit or loss in subsequent periods									
Realization of equity valuation adjustment, net of taxes		-	-	-	-	(9,771)	-	9,771	-
<b>BALANCES ON JUNE 30, 2015</b>		<b>2,225,822</b>	<b>259,516</b>	<b>831,181</b>	-	<b>400,053</b>	<b>(97,718)</b>	<b>81,013</b>	<b>3,699,867</b>

The notes are an integral part of the interim financial information.

LIGHT S.A.  
STATEMENTS OF CASH FLOWS  
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2016 AND 2015  
(In thousands of reais)

	Notes	Parent Company		Consolidated	
		01.01.2016 to 06.30.2016	01.01.2015 to 06.30.2015	01.01.2016 to 06.30.2016	01.01.2015 to 06.30.2015
<b>Net cash generated by operating activities</b>		<b>22,848</b>	<b>40,951</b>	<b>932,205</b>	<b>(185,203)</b>
<b>Cash generated by (used in) operations</b>		<b>(6,507)</b>	<b>(5,437)</b>	<b>1,384,186</b>	<b>(143,123)</b>
Net income before income tax and social contribution		(57,026)	71,242	(37,851)	136,056
Allowance for doubtful accounts	6	-	-	117,719	54,233
Depreciation and amortization	28	-	-	244,091	225,677
Loss from the sale or write-off of intangible asset /property, plant and equipment		-	-	22,769	26,759
Exchange and inflation adjustment losses (gains) from financial activities	30	-	-	(323,508)	287,564
Provisions for (reversals of) contingencies, judicial deposits and restatement		-	-	62,534	18,937
Adjustment to present value and prepayment of receivables		-	-	(4,731)	6,901
Interest expense on loans, borrowings and debentures		-	-	328,871	293,051
Charges and inflation adjustment of post-employment obligations	21	-	-	3,254	2,954
Swap variation		-	-	456,184	(148,064)
Equity in the earnings of subsidiaries	12	50,519	(76,679)	94,907	49,150
Remuneration of concessions' financial assets	10	-	-	(95,034)	(83,359)
Recognition and restatement of financial assets and liabilities of the sector	9	-	-	514,981	(1,012,982)
<b>Changes in assets and liabilities</b>		<b>29,355</b>	<b>46,388</b>	<b>(451,981)</b>	<b>(42,080)</b>
Marketable securities		(3)	-	(10,913)	4,504
Consumers, concessionaires and permissionaires		-	-	78,449	(403,513)
Dividends received	12	29,176	46,108	-	-
Taxes, fees and contributions		(113)	(110)	8,200	(58,194)
Financial assets and liabilities of the sector		-	-	368,711	1,231,734
Inventories		-	-	(6,605)	(4,432)
Receivables from services rendered		-	4	(9,431)	(9,051)
Prepaid expenses		186	155	(5,364)	(877)
Deposits related to litigation		(3)	(28)	(6,542)	(12,646)
Other assets		402	1,355	386,768	(24,873)
Trade accounts payable		(282)	(939)	(236,151)	(389,651)
Estimated liabilities		(154)	(461)	1,410	9,283
Taxes, fees and contributions		(105)	(17)	(149,420)	(115,996)
Provisions		-	-	(44,161)	(44,534)
Post-employment benefits		2	4	150	33
Other liabilities		249	317	(424,040)	130,500
Interests paid		-	-	(349,028)	(283,898)
Income tax and social contributions paid		-	-	(54,014)	(70,469)
<b>Net cash used in investing activities</b>		<b>(64,653)</b>	<b>(21,101)</b>	<b>(314,515)</b>	<b>(550,814)</b>
Acquisition of property, plant and equipment		-	-	(50,449)	(17,652)
Acquisition of intangible assets		-	-	(172,778)	(261,590)
Permanent investment acquisitions/ Financial investments - Investees' contribution		(64,653)	(21,101)	(104,653)	(20,930)
Redemption of financial investments		-	-	13,365	120,358
Financial investments		-	-	-	(371,000)
<b>Net cash generated by (used in) financing activities</b>		<b>(41,030)</b>	<b>-</b>	<b>(514,698)</b>	<b>447,797</b>
Dividends paid		(41,030)	-	(41,030)	-
Loans, borrowings and debentures		-	-	374,939	646,831
Amortization of loans, borrowings and debentures		-	-	(848,607)	(199,034)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(82,835)</b>	<b>19,850</b>	<b>102,992</b>	<b>(288,220)</b>
Cash and cash equivalents at the beginning of the period		83,694	14,412	447,441	401,138
Cash and cash equivalents at the end of the period		859	34,262	550,433	112,918

The notes are an integral part of the interim financial information.

LIGHT S.A.  
STATEMENTS OF VALUE ADDED  
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2016 AND 2015  
(In thousands of reais)

	Notes	Parent Company		Consolidated	
		01.01.2016 to 06.30.2016	01.01.2015 to 06.30.2015	01.01.2016 to 06.30.2016 Restated	01.01.2015 to 06.30.2015 Restated
<b>Revenues</b>		-	-	<b>8,774,156</b>	<b>9,025,629</b>
Sale of goods, products and services		-	-	8,350,562	8,665,992
Revenue related to the construction of own assets		-	-	541,313	413,870
Allowance/Reversal of allowance for doubtful accounts	28	-	-	(117,719)	(54,233)
<b>Inputs acquired from third parties</b>		<b>(2,638)</b>	<b>(2,690)</b>	<b>(3,845,422)</b>	<b>(4,533,403)</b>
Cost of products, goods and services sold	29	-	-	(3,048,707)	(3,902,976)
Materials, energy, outsourced services and others		(2,638)	(2,690)	(796,715)	(630,427)
<b>Gross value added</b>		<b>(2,638)</b>	<b>(2,690)</b>	<b>4,928,734</b>	<b>4,492,226</b>
<b>Retentions</b>		-	-	<b>(244,091)</b>	<b>(225,677)</b>
Depreciation and amortization	28	-	-	(244,091)	(225,677)
<b>Net value added produced</b>		<b>(2,638)</b>	<b>(2,690)</b>	<b>4,684,643</b>	<b>4,266,549</b>
<b>Value added received through transfer</b>		<b>(49,727)</b>	<b>77,096</b>	<b>45,984</b>	<b>208,645</b>
Equity in the earnings of subsidiaries	12	(50,519)	76,679	(94,907)	(49,150)
Financial revenues	30	792	417	140,891	257,795
<b>Total value added to distribute</b>		<b>(52,365)</b>	<b>74,406</b>	<b>4,730,627</b>	<b>4,475,194</b>
<b>Distribution of value added</b>		<b>(52,365)</b>	<b>74,406</b>	<b>4,730,627</b>	<b>4,475,194</b>
<b>Personnel</b>		<b>3,762</b>	<b>2,901</b>	<b>207,556</b>	<b>188,340</b>
Direct remuneration		3,386	2,691	150,060	146,012
Benefits		143	137	32,016	28,965
Government Severance Fund for Employees (FGTS)		233	73	21,896	11,574
Other		-	-	3,584	1,789
<b>Taxes, fees and contributions</b>		<b>314</b>	<b>253</b>	<b>4,103,665</b>	<b>3,514,806</b>
Federal		314	253	1,912,460	1,651,879
State		-	-	2,184,259	1,858,721
Local		-	-	6,946	4,206
<b>Value distributed to providers of capital</b>		<b>585</b>	<b>10</b>	<b>476,432</b>	<b>700,806</b>
Interest		585	10	442,350	662,402
Rental		-	-	27,021	30,695
Other		-	-	7,061	7,709
<b>Value distributed to shareholders</b>		<b>(57,026)</b>	<b>71,242</b>	<b>(57,026)</b>	<b>71,242</b>
Retained earnings (accumulated losses)	25	(57,026)	71,242	(57,026)	71,242

The notes are an integral part of the interim financial information.

**NOTES TO THE PARENT COMPANY AND CONSOLIDATED  
INTERIM FINANCIAL INFORMATION  
FOR THE QUARTER ENDED JUNE 30, 2016**

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**In thousands of Brazilian reais – R\$, unless stated otherwise**

**1. OPERATIONS**

The corporate purpose of Light S.A. (Company or “Light”), a publicly-held company headquartered in the City of Rio de Janeiro/RJ - Brazil, is to hold equity interests in other companies, as partner or shareholder, and the direct or indirect exploration, as applicable, of electric power services, including electric power generation, transmission, sale and distribution systems, as well as other related services.

The Company is listed in the New Market (Novo Mercado) segment of the São Paulo Securities, Commodities and Futures Exchange (BM&FBOVESPA), under the ticker LIGT3, and in the U.S. over-the-counter (OTC) market, under the ticker LGSXY.

On June 30, 2016, the Company had consolidated negative circulating capital of R\$949,210 (R\$423,135 on December 31, 2015). The Company expects an improvement in operating cash flow during the year due to the tariff adjustments made in the year ended December 31, 2015, together with the expected reduction in investments in 2016 and the improvement of the hydrological scenario. Additionally, the Company has been negotiating the renewal of short-term loans and financing and the extension of its debt profile, as described in Note 17. Management believes that the success of these steps will reverse the current scenario of negative net circulating capital. It should also be noted that the Company presented positive consolidated operating cash flow of R\$932,205 in its operations in the first half of 2016 (R\$185,903 negative in the first half of 2015).

**2. GROUP’S ENTITIES**

**a) Direct Subsidiaries**

Light Serviços de Eletricidade S.A. (Light SESA – 100%) – a publicly-held corporation, headquartered in the city and state of Rio de Janeiro, engaged in the distribution of electric power, with a concession area comprising 31 cities in the state of Rio de Janeiro, including its capital.

Light Energia S.A. (Light Energia – 100%) – a publicly-held corporation, headquartered in the city and State of Rio de Janeiro, whose main activities are to (a) study, plan, construct, operate and explore systems of electric power generation, transmission, sales, and related services that have been legally granted or that may be granted or authorized to it or to companies in which it holds or may come to hold a controlling interest; (b) to hold interests in other companies as a partner, shareholder or quotaholder. It comprises the Pereira Passos, Nilo Peçanha, Ilha dos Pombos, Santa Branca and Fontes Novas plants, with a total installed capacity of 855 MW. Light Energia holds interest in the following subsidiaries and jointly-controlled entities:

- Central Eólica São Judas Tadeu Ltda. (São Judas Tadeu – 100%) - a company at the pre-operational stage whose main activity is the generation and sale of electric power through a wind power plant located in the state of Ceará, with 18 MW nominal power.
- Central Eólica Fontainha Ltda. (Fontainha – 100%) – a company at the pre-operational stage whose main activity is the generation and sale of electric power through a wind power plant located in the state of Ceará, with 16 MW nominal power.
- Lajes Energia S.A. (Lajes Energia – 100%) – a privately-held corporation headquartered in the city of Piraí, in the state of Rio de Janeiro, engaged in the analysis of the technical and economic feasibility, project design, implementation, operation, maintenance and commercial exploration of PCH Lajes, with a nominal capacity of 17 MW. On July 8, 2014, the Authorizing Resolution 4734/14 was published, transferring the concession of PCH Lajes from Light Energia to Lajes Energia. The construction works of PCH Lajes began in September 2014, and are scheduled to be concluded in the fourth quarter of 2016<sup>(1)</sup>.
- Renova Energia S.A. (Renova Energia – 15.7%, jointly-owned entity) - a corporation whose main activity is the generation of electric power through renewable alternative sources, such as small hydroelectric power plants (PCHs), and wind and solar power plants. Renova Energia holds direct or indirect interests in these sources, totaling 2,000 MW contracted, 674 MW of which in operation or able to operate. Renova Energia is jointly-owned by Light Energia (15.7%), RR Participações S.A. (13.7% interest in the controlling interest), which is not a related party, and Cemig Geração e Transmissão S.A. – Cemig GT (34.2%). The companies in which Renova Energia holds interests are listed below:

Interest - RENOVA ENERGIA					
Enerbras Centrais Elétricas S.A.	(a)	100.00%	Centrais Eólicas Imburana Macho S.A.	(b)	99.99%
Energética Serra da Prata S.A.	(b)	99.99%	Centrais Eólicas Amescla S.A.	(b)	99.99%
Renova PCH Ltda.	(a)	99.00%	Centrais Eólicas Umbuzeiro S.A.	(b)	99.99%
Chipley SP Participações S.A.	(a)	99.99%	Centrais Eólicas Pau d'Água S.A.	(b)	99.99%
Renova Eólica Participações S.A. (Holding)	(b)	100.00%	Centrais Eólicas Manineiro S.A.	(b)	99.99%
Centrais Eólicas da Prata S.A.	(b)	99.99%	Centrais Eólicas Anísio Teixeira S.A.	(a)	99.00%
Centrais Eólicas dos Araçás S.A.	(b)	99.99%	Centrais Eólicas Cabeça de Frade S.A.	(a)	99.00%
Centrais Elétricas Morrão S.A.	(b)	99.99%	Centrais Eólicas Carvão S.A.	(a)	99.00%
Centrais Elétricas Seraima S.A.	(b)	99.99%	Centrais Eólicas Carrancudo S.A.	(a)	99.00%
Centrais Elétricas Tanque S.A.	(b)	99.99%	Centrais Eólicas Ipê Amarelo S.A.	(a)	99.00%
Centrais Eólicas Ventos do Nordeste S.A.	(b)	99.99%	Centrais Eólicas Jequitiba S.A.	(a)	99.00%
Centrais Eólicas Ametista S.A.	(b)	99.99%	Centrais Eólicas Macambira S.A.	(a)	99.00%
Centrais Elétricas Borgo S.A.	(b)	99.99%	Centrais Eólicas Tamboril S.A.	(a)	99.00%
Centrais Eólicas Caetite S.A.	(b)	99.99%	Centrais Eólicas Tingui S.A.	(a)	99.00%
Centrais Elétricas Dourados S.A.	(b)	99.99%	Centrais Eólicas Alcauz S.A.	(a)	99.00%
Centrais Eólicas Espição S.A.	(b)	99.99%	Centrais Eólicas Calliandra S.A.	(a)	99.99%
Centrais Elétricas Maron S.A.	(b)	99.99%	Centrais Eólicas Cansação S.A.	(a)	99.00%
Centrais Eólicas Pelourinho S.A.	(b)	99.99%	Centrais Eólicas Embiricu S.A.	(a)	99.00%
Centrais Eólicas Piiões S.A.	(b)	99.99%	Centrais Eólicas Ico S.A.	(a)	99.99%
Centrais Elétricas Serra do Espinhaço S.A.	(b)	99.99%	Centrais Eólicas Imburana de Cabão S.A.	(a)	99.00%
Nova Energia S.A.	(a)	99.99%	Centrais Eólicas Jataí S.A.	(b)	99.99%
Centrais Eólicas Abil S.A.	(b)	99.99%	Renovapar S.A.	(a)	100.00%
Centrais Eólicas Acácia S.A.	(b)	99.99%	Centrais Eólicas Lençóis S.A.	(a)	99.00%
Centrais Eólicas Angico S.A.	(b)	99.99%	Centrais Eólicas Conquista S.A.	(a)	99.00%
Centrais Eólicas Folha da Serra S.A.	(b)	99.99%	Centrais Eólicas Coxilha Alta S.A.	(a)	99.00%
Centrais Eólicas Jabuticaba S.A.	(b)	99.99%	Alto Sertão Participações S.A. (Holding)	(a)	99.99%
Centrais Eólicas Jacarandá do Serrado S.A.	(b)	99.99%	Diamantina Eólica Participações S.A. (Holding)	(b)	99.99%
Centrais Eólicas Taboquinha S.A.	(b)	99.99%	Centrais Eólicas São Salvador S.A.	(b)	99.99%
Centrais Eólicas Tabua S.A.	(b)	99.99%	Centrais Elétricas Botuquara S.A.	(a)	99.00%
Centrais Eólicas Vaqueta S.A.	(b)	99.99%	Centrais Eólicas Cedro S.A.	(b)	99.99%
Centrais Eólicas Unha d'Anta S.A.	(b)	99.99%	Centrais Elétricas Itaparica S.A.	(a)	99.00%
Centrais Eólicas Vellozia S.A.	(b)	99.99%	Centrais Eólicas Bela Vista XIV S.A.	(a)	99.00%
Ventos de São Cristóvão Energias Renováveis S.A.	(b)	99.00%	Parque Eólico Iansã LTDA	(a)	99.99%
Bahia Holding S.A.	(a)	99.00%	Terraform Global Inc	(d)	11.65%
			Centrais Eólicas Umbranas 1 S.A.	(a)	99.00%
			Centrais Eólicas Umbranas 2 S.A.	(a)	99.00%
			Centrais Eólicas Umbranas 3 S.A.	(a)	99.00%
			Centrais Eólicas Umbranas 4 S.A.	(a)	99.00%
			Centrais Eólicas Umbranas 5 S.A.	(a)	99.00%
			Centrais Eólicas Umbranas 6 S.A.	(a)	99.00%
			Centrais Eólicas Umbranas 7 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 8 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 9 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 10 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 11 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 12 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 13 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 14 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 15 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 16 LTDA.	(a)	99.00%
			Centrais Eólicas Umbranas 18 LTDA.	(a)	99.00%
			Renova Comercializadora de Energia S.A.	(a)	100.00%
			Centrais Eólicas Bela Vista XV LTDA.	(a)	99.00%
			Centrais Eólicas Itapuaí IV LTDA.	(a)	99.00%
			Centrais Eólicas Itapuaí V LTDA.	(a)	99.00%
			Centrais Eólicas Itapuaí VII LTDA.	(a)	99.00%
			Centrais Eólicas Itapuaí XV LTDA.	(a)	99.00%
			Centrais Eólicas Itapuaí XX LTDA.	(a)	99.00%
			Centrais Eólicas Angelim S.A.	(b)	99.99%
			Centrais Eólicas Facheiro S.A.	(b)	99.99%
			Centrais Elétricas Sabiu S.A.	(b)	99.99%
			Centrais Eólicas Barbatimão S.A.	(b)	99.99%
			Centrais Eólicas Juazeiro S.A.	(b)	99.99%
			Centrais Eólicas Putumaju S.A.	(a)	99.00%
			Brasil PCH S.A.	(c)	51.00%
			CMNPAR Fifty Four Participações S.A.	(a)	99.99%
			Espra Holding S.A.	(a)	99.00%

(a) Direct subsidiary of Renova

(b) Indirect subsidiary of Renova

(c) Renova's jointly-controlled entity

(d) Renova's direct investee, classified as available for sale by Renova

- Guanhães Energia S.A. (Guanhães Energia - 51%, jointly-controlled entity) – a privately-held corporation at the pre-operational stage, headquartered in the city of Ipatinga – MG, was created with the purpose of implementing and exploring four small hydroelectric power plants (PCHs) in the state of Minas Gerais, with total installed capacity of 44 MW. The company is a jointly-controlled entity of Light Energia (51%) and Cemig Geração e Transmissão S.A. – Cemig GT (49%). The project was affected by geological and environmental issues, postponing the estimated date for the PCHs start-up. On August 21, 2015, the PCHs won the Auction A-3, which sold power for a 30-year term for R\$205.50/MWh, as of January 2018. Civil works are 97% completed and the start of commercial generation is scheduled for April 2017.

Light Esco Prestação de Serviços S.A. (Light Esco – 100%) – a privately-held corporation, headquartered in the city and state of Rio de Janeiro, whose main activity is the purchase, sale, import, export of electric power, thermal power, gas and industrial utilities, and provision of advisory services in the energy sector. The company is a member of the Maracanã Solar Consortium, which manages the photovoltaic plant installed on the top of the Maracanã stadium (51%). EDF Consultoria em Projetos de Geração de Energia Ltda. holds a 49% interest in this consortium. Light Esco was granted authorization from ANEEL to become an independent producer of electric power.

Lightcom Comercializadora de Energia S.A. (Lightcom – 100%) – a privately-held corporation, headquartered in the city and state of São Paulo, engaged in the purchase, sale, import, export and provision of advisory services in the energy sector.

Itaocara Energia Ltda. (Itaocara Energia – 100%) – a company at the pre-operational stage, primarily engaged in the design, construction, installation, operation and exploration of electric power generation plants. It holds interest in the UHE Itaocara Consortium for the exploration of the Itaocara Hydroelectric Power Plant (51%). Cemig GT has a 49% interest. On April 30, 2015, the UHE Itaocara Consortium won the Auction A-5 conducted by ANEEL for the concession of Itaocara I Hydroelectric Power Plant. The project will be constructed at Paraíba do Sul River and will have installed capacity of 150 MW. On October 23, 2015, the concession agreement was signed by UHE Itaocara Consortium. The power plant is expected to begin operations in 2019<sup>(1)</sup>. Itaocara Energia holds interest in the following jointly-owned entity:

<sup>(1)</sup> Information on estimated start-up was not revised by independent auditors.

Usina Hidrelétrica Itaocara S.A. (Hidrelétrica Itaocara – 51%, jointly-controlled entity) – a privately-held corporation at the pre-operational stage, headquartered in the city of Rio de Janeiro – RJ. Jointly-owned by Itaocara Energia (51%) and Cemig GT (49%), the Company was created to build the Itaocara Hydroelectric Power Plant and its purpose is the concession to use public assets to explore the Itaocara I Hydroelectric Power Plant, pursuant to the Concession Agreement 01/2015 entered into with the Brazilian Federal Government.

Light Soluções em Eletricidade Ltda. (Light Soluções - 100%) – a limited liability company whose main activity is to provide services to low voltage clients, including the assembly, remodeling and maintenance of facilities in general.

Instituto Light para o Desenvolvimento Urbano e Social (Instituto Light - 100%) - a non-profit private company, engaged in participating in social and cultural projects, focused on the cities' social and economic development, affirming the Company's ability to be socially responsible.

b) Jointly-controlled entities

Lightger S.A. (Lightger) – a privately-held corporation whose purpose is to participate in auctions for concessions, authorizations and permissions for new electric power plants. The Paracambi small hydroelectric power plant (PHC) began operating in the third quarter of 2012. The company is jointly-controlled entity by Light S.A. (51%) and Cemig GT (49%).

Axxiom Soluções Tecnológicas S.A. (Axxiom) – a privately-held corporation, headquartered in the city of Belo Horizonte, state of Minas Gerais, whose purpose is to offer technology solutions and systems for the operational management of public utility concessionaires, including electric power, gas, water and sewage companies. It is jointly-controlled entity by Light S.A. (51%) and Companhia Energética de Minas Gerais - CEMIG (49%).

Energia Olímpica S.A. (Energia Olímpica) – a privately-held corporation, headquartered in the city and state of Rio de Janeiro, whose main activity is to implement the Vila Olímpica substation and two 138 kV underground lines which are connected to the substation. It is jointly-controlled entity by Light S.A. (50.1%) and Furnas Centrais Elétricas S.A. - Furnas (49.9%). The Vila Olímpica substation was concluded, and the Company does not expect any material effects from the Energia Olímpica's settlement.

Amazônia Energia Participações S.A. (Amazônia Energia) – a privately-held corporation whose purpose is to hold an interest, as a shareholder, in Norte Energia S.A. (NESA), which holds the concession for the use of public assets to explore the Belo Monte Hydroelectric Power plant, on Xingu River, in the state of Pará. The company is jointly-controlled entity by Light S.A. (25.5%) and Cemig GT (74.5%). Amazônia Energia holds a 9.8% interest in NESA, with significant influence on management, but without joint

control. On August 26, 2010, NESAsigned the Concession Agreement No. 001/10 with the federal government through the Ministry of Mines and Energy (MME) to explore electric power generation services, with a 35-year term as of the referred agreement's date of signature. Still according to referred agreement, 70% of the power plant's assured energy will be destined to the regulated market, 10% to self-producers and 20% to the free market (ACL). NESAs will also rely on significant amounts of organization, development and pre-operation costs to complete the plant, which, according to estimates and projections should be absorbed by revenue from future operations. The first turbine of the Belo Monte plant went into operation on April 20, 2016 and the second turbine went into operation on July 16, 2016. The last Generating Unit is expected to begin its operations in January 2019 <sup>(1)</sup>.

The Eletrobras Group's, which holds 49.98% of Norte Energia's capital stock, hired a law firm specialized in corporate investigation to ascertain possible irregularities in projects in which the Eletrobras Group's companies corporately participate or hold minority interests.

The final research reports considered the plea agreement and indicated estimated impacts in the Norte Energia Financial Statements on December 31. It was concluded that the amount attributed to possible overbilling arising from bribes and / or fraudulent bids and activity considered of illicit nature was R\$183,000 in Norte Energia, generating an effect of R\$4,559 on the Company. The impact was fully recognized in the results for the year ended on December 31, 2015.

<sup>(1)</sup> Information on estimated start-up was not revised by independent auditors.

### c) Light Group Consolidation

The consolidated interim financial statements includes the shareholdings of the Company, its subsidiaries, which are consolidated as follows:

	06.30.2016		12.31.2015	
	Percentage of interest (%) Direct	Percentage of interest (%) Indirect	Percentage of interest (%) Direct	Percentage of interest (%) Indirect
Light Serviços de Eletricidade S.A.	100.0	-	100.0	-
Light Energia S.A.	100.0	-	100.0	-
Central Eólica Fontainha Ltda.	-	100.0	-	100.0
Central Eólica São Judas Tadeu Ltda.	-	100.0	-	100.0
Lajes Energia S.A.	-	100.0	-	100.0
Light Esco Prestação de Serviços S.A.	100.0	-	100.0	-
Lightcom Comercializadora de Energia S.A.	100.0	-	100.0	-
Light Soluções em Eletricidade Ltda.	100.0	-	100.0	-
Instituto Light para o Desenvolvimento Urbano e Social	100.0	-	100.0	-
Itaocara Energia Ltda.	100.0	-	100.0	-

### d) Light Group's concessions and authorizations

The chart below summarizes the Light Group's concessions and authorizations effective on June 30, 2016:

Concessions / authorizations	Date	Maturity Date
Light SESA and Light Energia	Jun/1996	Jun/2026
PCH Paracambi - Lightger	Feb/2001	Feb/2031
PCH Lajes - Lajes Energia	Jul/2014	Jun/2026
Centrais Eólicas - Renova Energia LER 05/2010	Mar/2011 to May/2011	Mar/2046 to May/2046
Centrais Eólicas - Renova Energia LEN 02/2011 (A-3)	Mar/2012 and Apr/2012	Mar/2047 and April/2047
Centrais Eólicas - Renova Energia LEN 06/2012 (A-5)	May/2013	May/2048
Centrais Eólicas - Renova Energia LER 05/2013	Mar/2014	Mar/2049
Centrais Eólicas - Renova Energia LEN 10/2013 (A-5)	Nov/2013 to Aug/2014	Nov/2048 to Aug/2049
Centrais Eólicas - Renova Energia LEN 06/2014 (A-5)	Jun/2015 to Aug/2015	Jun/2049 to Aug/2049
Centrais Eólicas - Renova Energia LER 08/2014	Jun/2015	Jun/2049
PCH Cachoeira da Lixa - Renova Energia	Dec/2003	Dec/2033
PCH Colino 2 - Renova Energia	Dec/2003	Dec/2033
PCH Colino 1 - Renova Energia	Dec/2003	Dec/2033
Brasil PCH S.A - Renova Energia	Dec/1999 to Nov/2003	Dec/2029 to Nov/2033
PCH Dores de Guanhões - Guanhões Energia	Nov/2002	Nov/2032
PCH Senhora do Pôrto - Guanhões Energia	Oct/2002	Oct/2032
PCH Jacaré - Guanhões Energia	Oct/2002	Oct/2032
PCH Fortuna II - Guanhões Energia	Dec/2001	Dec/2031
Itaocara HPP Consortium	Oct/2015	Oct/2045

### 3. APPROVAL AND SUMMARY OF THE MAIN ACCOUNTING PRACTICES ADOPTED IN THE PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial information for the three and six-month periods ended June 30, 2016, previously issued, was issued by the Company's Management on November 8, 2016. These interim financial information for the periods of three and six Ended June 30, 2016, were restated, were approved by the Supervisory Board on March 23, 2017 and reflect the effect of adjustments in the financial statements described below.

The Company's interim financial statements comprises the parent company interim financial statements , identified as Parent Company, and the consolidated interim financial statements , identified as Consolidated, prepared in accordance with the Technical Pronouncement CPC 21 (R1) – Interim statements and the international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Statements Form (ITR).

As there is no difference between the consolidated equity and consolidated income attributable to the parent company's shareholders, recorded in the consolidated interim financial information and the parent company's equity and results recorded in the interim financial information, both of them prepared in accordance with the accounting practices adopted in Brazil and with the IFRS, the Company has chosen to present the parent company and consolidated interim financial information as a single set, side by side.

This parent company and consolidated interim financial information does not include all information and disclosures required in the annual parent company and consolidated financial information and, therefore, it should be read together with the parent company and consolidated financial information prepared under BR GAAP and IFRS for the year ended December 31, 2015, published on March 28, 2016. The accounting practices adopted in the preparation of this interim financial information are consistent with those presented in the Company's financial information for the year ended December 31, 2015.

The Company's Management believes that all relevant information from the interim financial information, and only this information, is being highlighted, and that they correspond to the information used by Management.

This interim financial information is presented in Brazilian Real, which is the functional currency of the Company, its subsidiaries, jointly-controlled entities and associated companies. All financial information presented in Real was rounded up thousands, except when indicated otherwise.

a) Changes to accounting policies and reclassification of comparative balances



In order to improve the presentation of the Company's equity position and operating and financial performance, Management revised certain practices, changing certain accounting policies and reclassifying some items, based on the guidelines issued by CPC 23 – Accounting Policies, Changes in Accounting Estimates and Errors, as follows:

- (i) The fair value of the concession's indemnifiable assets are now recorded as operating revenue; they used to be recorded as financial result

The Company's Management revised its accounting practices and decided to change the recognition of the fair value of the concession's indemnifiable assets. The fair value was previously recorded as financial result. However, since this item has an intrinsic impact on the core activity of the energy distribution business and in order to provide a better presentation of its performance, the Company currently records the fair value of the concession's indemnifiable assets as operating revenue, under a specific line.

The fair value of the concession's indemnifiable assets comprises part of the distribution business' infrastructure remuneration, given that it is included in the regulatory remuneration base and is duly adjusted by the indices established by Aneel. As a result, the fair value of the concession's indemnifiable assets is currently recorded in the same operating revenue group in which other revenues from distribution activities are already recorded.

The impact of this matter in the three and six-month periods ended June 30, 2016 are reclassifications of R\$37,447 and R\$95,034, respectively (R\$44,337 and R\$83,359 in the three and six-month periods ended June 30, 2015) the revenue for operating income.

Because of this change, reclassifications were made to the consolidated statements of income for the three and six-month periods ended June 30, 2016 and 2015 and the statement of value added for the six-month period ended June 30, 2016 and the above reclassifications did not impact net income for these periods.

- (ii) Revenue from late payment fines charged from consumers are now classified as operating cost; it used to be recorded as financial result

The Company's Management revised its accounting practices and decided to change its accounting policy on the classification of fines for consumer default, in order to more accurately reflect the Company's operating performance and better disclose its financial information.

Default by energy consumers in Light SESA's concession area, located in 31 municipalities in the state of Rio de Janeiro, generated significant costs for the distribution company, due to the percentage of consumers who did not pay their bills on time. The complexity of Light's concession area regarding losses

and collection is acknowledged even by Aneel. In order to effectively receive the invoiced amounts, the Company carries out several collection procedures at significant volumes, such as power cut warnings, collection calls, registration in credit protection services, home collection, collection agencies, collection teams, power cut and restoration teams, protesting of bills and mobile agencies, among other internal and external processes. All these expenses are recorded by the Company under its operating result.

To cover these operating expenses, the Company began charging a 2% compensatory fine for overdue bills, as a punitive penalty due to non-compliance with obligations by consumers, under the operating result line. The compensatory fines incurred by the Company from its overdue payments were also reclassified to the operating result.

The Company also collects late payment interest from defaulting consumers. The late payment interest is still recorded under the financial result, and, therefore, their presentation remained unchanged.

The impact of this matter in the three and six-month periods ended June 30, 2015 are reclassifications of R\$24,040 and R\$43,960, respectively, of the financial result for operating costs. The above reclassifications did not impact the net income for these periods.

For comparison purposes, With the three and six month periods ended June 30, 2016, to which they already reflected this new accounting policy, we have made reclassifications in the consolidated statement of income/operations for the three and six-month periods ended June 30, 2015, and the consolidated statement of value added for the six-month period ended June 30, 2015. The above reclassifications did not impact net income for the period ended June 30, 2015.

- i. Consolidated statement of income/operations for the three and six-month periods ended June 30, 2016 and 2015.

	2nd Quarter			First six months		
	04.01.2016 a 06.30.2016 Disclosed	Reclassifications	04.01.2016 a 06.30.2016 Restated	01.01.2016 a 06.30.2016 Disclosed	Reclassifications	01.01.2016 a 06.30.2016 Restated
<b>NET REVENUE</b>	<b>2,197,864</b>	<b>37,447</b>	<b>2,235,311</b>	<b>4,740,325</b>	<b>95,034</b>	<b>4,835,359</b>
<b>COST OF OPERATIONS</b>	<b>(1,905,767)</b>	<b>-</b>	<b>(1,905,767)</b>	<b>(4,011,232)</b>	<b>-</b>	<b>(4,011,232)</b>
Electric power purchased for resale	(1,480,570)	-	(1,480,570)	(3,048,707)	-	(3,048,707)
Personnel	(62,474)	-	(62,474)	(109,030)	-	(109,030)
Material	(14,970)	-	(14,970)	(29,109)	-	(29,109)
Outsourced services	(78,944)	-	(78,944)	(168,929)	-	(168,929)
Depreciation and amortization	(110,079)	-	(110,079)	(217,986)	-	(217,986)
Cost of construction	(198,077)	-	(198,077)	(518,650)	-	(518,650)
Other income and expenses / costs	39,347	-	39,347	81,179	-	81,179
<b>GROSS PROFIT</b>	<b>292,097</b>	<b>37,447</b>	<b>329,544</b>	<b>729,093</b>	<b>95,034</b>	<b>824,127</b>
<b>OPERATING EXPENSES</b>	<b>(264,946)</b>	<b>-</b>	<b>(264,946)</b>	<b>(474,564)</b>	<b>-</b>	<b>(474,564)</b>
General and administrative expenses	(251,666)	-	(251,666)	(446,077)	-	(446,077)
Other revenues	-	-	-	2,126	-	2,126
Other expenses	(13,280)	-	(13,280)	(30,613)	-	(30,613)
<b>EQUITY IN THE EARNINGS OF SUBSIDIARIES</b>	<b>(9,515)</b>	<b>-</b>	<b>(9,515)</b>	<b>(94,907)</b>	<b>-</b>	<b>(94,907)</b>
<b>EARNINGS BEFORE THE FINANCIAL RESULT AND TAXES</b>	<b>17,636</b>	<b>37,447</b>	<b>55,083</b>	<b>159,622</b>	<b>95,034</b>	<b>254,656</b>
<b>FINANCIAL RESULT</b>	<b>(98,570)</b>	<b>(37,447)</b>	<b>(136,017)</b>	<b>(197,473)</b>	<b>(95,034)</b>	<b>(292,507)</b>
Revenue	101,779	(37,447)	64,332	235,925	(95,034)	140,891
Expense	(200,349)	-	(200,349)	(433,398)	-	(433,398)
<b>RESULT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(80,934)</b>	<b>-</b>	<b>(80,934)</b>	<b>(37,851)</b>	<b>-</b>	<b>(37,851)</b>
Current income tax and social contribution	(49,094)	-	(49,094)	(156,394)	-	(156,394)
Deferred income tax and social contribution	71,579	-	71,579	137,219	-	137,219
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>(58,449)</b>	<b>-</b>	<b>(58,449)</b>	<b>(57,026)</b>	<b>-</b>	<b>(57,026)</b>

	2nd Quarter			First six months		
	04.01.2015 a 06.30.2015 Disclosed	Reclassifications	04.01.2015 a 06.30.2015 Restated	01.01.2015 a 06.30.2015 Disclosed	Reclassifications	01.01.2015 a 06.30.2015 Restated
<b>NET REVENUE</b>	<b>2,441,108</b>	<b>44,337</b>	<b>2,485,445</b>	<b>5,602,774</b>	<b>83,359</b>	<b>5,686,133</b>
<b>COST OF OPERATIONS</b>	<b>(2,235,048)</b>	<b>24,040</b>	<b>(2,211,008)</b>	<b>(4,826,506)</b>	<b>43,960</b>	<b>(4,782,546)</b>
Electric power purchased for resale	(1,769,983)	-	(1,769,983)	(3,936,827)	-	(3,936,827)
Personnel	(51,491)	-	(51,491)	(110,552)	-	(110,552)
Material	(15,830)	-	(15,830)	(22,368)	-	(22,368)
Outsourced services	(77,994)	-	(77,994)	(143,063)	-	(143,063)
Depreciation and amortization	(102,464)	-	(102,464)	(202,520)	-	(202,520)
Cost of construction	(208,443)	-	(208,443)	(397,453)	-	(397,453)
Other income and expenses / costs	(8,843)	24,040	15,197	(13,723)	43,960	30,237
<b>GROSS PROFIT</b>	<b>206,060</b>	<b>68,377</b>	<b>274,437</b>	<b>776,268</b>	<b>127,319</b>	<b>903,587</b>
<b>OPERATING EXPENSES</b>	<b>(173,983)</b>	<b>-</b>	<b>(173,983)</b>	<b>(329,804)</b>	<b>-</b>	<b>(329,804)</b>
General and administrative expenses	(171,726)	-	(171,726)	(315,809)	-	(315,809)
Other revenues	34	-	34	121	-	121
Other expenses	(2,291)	-	(2,291)	(14,116)	-	(14,116)
<b>EQUITY IN THE EARNINGS OF SUBSIDIARIES</b>	<b>(35,885)</b>	<b>-</b>	<b>(35,885)</b>	<b>(49,150)</b>	<b>-</b>	<b>(49,150)</b>
<b>EARNINGS BEFORE THE FINANCIAL RESULT AND TAXES</b>	<b>(3,808)</b>	<b>68,377</b>	<b>64,569</b>	<b>397,314</b>	<b>127,319</b>	<b>524,633</b>
<b>FINANCIAL RESULT</b>	<b>(64,014)</b>	<b>(68,377)</b>	<b>(132,391)</b>	<b>(261,258)</b>	<b>(127,319)</b>	<b>(388,577)</b>
Revenue	135,190	(68,377)	66,813	385,114	(127,319)	257,795
Expense	(199,204)	-	(199,204)	(646,372)	-	(646,372)
<b>RESULT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(67,822)</b>	<b>-</b>	<b>(67,822)</b>	<b>136,056</b>	<b>-</b>	<b>136,056</b>
Current income tax and social contribution	(9,824)	-	(9,824)	(58,808)	-	(58,808)
Deferred income tax and social contribution	20,348	-	20,348	(6,006)	-	(6,006)
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>(57,298)</b>	<b>-</b>	<b>(57,298)</b>	<b>71,242</b>	<b>-</b>	<b>71,242</b>

ii. Statement of consolidated value added for the six-month period ended June 30, 2016 and 2015.

	01.01.2016 a 06.30.2016 Disclosed	Reclassifications	01.01.2016 a 06.30.2016 Restated
<b>Revenues</b>	<b>8,679,122</b>	<b>95,034</b>	<b>8,774,156</b>
Sale of goods, products and services	8,255,528	95,034	8,350,562
Revenue related to the construction of own assets	541,313	-	541,313
Allowance/Reversal of allowance for doubtful accounts	(117,719)	-	(117,719)
<b>Inputs acquired from third parties</b>	<b>(3,845,422)</b>	<b>-</b>	<b>(3,845,422)</b>
Cost of products, goods and services sold	(3,048,707)	-	(3,048,707)
Material, energy, outsourced services and other	(796,715)	-	(796,715)
<b>Gross value added</b>	<b>4,833,700</b>	<b>95,034</b>	<b>4,928,734</b>
<b>Retentions</b>	<b>(244,091)</b>	<b>-</b>	<b>(244,091)</b>
Depreciation and amortization	(244,091)	-	(244,091)
<b>Net value added produced</b>	<b>4,589,609</b>	<b>95,034</b>	<b>4,684,643</b>
<b>Value added received through transfer</b>	<b>141,018</b>	<b>(95,034)</b>	<b>45,984</b>
Equity in the earnings of subsidiaries	(94,907)	-	(94,907)
Financial revenues	235,925	(95,034)	140,891
<b>Total value added to distribute</b>	<b>4,730,627</b>	<b>-</b>	<b>4,730,627</b>
<b>Distribution of value added</b>	<b>4,730,627</b>	<b>-</b>	<b>4,730,627</b>
<b>Personnel</b>	<b>207,556</b>	<b>-</b>	<b>207,556</b>
Direct remuneration	150,060	-	150,060
Benefits	32,016	-	32,016
Government Severance Fund for Employees (FGTS)	21,896	-	21,896
Other	3,584	-	3,584
<b>Taxes, fees and contributions</b>	<b>4,103,665</b>	<b>-</b>	<b>4,103,665</b>
Federal	1,912,460	-	1,912,460
State	2,184,259	-	2,184,259
Local	6,946	-	6,946
<b>Value distributed to providers of capital</b>	<b>476,432</b>	<b>-</b>	<b>476,432</b>
Interest	442,350	-	442,350
Rental	27,021	-	27,021
Other	7,061	-	7,061
<b>Value distributed to shareholders</b>	<b>(57,026)</b>	<b>-</b>	<b>(57,026)</b>
Retained earnings	(57,026)	-	(57,026)

	01.01.2015 a 06.30.2015 Disclosed	Reclassifications	01.01.2015 a 06.30.2015 Restated
<b>Revenues</b>	<b>8,942,270</b>	<b>83,359</b>	<b>9,025,629</b>
Sale of goods, products and services	8,582,633	83,359	8,665,992
Revenue related to the construction of own assets	413,870	-	413,870
Allowance/Reversal of allowance for doubtful accounts	(54,233)	-	(54,233)
<b>Inputs acquired from third parties</b>	<b>(4,577,363)</b>	<b>43,960</b>	<b>(4,533,403)</b>
Cost of products, goods and services sold	(3,902,976)	-	(3,902,976)
Material, energy, outsourced services and other	(674,387)	43,960	(630,427)
<b>Gross value added</b>	<b>4,364,907</b>	<b>127,319</b>	<b>4,492,226</b>
<b>Retentions</b>	<b>(225,677)</b>	<b>-</b>	<b>(225,677)</b>
Depreciation and amortization	(225,677)	-	(225,677)
<b>Net value added produced</b>	<b>4,139,230</b>	<b>127,319</b>	<b>4,266,549</b>
<b>Value added received through transfer</b>	<b>335,964</b>	<b>(127,319)</b>	<b>208,645</b>
Equity in the earnings of subsidiaries	(49,150)	-	(49,150)
Financial revenues	385,114	(127,319)	257,795
<b>Total value added to distribute</b>	<b>4,475,194</b>	<b>-</b>	<b>4,475,194</b>
<b>Distribution of value added</b>	<b>4,475,194</b>	<b>-</b>	<b>4,475,194</b>
<b>Personnel</b>	<b>188,340</b>	<b>-</b>	<b>188,340</b>
Direct remuneration	146,012	-	146,012
Benefits	28,965	-	28,965
Government Severance Fund for Employees (FGTS)	11,574	-	11,574
Other	1,789	-	1,789
<b>Taxes, fees and contributions</b>	<b>3,514,806</b>	<b>-</b>	<b>3,514,806</b>
Federal	1,651,879	-	1,651,879
State	1,858,721	-	1,858,721
Local	4,206	-	4,206
<b>Value distributed to providers of capital</b>	<b>700,806</b>	<b>-</b>	<b>700,806</b>
Interest	662,402	-	662,402
Rental	30,695	-	30,695
Other	7,709	-	7,709
<b>Value distributed to shareholders</b>	<b>71,242</b>	<b>-</b>	<b>71,242</b>
Retained earnings	71,242	-	71,242

b) Rules and interpretations effective for annual periods beginning after January 1, 2016

Effective as of January 1, 2016:

- IFRS 14 – Regulatory Deferral Accounts.
- Amendments to IFRS 11 - Accounting of Equity Acquisitions in Joint Operations.
- Amendments to IAS 27 - Option to Use the Equity Method in Separate Financial Statements.
- Amendments to IFRS - Annual Improvements Cycles 2012-2014.
- Amendments to IAS 1 - Clarification of the judgement process for disclosure of the Financial Statements.
- Amendments to IAS 16 and IAS 41 – Property, Plant and Equipment, Biological Assets and Agricultural Produce.
- Amendments to IAS 16 and IAS 38 - Clarifications on the Methods accepted for Depreciation and Amortization.
- Amendments to IFRS 10, IFRS 12 and IAS 28 - Application of consolidation exceptions for investment entities.

Effective for annual periods beginning after January 1, 2017;

- Amendments to IAS 7 – Requirement of disclosure of changes in liabilities arising from financing activities.
- Amendment to IAS 12 – Recognition of deferred tax assets for unrealized losses.

Effective for annual periods beginning after January 1, 2018:

- IFRS 9 - Financial Instruments.
- IFRS 15 - Revenue from Contracts with Customers.
- Amendments to IFRS 2 - Classification and Measurement of Share-based Payment Transactions.

Effective for annual periods beginning or after January 1, 2019:

- IFRS 16 – Leases.

The CPC still has not issued equivalent pronouncements to certain IFRS previously mentioned with effective date of adoption for 2018 and 2019, but is expected to do so before the required date for its effectiveness. The early adoption of the IFRS is subject to the prior approval by CFC's regulatory act.

We do not expect material impacts when the amendments described above become effective.

#### 4. CASH AND CASH EQUIVALENTS

	Company		Consolidated	
	06.30.2016	12.31.2015	06.30.2016	12.31.2015
Money available	159	264	7,889	24,650
Short-term financial investments				
Bank deposit certificate (CDB)	700	83,430	542,544	422,791
<b>TOTAL</b>	<b>859</b>	<b>83,694</b>	<b>550,433</b>	<b>447,441</b>

The short-term investments are highly liquid and convertible into know amounts cash and are subject to a floating rate represented by transactions purchased from financial institutions trading in the domestic financial market. These short-term investments have a daily repurchase commitment by the counterparty financial institution (the repurchase rate is previously agreed upon by the parties) and yield mostly according to the variation of the interbank deposit rate (CDI), with immaterial loss of income in case of early redemption.

The average yield of the investments is 82.0% of the CDI on June 30, 2016 (99.0% of the CDI on December 31, 2015).

The Company's exposure to interest rate risks and a sensitivity analysis of financial assets and liabilities are reported in Note 32.

#### 5. MARKETABLE SECURITIES

	Consolidated	
	06.30.2016	12.31.2015
Bank deposit certificate (CDB)	16,705	9,124
Investment Fund - Pampulha Fund		
Bank deposit certificate (CDB)	15,436	19,773
Treasury bill (LFT)	6,002	5,854
Financial bill (LF)	26,658	29,875
Debentures	7,429	10,043
Other	-	13
<b>TOTAL</b>	<b>72,230</b>	<b>74,682</b>

They are represented by: (i) surety bonds pledged in power auctions, (ii) proceeds from the sale of assets that were held for reinvestment in the electric grid system, (iii) investment funds, and (iv) investments to mature within three months or longer of the

investment date, with loss of value in case of early redemption. The average yield of these investments is 88.4% of the CDI on June 30, 2016 (99.8% of the CDI on December 31, 2015).

## 6. CONSUMERS, CONCESSIONAIRES, PERMISSIONAIRES AND CLIENTS

	Consolidated					
	06.30.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Billed sales	2,005,712	-	2,005,712	1,990,156	-	1,990,156
Unbilled sales	457,205	-	457,205	646,318	-	646,318
Debt payment by installments	122,768	214,368	337,136	100,050	163,942	263,992
Sales in the free market	166,753	-	166,753	138,165	-	138,165
Supply and charges related to use of electric network	23,027	-	23,027	18,796	-	18,796
Other receivables	4,828	54,584	59,412	11,034	54,585	65,619
	<b>2,780,293</b>	<b>268,952</b>	<b>3,049,245</b>	<b>2,904,519</b>	<b>218,527</b>	<b>3,123,046</b>
(-) Allowance for doubtful accounts	(822,925)	-	(822,925)	(705,289)	-	(705,289)
<b>TOTAL</b>	<b>1,957,368</b>	<b>268,952</b>	<b>2,226,320</b>	<b>2,199,230</b>	<b>218,527</b>	<b>2,417,757</b>

An allowance for doubtful accounts was set up based on certain assumptions and in an amount deemed sufficient by Management to meet any asset realization losses.

In the first half of 2016, bad debts were written-off in the amount of R\$83 (R\$467 in the first half of 2015). The write offs were realized against allowance for doubtful accounts already recorded, thus, not impacting the net income for the period.

The balances of debt repayment facilities were adjusted to their present value, as applicable. The discount rate used by Management for the discount at present value of these items is approximately 12.0% p.a., similar to the Company's average borrowing cost in recent years and the financial charges collected from its clients.

Outstanding balances and receivables in connection with invoiced electric power sales and also debt repayment programs are summarized as follows:

BILLED SALES AND INSTALLMENT PAYMENT	Maturing balance	Overdue balances				TOTAL		Allowance for doubtful accounts	
		Up to 90 days	Between 90 and 180 days	Between 180 and 360 days	Overdue over 360 days	06.30.2016	12.31.2015	06.30.2016	12.31.2015
Residential	268,483	220,356	150,704	92,854	125,634	858,031	790,655	(369,193)	(274,940)
Industrial	46,315	14,194	3,546	3,888	71,501	139,444	130,986	(75,208)	(84,411)
Commercial	133,393	72,845	18,517	33,628	256,737	515,120	591,963	(302,635)	(274,128)
Rural	2,690	702	111	430	1,410	5,343	4,601	(1,410)	(581)
Federal public sector	60,347	27,366	13,955	1,489	1,536	104,693	102,959	(1,395)	(251)
State public sector	112,644	36,437	34,764	56,999	37,928	278,772	228,001	(37,420)	(45,387)
Municipal public sector	43,416	42,446	15,164	33,174	45,492	179,692	147,001	(20,807)	(14,133)
Public lighting	26,412	18,419	17,033	12,714	16,624	91,202	97,378	(8,901)	(6,218)
Public utility	44,064	31,238	26,536	46,951	21,762	170,551	160,604	(5,956)	(5,240)
<b>TOTAL</b>	<b>737,764</b>	<b>464,003</b>	<b>280,330</b>	<b>282,127</b>	<b>578,624</b>	<b>2,342,848</b>	<b>2,254,148</b>	<b>(822,925)</b>	<b>(705,289)</b>

Regarding outstanding debits from January 2015 to April 2016, related to the State Government, in the amount of R\$153,254, a decree was published on July 1, 2016 and



is being regulated by the Rio de Janeiro State Revenue Office. This amount will be offset with ICMS taxes in up to 29 months, scheduled to begin in the third quarter of 2016.

In Public Sector segment, part of the outstanding bills of a major client was assumed by the State Government through the offsetting of ICMS, in the amount of R\$38,979, in 12 months. The decree that regulates this law was published on June 30, 2016 and guided the execution of a "Term of Agreement", which will allow the beginning of the tax offsetting only as of the third quarter of 2016. This client's remaining debt, in the amount of R\$48,661, was divided into 36 installments, the first of which, in the amount of R\$1,616, was paid on June 2016.

The balance of the installment payments is distributed according to the original maturity of the bills and there is no Allowance for Doubtful Accounts - PCLD for those installments that are not overdue by more than 90 days.

Changes in consolidated Allowance for Doubtful Accounts - PCLD regarding the billed electricity supply and the debt payment installment plan for the periods of 2016 and 2015:

<b>BALANCE ON 12.31.2015</b>	<b>(705,289)</b>
(Additions)/Reversals (Note 28)	(117,719)
Write-offs	83
<b>BALANCE ON 06.30.2016</b>	<b>(822,925)</b>
<b>BALANCE ON 12.31.2014</b>	<b>(555,144)</b>
(Additions)/Reversals (Note 28)	(54,233)
Write-offs	467
<b>BALANCE ON 06.30.2015</b>	<b>(608,910)</b>

The Company's exposure to credit risks related to consumers, concessionaires, permissionaires and clients is reported in Note 32.

## 7. RECOVERABLE TAXES

	Consolidated					
	06.30.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
<b>TAXES AND CONTRIBUTIONS</b>	<b>193,423</b>	<b>95,591</b>	<b>289,014</b>	<b>90,443</b>	<b>85,939</b>	<b>176,382</b>
ICMS to offset	143,294	80,460	223,754	66,218	84,876	151,094
PIS and COFINS to offset	144	-	144	1,983	-	1,983
Deferred PIS and COFINS <sup>(a)</sup>	28,138	14,069	42,207	-	-	-
INSS	1,718	1,062	2,780	4,430	1,063	5,493
Other	20,129	-	20,129	17,812	-	17,812
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>14,615</b>	<b>-</b>	<b>14,615</b>	<b>86,237</b>	<b>-</b>	<b>86,237</b>
Withholding income tax	12,164	-	12,164	68,454	-	68,454
Advances	2,451	-	2,451	17,783	-	17,783
<b>TOTAL</b>	<b>208,038</b>	<b>95,591</b>	<b>303,629</b>	<b>176,680</b>	<b>85,939</b>	<b>262,619</b>

<sup>(a)</sup> Refers to PIS and COFINS deriving from unbilled revenue of financial assets and liabilities of the sector (see Note 9).

On June 30, 2016, the Parent Company's recoverable taxes totaled R\$753 (R\$647 on December 31, 2015).

## 8. DEFERRED TAXES

	Consolidated					
	06.30.2016			12.31.2015		
	Deferred assets	Deferred liabilities	Deferred net	Deferred assets	Deferred liabilities	Deferred net
<b>DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>974,764</b>	<b>(606,856)</b>	<b>367,908</b>	<b>938,384</b>	<b>(709,640)</b>	<b>228,744</b>
Allowance for doubtful accounts (Note 6)	279,795	-	279,795	239,789	-	239,789
Provision for profit sharing	4,200	-	4,200	9,435	-	9,435
Provision for contingencies (Note 19)	189,523	-	189,523	184,088	-	184,088
Pension plan complement - CVM 695/12 (Note 21)	12,817	-	12,817	10,872	-	10,872
Other	53,061	-	53,061	55,641	(692)	54,949
Tax losses	302,101	-	302,101	320,064	-	320,064
Social contribution tax loss carryforwards	111,783	-	111,783	118,250	-	118,250
Derivative financial instruments (Note 32)	21,484	(68,799)	(47,315)	245	(198,221)	(197,976)
Remuneration of financial assets	-	(341,967)	(341,967)	-	(309,655)	(309,655)
Deemed cost - Light Energia	-	(196,090)	(196,090)	-	(201,072)	(201,072)
<b>GROSS DEFERRED TAX ASSETS/(LIABILITIES)</b>	<b>974,764</b>	<b>(606,856)</b>	<b>367,908</b>	<b>938,384</b>	<b>(709,640)</b>	<b>228,744</b>
Net amount	(387,919)	387,919	-	(441,493)	441,493	-
<b>NET DEFERRED TAX ASSETS/(LIABILITIES)</b>	<b>586,845</b>	<b>(218,937)</b>	<b>367,908</b>	<b>496,891</b>	<b>(268,147)</b>	<b>228,744</b>

In order to support the deferred tax credits recorded, the Company updated the technical feasibility study of tax realization including the amounts realized until June 30, 2016. The study shows the recovery of deferred tax credits recorded on June 30, 2016 in up to 7 years, in accordance with the following annual realization schedule:

2016	189,102
2017	236,409
2018	40,398
2019	116,897
2020	139,057
2021	137,969
2022	114,932
<b>GROSS TOTAL</b>	<b>974,764</b>

## 9. FINANCIAL ASSETS AND LIABILITIES OF THE SECTOR

This item represents balances receivable and/or payable related to financial assets and liabilities incurred of the sector and not yet realized by the energy distribution company's tariff (Light SESA).

On December 10, 2014, Light SESA signed the fourth amendment to the distribution concession agreement, which ensured the right and duty that the remaining balances of any insufficiency or refund through the tariff at the expiration of this concession agreement will be added to or deducted from the indemnity of assets not depreciated or amortized, which allowed to recognize the balances of these regulatory assets and liabilities.

The chart below shows a breakdown of the balance of financial assets and liabilities of the sector on June 30, 2016 and December 31, 2015:

	06.30.2016							
	Current				Non-current		Total	
	Approved Amounts		Next Adjustments		Next Adjustments			
	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES
<b>Portion A items</b>	<b>652,523</b>	<b>(62,782)</b>	<b>22,338</b>	<b>(198,581)</b>	<b>11,169</b>	<b>(99,291)</b>	<b>686,030</b>	<b>(360,654)</b>
Energy Development Account - CDE	303,266	-	-	(71,505)	-	(35,753)	303,266	(107,258)
Power acquisition costs	337,913	-	-	(70,349)	-	(35,175)	337,913	(105,524)
System Service Charges - ESS	-	(60,064)	-	(56,727)	-	(28,363)	-	(145,154)
PROINFA	-	(2,718)	20,156	-	10,078	-	30,234	(2,718)
Electric power transportation - Itaipu	2,072	-	1,994	-	997	-	5,063	-
Electric power transportation through basic network	9,272	-	188	-	94	-	9,554	-
<b>Financial items</b>	<b>19,791</b>	<b>(402,228)</b>	<b>8,077</b>	<b>(136,026)</b>	<b>4,038</b>	<b>(68,013)</b>	<b>31,906</b>	<b>(606,267)</b>
Other financial items	19,791	(309,900)	8,077	-	4,038	-	31,906	(309,900)
Energy overcontracting/involuntary exposure	-	(89,946)	-	(115,540)	-	(57,770)	-	(263,256)
Portion A neutrality	-	(2,382)	-	(20,486)	-	(10,243)	-	(33,111)
<b>Gross financial ASSETS / (LIABILITIES) of the sector</b>	<b>672,314</b>	<b>(465,010)</b>	<b>30,415</b>	<b>(334,607)</b>	<b>15,207</b>	<b>(167,304)</b>	<b>717,936</b>	<b>(966,921)</b>
Net amount	(465,010)	465,010	(30,415)	30,415	(15,207)	15,207	(510,632)	510,632
<b>TOTAL NET (excluding PIS/COFINS rate increase)</b>	<b>207,304</b>	<b>-</b>	<b>-</b>	<b>(304,192)</b>	<b>-</b>	<b>(152,097)</b>	<b>207,304</b>	<b>(456,289)</b>
PIS/COFINS rate increase	19,176	-	-	(28,138)	-	(14,069)	19,176	(42,207)
<b>Financial ASSETS / (LIABILITIES) of the sector</b>	<b>226,480</b>	<b>-</b>	<b>-</b>	<b>(332,330)</b>	<b>-</b>	<b>(166,166)</b>	<b>226,480</b>	<b>(498,496)</b>

	12.31.2015							
	Current		Current		Non-current		Total	
	Approved Amounts		Next Adjustments		Next Adjustments			
	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES
<b>Portion A items</b>	<b>1,615,518</b>	<b>(155,434)</b>	<b>16,096</b>	<b>(6,536)</b>	<b>80,485</b>	<b>(32,684)</b>	<b>1,712,099</b>	<b>(194,654)</b>
Energy Development Account - CDE	750,819	-	15,817	-	79,089	-	845,725	-
Power acquisition costs	836,608	-	-	(478)	-	(2,389)	836,608	(2,867)
System Service Charges - ESS	-	(148,712)	-	(5,340)	-	(26,697)	-	(180,749)
PROINFA	-	(6,722)	-	(26)	-	(131)	-	(6,879)
Electric power transportation - Itaipu	5,131	-	279	-	1,396	-	6,806	-
Electric power transportation through basic network	22,960	-	-	(692)	-	(3,467)	22,960	(4,159)
<b>Financial items</b>	<b>49,046</b>	<b>(996,476)</b>	<b>1,283</b>	<b>(2,971)</b>	<b>6,412</b>	<b>(14,853)</b>	<b>56,741</b>	<b>(1,014,300)</b>
Other financial items	49,046	(767,745)	-	-	-	-	49,046	(767,745)
Energy overcontracting/involuntary exposure	-	(222,831)	685	(2,971)	3,424	(14,853)	4,109	(240,655)
Portion A neutrality	-	(5,900)	598	-	2,988	-	3,586	(5,900)
<b>Gross financial ASSETS / (LIABILITIES) of the sector</b>	<b>1,664,564</b>	<b>(1,151,910)</b>	<b>17,379</b>	<b>(9,507)</b>	<b>86,897</b>	<b>(47,537)</b>	<b>1,768,840</b>	<b>(1,208,954)</b>
Net amount	(1,151,910)	1,151,910	(9,507)	9,507	(47,537)	47,537	(1,208,954)	1,208,954
<b>TOTAL NET (excluding PIS/COFINS rate increase)</b>	<b>512,654</b>	<b>-</b>	<b>7,872</b>	<b>-</b>	<b>39,360</b>	<b>-</b>	<b>559,886</b>	<b>-</b>
PIS/COFINS rate increase (Note 16)	47,421	-	728	-	3,641	-	51,790	-
<b>Financial ASSETS / (LIABILITIES) of the sector</b>	<b>560,075</b>	<b>-</b>	<b>8,600</b>	<b>-</b>	<b>43,001</b>	<b>-</b>	<b>611,676</b>	<b>-</b>

The chart below shows the changes in the balance of financial assets and liabilities of the sector in the periods of 2016 and 2015:

<b>BALANCE ON 12.31.2015</b>	<b>611,676</b>
(+) Recognition <sup>(a)</sup>	(576,217)
(-) Amortization <sup>(a)</sup>	(368,711)
(+) Selic rate update (Note 30)	61,236
<b>BALANCE ON 06.30.2016</b>	<b>(272,016)</b>
<b>BALANCE ON 12.31.2014</b>	<b>1,114,170</b>
(+) Recognition <sup>(a)</sup>	962,686
(-) Amortization <sup>(a)</sup>	(356,696)
(-) Funds received from ACR and CCRBT account <sup>(a)</sup>	(875,038)
(+) Selic rate update (Note 30)	50,296
<b>BALANCE ON 06.30.2015</b>	<b>895,418</b>

(a) Balances recognized in the statement of income, under Net Revenue, Financial assets and liabilities of the sector – Unbilled

(b) revenue (see Note 26).

The chart below shows the changes in the net balance of financial assets and liabilities of the sector and excluding the effect of the PIS/COFINS tax increase by tariff cycle:

	Ratified by Aneel in adjustment of 11.05.2015	Next tariff adjustments	Total
Balance ratified by Aneel in adjustment of 11.05.2015	603,772	-	603,772
Financial assets and liabilities of the sector (Amortization/Recognition)	(91,116)	47,230	(43,886)
<b>BALANCE ON 12.31.2015</b>	<b>512,656</b>	<b>47,230</b>	<b>559,886</b>
Financial assets and liabilities of the sector (Amortization/Recognition)	(305,352)	(503,519)	(808,871)
<b>BALANCE ON 06.30.2016</b>	<b>207,304</b>	<b>(456,289)</b>	<b>(248,985)</b>

## 10. CONCESSION'S FINANCIAL ASSETS

These represent the amounts receivable at the end of concession from the granting authority, or any of its agents, by way of compensation for investments made and not recovered through services rendered related to subsidiary Light SESA's concession.

Below, the changes in the balances related to indemnifiable assets at the end of concession, in the periods of 2016 and 2015:

	Gross Financial Assets	Special Obligations	Net Financial Assets
<b>BALANCE ON 12.31.2015</b>	<b>3,309,003</b>	<b>(376,170)</b>	<b>2,932,833</b>
Additions <sup>(a)</sup>	369,475	(199,574)	169,901
Adjustment to New Replacement Value (VNR) <sup>(c)</sup>	102,400	(7,366)	95,034
Write-offs	(5,702)	-	(5,702)
<b>BALANCE ON 06.30.2016</b>	<b>3,775,176</b>	<b>(583,110)</b>	<b>3,192,066</b>

	Gross Financial Assets	Special Obligations	Net Financial Assets
<b>BALANCE ON 12.31.2014</b>	<b>2,593,528</b>	<b>(147,085)</b>	<b>2,446,443</b>
Additions <sup>(a)</sup>	122,118	(184,399)	(62,281)
Adjustment to New Replacement Value (VNR) <sup>(c)</sup>	897,880	(6,421)	891,459
Write-offs	(451)	-	(451)
<b>BALANCE ON 06.30.2016</b>	<b>3,613,075</b>	<b>(337,905)</b>	<b>3,275,170</b>

<sup>(a)</sup> Transfer resulting from the bifurcation of assets after start-up, pursuant to IFRIC 12 / ICPC 01 (see Note 14).

<sup>(b)</sup> Aneel's Normative Resolution No. 686/2015 amended the Tariff Regulation Procedure (PRORET), changing the index of the ratified indemnifiable financial assets since the last tariff review process, from IGPM to IPCA (see Note 30).

## 11. OTHER RECEIVABLES

	Consolidated					
	06.30.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Advances to suppliers	12,039	-	12,039	25,295	-	25,295
Public lighting fee	54,435	-	54,435	45,010	-	45,010
Expenditures to refund	79,247	-	79,247	74,342	-	74,342
Subsidy to low-income segment	11,114	-	11,114	4,453	-	4,453
CDE subsidy <sup>(a)</sup>	2,791	-	2,791	29,328	-	29,328
Contribution from Tariff Flags <sup>(b)</sup>	-	-	-	456	-	456
Assets and rights allocated for sale	-	2,147	2,147	-	2,147	2,147
Other <sup>(c)</sup>	65,024	175	65,199	50,984	-	50,984
<b>TOTAL</b>	<b>224,650</b>	<b>2,322</b>	<b>226,972</b>	<b>229,868</b>	<b>2,147</b>	<b>232,015</b>

<sup>(a)</sup> Includes subsidy resulting from Decrees 7945/13 and 8221/14.

<sup>(b)</sup> Aneel Normative Resolution 649/2015 (Centralized account of "tariff flag" resources - CCRBT).

<sup>(c)</sup> It refers to sundry receivables.

## 12. INVESTMENTS

	Parent Company		Consolidated	
	06.30.2016	12.31.2015	06.30.2016	12.31.2015
Measured by the equity method: *				
Light SESA	2,465,185	2,549,436	-	-
Light Energia	674,285	690,991	-	-
Renova Energia <sup>(b)</sup>	-	-	430,270	480,275
Guanhães Energia <sup>(a)(b)</sup>	-	-	3,783	11,858
Light Esco	103,757	100,074	-	-
Lightcom	23,866	13,574	-	-
Light Soluções	2,827	3,228	-	-
Lightger <sup>(b)</sup>	42,339	38,983	42,339	38,983
Itaocara Energia <sup>(a)</sup>	32,540	33,361	-	-
Axxiom <sup>(b)</sup>	22,547	24,685	22,547	24,685
Amazônia Energia <sup>(a)(b)</sup>	234,106	169,886	234,106	169,886
Energia Olímpica <sup>(b)</sup>	2,497	2,497	2,497	2,497
<b>SUBTOTAL</b>	<b>3,603,949</b>	<b>3,626,715</b>	<b>735,542</b>	<b>728,184</b>
Goodwill from future profitability	2,034	2,034	2,034	2,034
Other permanent investments	-	-	18,352	19,427
<b>SUBTOTAL</b>	<b>2,034</b>	<b>2,034</b>	<b>20,386</b>	<b>21,461</b>
<b>TOTAL INVESTMENTS</b>	<b>3,605,983</b>	<b>3,628,749</b>	<b>755,928</b>	<b>749,645</b>

<sup>(a)</sup> Company at pre-operational stage

<sup>(b)</sup> Refers to investments calculated based on the shareholders' equity for the purposes of equity in the earnings (losses) of subsidiaries

\* Light Institute has a balance of less than R\$1 for the periods presented.

Information on subsidiaries (consolidated) and jointly-controlled entities (equity income and proportional balances) is as follows:

Subsidiaries and jointly owned subsidiaries - Interest		Parent Company							
		Shareholders' equity		Dividends receivable		Dividends received		Profit / (Loss) for the period	
		06.30.2016	12.31.2015	06.30.2016	12.31.2015	06.30.2016	06.30.2015	06.30.2016	06.30.2015
Light SESA	100.0%	2,465,185	2,549,436	-	-	-	-	(80,667)	3,478
Light Energia	100.0%	674,285	690,991	(3,834)	(3,834)	-	-	(14,273)	37,204
Light Esco	100.0%	103,757	100,074	(1,428)	-	-	-	5,110	(765)
Lightcom	100.0%	23,866	13,574	-	-	(29,176)	(46,108)	39,469	42,273
Light Soluções	100.0%	2,827	3,228	(498)	(369)	-	-	(274)	345
Lightger	51.0%	42,339	38,983	-	-	-	-	3,355	(811)
Itaocara Energia	100.0%	32,540	33,361	-	-	-	-	(817)	(494)
Axxiom	51.0%	22,547	24,685	(150)	-	-	-	(1,990)	268
Amazônia Energia	25.5%	234,106	169,886	-	-	-	-	(240)	(1,026)
Energia Olímpica	50.1%	2,497	2,497	-	-	-	-	-	-
		<b>3,603,949</b>	<b>3,626,715</b>	<b>(5,910)</b>	<b>(4,203)</b>	<b>(29,176)</b>	<b>(46,108)</b>	<b>(50,327)</b>	<b>80,472</b>

Consolidated							
Jointly owned subsidiaries - Interest	Shareholders' equity		Dividends receivable		Profit / (Loss) for the period		
	06.30.2016	12.31.2015	06.30.2016	12.31.2015	06.30.2016	06.30.2015	
Light Energia							
Renova Energia	15.7%	370,202	417,050	-	-	(92,718)	(13,446)
Guanhães Energia	51.0%	3,783	11,858	-	-	(7,412)	(2,885)
Lightger	51.0%	42,339	38,983	-	-	3,355	(811)
Axxiom	51.0%	22,547	24,685	(150)	-	(1,990)	268
Amazônia Energia	25.5%	234,106	169,886	-	-	(240)	(1,026)
Energia Olímpica	50.1%	2,497	2,497	-	-	-	-
		<b>675,474</b>	<b>664,959</b>	<b>(150)</b>	<b>-</b>	<b>(99,005)</b>	<b>(17,900)</b>

#### Other information:

Parent Company				
Subsidiaries and jointly owned subsidiaries	Paid-up capital		Total Assets	
	06.30.2016	12.31.2015	06.30.2016	12.31.2015
Light SESA	2,189,365	2,189,365	11,469,239	11,996,311
Light Energia	77,422	77,422	2,221,442	2,306,651
Light Esco	79,584	79,584	243,380	240,833
Lightcom	4,500	4,500	138,951	125,723
Light Soluções	1,350	1,350	5,520	6,327
Lightger	40,408	40,408	95,451	93,941
Itaocara Energia	40,600	40,597	38,225	36,744
Axxiom	23,766	23,766	44,757	45,032
Amazônia Energia	238,039	184,469	211,841	169,717
Energia Olímpica	-	-	5,463	5,463

Consolidated				
Jointly owned subsidiaries	Paid-up capital		Total Assets	
	06.30.2016	12.31.2015	06.30.2016	12.31.2015
Light Energia				
Renova Energia	447,138	407,543	953,467	955,923
Guanhães Energia	70,180	70,180	118,739	119,970
Lightger	40,408	40,408	95,451	93,941
Axxiom	23,766	23,766	44,757	45,032
Amazônia Energia	238,039	184,469	211,841	169,717
Energia Olímpica	-	-	5,463	5,463

\* Energia Olímpica has a balance of paid-up capital of less than R\$1 in the periods presented.



Changes in subsidiaries (consolidated) and jointly-controlled entities (equity income) in the periods of 2016 and 2015:

	Parent Company						06.30.2016
	12.31.2015	Capital increase	Dividends	Comprehensive income <sup>(a)</sup>	Equity in the earnings of subsidiaries		
					Other	Profit & Loss	
Light SESA	2,549,436	-	-	(3,584)	-	(80,667)	2,465,185
Light Energia	690,991	-	-	(2,431)	(2)	(14,273)	674,285
Light Esco	100,074	-	(1,428)	-	1	5,110	103,757
Lightcom	13,574	-	(29,176)	-	(1)	39,469	23,866
Light Soluções	3,228	-	(128)	-	1	(274)	2,827
Lightger	38,983	-	-	-	1	3,355	42,339
Itaocara Energia	33,361	-	-	-	(4)	(817)	32,540
Axxiom	24,685	-	(150)	-	2	(1,990)	22,547
Amazônia Energia	169,886	64,653	-	-	(193)	(240)	234,106
Energia Olímpica	2,497	-	-	-	-	-	2,497
<b>TOTAL</b>	<b>3,626,715</b>	<b>64,653</b>	<b>(30,882)</b>	<b>(6,015)</b>	<b>(195)</b>	<b>(50,327)</b>	<b>3,603,949</b>

<sup>(a)</sup> The comprehensive income of the Light Energia subsidiary refers to: (i) currency conversion effect on the indirect investee Renova Energia from investments abroad, and (ii) recognition of an actuarial liability loss. The comprehensive income of the subsidiary Light SESA refers to recognition of an actuarial liability loss.

	Parent Company						06.30.2015
	12.31.2014	Capital increase	Dividends	Comprehensive income	Equity in the earnings of subsidiaries		
					Other	Profit & Loss	
Light SESA	2,481,594	-	-	-	-	3,478	2,485,072
Light Energia	777,818	-	-	-	1	37,204	815,023
Light Esco	100,826	-	-	-	(316)	(765)	99,745
Lightcom	28,100	-	(46,108)	-	-	42,273	24,265
Light Soluções	3,097	-	-	-	-	345	3,442
Lightger	40,488	-	-	-	-	(811)	39,677
Itaocara Energia	24,797	171	-	-	(2)	(494)	24,472
Axxiom	24,598	-	-	-	(104)	268	24,762
Amazônia Energia	138,631	20,930	-	-	(3,690)	(1,026)	154,845
<b>TOTAL</b>	<b>3,619,949</b>	<b>21,101</b>	<b>(46,108)</b>	<b>-</b>	<b>(4,111)</b>	<b>80,472</b>	<b>3,671,303</b>

	Consolidated						06.30.2016
	12.31.2015	Capital increase	Dividends	Comprehensive income	Equity in the earnings of subsidiaries		
					Other	Profit & Loss	
Light Energia							
Renova Energia	480,275	40,000	-	(2,240)	4,953	(92,718)	430,270
Guanhães Energia	11,858	-	-	-	(663)	(7,412)	3,783
Lightger	38,983	-	-	-	1	3,355	42,339
Axxiom	24,685	-	(150)	-	2	(1,990)	22,547
Amazônia Energia	169,886	64,653	-	-	(193)	(240)	234,106
Energia Olímpica	2,497	-	-	-	-	-	2,497
<b>TOTAL</b>	<b>728,184</b>	<b>104,653</b>	<b>(150)</b>	<b>(2,240)</b>	<b>4,100</b>	<b>(99,005)</b>	<b>735,542</b>

	Consolidated						06.30.2015
	12.31.2014	Capital increase	Dividends	Comprehensive income	Equity in the earnings of subsidiaries		
					Other	Profit & Loss	
Light Energia							
Renova Energia	514,543	-	-	-	(5,333)	(13,446)	495,764
Guanhães Energia	86,766	-	-	-	(22,125)	(2,885)	61,756
Lightger	40,488	-	-	-	-	(811)	39,677
Axxiom	24,598	-	-	-	(104)	268	24,762
Amazônia Energia	138,631	20,930	-	-	(3,690)	(1,026)	154,845
<b>TOTAL</b>	<b>805,026</b>	<b>20,930</b>	<b>-</b>	<b>-</b>	<b>(31,252)</b>	<b>(17,900)</b>	<b>776,804</b>

Below, the full balances on June 30, 2016 and December 31, 2015 and the results for the first half of 2016 and 2015 of the main jointly-controlled entities which were recorded under the equity method:

06.30.2016	Axiom	Amazônia	Lightger	Renova	Guanhães	Energia Olímpica
<b>ASSETS</b>						
Current	61,481	243	29,416	205,132	164	10,871
Cash and cash equivalents	9,062	231	25,498	67,629	22	8,269
Other	52,419	12	3,918	137,503	142	2,602
Non-current	26,278	874,330	157,742	5,867,904	232,657	33
<b>TOTAL ASSETS</b>	<b>87,759</b>	<b>874,573</b>	<b>187,158</b>	<b>6,073,036</b>	<b>232,821</b>	<b>10,904</b>
<b>LIABILITIES</b>						
Current	33,276	98	14,231	1,705,362	225,404	5,920
Loans, financing and debentures	8,594	-	8,485	1,022,540	222,584	-
Other	24,682	98	5,746	682,822	2,820	5,920
Non-current	9,412	-	89,882	2,009,695	-	-
Loans, financing and debentures	7,965	-	89,882	1,670,052	-	-
Other	1,447	-	-	339,643	-	-
Shareholders' equity	45,071	874,475	83,045	2,357,979	7,417	4,984
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>87,759</b>	<b>874,573</b>	<b>187,158</b>	<b>6,073,036</b>	<b>232,821</b>	<b>10,904</b>

1H16	Axiom	Amazônia	Lightger	Renova	Guanhães
<b>STATEMENT OF INCOME</b>					
Net revenue from sales	26,994	-	11,828	220,397	-
Cost of sales	(26,280)	-	-	(237,309)	-
<b>GROSS PROFIT/ (LOSS)</b>	<b>714</b>	<b>-</b>	<b>11,828</b>	<b>(16,912)</b>	<b>-</b>
General and administrative expenses	(3,825)	(628)	(980)	(20,592)	-
Equity in the earnings of subsidiaries	-	(328)	-	3,265	-
Investment losses <sup>(1)</sup>	-	-	-	(445,906)	-
Other revenues	-	-	-	20,373	-
Net financial result	184	14	(3,146)	(190,395)	(14,533)
<b>EARNINGS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(2,927)</b>	<b>(942)</b>	<b>7,702</b>	<b>(650,167)</b>	<b>(14,533)</b>
Income tax and social contribution	(975)	-	(1,123)	59,610	-
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>(3,902)</b>	<b>(942)</b>	<b>6,579</b>	<b>(590,557)</b>	<b>(14,533)</b>

<sup>(1)</sup> Renova Energia recorded a loss of R\$445,906 in the period of 2016, of which (i) R\$271,509 refers to the provision for impairment losses in the investment in Terraform Global, due to the period decline in its share price, and (ii) R\$174,397 refers to estimated losses with the put option Renova Energia holds against SunEdison, given that the latter has announced that it has filed a request for Court-Supervised Reorganization in April 2016.

12.31.2015	Axiom	Amazônia	Lightger	Renova	Guanhães	Energia Olímpica
<b>ASSETS</b>						
Current	73,977	464	23,254	550,630	2,012	10,871
Cash and cash equivalents	6,885	453	18,381	66,147	1,460	8,269
Other	67,092	11	4,873	484,483	552	2,602
Non-current	14,322	682,970	160,944	5,472,831	233,224	33
<b>TOTAL ASSETS</b>	<b>88,299</b>	<b>683,434</b>	<b>184,198</b>	<b>6,023,461</b>	<b>235,236</b>	<b>10,904</b>
<b>LIABILITIES</b>						
Current	33,827	94	14,457	1,497,006	211,985	5,920
Loans, financing and debentures	6,367	-	8,460	762,584	211,502	-
Other	27,460	94	5,997	734,422	483	5,920
Non-current	5,819	-	93,303	1,898,539	-	-
Loans, financing and debentures	5,006	-	93,303	1,609,672	-	-
Other	813	-	-	288,867	-	-
Shareholders' equity	48,653	683,339	76,438	2,627,916	23,251	4,984
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>88,299</b>	<b>683,433</b>	<b>184,198</b>	<b>6,023,461</b>	<b>235,236</b>	<b>10,904</b>

1H15	Axiom	Amazônia	Lightger	Renova	Guanhães
<b>STATEMENT OF INCOME</b>					
Net revenue from sales	28,528	-	3,385	205,128	-
Cost of sales	(24,527)	-	-	(107,402)	-
<b>GROSS PROFIT</b>	<b>4,001</b>	<b>-</b>	<b>3,385</b>	<b>97,726</b>	<b>-</b>
General and administrative expenses	(2,969)	(664)	(956)	(56,982)	(5,656)
Equity in the earnings of subsidiaries	-	(3,376)	-	(20,917)	-
Net financial result	(201)	18	(3,159)	(91,528)	-
<b>EARNINGS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>831</b>	<b>(4,022)</b>	<b>(730)</b>	<b>(71,701)</b>	<b>(5,656)</b>
Income tax and social contribution	(305)	-	(860)	(13,027)	-
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>526</b>	<b>(4,022)</b>	<b>(1,590)</b>	<b>(84,728)</b>	<b>(5,656)</b>

On June 30, 2016, current liabilities from the jointly-controlled indirect entity Guanhães Energia were higher than current assets by R\$225,240 (R\$209,973 on December 31, 2015). Guanhães Energia's Management has been adopting measures to improve its financial structure and working capital, including the rescheduling of its financing, the extension of its loans with financial institutions and possible capital transfers from shareholders.

On June 30, 2016, current liabilities from the jointly-controlled indirect entity Renova Energia were higher than current assets by R\$1,500,230 (R\$946,376 on December 31, 2015). Renova Energia's Management has been adopting measures to improve its financial structure and working capital, including the extension of its debt with the BNDES by taking out long-term financing to replace the bridge loans, the capital injection from the shareholders, the restructuring and reduction of administrative costs, and the postponement of certain projects to equalize Renova Energia's cash flow.

a) Consortia

- Itaocara Hydroelectric Power Plant Consortium

The Company, through the subsidiary Itaocara Energia, holds a 51% interest in the UHE Itaocara consortium, while Cemig Geração e Transmissão S.A. – Cemig GT holds the other 49.0%. The consortium aims to explore the Itaocara hydroelectric power plant. Assets and liabilities balances referring to the participation in the Consortium are incorporated into the subsidiary's balances. On December 28th, 2011, IBAMA granted the prior license and on July 29, 2013, Itaocara Hydroelectric Power Plant obtained the installation license allowing the beginning of works. On October 23, 2015, the concession agreement was signed by UHE Itaocara Consortium, related to the concession of the Hydroelectric Power Plant Itaocara I, with energy sold for 30 years, in the regulated trading environment (ACR), for R\$154.99/MWh (reference date – April 2015). The Consortium is expected to begin operations in 2019 <sup>(1)</sup>.

- Maracanã Solar Consortium

The Company, through subsidiary Light Esco, holds a 51.0% interest in the Maracanã Solar consortium, whereas EDF Consultoria holds 49.0% interest. The consortium aims at the development, construction and operation of a photovoltaic plant with capacity of 391 kWp, installed on the top of the Maracanã stadium. The construction has been concluded in the second quarter of 2013.

The original contract entered into with the State of Rio de Janeiro established the recovery of the invested amount through the sale of energy. In August 2013, the Company signed an amendment with the state of Rio de Janeiro, changing the way the investment is to be recovered to the sale of quotas of the photovoltaic plant, through the Maracanã Solar seal. However, as the quotas still have been negotiated, Management provisioned 100% of the investment on December 31, 2013, because it does not expect to recover the fixed assets invested by the Consortium.

- Água Limpa Hydroelectric Power Plant Consortium

The Company, through its subsidiary Light Energia, is a party to the Água Limpa Hydroelectric Power Plant Consortium, with a 51.0% interest, and the other party is Cemig GT, with a 49.0% interest. The consortium's purpose is to analyze participation in the project to implement, operate, maintain and commercially explore the project. There were no relevant expenses incurred until June 30, 2016.

<sup>(1)</sup> Information on estimated start-up was not revised by independent auditors.

b) Renova Energia

- Sale of assets of the jointly-controlled entity Renova Energia to TerraForm Global, Inc. ("TerraForm Global")

On September 19, 2015, the first phase of the operation between Renova Energia and TerraForm Global was concluded with the sale of operating wind assets of Bahia and Salvador projects. The projects' assets were sold for R\$451,000 in cash (already received) and R\$845,026 in Terraform Global shares, respectively. This operation resulted in a gain of R\$70,433 for the subsidiary Light Energia, recognized as equity in the earnings (losses) of subsidiaries in 2015 due to the interest held by Light Energia in Renova Energia.

- Termination of Phase II of Renova Energia's Agreement with TerraForm Global

On December 1, 2015, Renova Energia received a notification from TerraForm Global declaring the termination of the second phase of its Agreement with TerraForm Global and SunEdison. One of the conditions precedent for the completion of this phase of the agreement was the conclusion of the sale to SunEdison of Light Energia's interest in the controlling interest of Renova Energia. With the non-fulfillment of the sale of this interest, the second phase of the Agreement was automatically terminated.

- SunEdison's request for Court-Supervised Reorganization

On April 21, 2016, SunEdison, TerraForm Global's parent company, filed for Chapter 11 in the United States. The Jointly controlled entity Renova Energia has a put option agreement with SunEdison related to TerraForm Global's shares, which influenced the financial instrument's pricing based on the risk model defined by Renova Energia.

- Execution of Renova Energia's Shareholders Support Agreement

On February 26, 2016, the Shareholders Support Agreement was entered into by the Light Energia subsidiary, RR Participações, Cemig GT, Planner Trustee Distribuidora de Títulos e Valores Mobiliários Ltda., with Renova Energia as the intervening party. The members of Renova Energia's Controlling Interest pledged to invest resources in the subsidiary, in the form of capital stock, if there are insufficient resources available in Renova Energia for the payment of interest of its 3rd debenture issue. According to Light Energia's interest in Renova Energia's capital stock, the estimated value of this possible future liability is approximately R\$12,000, without scheduled settlement.

- Capital increase in the Jointly controlled entity Renova Energia

On February 2, 2016, Renova's Management approved a capital increase of R\$731,248 by issuing up to 81,587,997 new common shares and up to 28,208,946 new preferred shares.

In the first half of 2016, Cemig Geração e Transmissão S.A - Cemig GT and the subsidiary Light Energy made capital transfers of R\$240,000 and R\$40,000, respectively.

The Capital Increase is one of the initiatives to follow up with Renova Energia's business plan after the termination of the transaction's Phase II with TerraForm Global and strengthened the Company's cash and cope with the implementation of the projects already under construction and in development phase, as well as to honor the holding company's expenses and debt.

- Termination of the Purchase and Sale Agreement of Renova Shares ("CCVA") between the Light Energia subsidiary and SunEdison, INC. ("SunEdison").

On December 1, 2015, Light Energia received a notification from SunEdison declaring the termination of the CCVA.

Under the terms of the Agreement, if the closing of the Transaction did not occur until November 30, 2015, either party could, through a notice to the other party, terminate the CCVA without any charges. The completion of the Transaction was subject to a number of conditions precedent and, although some of these conditions had not been fully met, SunEdison and Light Energia were negotiating to conclude the Transaction. However, due to adverse market conditions, the negotiations did not prosper.

- SunEdison's request for Court-Supervised Reorganization

On April 1, 2016, the contract for the sale of ESPRA's assets by Renova Energia, as set forth in the first phase of the agreement signed with TerraForm Global, was terminated. The contract cancellation was agreed between the parties upon payment of a break-up fee totaling US\$10.0 million by TerraForm Global to Renova Energia. On the same date, Renova Energia notified SunEdison and TerraForm Global of its intention to exercise the put option for seven million shares it holds in TerraForm Global. On April 21, 2016, SunEdison filed a request for court-supervised reorganization and Renova Energia is taking all the applicable legal measures to ensure the exercise of its rights.

#### c) Capital increase in the subsidiary Light SESA

On December 30, 2015, the parent company Light S.A. made a contribution of R\$107,000 to the subsidiary Light SESA.

#### d) Reversal of added value of the Jointly controlled entity Guanhães Energia

On December 31, 2015, the Company reassessed the recoverability of the added value registered in the Jointly controlled entity Guanhães Energia and, due to the estimated results, decided to lower the goodwill recorded in the amount of R\$16,229, in the equity line.

- e) Nonadherence by the subsidiary Light Energia and the Jointly controlled entity Lightger to the renegotiation proposal of the hydrological risk

In January 2016, after the evaluation of the several scenarios of the Differences Settlement Price ("PLD"), together with the obligations and rights defined by Aneel's Normative Resolution No. 684/2015, the Company decided not to adhere to the renegotiation proposal of the hydrological risk in the Free Market ("ACL"), pursuant to the conditions set out.

- f) Conclusions of the independent research in Norte Energia (NESA)

The Eletrobras - Centrais Elétricas Brasileiras SA ("Eletrobras") and Light S.A. (indirectly through Amazônia Energia SA) hold 49.98% and 2.49% of the share capital of Norte Energia S.A. ("NESA"). Eletrobras has hired a specialized law firm to conduct an independent internal investigation with the purpose of ascertaining any irregularities in ventures in which it holds a corporate interest, including NESA. This procedure was motivated by investigations that were being carried out by the Public Prosecutor's Office on irregularities involving some of the contractors and suppliers in investments where Eletrobras was a shareholder, including NESA.

The final reports of the independent internal investigation include certain findings with estimated impacts on the NESA financial statements, and it has been determined that certain contracts with some contractors and suppliers of the Belo Monte UHE project have estimated impacts of 1% of the contract price, plus some other estimates of fixed amounts, to include bribes and manipulation activities of proposals considered of illicit nature.

#### Impacts on the financial statements

Based on the findings and results identified by the independent internal investigation, NESA Management evaluated CPC27 - Fixed Assets, correlated to International Accounting Standards - IAS 16 - Assets and Equipment and concluded that the amount of R\$183,000 attributable to possible over-invoicing Bribes and / or fraudulent bids and activities considered to be illegal should not have been included in the historical cost of their assets, since they would not be necessary to place the assets in the location and condition necessary for their operation.

The NESA Management has also concluded that it is impracticable to accurately identify the periods of previous financial statements in which excess capitalized costs may have occurred because the information provided by the independent internal investigation does not specify individual contracts, payments and disclosed periods in which such excesses may have occurred. It should also be pointed out that the alleged undue payments were not made by NESA, but by contractors and suppliers of the Belo Monte UHE, which also prevents the identification of the amounts and precise payment periods.

Accordingly, NESA applied the procedure set forth in IAS-8 - Accounting Policies, Changes in Estimates and Error Rectification, adjusting the estimated amounts of capitalized excess costs, in the amount of R\$183,000, related to illegal payments in the result for the year ended On December 31, 2015 due to the impracticability of the identification of adjustments for each affected period.

As a consequence of the adjustment recorded by NESA, the Company recognized, on December 31, 2015, an adjustment in the amount of R\$4,559, in the investment account against the equity accounting result, in compliance with the provisions of IAS-8 - Accounting Policies, Changes of Estimation and Rectification of Error.

Considering that the independent internal investigation was completed on a date subsequent to the approval for the issuance of the financial statements for the year ended December 31, 2015 and interim accounting information for the periods ended March 31, 2016 and June 30, 2016 of Light S.A., Management concluded that there is a need to restate these annual and quarterly financial statements.

Other investigations and legal actions conducted by public entities involving other shareholders of Norte Energia S.A. and certain executives of these other shareholders are in progress. As the evolution of these investigations and legal measures produce relevant information, the Company will evaluate any additional impacts on the financial statements, which will be accounted for and / or disclosed when applicable.



### 13. PROPERTY, PLANT AND EQUIPMENT

	Consolidated				
	06.30.2016				12.31.2015
	Average annual rate	Historical cost	Accumulated depreciation	Net value	Net value
Generation	3.32	2,797,151	(1,724,509)	1,072,642	1,090,207
Transmission	3.91	57,984	(45,085)	12,899	13,237
Distribution <sup>(a)</sup>	10.27	24,700	(23,685)	1,015	1,137
Administration	7.96	383,870	(224,053)	159,817	165,926
Trading	7.43	99,218	(20,215)	79,003	82,013
<b>IN SERVICE</b>		<b>3,362,923</b>	<b>(2,037,547)</b>	<b>1,325,376</b>	<b>1,352,520</b>
Generation		246,792	-	246,792	231,921
Administration		144,088	-	144,088	125,192
<b>IN PROGRESS</b>		<b>390,880</b>	<b>-</b>	<b>390,880</b>	<b>357,113</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>		<b>3,753,803</b>	<b>(2,037,547)</b>	<b>1,716,256</b>	<b>1,709,633</b>

<sup>(a)</sup> Distribution property, plant and equipment refers to non-electrical equipment

The statement below summarizes the changes in property, plant and equipment in the periods of 2016 and 2015:

	Consolidated				Balance on 06.30.2016
	Balance on 12.31.2015	Additions	Write-offs	Transfer to Service	
<b>PROPERTY, PLANT AND EQUIPMENT IN SERVICE</b>					
Cost					
Land	104,976	-	-	-	104,976
Reservoir, dams and water mains	1,276,706	-	(117)	1,700	1,278,289
Buildings, works and improvements	292,842	-	(72)	111	292,881
Machinery and equipment	1,540,087	-	(4,001)	15,313	1,551,399
Vehicles	14,589	-	(2,001)	1,682	14,270
Furniture and fixtures	123,641	-	(21)	584	124,204
Special obligations	(398)	-	-	(2,698)	(3,096)
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT IN SERVICE - COST</b>	<b>3,352,443</b>	<b>-</b>	<b>(6,212)</b>	<b>16,692</b>	<b>3,362,923</b>
(-) Depreciation					
Reservoir, dams and water mains	(861,987)	(10,643)	90	-	(872,540)
Buildings, works and improvements	(176,229)	(3,099)	59	-	(179,269)
Machinery and equipment	(837,425)	(28,776)	3,982	-	(862,219)
Vehicles	(13,730)	(173)	1,895	-	(12,008)
Furniture and fixtures	(110,571)	(988)	21	-	(111,538)
Special obligations	19	8	-	-	27
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT IN SERVICE - COST/DEPRECIATION</b>	<b>(1,999,923)</b>	<b>(43,671)</b>	<b>6,047</b>	<b>-</b>	<b>(2,037,547)</b>
<b>PROPERTY, PLANT AND EQUIPMENT IN PROGRESS</b>					
Land	505	269	-	-	774
Reservoir, dams and water mains	39,935	2,552	-	-	42,487
Buildings, works and improvements	51,597	2,228	(675)	(111)	53,039
Machinery and equipment	230,236	50,168	(1,839)	(18,935)	259,630
Vehicles	162	4	-	-	166
Furniture and fixtures	1,830	35	-	(344)	1,521
Studies and projects	32,848	415	-	-	33,263
Special obligations	-	(2,698)	-	2,698	-
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT IN PROGRESS</b>	<b>357,113</b>	<b>52,973</b>	<b>(2,514)</b>	<b>(16,692)</b>	<b>390,880</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,709,633</b>	<b>9,302</b>	<b>(2,679)</b>	<b>-</b>	<b>1,716,256</b>

	Consolidated				Balance on 06.30.2015
	Balance on 12.31.2014	Additions	Write-offs	Transfer to Service	
<b>PROPERTY, PLANT AND EQUIPMENT IN SERVICE</b>					
Cost					
Land	104,976	-	-	-	104,976
Reservoir, dams and water mains	1,265,186	-	-	10,776	1,275,962
Buildings, works and improvements	286,532	-	-	5,277	291,809
Machinery and equipment	1,497,460	-	(212)	2,521	1,499,769
Vehicles	14,451	-	-	-	14,451
Furniture and fixtures	129,994	-	(6,384)	-	123,610
Special obligations	(398)	-	-	-	(398)
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT IN SERVICE - COST</b>	<b>3,298,201</b>	<b>-</b>	<b>(6,596)</b>	<b>18,574</b>	<b>3,310,179</b>
(-) Depreciation					
Reservoir, dams and water mains	(840,743)	(10,631)	-	-	(851,374)
Buildings, works and improvements	(170,107)	(3,034)	-	-	(173,141)
Machinery and equipment	(782,945)	(27,292)	207	-	(810,030)
Vehicles	(13,334)	(189)	-	-	(13,523)
Furniture and fixtures	(113,788)	(1,785)	6,384	-	(109,189)
Special obligations	4	-	-	-	4
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT IN SERVICE - COST/DEPRECIATION</b>	<b>(1,920,913)</b>	<b>(42,931)</b>	<b>6,591</b>	<b>-</b>	<b>(1,957,253)</b>
<b>PROPERTY, PLANT AND EQUIPMENT IN PROGRESS</b>					
Land	228	27	-	-	255
Reservoir, dams and water mains	43,229	2,185	-	(10,776)	34,638
Buildings, works and improvements	53,951	2,770	(2,589)	(5,591)	48,541
Machinery and equipment	191,679	15,163	-	(2,207)	204,635
Vehicles	20	-	-	-	20
Furniture and fixtures	1,394	210	(209)	-	1,395
Studies and projects	37,298	26	(4,724)	-	32,600
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT IN PROGRESS</b>	<b>327,799</b>	<b>20,381</b>	<b>(7,522)</b>	<b>(18,574)</b>	<b>322,084</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>1,705,087</b>	<b>(22,550)</b>	<b>(7,527)</b>	<b>-</b>	<b>1,675,010</b>

In the first half of 2016, R\$2,524 (R\$2,279 in the first half of 2015) was carried to property, plant and equipment as interest capitalization, with average capitalization rate of 10.8% p.a.

(i) Annual depreciation rates:

The schedule below summarizes significant depreciation rates, based on the assets' estimated useful lives and in line with ANEEL Resolution No. 674, of August 11, 2015:

GENERATION		%	SALES		%	ADMINISTRATION		%	TRANSMISSION		%
Dams	2.50		Buildings	3.33	Buildings	3.33	System conductor		2.70		
Circuit breaker	3.03		General equipment	6.25	General equipment	6.25	General equipment		6.25		
Buildings	3.33		Vehicles	14.29	Vehicles	14.29	System structure		2.70		
Water intake equipment	3.70						Recloser		4.00		
Water intake structure	2.86										
Generator	3.33										
Reservoirs, dams and water mains	2.00										
Local communication system	6.67										
Water turbine	2.50										

The Company did not identify signs of impairment of its property, plant and equipment on June 30, 2016 and December 31, 2015. The concession agreements of the hydroelectric power plants of subsidiary Light Energia establish that at the end of each concession's term the granting authority will determine the amount to be indemnified, so that Management understands that the value of property, plant and equipment not depreciated at the end of concession will be reimbursed by the granting authority.

For property, plant and equipment items without indemnity guarantee, the items are depreciated under the straight-line method up to the authorization or concession limit or depreciated by the asset's useful life, whichever is the shorter.

#### 14. INTANGIBLE ASSETS

	Consolidated			
	06.30.2016			12.31.2015
	Historical cost	Accumulated amortization	Net value	Net value
Concession right of use	7,271,238	(4,052,310)	3,218,928	3,241,619
Other <sup>(a)</sup>	657,008	(552,945)	104,063	104,337
<b>IN SERVICE</b>	<b>7,928,246</b>	<b>(4,605,255)</b>	<b>3,322,991</b>	<b>3,345,956</b>
Concession right of use	277,461	-	277,461	450,406
Other <sup>(a)</sup>	256,483	-	256,483	262,843
<b>IN PROGRESS</b>	<b>533,944</b>	<b>-</b>	<b>533,944</b>	<b>713,249</b>
<b>TOTAL INTANGIBLE ASSETS</b>	<b>8,462,190</b>	<b>(4,605,255)</b>	<b>3,856,935</b>	<b>4,059,205</b>

<sup>(a)</sup> Includes basically software and right-of-way

Intangible assets are net of special obligations comprising contributions made by the federal government, states, municipalities and consumers, any unqualified donations (i.e. not subject to any consideration to the benefit of donor), and subsidy intended as investments to be made toward concession of the electric power distribution utility.

Investments in the distribution network are initially recorded in intangible assets under development, during the construction period. When they are finalized, the investments are divided into two parts (bifurcated), the first of which is recorded in intangible assets in service, related to the amount that will be amortized during the concession term, and the other is transferred to the concession's financial assets and will be received as indemnification at the end of the concession.

Intangible in progress includes inventories of project materials in the amount of R\$131,886 as of June 30, 2016 (R\$126,882 as of December 31, 2015), as well as a provision for inventory devaluation in the amount of R\$4,880 (R\$4,880 as of December 31, 2015). The Company has not identified signs of impairment of its other intangible assets.

A total amount of R\$15,612 (R\$13,466 in the first half of 2015) was carried to intangible assets as interest capitalization in the first half of 2016, with an average capitalization rate of 10.8% p.a.

The infrastructure used by subsidiary Light SESA is associated with the distribution service, and therefore cannot be removed, disposed of, assigned, conveyed, or encumbered as mortgage collateral without the prior written authorization of the granting authority, which authorization, if given, is regulated by Resolution ANEEL No. 20/99.

Below is a summary of changes in the intangible assets in the periods of 2016 and 2015:

	Consolidated				Balance on 06.30.2016
	Balance on 12.31.2015	Additions	Write-offs	Inter-account transfers <sup>(a)</sup>	
<b>IN SERVICE</b>					
Concession right of use	7,600,918	-	(189,287)	294,173	7,705,804
Special obligations - concession right of use	(305,969)	-	-	(128,597)	(434,566)
	<u>7,294,949</u>	<u>-</u>	<u>(189,287)</u>	<u>165,576</u>	<u>7,271,238</u>
Other	710,649	-	(10,714)	39,559	739,494
Special obligations - other	(70,787)	-	-	(11,699)	(82,486)
	<u>639,862</u>	<u>-</u>	<u>(10,714)</u>	<u>27,860</u>	<u>657,008</u>
<b>TOTAL INTANGIBLE ASSETS IN SERVICE</b>	<b>7,934,811</b>	<b>-</b>	<b>(200,001)</b>	<b>193,436</b>	<b>7,928,246</b>
<b>(-) Amortization</b>					
Concession right of use	(4,112,062)	(186,156)	172,846	-	(4,125,372)
Special obligations - concession right of use	58,732	14,330	-	-	73,062
	<u>(4,053,330)</u>	<u>(171,826)</u>	<u>172,846</u>	<u>-</u>	<u>(4,052,310)</u>
Other	(540,284)	(28,971)	10,178	-	(559,077)
Special obligations - other	4,759	1,373	-	-	6,132
	<u>(535,525)</u>	<u>(27,598)</u>	<u>10,178</u>	<u>-</u>	<u>(552,945)</u>
<b>TOTAL INTANGIBLE ASSETS IN PROGRESS/AMORTIZATION</b>	<b>(4,588,855)</b>	<b>(199,424)</b>	<b>183,024</b>	<b>-</b>	<b>(4,605,255)</b>
<b>IN PROGRESS</b>					
Concession right of use	737,699	528,617	(948)	(664,958)	600,410
Special obligations - concession right of use	(287,293)	(363,826)	-	328,170	(322,949)
	<u>450,406</u>	<u>164,791</u>	<u>(948)</u>	<u>(336,788)</u>	<u>277,461</u>
Other	262,843	34,053	(2,165)	(38,248)	256,483
Special obligations - other	-	(11,699)	-	11,699	-
	<u>262,843</u>	<u>22,354</u>	<u>(2,165)</u>	<u>(26,549)</u>	<u>256,483</u>
<b>TOTAL INTANGIBLE ASSETS IN PROGRESS</b>	<b>713,249</b>	<b>187,145</b>	<b>(3,113)</b>	<b>(363,337)</b>	<b>533,944</b>
<b>TOTAL</b>	<b>4,059,205</b>	<b>(12,279)</b>	<b>(20,090)</b>	<b>(169,901)</b>	<b>3,856,935</b>

<sup>(a)</sup> Transfer to Concession Financial Asset, as a result of the split of assets upon start-up, pursuant to IFRIC 12 / ICPC 01, and transfer from Concession Financial Asset referring to Special Obligations (see Note 10).

	Consolidated				Balance on 06.30.2015
	Balance on 12.31.2014	Additions	Write-offs	Inter-account transfers <sup>(a)</sup>	
<b>IN SERVICE</b>					
Concession right of use	7,161,626	-	(3,847)	(224,947)	6,932,832
Special obligations - concession right of use	(133,276)	-	-	(141,130)	(274,406)
	<u>7,028,350</u>	<u>-</u>	<u>(3,847)</u>	<u>(366,077)</u>	<u>6,658,426</u>
Other	651,739	-	-	10,745	662,484
Special obligations - other	(17,933)	-	-	-	(17,933)
	<u>633,806</u>	<u>-</u>	<u>-</u>	<u>10,745</u>	<u>644,551</u>
<b>TOTAL INTANGIBLE ASSETS IN SERVICE</b>	<b>7,662,156</b>	<b>-</b>	<b>(3,847)</b>	<b>(355,332)</b>	<b>7,302,977</b>
<b>(-) Amortization</b>					
Concession right of use	(3,784,939)	(167,044)	2,243	-	(3,949,740)
Special obligations - concession right of use	37,721	9,524	-	-	47,245
	<u>(3,747,218)</u>	<u>(157,520)</u>	<u>2,243</u>	<u>-</u>	<u>(3,902,495)</u>
Other	(483,370)	(25,523)	-	-	(508,893)
Special obligations - other	3,615	342	-	-	3,957
	<u>(479,755)</u>	<u>(25,181)</u>	<u>-</u>	<u>-</u>	<u>(504,936)</u>
<b>TOTAL INTANGIBLE ASSETS IN SERVICE/AMORTIZATION</b>	<b>(4,226,973)</b>	<b>(182,701)</b>	<b>2,243</b>	<b>-</b>	<b>(4,407,431)</b>
<b>IN PROGRESS</b>					
Concession right of use	670,329	377,262	-	102,263	1,149,854
Special obligations - concession right of use	(379,321)	(153,787)	-	325,529	(207,579)
	<u>291,008</u>	<u>223,475</u>	<u>-</u>	<u>427,792</u>	<u>942,275</u>
Other	217,666	32,197	(17,628)	(10,179)	222,056
	<u>217,666</u>	<u>32,197</u>	<u>(17,628)</u>	<u>(10,179)</u>	<u>222,056</u>
<b>TOTAL INTANGIBLE ASSETS IN PROGRESS</b>	<b>508,674</b>	<b>255,672</b>	<b>(17,628)</b>	<b>417,613</b>	<b>1,164,331</b>
<b>TOTAL</b>	<b>3,943,857</b>	<b>72,971</b>	<b>(19,232)</b>	<b>62,281</b>	<b>4,059,877</b>

<sup>(a)</sup> Transfer to Concession Financial Asset, as a result of the split of assets upon start-up, pursuant to IFRIC 12 / ICPC 01 (see Note 10).

It is the responsibility of ANEEL to determine the estimated economic useful lives of each piece of distribution infrastructure assets for pricing purposes, as well as for the purpose of calculating the amount of the relevant compensation payable upon expiration of the concession term. This estimate is revised from time to time, represents the best estimate concerning the assets' useful lives, and is used for accounting and regulatory purposes.

Management understands that amortization of the concession's right of use must be consistent with the return expected on each infrastructure asset, via the applicable rates. Thus, intangible assets are amortized over the expected length of such return, limited to the term of the concession.

The schedule below summarizes significant amortization rates, in accordance with ANEEL Resolution No. 674, of August 11, 2015:

DISTRIBUTION	%
Capacitor bank	6.67
Switchboard	6.67
System conductor	3.57
Circuit breaker	3.03
Buildings	3.33
System structure	3.57
Meter	7.69
Voltage regulator	4.35
Recloser	4.00
Transformer	4.00

#### 15. SUPPLIERS

CURRENT	Consolidated	
	06.30.2016	12.31.2015
Sales in the short-term market	120,193	379,639
Electric network usage charges	33,888	32,049
Free energy – refund to generation companies	83,850	78,564
Electric power auctions	222,818	244,278
Itaipu binational	416,200	357,112
UTE Norte Fluminense	166,861	155,622
Supplies and services	168,436	202,378
<b>TOTAL</b>	<b>1,212,246</b>	<b>1,449,642</b>

The Company's exposure to credit risks related to suppliers is reported in Note 32.

## 16. TAXES PAYABLE

	Consolidated					
	06.30.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
<b>TAXES AND CONTRIBUTIONS</b>	<b>297,699</b>	<b>174,849</b>	<b>472,548</b>	<b>356,860</b>	<b>183,183</b>	<b>540,043</b>
ICMS payable	113,778	-	113,778	93,287	-	93,287
Payment in installments - Law 11,941/09	22,293	174,849	197,142	21,485	179,542	201,027
PIS and COFINS payable	132,723	-	132,723	177,733	-	177,733
Deferred PIS and COFINS <sup>(a)</sup>	19,176	-	19,176	48,149	3,641	51,790
INSS	58	-	58	5,343	-	5,343
Other	9,671	-	9,671	10,863	-	10,863
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>84,927</b>	<b>-</b>	<b>84,927</b>	<b>15,262</b>	<b>-</b>	<b>15,262</b>
Withheld income tax payable	666	-	666	851	-	851
Provision for income tax/social contribution	84,261	-	84,261	14,411	-	14,411
<b>TOTAL</b>	<b>382,626</b>	<b>174,849</b>	<b>557,475</b>	<b>372,122</b>	<b>183,183</b>	<b>555,305</b>

<sup>(a)</sup> Refers to PIS and COFINS deriving from unbilled revenue of financial assets and liabilities of the sector (see Note 9).



## 17. LOANS AND FINANCING

Financing Entity	Subsidiary	Consolidated						
		Current			Non-current		Total	
		Principal	Charges	Total	Principal	Total	06.30.2016	12.31.2015
TN - Par Bond	Light SESA	-	1,614	1,614	124,924	124,924	126,538	153,936
TN - Surety - Par Bond	Light SESA	-	-	-	(110,564)	(110,564)	(110,564)	(125,313)
TN - Discount Bond	Light SESA	-	290	290	87,168	87,168	87,458	106,357
TN - Surety - Discount Bond	Light SESA	-	-	-	(77,141)	(77,141)	(77,141)	(87,639)
4131 Bank Merrill Lynch 2011	Light SESA	21,666	75	21,741	-	-	21,741	52,878
4131 Citibank 2012	Light SESA	106,993	792	107,785	213,987	213,987	321,772	391,321
4131 Citibank 2014	Light SESA	-	687	687	320,980	320,980	321,667	391,198
4131 Bank Tokyo 2013	Light SESA	60,184	34	60,218	-	-	60,218	234,567
4131 Bank Tokyo 2014	Light SESA	-	194	194	64,196	64,196	64,390	78,332
4131 Itaú 2015	Light SESA	32,345	29	32,374	-	-	32,374	68,926
4131 Santander 2016	Light SESA	96,652	2,036	98,688	-	-	98,688	176,730
4131 Bank BNP 2015	Light SESA	78,696	680	79,376	-	-	79,376	96,130
4131 Citibank 2012	Light Energia	85,595	1,375	86,970	171,189	171,189	258,159	313,865
4131 Bank BNP 2014	Light Energia	184,180	681	184,861	-	-	184,861	211,571
4131 Itaú 2014	Light Energia	160,642	228	160,870	-	-	160,870	195,752
<b>TOTAL FOREIGN CURRENCY</b>		<b>826,953</b>	<b>8,715</b>	<b>835,668</b>	<b>794,739</b>	<b>794,739</b>	<b>1,630,407</b>	<b>2,258,611</b>
Elektrobras - Luz para Todos	Light SESA	207	-	207	69	69	276	379
Elektrobras - Reluz	Light SESA	1,183	-	1,183	2,562	2,562	3,745	4,337
CCB Bradesco	Light SESA	75,000	15,405	90,405	75,000	75,000	165,405	150,731
CCB Banco do Brasil	Light SESA	150,000	7,942	157,942	-	-	157,942	158,035
CCB CEF	Light SESA	50,000	959	50,959	50,000	50,000	100,959	-
BNDES - Capex 2009/10 Sub A	Light SESA	23,544	72	23,616	-	-	23,616	37,791
BNDES - Capex 2009/10 Sub B	Light SESA	23,544	81	23,625	-	-	23,625	37,806
BNDES - Capex 2009/10 Sub C	Light SESA	11,962	71	12,033	26,914	26,914	38,947	44,944
BNDES - Capex 2009/10 Sub D	Light SESA	21	-	21	-	-	21	33
BNDES - Capex 2009/10 Sub E	Light SESA	21	-	21	-	-	21	33
BNDES - Capex 2009/10 Sub N	Light SESA	43	-	43	-	-	43	69
BNDES - Capex 2009/10 Sub O	Light SESA	43	-	43	-	-	43	69
BNDES - Capex 2009/10 Sub P	Light SESA	150	-	150	-	-	150	241
BNDES - Capex 2009/10 Sub Q	Light SESA	150	1	151	-	-	151	241
BNDES - Capex 2011/12 Sub 1	Light SESA	717	5	722	1,254	1,254	1,976	2,336
BNDES - Capex 2011/12 Sub 2	Light SESA	34,989	264	35,253	61,230	61,230	96,483	114,048
BNDES - Capex 2011/12 Sub 3	Light SESA	42,069	345	42,414	73,622	73,622	116,036	137,160
BNDES - Capex 2011/12 Sub 4	Light SESA	42,069	373	42,442	73,622	73,622	116,064	137,196
BNDES - Capex 2011/12 Sub 13	Light SESA	-	-	-	-	-	-	1
BNDES - Capex 2011/12 Sub 14	Light SESA	-	-	-	-	-	-	1
BNDES - Capex 2011/12 Sub 17	Light SESA	4	-	4	7	7	11	14
BNDES - Capex 2011/12 Sub 18	Light SESA	4	-	4	7	7	11	14
BNDES - Capex 2013/14 Sub A	Light SESA	31,977	477	32,454	119,916	119,916	152,370	168,443
BNDES - Capex 2013/14 Sub B	Light SESA	16,624	507	17,131	62,339	62,339	79,470	82,298
BNDES - Capex 2013/14 Sub C	Light SESA	13,936	273	14,209	99,875	99,875	114,084	121,088
BNDES - Capex 2013/14 Sub D	Light SESA	654	10	664	2,452	2,452	3,116	3,444
BNDES - Capex 2013/14 Sub E	Light SESA	341	10	351	1,278	1,278	1,629	1,687
BNDES - 2013/16 Olympics Sub A	Light SESA	3,992	57	4,049	13,973	13,973	18,022	20,029
BNDES - 2013/16 Olympics Sub B	Light SESA	3,992	64	4,056	13,973	13,973	18,029	20,037
BNDES - 2013/16 Olympics Sub C	Light SESA	3,424	85	3,509	10,951	10,951	14,460	16,068
BNDES - 2013/16 Olympics Sub D	Light SESA	1,531	30	1,561	6,889	6,889	8,450	9,220
BNDES - 2013/16 Olympics Sub E	Light SESA	1,531	34	1,565	6,889	6,889	8,454	9,224
BNDES - 2013/16 Olympics Sub F	Light SESA	1,227	43	1,270	5,521	5,521	6,791	7,409
BNDES - 2013/16 Olympics Sub G	Light SESA	1,217	13	1,230	7,912	7,912	9,142	9,752
FINEP - Research and Innovation	Light SESA	23,193	224	23,417	114,030	114,030	137,447	141,334
Promissory Note - 3rd PN	Light SESA	-	-	-	-	-	-	296,729
Overdraft account - CEF 2015	Light SESA	-	1,476	1,476	99,846	99,846	101,322	100,294
BNDES - Capex 2009/10 Sub A	Light Energia	1,002	3	1,005	-	-	1,005	1,609
BNDES - Capex 2009/10 Sub B	Light Energia	1,002	3	1,005	-	-	1,005	1,609
BNDES - Capex 2009/10 Sub C	Light Energia	744	4	748	1,674	1,674	2,422	2,796
BNDES - Capex 2011/12 Sub 1	Light Energia	4,365	21	4,386	3,274	3,274	7,660	9,850
BNDES - Capex 2011/12 Sub 2	Light Energia	2,600	13	2,613	1,950	1,950	4,563	5,868
BNDES PROESCO	Light Esco	13,023	156	13,179	46,964	46,964	60,143	67,766
RGR	Light SESA	-	246	246	-	-	246	246
Sundry bank guarantees		-	1,395	1,395	-	-	1,395	541
Funding cost		(354)	-	(354)	(124)	(124)	(478)	(606)
Covenant Fee Cost		(6,700)	-	(6,700)	(3,220)	(3,220)	(9,920)	(3,683)
<b>TOTAL DOMESTIC CURRENCY</b>		<b>575,041</b>	<b>30,662</b>	<b>605,703</b>	<b>980,649</b>	<b>980,649</b>	<b>1,586,352</b>	<b>1,918,531</b>
<b>TOTAL</b>		<b>1,401,994</b>	<b>39,377</b>	<b>1,441,371</b>	<b>1,775,388</b>	<b>1,775,388</b>	<b>3,216,759</b>	<b>4,177,142</b>

The statement below summarizes the contractual terms and conditions applicable to our loans and borrowings as of June 30, 2016:

Financing Entity	Subsidiary	Date of signature	Currency	Interest Rate p.a. <sup>(a)</sup>	Effective rate	Principal Amortization		
						Beginning	Payment	End
TN - Par Bond	Light SESA	04.29.1996	US\$	69.80% CDI	9.64%	2024	Lump sum	2024
TN - Surety - Par Bond	Light SESA	04.29.1996	US\$	US Treasury	-	2024	Lump sum	2024
TN - Discount Bond	Light SESA	04.29.1996	US\$	69.80% CDI	9.64%	2024	Lump sum	2024
TN - Surety - Discount Bond	Light SESA	04.29.1996	US\$	US Treasury	-	2024	Lump sum	2024
4131 Bank Merrill Lynch 2011	Light SESA	11.07.2011	US\$	CDI + 0.65%	14.83%	2014	Half-annually	2016
4131 Citibank 2012	Light SESA	08.23.2012	US\$	CDI + 1.00%	15.23%	2017	Half-annually	2018
4131 Citibank 2014	Light SESA	02.21.2014	US\$	CDI + 1.15%	15.40%	2018	Lump sum	2018
4131 Bank Tokyo 2013	Light SESA	03.08.2013	US\$	CDI + 4.28%	18.65%	2017	Lump sum	2017
4131 Bank Tokyo 2014	Light SESA	11.19.2014	US\$	CDI + 0.88%	15.09%	2017	Lump sum	2017
4131 Itaú 2015	Light SESA	12.11.2015	US\$	CDI + 3.50%	18.08%	2016	Monthly	2017
4131 Santander 2016	Light SESA	02.02.2016	US\$	129.95% CDI	18.68%	2017	Lump sum	2017
4131 Bank BNP 2015	Light SESA	04.01.2015	US\$	CDI + 1.90%	16.26%	2017	Lump sum	2017
4131 Citibank 2012	Light Energia	10.02.2012	US\$	CDI + 1.10%	15.35%	2017	Half-annually	2018
4131 Bank BNP 2014	Light Energia	10.22.2014	EURO	CDI + 1.40%	15.69%	2016	Lump sum	2016
4131 Itaú 2014	Light Energia	12.11.2014	US\$	CDI + 1.75%	16.09%	2016	Lump sum	2016
Eletrobras - Luz para Todos	Light SESA	06.30.2008	R\$	5.00%	5.00%	2008	Monthly	2017
Eletrobras - Reluz	Light SESA	03.22.2010	R\$	5.00%	5.00%	2014	Monthly	2019
CCB Bradesco	Light SESA	10.18.2007	R\$	CDI + 0.85%	15.06%	2012	Annual	2017
CCB Banco do Brasil	Light SESA	02.25.2013	R\$	109.3% of CDI	15.50%	2017	Lump sum	2017
CCB CEF	Light SESA	06.10.2016	R\$	CDI + 4.05%	18.14%	2016	Quarterly	2018
BNDES - Capex 2009/10 Sub A	Light SESA	11.30.2009	URTJLP	TJLP + 2.58%	10.08%	2011	Monthly	2019
BNDES - Capex 2009/10 Sub B	Light SESA	11.30.2009	URTJLP	TJLP + 3.58%	11.08%	2009	Monthly	2017
BNDES - Capex 2009/10 Sub C	Light SESA	11.30.2009	R\$	4.50%	4.50%	2011	Monthly	2019
BNDES - Capex 2009/10 Sub D	Light SESA	11.30.2009	URTJLP	TJLP + 2.58%	10.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub E	Light SESA	11.30.2009	URTJLP	TJLP + 3.58%	11.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub N	Light SESA	11.30.2009	URTJLP	TJLP + 2.58%	10.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub O	Light SESA	11.30.2009	URTJLP	TJLP + 3.58%	11.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub P	Light SESA	11.30.2009	URTJLP	TJLP + 2.58%	10.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub Q	Light SESA	11.30.2009	URTJLP	TJLP + 3.58%	11.08%	2011	Monthly	2017
BNDES - Capex 2011/12 Sub 1	Light SESA	12.06.2011	URTJLP	TJLP	7.50%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 2	Light SESA	12.06.2011	URTJLP	TJLP + 1.81%	9.31%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 3	Light SESA	12.06.2011	URTJLP	TJLP + 2.21%	9.71%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 4	Light SESA	12.06.2011	URTJLP	TJLP + 3.21%	10.71%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 13	Light SESA	12.06.2011	URTJLP	TJLP + 2.21%	9.71%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 14	Light SESA	12.06.2011	URTJLP	TJLP + 3.21%	10.71%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 17	Light SESA	12.06.2011	URTJLP	TJLP + 2.21%	9.71%	2013	Monthly	2019
BNDES - Capex 2011/12 Sub 18	Light SESA	12.06.2011	URTJLP	TJLP + 3.21%	10.71%	2013	Monthly	2019
BNDES - Capex 2013/14 Sub A	Light SESA	11.28.2014	URTJLP	TJLP + 2.78%	10.28%	2015	Monthly	2021
BNDES - Capex 2013/14 Sub B	Light SESA	11.28.2014	R\$	SELIC + 2.78%	17.28%	2015	Monthly	2021
BNDES - Capex 2013/14 Sub C	Light SESA	11.28.2014	R\$	6.00%	6.00%	2015	Monthly	2021
BNDES - Capex 2013/14 Sub D	Light SESA	11.28.2014	URTJLP	TJLP + 2.78%	10.28%	2015	Monthly	2021
BNDES - Capex 2013/14 Sub E	Light SESA	11.28.2014	R\$	SELIC + 2.78%	17.28%	2015	Monthly	2021
BNDES - 2013/16 Olympics Sub A	Light SESA	12.16.2013	URTJLP	TJLP + 2.58%	10.08%	2015	Monthly	2020
BNDES - 2013/16 Olympics Sub B	Light SESA	12.16.2013	URTJLP	TJLP + 3.58%	11.08%	2015	Monthly	2020
BNDES - 2013/16 Olympics Sub C	Light SESA	12.16.2013	R\$	SELIC + 2.58%	17.05%	2015	Monthly	2020
BNDES - 2013/16 Olympics Sub D	Light SESA	12.16.2013	URTJLP	TJLP + 2.58%	10.08%	2016	Monthly	2020
BNDES - 2013/16 Olympics Sub E	Light SESA	12.16.2013	URTJLP	TJLP + 3.58%	11.08%	2016	Monthly	2020
BNDES - 2013/16 Olympics Sub F	Light SESA	12.16.2013	R\$	SELIC + 2.58%	16.80%	2016	Monthly	2020
BNDES - 2013/16 Olympics Sub G	Light SESA	12.16.2013	R\$	3.50%	3.50%	2016	Monthly	2023
FINEP - Research and Innovation	Light SESA	04.16.2014	R\$	4.00%	4.00%	2016	Monthly	2022
Promissory Note - 3rd PN	Light SESA	06.18.2015	R\$	CDI + 1.63%	15.72%	2016	Lump sum	2016
Overdraft account - CEF 2015	Light SESA	12.30.2014	R\$	CDI + 3.66%	18.27%	2015	Monthly	2017
BNDES - Capex 2009/10 Sub A	Light Energia	11.30.2009	URTJLP	TJLP + 2.58%	10.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub B	Light Energia	11.30.2009	URTJLP	TJLP + 3.58%	11.08%	2011	Monthly	2017
BNDES - Capex 2009/10 Sub C	Light Energia	11.30.2009	URTJLP	4.50%	4.50%	2011	Monthly	2019
BNDES - Capex 2011/12 Sub 1	Light Energia	04.10.2012	URTJLP	TJLP + 1.81%	9.31%	2013	Monthly	2018
BNDES - Capex 2011/12 Sub 2	Light Energia	04.10.2012	URTJLP	TJLP + 1.81%	9.31%	2013	Monthly	2018
BNDES PROESCO	Light Esco	09.16.2008	R\$/URTJLP	TJLP - 0.04%	7.46%	2009	Monthly	2023

<sup>(a)</sup> The interest rates disclosed represent the effective cost of debt, since the Company contracted derivative financial instruments.

Below are the main financial operations in the period of 2016:

- On February 2, 2016, the rollover of Operation 4131 of the subsidiary Light SESA with Santander in the amount of R\$120,000 was carried out. The debt matures on February 1, 2017 and bears an interest rate of CDI + 4.01 p.a.
- On March 11, 2016, the partial rollover of the Operation 4131 of the Light SESA subsidiary with Tokyo in the amount of R\$109,000 was carried out. The debt matures on March 11, 2017 and bears an interest rate of CDI + 4.28 p.a.
- On June 11, 2016, the 3rd Promissory Note Issue of the subsidiary Light SESA was entirely rolled over. The rollover was funded by the 11<sup>th</sup> debenture issue and the contracting of bank credit certificates in the amount of R\$100,000 with Caixa Econômica Federal. The debt with Caixa Econômica Federal matures on June 10, 2018 and bears an interest rate of the CDI + 4.05 p.a.

In addition to the collaterals indicated above, the loans are backed by guarantees of the parent company Light S.A., and there are receivables of the subsidiaries Light SESA and Light Energia, in the amount of R\$99,941 (137,578 on December 31, 2015), given as a guarantee for the operations with the BNDES.

On June 30, 2015, Light S.A. had guarantees, sureties or corporate guarantees issued in favor of its subsidiaries, jointly-controlled entities or associated companies totaling R\$6,958,900 (R\$7,551,113 on December 31, 2015).

The principal of consolidated loans and financing, classified in non-current liabilities, matures as follows on June 30, 2016:

	Consolidated		
	Local Currency	Foreign Currency	Total
2017	211,577	281,171	492,748
2018	367,892	465,704	833,596
2019	178,917	-	178,917
2020	103,410	-	103,410
2021	55,033	-	55,033
after 2021	63,820	47,864	111,684
<b>TOTAL</b>	<b>980,649</b>	<b>794,739</b>	<b>1,775,388</b>

Below, the consolidated loans and borrowings breakdown for the periods of 2016 and 2015:

	Consolidated		
	Principal	Charges	Total
<b>BALANCE ON 12.31.2015</b>	<b>4,127,629</b>	<b>49,513</b>	<b>4,177,142</b>
Loans and financing	220,845	-	220,845
Exchange variation and inflation adjustment	(362,210)	-	(362,210)
Financial charges accrued	-	123,604	123,604
Financial charges paid	-	(134,172)	(134,172)
Financing amortization	(806,957)	-	(806,957)
Funding cost	(5,907)	-	(5,907)
Funding cost amortization	3,982	-	3,982
Charges capitalized to intangible assets/property, plant and equipment	-	432	432
<b>BALANCE ON 06.30.2016</b>	<b>3,177,382</b>	<b>39,377</b>	<b>3,216,759</b>

	Consolidated		
	Principal	Charges	Total
<b>BALANCE ON 12.31.2014</b>	<b>3,189,154</b>	<b>22,343</b>	<b>3,211,497</b>
Loans and financing	646,831	-	646,831
Exchange variation and inflation adjustment	246,622	-	246,622
Financial charges accrued	-	112,323	112,323
Financial charges paid	-	(94,619)	(94,619)
Financing amortization	(157,375)	-	(157,375)
Funding cost amortization	128	-	128
Charges capitalized to intangible assets/property, plant and equipment	-	689	689
<b>BALANCE ON 06.30.2015</b>	<b>3,925,360</b>	<b>40,736</b>	<b>3,966,096</b>

The Company's exposure to interest rate, foreign currency and liquidity risks related to loans and borrowings is reported in Note 32.

#### *Covenants*

The Company has clauses that may cause the early maturity of debt in certain loan and financing agreements, including cross default. The early maturity only occurs when one of the ratios has not been complied with in two consecutive quarters or four intercalate quarters. The bank credit certificates of Bradesco, Caixa and Banco do Brasil, loans with Merrill Lynch, BNP, Citibank, Bank Tokyo, Itaú, Santander and with the BNDES, require that the Company maintains certain net debt/EBITDA ratios and covenants. On June 30, 2016, the Company was in conformity with all required debt covenants.

## 18. DEBENTURES

Issue	Subsidiary	Consolidated							
		Current			Non-current			Total	
		Principal	Charges	Total	Principal	Charges	Total	06.30.2016	12.31.2015
Debentures 8th Issue	Light SESA	39,198	4,047	43,245	352,500	-	352,500	395,745	435,303
Debentures 9th Issue Series A	Light SESA	-	18,402	18,402	1,000,000	-	1,000,000	1,018,402	1,018,414
Debentures 9th Issue Series B	Light SESA	-	5,398	5,398	600,000	162,131	762,131	767,529	728,573
Debentures 10th Issue	Light SESA	-	16,925	16,925	750,000	-	750,000	766,925	766,936
Debentures 11th Issue	Light SESA	87,500	1,558	89,058	87,500	-	87,500	176,558	-
Debentures 2nd Issue	Light Energia	106,250	22,668	128,918	318,750	-	318,750	447,668	447,930
Debentures 3rd Issue	Light Energia	2,502	258	2,760	22,500	-	22,500	25,260	27,785
Funding cost		(3,523)	-	(3,523)	(13,060)	-	(13,060)	(16,583)	(11,186)
Covenant Fee cost		(4,391)	-	(4,391)	(18,684)	-	(18,684)	(23,075)	(16,512)
<b>TOTAL</b>		<b>227,536</b>	<b>69,256</b>	<b>296,792</b>	<b>3,099,506</b>	<b>162,131</b>	<b>3,261,637</b>	<b>3,558,429</b>	<b>3,397,243</b>

Below, contractual conditions of debentures on a consolidated basis on June 30, 2016:

Issue	Subsidiary	Date of signature	Currency	Interest Rate p.a.	Effective rate	Principal Amortization		
						Beginning	Payment	End
Debentures 8th Issue	Light SESA	08.24.2012	R\$	CDI + 1.18%	15.44%	2015	Annual	2026
Debentures 9th Issue Series A	Light SESA	06.15.2013	R\$	CDI + 1.15%	15.40%	2018	Annual	2021
Debentures 9th Issue Series B	Light SESA	06.15.2013	R\$	IPCA + 5.74%	15.59%	2020	Annual	2023
Debentures 10th Issue	Light SESA	04.30.2014	R\$	115% CDI	16.37%	2018	Annual	2020
Debentures 11th Issue	Light SESA	06.10.2016	R\$	CDI + 4.05%	18.14%	2016	Annual	2018
Debentures 2nd Issue	Light Energia	12.29.2011	R\$	CDI + 1.18%	15.44%	2016	Annual	2019
Debentures 3rd Issue	Light Energia	08.24.2012	R\$	CDI + 1.18%	15.44%	2015	Annual	2026

On June 11, 2016, the 11th debenture issue of the subsidiary Light SESA was carried out in the amount of R\$175,000, of which R\$100,000 with Bradesco and R\$75,000 with Itaú. The debt matures on June 13, 2018 and bears an interest rate of CDI + 4.05 p.a.

The portions related to the consolidated principal of debentures, classified in non-current liabilities, have the following maturities on June 30, 2016:

	Total
2017	151,599
2018	690,725
2019	646,975
2020	700,832
2021	484,348
after 2021	425,027
<b>TOTAL</b>	<b>3,099,506</b>

Below, debentures breakdown on a consolidated basis in the periods of 2016 and 2015:

	Consolidated		
	Principal	Charges	Total
<b>BALANCE ON 12.31.2015</b>	<b>3,218,617</b>	<b>178,626</b>	<b>3,397,243</b>
Debentures issued	175,000	-	175,000
Inflation adjustment	-	38,702	38,702
Financial charges accrued	-	198,244	198,244
Financial charges paid	-	(214,856)	(214,856)
Amortization of debentures	(41,650)	-	(41,650)
Transfer for financial charges	(12,967)	12,967	-
Issue cost	(14,999)	-	(14,999)
Amortization of issue cost	3,041	-	3,041
Charges capitalized to intangible assets/property, plant and equipment	-	17,704	17,704
<b>BALANCE ON 06.30.2016</b>	<b>3,327,042</b>	<b>231,387</b>	<b>3,558,429</b>

	Consolidated		
	Principal	Charges	Total
<b>BALANCE ON 12.31.2014</b>	<b>3,274,612</b>	<b>96,192</b>	<b>3,370,804</b>
Inflation adjustment	-	40,942	40,942
Financial charges accrued	-	179,510	179,510
Financial charges paid	-	(189,279)	(189,279)
Debentures amortization	(41,659)	-	(41,659)
Amortization of issue cost	1,090	-	1,090
Charges capitalized to intangible assets/property, plant and equipment	-	15,506	15,506
<b>BALANCE ON 06.30.2015</b>	<b>3,234,043</b>	<b>142,871</b>	<b>3,376,914</b>

The Company's exposure to interest rate and liquidity risks related to debentures is reported in Note 32.

### *Covenants*

The Company has clauses that may anticipate the maturity of debts in certain debentures agreements, including the cross default. The early maturity only takes place when an indicator is not complied with two consecutive quarters or four alternate quarters. The 8th, 9th, 10th and 11th issues of debentures of the subsidiary Light SESA and the 2nd and 3rd issue of debentures of the subsidiary Light Energia require the maintenance of net debt/EBITDA ratios and coverage of interest rates. On June 30, 2016, the Company was in conformity with all required debt covenants.

## 19. PROVISIONS

The Company and its subsidiaries are parties in tax, labor and civil lawsuits and regulatory proceedings in several courts. Management periodically assesses the risks of contingencies related to these proceedings, and based on the legal counsel's opinion it records a provision when unfavorable decisions are probable and whose amounts are quantifiable.

Below, the balance of provisions, including provisions for risks and provisions for success fees:

TOTAL PROVISIONS	06.30.2016			12.31.2015		
	Provision	Success fees	Total	Provision	Success fees	Total
Labor	117,737	-	117,737	126,370	-	126,370
Civil	143,591	50,766	194,357	133,392	37,035	170,427
Tax	198,252	26,327	224,579	197,047	25,991	223,038
Other	20,747	-	20,747	21,599	-	21,599
<b>TOTAL</b>	<b>480,327</b>	<b>77,093</b>	<b>557,420</b>	<b>478,408</b>	<b>63,026</b>	<b>541,434</b>

Provisions for risks:

Below, provisions for risks and changes for the periods of 2016 and 2015:

PROVISIONS FOR PROBABLE LOSSES	Labor	Civil	Tax	Other	Total
<b>BALANCE ON 12.31.2015</b>	<b>126,370</b>	<b>133,392</b>	<b>197,047</b>	<b>21,599</b>	<b>478,408</b>
Additions	8,902	37,549	-	1,290	47,741
Adjustments	-	6,847	2,691	1,344	10,882
Write-offs/payments	(4,231)	(34,197)	(1)	-	(38,429)
Write-offs/reversals	(13,304)	-	(1,485)	(3,486)	(18,275)
<b>BALANCE ON 06.30.2016</b>	<b>117,737</b>	<b>143,591</b>	<b>198,252</b>	<b>20,747</b>	<b>480,327</b>
<b>Judicial deposits on 06.30.2016</b>	<b>25,418</b>	<b>4,776</b>	<b>4,454</b>	<b>-</b>	<b>34,648</b>

PROVISIONS FOR PROBABLE LOSSES	Labor	Civil	Tax	Other	Total
<b>BALANCE ON 12.31.2014</b>	<b>127,921</b>	<b>153,317</b>	<b>174,709</b>	<b>8,318</b>	<b>464,265</b>
Additions	7,846	33,349	-	203	41,398
Adjustments	-	4,158	3,594	305	8,057
Write-offs/payments	(9,769)	(33,351)	-	(1,414)	(44,534)
Write-offs/reversals	(51)	(25,076)	(13,870)	(924)	(39,921)
<b>BALANCE ON 06.30.2015</b>	<b>125,947</b>	<b>132,397</b>	<b>164,433</b>	<b>6,488</b>	<b>429,265</b>

- a) The total amount of R\$244,459 is recorded under escrow deposits on June 30, 2016 (R\$240,304 on December 31, 2015), of which R\$34,648 (R\$33,826 on December 31, 2015) refer to claims with recorded provision. Other deposits refer to lawsuits whose likelihood of loss is possible or remote. Below, the balance of judicial deposits:

	Consolidated	
	06.30.2016	12.31.2015
Labor	60,690	64,890
Civil	98,883	91,827
Tax	84,886	83,587
<b>Total</b>	<b>244,459</b>	<b>240,304</b>

There follows a breakdown of provisions for risks:

Provisions for labor proceedings:

	Accrued Value (Probable Loss)	
	06.30.2016	12.31.2015
Own employees	72,875	80,862
Outsourced employees	44,862	45,508
<b>TOTAL</b>	<b>117,737</b>	<b>126,370</b>

The provision for labor risks is based on the assessment of the respective attorneys, which assess the loss risk in the process. The provision amount regarding own employees is higher because of the direct relationship with the Company and the consequent rights. As for the outsourced employees, the risk involves mostly the subsidiary responsibility, which means that the Company will bear the payment only in case the service provider company does not honor its commitments.



Provision for civil proceedings:

	Accrued Value (Probable Loss)	
	06.30.2016	12.31.2015
Civil proceedings <sup>(a)</sup>	105,025	98,035
Special civil court <sup>(b)</sup>	15,132	14,027
"Cruzado" Plan <sup>(c)</sup>	23,434	21,330
<b>TOTAL</b>	<b>143,591</b>	<b>133,392</b>

- (a) The provision for civil proceedings comprises lawsuits in which the Company and its subsidiaries are defendants and it is probable the claim will result in a loss in the opinion of the respective attorneys. The claims mainly involve alleged moral and property damage due to the Company's ostensive behavior fighting irregularities in the network, as well as consumers challenging the amounts paid.
- (b) Lawsuits in the Special Civil Court are mostly related to matters regarding consumer relations, such as improper collection, undue power cut, power cut due to delinquency, network problems, various irregularities, bill complaints, meter complaints and problems with ownership transfer. There is a limit of 40 minimum monthly wages for claims under procedural progress at the Special Civil Court. Accruals are based on the separation of the eight main reasons for complaints for the Company and its subsidiaries – which represent 66.3% of the lawsuits; a block with all the reasons related to accidents; and a block for other reasons. For the six main offenders and other reasons block, an adjusted average is used – considering 95% of the sample i.e. excluding the 2.5% highest and lowest amounts - the average of the last 12 months of condemnation amount. In the case of the accident block, the average of the last 12 months of condemnation amount is considered.
- (c) These are lawsuits filed against the subsidiary Light SESA referring to increase in electricity tariffs approved by Ordinances No. 38 of February 27, 1986 and No. 45 of March 4, 1986, published by the extinguished DNAEE – National Department of Water and Electricity, which contradicted the Decree Law No. 2.283/86 ("Cruzado" Plan decree), which established that all prices would be "frozen". The plaintiffs of these lawsuits plead the refund of amounts supposedly overpaid in the electricity bills when Light SESA's tariffs increased in the period that prices were "frozen".

Provision for tax proceedings:

	Accrued Value (Probable Loss)	
	06.30.2016	12.31.2015
ICMS – Credit limitation <sup>(a)</sup>	141,997	139,249
ICMS – Credits approved <sup>(b)</sup>	46,232	46,232
Other	10,023	11,566
<b>TOTAL</b>	<b>198,252</b>	<b>197,047</b>

(a) The provision recorded mainly refers to litigation on the application of State Law No. 3,188/99, which restricted the appropriation of ICMS credits incurred on the acquisition of assets destined to the property, plant and equipment, requiring that credit is deferred by installments, while this restriction was not provided for in the Supplementary Law No. 87/96.

(b) In the last quarter of 2015, the Light SESA subsidiary provisioned R\$46,232, regarding part of the amount fined in the process through which the State of Rio de Janeiro intends to charge ICMS from the alleged improper use of tax credits, acquired by Light SESA from third parties, and which had previously been ratified by the State Finance Department. The debt currently amounts to R\$555,522, R\$42,029 of which refers to the principal (tax), R\$103,846 to monetary restatement, R\$356,418 to payable interest and R\$50,229 to attorneys' fees of the prosecutors (the latter corresponding to 10% of the restated debt). After the revaluation, the internal and external legal advisors classified the value of the principal (tax), as well as the proportional amount, concerning legal fees of the Prosecutor, in the amount of R\$4,203, as probable loss, and all the remaining amount fined, regarding interests, monetary corrections and proportionate legal fees, as remote loss. The administrative proceeding was concluded in June 2015, with unfavorable decision to the Company, which in turn filed a writ of mandamus to remove part of debt to be registered as overdue state liabilities related to interest rates and monetary restatement. The injunction was granted, but subsequently reversed by a decision rendered in an interlocutory appeal filed by the State of Rio de Janeiro. The Tax Foreclosure was filed, with Light SESA presenting the insurance policy as a guarantee and, as a result, filed Motions to Stay the Tax Foreclosure, which is pending a decision.

Other Provisions:

The Company will now discuss regulatory contingencies of its subsidiaries in connection with administrative issues pending with ANEEL:

- Deficiency Notice Aneel No. 084/2015 – SFE. The Deficiency Notice was received by the subsidiary Light SESA on August 6, 2015. SFE/Aneel supervised the compliance with the Electricity Distribution Procedures in the National Electric System (“PRODIST”) regarding the voltage levels of service in the consumer units with sample measurements by Light SESA, in 2012 and 2013, imposing a fine penalty in the amount of R\$4,475 for three non-compliances identified. The appeal was filed by Light SESA at Aneel on August 17, 2015. On September 9, 2015, the order No. 3,117/2015 was published, which reduced the fine from R\$4,475 to R\$4,375. The Company made a provision of R\$3,355, which is its best estimate for loss, and awaits Aneel’s decision.

Provisions for success fees:

Management periodically reassesses lawsuits with success fees for legal advisors and, based on the opinion of its legal counsels, records provisions for lawsuits whose likelihood of loss was considered possible or remote. Below, a chart with the position and changes in the periods of 2016 and 2015:

PROVISIONS FOR SUCCESS FEE	Civil	Tax	Total
<b>BALANCE ON 12.31.2015</b>	<b>37,035</b>	<b>25,991</b>	<b>63,026</b>
Additions	14,835	1,939	16,774
Adjustments	1,853	969	2,822
Write-offs/payments	(1,120)	(1,267)	(2,387)
Write-offs/reversals	(1,837)	(1,305)	(3,142)
<b>BALANCE ON 06.30.2016</b>	<b>50,766</b>	<b>26,327</b>	<b>77,093</b>

PROVISIONS FOR SUCCESS FEE	Civil	Tax	Total
<b>BALANCE ON 12.31.2014</b>	<b>22,341</b>	<b>26,180</b>	<b>48,521</b>
Additions	3,838	179	4,017
Adjustments	1,373	1,064	2,437
Write-offs/payments	(166)	(968)	(1,134)
Write-offs/reversals	(360)	(111)	(471)
<b>BALANCE ON 06.30.2015</b>	<b>27,026</b>	<b>26,344</b>	<b>53,370</b>

## 20. CONTINGENCIES

The Company is a party to lawsuits whose risk of loss Management believes is less than probable, based on the opinion of its legal counsels. Therefore, no provision was established. The main contingencies with possible loss are broken down as follows:

	Consolidated			
	06.30.2016		12.31.2015	
	Balance	Number of Proceedings	Balance	Number of Proceedings
Civil	533,546	16,651	279,707	15,416
Labor	288,576	930	305,419	928
Tax	4,476,500	446	4,263,900	468
<b>TOTAL</b>	<b>5,298,622</b>	<b>18,027</b>	<b>4,849,026</b>	<b>16,812</b>

The main reasons for litigations are listed below:

### a) Civil

- Irregularities – Subsidiary Light SESA has several lawsuits where irregularities are discussed, arising from non-technical commercial losses due to meters alteration, equipment theft, irregular connections and clandestine connections. Most of the litigations are based on the evidence of irregularity and amounts charged by the concessionaire in view of such evidence. The amount currently assessed represented by these claims is R\$29,676 (R\$29,664 on December 31, 2015).
- Amounts charged and bills – Many litigations are currently in progress and discuss amounts charged by the subsidiary Light SESA for services provided, such as demand amounts, consumption amounts, financial charges, rates, insurances, among other. The amount currently assessed represented by these claims is R\$68,548 (R\$60,880 on December 31, 2015).
- Accidents – Subsidiary Light SESA is defendant in lawsuits filed by victims and/or their successors, regarding accidents with Light's electric power grid and/or service provision for several causes. The amount currently assessed represented by these claims is R\$32,775 (R\$31,717 on December 31, 2015).
- Interruption and suspension – There are several lawsuits in progress to discuss service interruption, whether by fortuitous cases or events of force majeure, or for purposes of intervention in the electrical system, among other reasons, and also service suspension, whether for indebtedness, denied access or meters

replacement, among other facts for suspension. The amount currently assessed represented by these claims is R\$38,650 (R\$39,025 on December 31, 2015).

- Equipment and network – Subsidiary Light SESA has litigations due to electronic meters used to measure energy consumption. Litigations address several themes, such as meter functionality, approval by metrological agency, among others and, also, litigations about its network, due to its extension, removal or even financial contribution of the client to install the network. The amount currently assessed represented by these claims is R\$6,341 (R\$7,261 on December 31, 2015).
- Regarding civil discussions, we highlight the initiatives proposed by the Companhia Siderúrgica Nacional (CSN): in the first quarter of 2012, CSN filed a suit claiming approximately R\$100,000 as indemnity for service interruption occurred at its Consumer Unit of Volta Redonda. We point out that out of amount claimed, R\$88,700 only refer to the service interruption occurred on November 10th, 2009, affecting 40% of Brazilian territory and over 90% of Paraguay, which only evidences that causes go beyond Light SESA's scope of operation, as electric power distribution company. Moreover, the ONS report concluded that the origin and causes of this service interruption was Furnas' responsibility. Thus, the Company's exposure to risk is R\$35,531 (R\$35,531 on December 31, 2015).
- The subsidiary Light SESA is also in litigation against Companhia Siderúrgica Nacional in a motion to set aside judgment filed by CSN through which CSN aims to vacate the sentence in the action for refund of undue payment number 1995.001.073862-2, which discussed the legality of Ordinances 38 of February 27, 1986 and 45 of March 4, 1986, published by the National Department of Water and Electricity - DNAEE, which increased the electricity tariffs of a certain class of consumers and which the Company won. The Company's exposure to risk is R\$156,117.
- The subsidiary Light SESA is in litigation against Valesul S.A. in a declaratory judgment action filed by Valesul, arising from the power transmission agreement entered into in 1991, whose purpose is the payment for the use of the power transmission system from the plaintiff's small hydroelectric power plants (SHPPs) in the state of Minas Gerais to the plant located in the state of Rio de Janeiro. The 1st and 2nd instance decisions were favorable to the Company. Valesul's Special Appeal had been denied, but Valesul reversed the denial in an interlocutory appeal. The Extraordinary Appeal was dismissed and is also object of an interlocutory appeal by Valesul. In 2014, under provisional execution, after the Company presented a Surety Bond, which was replaced by Guarantee Insurance, we collected the amounts that were in a judicial deposit totaling R\$84,350. We are currently awaiting the decision on Valesul's appeals and, at this moment, the Company's risk exposure is R\$99,416.

- In the first quarter of 2016, the subsidiary Light SESA was notified of a lawsuit filed by law firm to claim success fees resulting from an administrative agreement signed between Light SESA and Companhia Estadual de Águas e Esgotos. The Company understands that these fees are not due and the amount currently assessed represented by this claim is R\$35,170.
- The subsidiary Light SESA entered into an agreement with a plaintiff in a proceeding related to the Municipal Real Estate Tax (IPTU), in which the opposing party's attorney is pleading the payment of court costs and attorneys' fees. The Company understands that these fees are not due. The amount represented by this claim is currently assessed at R\$13,100 (R\$11,800 on December 31, 2015).
- Two civil proceedings involving the Energy Reallocation Mechanism (MRE) caused by the Generation Scaling Factor (GSF). The objective of lawsuit No. 38848-51.2015.4.013400, filed by the subsidiary Light Energia, Lightger and Aliança Geração de Energia S.A., is to challenge the financial exposure due to the Energy Reallocation Mechanism (MRE) adjustment caused by a GSF lower than 1. An interlocutory relief was granted, sentencing the Agency, until the final decision is rendered, to abstain from applying the adjustment referring to the MRE, if MRE's total generation is lower than the assured energy. The GSF amount related to Light Energia and Lightger has been duly provisioned under trade payables, against the income statement, even though payments have not been made due to the effects of the above-mentioned injunction.

Despite the above decision, the filing of Writ of Mandamus No. 1005338-30.2015.4.01.3400 was also necessary in order to protect Light Energia and Lightger from the effects of court rulings restricting the other agents' GSF. In this case, an injunction was granted so that Light Energia and Lightger would not need to be included in the apportionment of the other agents' GSF.

The Writ of Mandamus was dismissed without prejudice, as the judge understood that Aneel could not be the enforcement authority. In light of this decision, the Company filed a new lawsuit, No. 0032638-47.2016.4.01.3400, to request an interlocutory relief in order to protect itself from the other agents' injunctions. The interlocutory relief was granted and therefore Light will not be liable to financial charges as a result any court rulings obtained by other agents, including those that have already been issued and those that may be issued during the course of the lawsuit, regardless of the jurisdiction to which they refer, related to the effects of current GSF values on hydroelectric generators. These proceedings have a possible chance of loss.

b) Tax

- ICMS Commercial Losses (Tax Deficiency Notices Nos. 03326780-8, 04011949-7, 03.326.784-0, 04.028.752-6, 03.380329-7, 03.380330-5 and 601367), aimed at collecting ICMS, Government Fund to Combat Poverty (FECF) and penalty (relating to the periods from Jan/1992 to Jun/1993, Jan/1999 to Dec/2003 and Jan/2006 to Dec/2013) supposedly incurring on the amounts related to electric power losses in operations preceding its distribution, conducted between the generation companies and the subsidiary Light SESA. In Tax Deficiency Notices 03.326.784-0 and 04.028.752-6, Light SESA's voluntary appeal was partially granted to recognize that the losses incorporated into the tariff should be excluded from the notified calculation base, substantially reducing the notified amount. Light SESA will appeal, challenging the remaining amount. In the notice of violation No. 601367 there was a final decision which excludes elements foreign to commercial losses from the calculation. Light SESA filed an appeal against such decision to challenge the remaining amount, which is pending judgment. In notices 03326780-8, 04011949-7 and 03.380330-5, the tax inspection authority also acknowledged the losses incorporated in the tariff. The judgment of the appeals related to remaining amounts is pending. Notice 03.380329-7 is still in the inspection stage. The quantifiable amount of these proceedings, as of June 30, 2016, was R\$2,382,800 (R\$2,290,600 on December 31, 2015). During the third quarter of 2016, Light SESA's Voluntary Appeal was partially granted in the tax assessment notices in 03.326.784-0 and 04.028.752-6, in order to recognize that the losses included in the tariff should be excluded from the calculation basis. As a result, these assessments have already been definitively reduced. The amount of the debt involved went from R \$ 1,507,960 to R \$ 290,498 on the present date of restatement of these financial statements. Currently the quantifiable amount of these proceedings is R \$ 1,204,400.
- LIR/LOI - IRPJ/CSLL - (Proceedings 16682.720216/2010-83, 15374-001.757/2008-13, 16682.721091/2011-90 and 16682.720203/2014-38) - The subsidiary Light SESA filed a writ of mandamus mainly discussing the taxation of profit of the subsidiaries LIR and LOI abroad, more specifically, it advocated that income tax and social contribution should be levied on profit only, not on equity in the earnings of subsidiaries (a broader concept that includes exchange variations as provided for by IN 213/02). In order to take advantage on the benefits of REFIS Program, Light SESA fully waived the writ of mandamus, thus, an unappealable court decision was unfavorably rendered to Light SESA. Accordingly, the procedure has been changed to assess results by the equity method, in accordance with the decision of the writ of mandamus. Tax authorities disagreed with this procedure and issued a deficiency notice to Light SESA for the fiscal years 2004 to 2008, requiring taxation on profit only. For 2004, a tax foreclosure case has been filed and is pending judgment of the motion to stay execution. For 2005, the Light SESA's voluntary appeal was sustained to

cancel the tax deficiency notice. The judgment on the federal government's special appeal is pending. For 2006 to 2008, the Light SESA's voluntary appeal was sustained. In April 2014, Light SESA was notified in relation to 2009 and filed objection, which was deemed groundless. The voluntary appeal is pending judgment. According to the legal counsels, the claim may possibly result in a loss involving the amount of R\$622,300 (R\$600,800 on December 31, 2015).

- Normative Instruction (NI) No. 86 (Proceeding 10707000751/2007-15 - (2003 through 2005) - This deficiency notice was issued to assess a fine on the Company for alleged failure to make electronic filings as required by NI. No. 86/2001, for calendar years 2003 through 2005. The administrative proceeding was concluded in July 2015, with unfavorable decision to the subsidiary Light SESA, which filed a writ of mandamus aiming at removing the registration as overdue federal liability, subject-matter of such collection. In July 2015, an injunction was granted suspending the enforceability of referred debt, against which the National Treasury did not file any appeal. The subsidiary Light SESA's plea was granted. The amount currently assessed represented by this claim is R\$365,400 (R\$352,900 on December 31, 2015).
- Inspection Fee for Occupancy and Permanence in Zones, Routes and Public Areas (TFOP) – The subsidiary Light SESA has several lawsuits discussing TFOP, levied by the municipality of Barra Mansa. Light SESA filed motion to dismiss the execution of these lawsuits and at the Federal Supreme Court– STF, obtained injunction sentencing the suspension of collections until judgment of Extraordinary Appeal n° 640286. The STF rendered a decision granting relief to the Company's extraordinary appeal. The municipality filed Motion for Clarification against such decision, which was denied. The amount assessed represented by this claim at, as of June 30, 2016, R\$406,000 (R\$373,000 on December 31, 2015). During the third quarter of 2016, the Municipality filed an Amendment of Judgment in the face of this decision, which was dismissed. There was a favorable decision in favor of Light and the Company reduced the contingency on the present date of restatement of these interim financial information.
- ICMS on subsidies of the “Baixa Renda” (Low-income) federal program (Proceedings 0342346-60.2015.8.19.0001, 0354511-42.2015.8.19.0001, E-04/036.121/2014 and E-04/036.122/2014) – Tax deficiency notices were issued to collect ICMS levied on amounts received by the subsidiary Light SESA as economic subsidy to the low-income electric power consumers arising from the Reversal Global Reserve Fund. The proceedings Nos. E-04/059.150/2004 and E-04/054.753/2011 were concluded in the administrative court with an unfavorable decision for the Company, generating registry of overdue tax liabilities, against which actions for annulment were filed, in which preliminary injunction was granted for the suspension of eligibility of these credits. The remaining administrative proceedings mentioned above were concluded in the administrative level with a decision unfavorable to Light SESA. An Action for



Annulment was filed and the preliminary injunction was denied. Guarantee insurance was presented. The amount currently calculated for these proceedings is R\$175,800 (R\$169,100 as at December 31, 2015).

- Decisions (72 proceedings) rendered by the Internal Revenue Service to deny approval to several petitions for indemnification filed by subsidiary Light SESA, for utilization of PIS, COFINS, income tax and social contribution credits, alleging that these credits would be undue or insufficient to comprise the debts against which these were opposed. The subsidiary Light SESA filed a Motion to Disagree against referred decisions. In few cases, unappealable court decisions were favorably rendered to Light SESA and in other cases, unfavorable decisions, against which we appealed. The amount currently assessed represented by this claim is R\$225,200 (R\$203,200 on December 31, 2015).

#### c) Labor

The main labor claims involve: equal pay and related accretions, overtime and related accretions, occupational accident, hazardous work wage premium and pain and suffering.

Each claim is detailed below:

- Equal pay and related accretions – the claimants intend to receive wage differences alleging that they exercise or exercised activities identical to other employees' or former employees' activities, with the same productivity and technical perfection, but they received different wages. The amount currently assessed represented by this claim is R\$14,591 (R\$15,322 on December 31, 2015).
- Overtime and related accretions – the claimants intend to receive overtime pay, alleging that they performed their activities beyond standard working hours and overtime has not been paid or offset. The amount currently assessed represented by this claim is R\$73,875 (R\$65,788 on December 31, 2015).
- Occupational accident – employees/former employees or service providers involved in occupational accidents attribute responsibility to Light, claiming indemnifications and life annuity. The amount currently assessed represented by this claim is R\$18,624 (R\$16,507 on December 31, 2015).
- Risk premium difference – in the past, the Company used to pay a 30% difference of base salary up to April 2012, as per 2011/2012 Collective Bargaining Agreement. The amount currently assessed represented by this claim is R\$59,097 (R\$59,166 on December 31, 2015).
- Pain and suffering – claim based on several grounds: persecution, moral harassment, lack of security (operations in risk area) and others. The amount

currently assessed represented by this claim is R\$32,059 (R\$53,040 on December 31, 2015).

The Superior Labor Court (TST), considering the position adopted by the Federal Supreme Court (STF) in two direct actions for the declaration of unconstitutionality regarding the index to adjust registered warrants for inflation, decided that, on August 4, 2015, labor credits must be adjusted based on the Special Extended Consumer Price Index (IPCA-E), replacing the Reference Rate (TR), for labor lawsuits claiming debts before June 30, 2009 in the outstanding proceedings. On October 16, 2015, a preliminary injunction was granted by the STF which suspends the effects from TST decision, since it understands that only STF is able to analyze the general repercussion of the constitutional issue.

The estimated amount of the difference between inflation adjustment indices for labor lawsuits is R\$16,385 (R\$16,757 on December 31, 2015), and no additional provision was recorded, because the Company, based on the opinion of its counsel, considered that the probability of loss is possible, as a result of the STF's decision and the lack of consolidated court precedents or analysis of opinion of jurists about the issue, after preliminary injunction granted by the Federal Supreme Court.

Below, we point out lawsuits in progress, whose chances of losses are remote, with relevant amounts under dispute, which, in case of unfavorable decision, may impact the Company, its subsidiaries and jointly-controlled entities:

a) Tax

- PASEP/PIS (Proceeding 15374002130/2006-18) – It refers to the Offset Disallowance made by the subsidiary Light SESA of PASEP credits with PIS debts. The Company's objection was deemed groundless. Voluntary Appeal was filed. CARF rendered decision sentencing the case should remand to the lower court to determine the credit in dispute. The amount currently assessed represented by the first claim is R\$296,600 (R\$291,200 on December 31, 2015).
- IRRF - Disallowance of tax offset - LIR/LOI (Proceeding 10768.002.435/2004-11)  
- There is no confirmation from Brazilian Tax Authority regarding the tax offsets related to withholding income tax credits on financial investments and withholding income tax credits on the payment of energy accounts by government bodies, offset due to outstanding balance of Corporate Income Tax in the reference year of 2002. The motion to disagree filed by Light SESA subsidiary was deemed groundless. The voluntary appeal lodged by Light SESA is pending judgment. In view of the favorable decision received in August 2012 referring to the proceeding 18471002113/2004-09, which directly impacts this case, the legal counsels changed the chances of losses to remote. The amount

currently assessed represented by this claim is R\$237,500 (R\$231,700 on December 31, 2015).

The Company does not consider the other proceedings to be individually significant for disclosure purposes.

According to the Notices to the Market dated March 30, 2015 and April 14, 2015, the Company informed, within the scope of the news disclosed by the press regarding the Operação Zelotes (Zealots Operation), that it is not aware of alleged irregularities involving Light or its subsidiaries, it was not notified to date, and all decisions favorable to its subsidiaries were based on legal theses of common knowledge substantiated by opinions of renowned legal professionals, in addition to the presentation of proper documents that prove the invalidity of tax deficiency notices.

According to Notice to the Market dated October 20, 2015, the Company informed, within the scope of the news disclosed by the press regarding the acquisition of interest in Guanhães Energia, that it is not aware of any payments to agents, because it established direct contact with Investminas Participações S.A. (“Investminas”) and Cemig GT, recognizing only the payment made to Investminas as seller of the 51% interest in Guanhães Energia.

## 21. POST-EMPLOYMENT BENEFITS

Light Group’s companies sponsor Fundação de Seguridade Social Braslight (Braslight), a nonprofit closed pension entity, whose purpose is to provide retirement benefits to the Company’s employees and pension benefits to their dependents.

Braslight was incorporated in April 1974 and has four plans - A, B, C and D – established in 1975, 1984, 1998 and 2010, respectively, and plan C received migration from about 96% of the active participants of plans A and B.

Current plans in effect include defined-benefit- (Plans A and B), mixed-benefit- (Plan C), and defined-contribution plans (Plan D).

Below, a summary of the Company's liabilities involving pension plan benefits as stated in its balance sheet:

	Consolidated					
	06.30.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
Contractual debt with pension fund	-	46,163	46,163	-	37,189	37,189
Other	217	-	217	67	-	67
<b>TOTAL</b>	<b>217</b>	<b>46,163</b>	<b>46,380</b>	<b>67</b>	<b>37,189</b>	<b>37,256</b>

On December 31, 2014, the Company assumed a debt of R\$31,976 due to a technical

deficit accumulated by plan C settled, deriving from the change in the mortality table by means of table adhesion annual test, as provided for in the agreements for the Assumption of Obligation subject to Condition and Term, signed on December 31, 2013. On December 31, 2015, no amount had been incorporated into the contract, since there was no accumulated technical deficit arising from change in the discount rate or mortality table.

On March 31, 2016, we signed the first amendment to the agreements for the Assumption of Obligation subject to Condition and Term, in which the terms of the agreements were updated after the issue of Resolutions 15 and 16 by the National Council of Supplementary Social Security on November 19, 2014. In addition, the term of the agreements was changed to 2026, assuming the technical deficit accumulated by plan C settled in 2015, which led the Company to assume debt of R\$5,720 on March 31, 2016 (recognized net of taxes under other comprehensive income, in the amount of R\$3,775).

In the amendment, it was agreed that the amounts recognized on December 31, 2014 and March 31, 2016 as a result of technical deficits will be settled in 2019 and adjusted by the IPCA plus 5.58%.

Below, the changes in contractual liability in the periods of 2016 and 2015:

	Consolidated		
	Current	Non-current	Total
<b>BALANCE ON 12.31.2015</b>	-	<b>37,189</b>	<b>37,189</b>
Restatements in the income statement of the period	-	3,254	3,254
Restatements in the statement of comprehensive income	-	5,720	5,720
<b>BALANCE ON 06.30.2016</b>	-	<b>46,163</b>	<b>46,163</b>

	Consolidated		
	Current	Non-current	Total
<b>BALANCE ON 12.31.2014</b>	-	<b>31,976</b>	<b>31,976</b>
Restatements in the income statement of the period	-	2,954	2,954
<b>BALANCE ON 06.30.2015</b>	-	<b>34,930</b>	<b>34,930</b>

## 22. OTHER PAYABLES

	Consolidated					
	06.30.2016			12.31.2015		
	Current	Non-current	Total	Current	Non-current	Total
<b>Regulatory charges</b>	<b>425,145</b>	<b>-</b>	<b>425,145</b>	<b>467,051</b>	<b>-</b>	<b>467,051</b>
Energy Research Company – EPE	1,625	-	1,625	2,142	-	2,142
National Scientific and Technological Development Fund – FNDCT	2,197	-	2,197	1,735	-	1,735
Energy Efficiency Program – PEE	75,253	-	75,253	60,628	-	60,628
Research and Development Program – R&D	49,627	-	49,627	42,387	-	42,387
Energy development account quota – CDE	267,492	-	267,492	331,345	-	331,345
Global reversal reserve quota – RGR	1,088	-	1,088	951	-	951
Charges for capacity and emergency acquisition	27,863	-	27,863	27,863	-	27,863
<b>Other</b>	<b>164,006</b>	<b>79,709</b>	<b>243,715</b>	<b>160,739</b>	<b>76,101</b>	<b>236,840</b>
Advances from clients	23,214	-	23,214	36,451	-	36,451
Compensation for use of water resources	2,711	-	2,711	2,864	-	2,864
Public lighting fee	78,413	-	78,413	69,862	-	69,862
Reserve for reversal	-	69,933	69,933	-	70,320	70,320
Provision for Voluntary Redundancy	15,037	-	15,037	-	-	-
Other <sup>(a)</sup>	44,631	9,776	54,407	51,562	5,781	57,343
<b>TOTAL</b>	<b>589,151</b>	<b>79,709</b>	<b>668,860</b>	<b>627,790</b>	<b>76,101</b>	<b>703,891</b>

<sup>(a)</sup>It refers to sundry payables.

- Voluntary redundancy program

On April 4, 2016, the Company disclosed a Voluntary Redundancy Program (PDV) for its employees. The main conditions for adhesion to the PDV were: to have worked for the company for more than ten years, be more than 55 years old at the time of termination and meet the legal retirement requirements. In addition to severance pay, the benefits include from 2.5 to 5 base salaries and the extension of the health plan for 12 months. The employees may adhere to the program until April 20, 2016, and the termination of the employment contracts will take place by May 2, 2017. Of the 224 employees that adhered to the Program, 113 had their contracts terminated by June 30, 2016, incurring costs of R\$13,900. The compensatory damages are estimated at R\$15,037.

## 23. RELATED-PARTY TRANSACTIONS

On June 30, 2016, Light S.A. pertained to the controlling group Companhia Energética de Minas Gerais – CEMIG, Luce Empreendimentos e Participações S.A. and Rio Minas Energia Participações S.A. (RME) – company controlled by Redentor Energia S.A.

Interest in subsidiaries and jointly-controlled entities is outlined in the Note 2. Below, a summary of related-party transactions occurred in the reported periods:

- a.1) Assets and revenues

Agreements with the same group (Balance sheet group, characteristics of the agreement and relationship)	Original value	Remaining balance	Effectiveness period	Contractual conditions	Conditions for cancellation or termination	Assets		Revenues	
						06.30.2016	12.31.2015	01.01.2016 to 06.30.2016	01.01.2015 to 06.30.2015
Client - Collection of charge for the use of distribution system between Light SESA and CEMIG - it holds interest in the controlling group	N/A	59	As of Nov/2003. Indefinite maturity	Price practiced in the regulated market	N/A	58	58	352	337
Client - Collection of charge for the use of basic network between Light SESA and Lightger - under joint control	N/A	30	As of Dec/2010. Indefinite maturity	Price practiced in the regulated market	N/A	30	29	178	162
Client - Collection of charge for the use of basic network between Light Energia and CEMIG - it holds interest in the controlling group	N/A	11	As of Dec/2002	Price practiced in the regulated market	N/A	11	11	64	77
Client - Collection referring to services rendered by Light Energia to Lightger - under joint control	N/A	68	Dec/2012 to Apr/2019	Terms and conditions agreed between the parties	N/A	211	68	211	745
Securities - Investments by Light SESA, Light Energia, Light Esco and Lightcom in the Pampulha Fund	48,860	55,525	As of Apr/2014. Indefinite maturity	Variable pursuant to the Fund's investments	N/A	55,525	65,558	3,469	2,973

## a.2) Fixed income fund – Pampulha

The Company is a quotaholder of the Pampulha Fund (“Fund”), which is an exclusive fund between the Company and other related parties. The Company, through the fund, makes few investments in securities issued by related entities, as detailed below:

Pampulha Fund	Effectiveness period	Contractual conditions	Assets corresponding to Light's interest	
			06.30.2016	12.31.2015
Company's investment in the Pampulha investment fund - Araxá Fund vs. Cemig GT	Dec/2013 to Dec/2016	CDI + 0.84% p.a.	1,831	2,572
Company's investment in the Pampulha investment fund - Araxá Fund vs. Cemig GT	Feb/2012 to Feb/2017	CDI + 0.72% p.a.	346	489
Light SESA's investment in the Pampulha investment fund - Araxá Fund vs. Cemig GT	Jul/2015 to Jul/2018	CDI + 1.60% p.a.	1,927	2,438
Company's investment in the Pampulha investment fund - Ouro Preto Fund vs. Axiom	Jan/2013 to Jan/2017	109% of CDI p.a.	-	536
Company's investment in the Pampulha investment fund - Congonhas Fund vs. Cemig GT	Dec/2014 to Dec/2018	CDI + 1.68% p.a.	364	-
Company's investment in the Pampulha investment fund - Araxá Fund vs. Ativas	Jan/2015 to Jul/2017	CDI + 3.49% p.a.	1,837	2,270
Company's investment in the Pampulha investment fund - Tiradentes Fund vs Axiom	Apr/2016 a Jan/2017	112% of CDI p.a.	183	134
Company's investment in the Pampulha investment fund - Tiradentes fund vs ETAU	Dec/2014 a Dec/2019	108% of CDI p.a.	347	475

## b) Liabilities and expenses

Agreements with the same group (Balance sheet group, characteristics of the agreement and relationship)	Original value	Remaining balance	Effectiveness period	Contractual conditions	Conditions for cancellation or termination	Liabilities		Expenses	
						06.30.2016	12.31.2015	01.01.2016 to 06.30.2016	01.01.2015 to 06.30.2015
Supplier - power purchase commitment between Light SESA and CEMIG - it holds interest in the controlling group	614,049	263,547	Jan/2006 to Dec/2038	Price practiced in the regulated market	30% of the remaining balance	15	790	(907)	(22,177)
Supplier - power purchase commitment between Light SESA and CEMIG - it holds interest in the controlling group	61,830	60,284	Jan/2010 to Dec/2039	Price practiced in the regulated market	30% of the remaining balance	252	335	(1,370)	(1,233)
Supplier - Commitment with charges for the use of basic network between Light SESA and CEMIG - it holds interest in the controlling group	N/A	620	As of Dec/2002. Indefinite maturity	Price practiced in the regulated market	N/A	620	594	(2,730)	(2,988)
Supplier - Power purchase commitment between Light Energia and Lightger - under joint control	217,213	149,880	Dec/2010 to Jun/2028	Terms and conditions agreed between the parties	N/A	1,908	-	(10,042)	(9,800)
Supplier - Commitment with service rendering from Ativa Data Center to Light to Light SESA and Light Energia - it holds interest in the controlling group	16,393	-	Aug/2011 to Jan/2016	Terms and conditions agreed between the parties	Non-compliance with any contractual index for three consecutive months	-	426	(426)	(669)
Other debts - Commitment with advisory services between Light SESA and Axiom - under joint control	N/A	2,171	As of Dec/2010. Indefinite maturity	IGP-M	N/A	2,171	6,856	(8,305)	(14,120)
Pension plan - Commitment between Light S.A, Light SESA, Light Energia, Light Esco and Lightcom and Fundação de Seguridade Social Braslight - the foundation's sponsor	42,726	46,380	As of Jun/2001. Indefinite maturity	IPCA + 5.58% p.a.	N/A	46,380	42,726	(3,254)	(2,954)

The subsidiary Lightcom has subsidized energy purchase agreements of average 67 MW with supply starting in stages, between July 2014 and August 2035. The energy will derive from the portfolio projects of the jointly-controlled entity Renova Energia.

During the period of 2016, the Company held investments in stand-alone funds (Pampulha Fund) jointly with other related parties. These investments yielded R\$3,469 in the first half of 2016 (R\$2,973 in the first half of 2015).

Related-party transactions have been executed in accordance with the agreements between the parties.

### i. Management remuneration

The amounts below refer to the compensation of the Board of Directors, Executive Board and Fiscal Council, recognized under the accrual method, related to the reported in 2016 and 2015:

	First six months			
	Parent Company		Consolidated	
	2016	2015	2016	2015
Officers' compensation	963	781	5,290	4,335
Bonus	271	252	2,976	2,698
Social charges	337	242	2,730	1,806
Post-employment benefits	15	14	234	177
Social welfare benefits	36	22	312	845
Benefits due to position termination	149	223	1,830	2,225
<b>TOTAL COMPENSATION</b>	<b>1,771</b>	<b>1,534</b>	<b>13,372</b>	<b>12,086</b>

## 24. SHAREHOLDERS' EQUITY

### a) Capital stock

On June 30, 2016, there are 203,934,060 non-par and book-entry common shares of Light S.A. (203,934,060 on December 31st, 2015), recorded as capital stock in the total amount of R\$2,225,822 (R\$2,225,822 on December 31st, 2015), as follows:

SHAREHOLDERS	06.30.2016		12.31.2015	
	Number of Shares	% Interest	Number of Shares	% Interest
<b>CONTROLLING GROUP</b>	<b>106,304,597</b>	<b>52.12</b>	<b>106,304,597</b>	<b>52.12</b>
RME Rio Minas Energia Participações S.A.	26,576,150	13.03	26,576,150	13.03
Companhia Energética de Minas Gerais S.A.	53,152,298	26.06	53,152,298	26.06
Luce Empreendimentos e Participações S.A.	26,576,149	13.03	26,576,149	13.03
<b>OTHER</b>	<b>97,629,463</b>	<b>47.88</b>	<b>97,629,463</b>	<b>47.88</b>
Movida Participações S.A. - BNDESPAR	19,140,808	9.39	19,140,808	9.39
Public	78,488,655	38.49	78,488,655	38.49
<b>OVERALL TOTAL</b>	<b>203,934,060</b>	<b>100.00</b>	<b>203,934,060</b>	<b>100.00</b>

Light S.A. is authorized to increase its capital up to the limit of 203,965,072 common shares through resolution of the Board of Directors, regardless of amendments to the bylaws.

## 25. EARNINGS PER SHARE

The statement below reconciles the net results for the periods in 2016 and 2015 with the amounts used to calculate the basic and diluted earnings (losses) per share.

	2nd Quarter		First six months	
	2016	2015	2016	2015
<b>NUMERATOR</b>				
Net income (loss) for the period	(58,449)	(57,298)	(57,026)	71,242
<b>DENOMINATOR</b>				
Weighted average number of common shares	203,934,060	203,934,060	203,934,060	203,934,060
<b>BASIC AND DILUTED EARNINGS (LOSSES) PER COMMON SHARE IN R\$</b>	<b>(0.29)</b>	<b>(0.28)</b>	<b>(0.28)</b>	<b>0.35</b>

In the periods of 2016 and 2015, there were no differences between basic and diluted earnings (losses) per share, considering that the Company did not have any dilutive instruments.



## 26. NET REVENUE

	Consolidated			
	2nd Quarter		First six months	
	2016 Restated	2015 Restated	2016 Restated	2015 Restated
Supply (Note 27)	3,908,493	3,614,434	8,635,455	7,484,581
Leases, rents and other	14,626	18,198	29,252	33,247
Revenue from network usage	215,395	239,994	424,104	397,924
Revenue from construction	198,077	208,443	518,650	397,453
Revenue from services rendered	17,218	22,448	40,280	45,337
CDE subsidy	31,543	23,389	63,161	46,779
Taxed service fee	1,628	1,371	3,037	2,626
Fair value of the concession's indemnifiable assets	37,447	44,337	95,034	83,359
Unbilled revenue - Contributions from ACR and CCRBT accounts (Note 9)	-	241,603	5,167	875,038
Financial assets and liabilities of the sector - Unbilled revenue (Note 9)	(300,619)	(108,709)	(944,928)	(269,048)
<b>GROSS REVENUE</b>	<b>4,123,808</b>	<b>4,305,508</b>	<b>8,869,212</b>	<b>9,097,296</b>
ICMS	(1,001,637)	(928,280)	(2,184,168)	(1,858,635)
PIS / COFINS	(357,399)	(361,205)	(760,964)	(721,249)
Other	(2,085)	(1,599)	(3,444)	(2,158)
<b>REVENUE TAXES</b>	<b>(1,361,121)</b>	<b>(1,291,084)</b>	<b>(2,948,576)</b>	<b>(2,582,042)</b>
Energy Development Account - CDE	(413,671)	(437,895)	(837,937)	(617,614)
Global Reversal Reserve - RGR	(2,676)	(2,675)	(5,352)	(5,351)
Energy Research Company - EPE	(2,061)	(1,989)	(4,950)	(4,416)
National Technological Development Fund - FNDCT	(4,121)	(3,980)	(9,902)	(8,834)
Energy Efficiency Program - PEE	(8,728)	(8,724)	(21,623)	(18,985)
Research and Development -R&D	(4,121)	(3,980)	(9,902)	(8,834)
Special obligations	(81,490)	(58,335)	(171,032)	(140,446)
Other charges - Proinfra	(3,591)	(4,655)	(7,847)	(10,807)
Other charges	(6,917)	(6,746)	(16,732)	(13,834)
<b>CONSUMER CHARGES</b>	<b>(527,376)</b>	<b>(528,979)</b>	<b>(1,085,277)</b>	<b>(829,121)</b>
<b>TOTAL DEDUCTIONS</b>	<b>(1,888,497)</b>	<b>(1,820,063)</b>	<b>(4,033,853)</b>	<b>(3,411,163)</b>
<b>NET REVENUE</b>	<b>2,235,311</b>	<b>2,485,445</b>	<b>4,835,359</b>	<b>5,686,133</b>

The Company's revenue has a certain level of seasonality due to temperature variation in its concession area. Revenue increases in the periods recording highest temperatures.

The special obligations refer to the revenue earned with excess of demand and excessive reactive power charged from consumers, in the amount of R\$32,400 (R\$31,524 in the first half of 2015), and the tariff difference related to the special treatment of non-technical losses of Light SESA's concession area, totaling R\$138,632 (R\$108,922 in the first half of 2015), which although they are billed to consumers, they do not impact the Company's net revenue since the last tariff revision of subsidiary Light SESA, which took place in November 2013.

During the fiscal year ended December 31, 2015, the subsidiary Light SESA conducted discussions with Aneel with the purpose of maintaining PIS/COFINS tax neutrality for the

concessionary, whose credits from the acquisition of property, plant and equipment and intangible assets have been passed on to consumers through the effective rate. After approval of the regulatory agency, through Official Letter 591/2015 – SFF/Aneel on October 5, 2015, the subsidiary Light SESA recognized the cost of property, plant and equipment and intangible assets, as a corresponding entry to PIS/COFINS expenses, since the PIS/COFINS cost is recovered effectively by Light SESA through the regulatory remuneration base, upon the tariff review process.

## 27. ELECTRIC POWER SUPPLY

	Consolidated					
	2nd Quarter					
	Number of billed sales <sup>(a)(b)</sup>		GWh <sup>(a)</sup>		R\$	
	2016	2015	2016	2015	2016	2015
Residential	3,980,213	3,909,468	2,165	2,030	1,282,296	1,134,207
Industrial	7,185	7,600	276	325	125,504	123,379
Commerce, services and other	327,621	325,845	1,870	1,850	1,016,232	956,184
Rural	12,187	11,889	17	18	1,789	1,696
Public sector	12,012	11,885	385	378	225,809	207,958
Public lighting	760	742	189	195	49,518	53,582
Public utility	1,869	1,524	296	295	116,238	111,925
Own consumption	468	459	29	32	-	-
<b>BILLED SALES</b>	<b>4,342,315</b>	<b>4,269,412</b>	<b>5,227</b>	<b>5,123</b>	<b>2,817,386</b>	<b>2,588,931</b>
ICMS	-	-	-	-	983,446	911,764
Unbilled sales (net of ICMS)	-	-	-	-	(184,851)	(128,805)
<b>TOTAL SUPPLY <sup>(c)</sup></b>	<b>4,342,315</b>	<b>4,269,412</b>	<b>5,227</b>	<b>5,123</b>	<b>3,615,981</b>	<b>3,371,890</b>
Sale of energy	-	-	1,119	1,041	280,080	241,528
Short-term energy	-	-	864	-	12,432	1,016
<b>TOTAL SUPPLY</b>	<b>-</b>	<b>-</b>	<b>1,983</b>	<b>1,041</b>	<b>292,512</b>	<b>242,544</b>
<b>OVERALL TOTAL</b>	<b>4,342,315</b>	<b>4,269,412</b>	<b>7,210</b>	<b>6,164</b>	<b>3,908,493</b>	<b>3,614,434</b>

	Consolidated					
	First six months					
	Number of billed sales <sup>(a)(b)</sup>		GWh <sup>(a)</sup>		R\$	
	2016	2015	2016	2015	2016	2015
Residential	3,980,213	3,909,468	4,667	4,835	2,847,281	2,394,752
Industrial	7,185	7,600	563	667	266,611	234,197
Commerce, services and other	327,621	325,845	3,892	3,961	2,179,754	1,820,941
Rural	12,187	11,889	36	38	4,029	3,345
Public sector	12,012	11,885	779	806	469,153	388,591
Public lighting	760	742	372	367	104,491	93,239
Public utility	1,869	1,524	590	596	241,848	197,334
Own consumption	468	459	59	59	-	-
<b>BILLED SALES</b>	<b>4,342,315</b>	<b>4,269,412</b>	<b>10,958</b>	<b>11,329</b>	<b>6,113,167</b>	<b>5,132,399</b>
ICMS	-	-	-	-	2,150,063	1,827,378
Unbilled sales (net of ICMS)	-	-	-	-	(189,113)	(33,744)
<b>TOTAL SUPPLY <sup>(c)</sup></b>	<b>4,342,315</b>	<b>4,269,412</b>	<b>10,958</b>	<b>11,329</b>	<b>8,074,117</b>	<b>6,926,033</b>
Sale of energy	-	-	2,295	2,184	548,906	500,806
Short-term energy	-	-	951	160	12,432	57,742
<b>TOTAL SUPPLY</b>	<b>-</b>	<b>-</b>	<b>3,246</b>	<b>2,344</b>	<b>561,338</b>	<b>558,548</b>
<b>OVERALL TOTAL</b>	<b>4,342,315</b>	<b>4,269,412</b>	<b>14,204</b>	<b>13,673</b>	<b>8,635,455</b>	<b>7,484,581</b>

<sup>(a)</sup> Not revised by independent auditors

<sup>(b)</sup> Number of invoiced bills in June, with and without consumption

<sup>(c)</sup> Light SESA

## 28. OPERATING COSTS AND EXPENSES

CUSTOS	Consolidado							
	2º Trimestre				Acumulado 6 meses			
	Custos com energia		Custos de operação		Custos com energia		Custos de operação	
	2016	2015	2016	2015 Reapresentado	2016	2015	2016	2015 Reapresentado
Pessoal e administradores	-	-	(62,474)	(51,491)	-	-	(109,030)	(110,552)
Materiais	-	-	(14,970)	(15,830)	-	-	(29,109)	(22,368)
Serviços de Terceiros	-	-	(78,944)	(77,994)	-	-	(168,929)	(143,063)
Energia elétrica comprada para revenda (nota 29)	(1,480,570)	(1,769,983)	-	-	(3,048,707)	(3,936,827)	-	-
Depreciação e amortização	-	-	(110,079)	(102,464)	-	-	(217,986)	(202,520)
Custo de construção	-	-	(198,077)	(208,443)	-	-	(518,650)	(397,453)
Outras receitas e despesas/ custos	-	-	39,347	15,197	-	-	81,179	30,237
<b>TOTAL</b>	<b>(1,480,570)</b>	<b>(1,769,983)</b>	<b>(425,197)</b>	<b>(441,025)</b>	<b>(3,048,707)</b>	<b>(3,936,827)</b>	<b>(962,525)</b>	<b>(845,719)</b>

DESPESAS OPERACIONAIS	Consolidado			
	Despesas gerais e administrativas			
	2º Trimestre		Acumulado 6 meses	
	2016	2015	2016	2015
Pessoal e administradores	(39,590)	(35,052)	(80,783)	(69,508)
Materiais	(429)	(435)	(1,336)	(1,014)
Serviços de Terceiros	(41,619)	(31,171)	(81,664)	(84,386)
Depreciação e amortização	(12,042)	(10,699)	(26,105)	(23,157)
Provisão para crédito de liquidação duvidosa (PCLD)	(70,701)	(30,073)	(117,719)	(54,233)
Provisão para riscos trabalhistas, cíveis e fiscais/ êxito/ depósitos judiciais/ PDV	(44,466)	(32,976)	(76,669)	(19,029)
Multa por violação de indicadores de continuidade	(16,859)	(12,837)	(35,777)	(29,610)
Outras	(25,960)	(18,483)	(26,024)	(34,872)
<b>TOTAL</b>	<b>(251,666)</b>	<b>(171,726)</b>	<b>(446,077)</b>	<b>(315,809)</b>

## 29. ELECTRIC POWER PURCHASED FOR RESALE

	Consolidated				Consolidated			
	2nd Quarter				First six months			
	GWh <sup>(a)</sup>		R\$		GWh <sup>(a)</sup>		R\$	
	2016	2015	2016	2015	2016	2015	2016	2015
Connection charges	-	-	(2,841)	(2,746)	-	-	(5,701)	(5,493)
Expenses related to the use of Distribution Network - CUSD	-	-	(610)	(687)	-	-	(1,219)	(1,299)
Spot market energy	435	69	(4,150)	(230,781)	1,000	1,371	(1,356)	(809,893)
Network Usage Charges	-	-	(76,834)	(89,111)	-	-	(152,375)	(172,332)
UTE Norte Fluminense	1,583	1,583	(427,281)	(306,134)	3,166	3,150	(854,643)	(609,016)
Itaipu - binational	1,271	1,270	(250,948)	(329,714)	2,541	2,526	(524,219)	(633,538)
Energy transportation - Itaipu	-	-	(6,491)	(5,113)	-	-	(12,767)	(10,103)
National Electric System Operator (O.N.S.)	-	-	(5,073)	(5,650)	-	-	(11,418)	(10,488)
PROINFA	125	133	(47,940)	(32,350)	245	255	(95,215)	(63,203)
ESS	-	-	(104,242)	(33,536)	-	-	(223,700)	(114,780)
Other contracts and electric power auctions	4,592	3,904	(720,025)	(886,056)	9,967	8,635	(1,505,141)	(1,819,654)
PIS/COFINS credits on purchase	-	-	165,865	151,895	-	-	339,047	312,972
<b>TOTAL</b>	<b>8,006</b>	<b>6,959</b>	<b>(1,480,570)</b>	<b>(1,769,983)</b>	<b>16,919</b>	<b>15,937</b>	<b>(3,048,707)</b>	<b>(3,936,827)</b>

<sup>(a)</sup> Not revised by independent auditors

### 30. FINANCIAL RESULT

	Consolidated				
	2nd Quarter		First six months		
	2016	Restated	2015	Restated	2015
<b>REVENUES</b>					
Interest on electricity bills and debts paid by installments		13,003	7,342	25,210	13,954
Income from cash equivalents and marketable securities		18,030	14,163	29,867	27,499
Swap operations		-	-	-	148,064
Restatement of judicial deposits		3,728	4,062	8,666	8,181
Adjustment to financial assets and liabilities of the sector (Note 9)		27,261	37,633	61,236	50,296
Other financial income		2,310	3,613	15,912	9,801
<b>TOTAL FINANCIAL REVENUE</b>		<b>64,332</b>	<b>66,813</b>	<b>140,891</b>	<b>257,795</b>
<b>EXPENSES</b>					
Restatement of provision for contingencies		(4,447)	(2,807)	(13,704)	(8,057)
Expenses with tax liabilities		(8,484)	(6,620)	(18,696)	(11,631)
Debt charges		(160,474)	(151,600)	(332,125)	(296,005)
Exchange variation and inflation adjustment		173,830	40,139	323,508	(287,564)
Swap operations		(233,890)	(73,932)	(456,184)	-
Exchange variation on power bills		47,193	9,892	75,912	(26,156)
Other financial expenses		(14,077)	(14,276)	(12,109)	(16,959)
<b>TOTAL FINANCIAL EXPENSES</b>		<b>(200,349)</b>	<b>(199,204)</b>	<b>(433,398)</b>	<b>(646,372)</b>
<b>FINANCIAL RESULT</b>		<b>(136,017)</b>	<b>(132,391)</b>	<b>(292,507)</b>	<b>(388,577)</b>

On April 1, 2015, Decree 8426/15 was published, which revoked Decree 5442/05 and increased PIS/COFINS rate on financial revenues to 4.65% as of July 1, 2015. Subsequently, Decree 8451 was published on May 19, 2015, which, among other measures, maintained a zero rate specifically for revenues arising from inflation adjustment in loans, borrowings and hedge transactions. The Company is paying PIS/COFINS on financial income, except for income from swap transactions and from revenues arising from updates of the Concession Agreement, which are excluded by Law 12,973/2014.

### 31. RECONCILIATION OF TAXES IN PROFIT OR LOSS

Reconciliation of effective and nominal rates in the provision for income tax and social contribution:

	2nd Quarter				First six months			
	Parent Company		Consolidated		Parent Company		Consolidated	
	2016	2015	2016	2015	2016	2015	2016	2015
Earnings before income tax and social contribution (EBIT)	(58,449)	(57,298)	(80,934)	(67,822)	(57,026)	71,242	(37,851)	136,056
Nominal income tax and social contribution rate	34%	34%	34%	34%	34%	34%	34%	34%
<b>INCOME TAX AND SOCIAL CONTRIBUTION AT THE RATES ESTABLISHED BY THE CURRENT LEGISLATION</b>	<b>19,873</b>	<b>19,481</b>	<b>27,518</b>	<b>23,056</b>	<b>19,389</b>	<b>(24,222)</b>	<b>12,869</b>	<b>(46,259)</b>
Equity income	(18,751)	(18,675)	(3,235)	(12,201)	(17,176)	26,071	(32,268)	(16,711)
Unrecognized deferred tax credits CVM No. 371/02 - Light S.A.	(955)	(1,014)	(955)	(1,014)	(2,135)	(1,849)	(2,135)	(1,849)
Tax incentives <sup>(a)</sup>	-	-	174	701	-	-	1,336	754
Other effects from income tax and social contribution on permanent additions and exclusions	(167)	208	(1,017)	(18)	(78)	-	1,023	(749)
<b>INCOME TAX AND SOCIAL CONTRIBUTION IN THE RESULT</b>	<b>-</b>	<b>-</b>	<b>22,485</b>	<b>10,524</b>	<b>-</b>	<b>-</b>	<b>(19,175)</b>	<b>(64,814)</b>
Current income tax and social contribution	-	-	(49,094)	(9,824)	-	-	(156,394)	(58,808)
Deferred income tax and social contribution	-	-	71,579	20,348	-	-	137,219	(6,006)
Effective income tax and social contribution rate	N/A	N/A	-	-	N/A	N/A	-	47.6%

<sup>(a)</sup> Refers to the Federal Law for the Promotion of Culture (Law 8,313/91), which allows the use of up to 4% of due income tax for cultural activities.

### 32. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The statement below reconciles the carrying amount and fair values of assets and liabilities related to our financial instruments:

	Parent Company			
	06.30.2016		12.31.2015 - Restated	
	Book value	Fair Value	Book value	Fair Value
<b>ASSETS</b>				
Cash and cash equivalents (Note 4)	859	859	83,694	83,694
Services rendered receivable	134	134	134	134
Other receivables	603	603	1,005	1,005
<b>TOTAL</b>	<b>1,596</b>	<b>1,596</b>	<b>84,833</b>	<b>84,833</b>
<b>LIABILITIES</b>				
Trade accounts payable	244	244	526	526
Other payables	2,008	2,008	1,761	1,761
<b>TOTAL</b>	<b>2,252</b>	<b>2,252</b>	<b>2,287</b>	<b>2,287</b>

	Consolidated			
	06.30.2016		12.31.2015 - Restated	
	Book value	Fair Value	Book value	Fair Value
<b>ASSETS</b>				
Cash and cash equivalents (Note 4)	542,544	542,544	422,791	422,791
Marketable securities (Note 5)	72,230	72,230	74,682	74,682
Consumers, Concessionaires, Permissionaires and Clients (Note 6)	2,226,320	2,226,320	2,417,757	2,417,757
Services rendered receivable	33,028	33,028	23,597	23,597
Swaps	202,350	202,350	583,003	583,003
Financial assets of the sector (Note 9)	226,480	226,480	611,676	611,676
Concessions' financial assets (Note 10)	3,192,066	3,192,066	2,932,833	2,932,833
Other receivables (Note 11)	226,972	226,972	232,015	232,015
<b>TOTAL</b>	<b>6,721,990</b>	<b>6,721,990</b>	<b>7,298,354</b>	<b>7,298,354</b>
<b>LIABILITIES</b>				
Suppliers (Note 15)	1,212,246	1,212,246	1,449,642	1,449,642
Loans and financing (Note 17)	3,216,759	3,043,817	4,177,142	3,893,751
Debentures (Note 18)	3,558,429	3,316,295	3,397,243	3,130,643
Financial liabilities of the sector (Note 9)	498,496	498,496	-	-
Swaps	63,189	63,189	720	720
Other payables (Note 22)	668,860	668,860	703,891	703,891
<b>TOTAL</b>	<b>9,217,979</b>	<b>8,802,903</b>	<b>9,728,638</b>	<b>9,178,647</b>

In compliance with CVM Rule No. 475/2008 and CVM Resolution No. 604/2009, which revoked Resolution No. 566/2008, the description of accounting balances and fair values of financial instruments stated in the balance sheet as of December 31, 2015 and June 30, 2016 are identified in this note.

- Cash and cash equivalents

Financial investments in bank deposit certificates are classified as “loans and receivables”.

- Securities

Financial investments in bank deposit certificates and other short-term marketable securities are classified as “held for trading”, measured at their fair value through profit and loss.

- Consumers, Concessionaires, Permissionaires and Clients

These are classified as “loans and receivables”, measured at the amortized cost, being recorded at their original values and subject to a provision for losses and adjustment to present value, where applicable.

- Receivables from services rendered

Those are classified as “loans and receivables”, measured at the amortized cost and recorded at their original values, subject to provision for losses where applicable.

- Financial assets and liabilities of the sector

These are classified as “loans and receivables”, measured at the amortized cost and recorded by their original amounts, plus related charges, monetary restatements and subject to provision for losses, where applicable.

- Concessions' financial assets

These are classified as “available for sale”, measured at their fair value at initial recognition. After initial recognition, interest is calculated through the effective interest rate method and recognized in the income statement under financial revenues, while the changes in the fair value are recognized in other comprehensive income.

- Trade payables

Accounts payable to suppliers of materials and services required in the operations of the Company, the amounts of which are known or easily determinable, added, where applicable, of relevant charges, monetary and/or exchange variations incurred up to the balance sheet date. These balances are classified as other financial liabilities at amortized cost and were recognized at their amortized cost, which is not significantly different from their fair value.

- Loans, borrowings and debentures

These are measured at the amortized cost. For reporting purposes, the fair value was calculated at interest rates applicable to instruments with similar nature, maturities and risks, or based on market quotations of these securities. The fair value for BNDES financing is identical to the accounting balance, since there are no similar instruments, with comparable maturities and interest rates. These financial instruments are classified as “other financial liabilities at amortized cost”.

- Other receivables and other payables

Other receivables and other payables classified as "loans and receivables" and “other financial liabilities at amortized cost” are measured at the amortized cost and stated at their original values, accrued of, where applicable, corresponding charges, monetary and/or currency variations incurred up to the balance sheet date or subject to a provision for losses, where applicable.

- *Swaps*

These are measured at fair value. A determination of fair value used available information on the market and usual pricing methodology: the face value (notional) evaluation for long position (in U.S. Dollars and Euros) until maturity date and discounted at present value of clean coupon rates, published in bulletins of Securities, Commodities and Futures Exchange – BM&FBOVESPA.

It is worth mentioning that estimated fair value of financial assets and liabilities was determined by means of information available on the market and appropriate valuation methodologies. Nevertheless, meaningful judgment was required from Management when interpreting market data to produce the most appropriate fair value estimate.

b) Policy concerning derivative instruments

The Company has a policy of using derivative instruments, which has been approved by its Board of Directors. According to this policy, the debt service (principal plus interest and charges) denominated in foreign currency maturing within 24 months is to be hedged, except no speculative transaction is allowed, whether using derivatives or any other risky assets.

In line with the policy standards, the Company does not have any options, swaps, callable swaps, flexible options, derivatives embedded in other products, derivative-structured transactions and so-called “exotic derivatives”. Furthermore, the statement below denotes that the Company use cashless exchange rate swaps (US\$ vs. CDI), of which the Notional Contract Value is equal to the amount of the debt service denominated in foreign currency maturing in 24 months.

c) Risk management and goals achieved

Management of derivative instruments is achieved through operating strategies with a view to liquidity, profitability and safety. Our control policy consists of ongoing enforcement of policy standards concerning the use of derivative instruments, as well as continued monitoring of agreed upon rates versus market rates.

d) Market Risk

During the normal course of its businesses, the Company and its subsidiaries are exposed to the market risks related to currency variations and interest rates, as evidenced in the chart below:



There follows a breakdown of debt by currency and index (it does not include financial charges):

	Consolidated			
	06.30.2016		12.31.2015	
	R\$	%	R\$	%
USD	1,437,512	21.5	2,035,207	27.7
EUR	184,180	2.8	209,876	2.9
<b>TOTAL - FOREIGN CURRENCY</b>	<b>1,621,692</b>	<b>24.3</b>	<b>2,245,083</b>	<b>30.6</b>
CDI	3,266,546	49.0	3,283,694	44.7
IPCA	600,000	11.4	607,185	8.3
TJLP	638,862	9.6	756,150	10.3
Other	377,324	5.7	454,134	6.1
<b>TOTAL - LOCAL CURRENCY</b>	<b>4,882,732</b>	<b>75.7</b>	<b>5,101,163</b>	<b>69.4</b>
<b>TOTAL</b>	<b>6,504,424</b>	<b>100.0</b>	<b>7,346,246</b>	<b>100.0</b>

Derivative financial instruments in the form of swaps were contracted for the portion of debt denominated in foreign currency, in accordance with the policy for utilization of derivative instruments approved by the Board of Directors. Thus, including the swaps, the Company's foreign exchange exposure related to debt represents 0.44% of total debt denominated in foreign currency (0.67% on December 31, 2015).

Below, we provide a few considerations and analyses on risk factors impacting on business of Light Group's companies:

- Currency risk

For a portion of loans and borrowings denominated in foreign currency, the company uses derivative financial instruments (swap operations) to hedge against service associated with these debts (principal plus interest and commissions) to expire within 24 months. Funds raised as per BACEN Resolution 4131 from Merrill Lynch, BNP, Citibank, Itaú, Santander and Bank Tokyo were already contracted with swap for the entire duration of the debt, duly previously approved by the Board of Directors.

Listed below is the chart with the breakdown of derivative transactions on June 30, 2016 and December 31, 2015:

Institution	Subsidiary	Currency	Light's Receivable	Light's Payable	Starting Date	Maturity Date	Notional Value Contracted (US\$/EURO) Thousand	Fair Value June 2016 (R\$) Assets	Fair Value June 2016 (R\$) Liabilities	Fair Value June 2016 (R\$) Balance
Bank Tokyo	Light SESA	US\$	US\$ + 3.65%	100% CDI + 4.00%	03.17.2016	03.22.2017	18,760	-	(9,280)	(9,280)
Citibank	Light SESA	US\$	US\$ + Libor + 1.66%	100% CDI + 1.00%	08.23.2012	02.23.2017	33,333	19,468	(1,194)	18,274
Citibank	Light SESA	US\$	US\$ + Libor + 1.66%	100% CDI + 1.00%	08.23.2012	08.23.2017	33,333	19,122	(1,172)	17,950
Citibank	Light SESA	US\$	US\$ + Libor + 1.66%	100% CDI + 1.00%	08.23.2012	02.23.2018	33,334	18,944	(1,161)	17,783
Citibank	Light SESA	US\$	US\$ + Libor + 1.51%	100% CDI + 1.15%	02.25.2014	02.26.2018	100,000	57,621	(6,559)	51,062
Citibank	Light Energia	US\$	US\$ + Libor + 1.60%	100% CDI + 1.10%	10.02.2012	04.03.2017	26,666	14,681	(1,450)	13,231
Citibank	Light Energia	US\$	US\$ + Libor + 1.60%	100% CDI + 1.10%	10.02.2012	02.10.2017	26,667	14,478	(1,430)	13,048
Citibank	Light Energia	US\$	US\$ + Libor + 1.60%	100% CDI + 1.10%	10.02.2012	04.03.2018	26,667	14,371	(1,420)	12,951
BNP	Light Energia	EUR	Eur + 2.27%	CDI + 1.40%	10.22.2014	10.24.2016	50,000	24,515	(7,519)	16,996
Itaú	Light Energia	US\$	US\$ + 3.54%	CDI + 1.75%	12.16.2014	12.12.2016	50,047	28,043	(143)	27,900
Merrill Lynch	Light SESA	US\$	Libor + 2.15%	100% CDI + 0.65%	03.06.2015	11.10.2016	6,773	805	-	805
Bank Tokyo	Light SESA	US\$	US\$ + 2.85%	100% CDI + 0.88%	11.24.2014	11.21.2017	20,060	12,965	(615)	12,350
Itaú	Light SESA	US\$	US\$ + 2.53%	100% CDI + 3.50%	12.15.2015	02.15.2017	10,086	-	(7,207)	(7,207)
Santander	Light SESA	US\$	US\$ + 3.98%	129.95% CDI	02.02.2016	02.01.2017	30,746	-	(29,874)	(29,874)
BNP	Light SESA	US\$	US\$ + 4.07%	100% CDI+1.90%	04.01.2015	04.03.2017	24,729	(3,257)	(574)	(3,831)
BMG	Light SESA	US\$	US\$ + 0%	69.80% CDI	02.22.2016	10.10.2017	5,591	-	(3,351)	(3,351)
							<b>TOTAL</b>	<b>221,756</b>	<b>(72,949)</b>	<b>148,807</b>

Institution	Subsidiary	Currency	Light's Receivable	Light's Payable	Starting Date	Maturity Date	Notional Value Contracted (US\$/EURO) Thousand	Fair Value Dec 2015 (R\$) Assets	Fair Value Dec 2015 (R\$) Liabilities	Fair Value Dec 2015 (R\$) Balance
Bank Tokyo	Light SESA	US\$	US\$ + 2.45%	100% CDI + 0.95%	03.11.2013	03.11.2016	60,000	36,756	-	36,756
Citibank	Light SESA	US\$	US\$ + Libor + 1.66%	100% CDI + 1.00%	08.23.2012	02.23.2017	33,333	43,021	(1,457)	41,564
Citibank	Light SESA	US\$	US\$ + Libor + 1.66%	100% CDI + 1.00%	08.23.2012	08.23.2017	33,333	42,257	(1,431)	40,826
Citibank	Light SESA	US\$	US\$ + Libor + 1.66%	100% CDI + 1.00%	08.23.2012	02.23.2018	33,334	41,864	(1,418)	40,446
Citibank	Light SESA	US\$	US\$ + Libor + 1.51%	100% CDI + 1.15%	02.25.2014	02.26.2018	100,000	127,191	(7,798)	119,393
Citibank	Light Energia	US\$	US\$ + Libor + 1.60%	100% CDI + 1.10%	10.02.2012	04.03.2017	26,666	33,505	(1,693)	31,812
Citibank	Light Energia	US\$	US\$ + Libor + 1.60%	100% CDI + 1.10%	10.02.2012	10.02.2017	26,667	33,042	(1,669)	31,373
Citibank	Light Energia	US\$	US\$ + Libor + 1.60%	100% CDI + 1.10%	10.02.2012	04.03.2018	26,667	32,798	(1,657)	31,141
BNP	Light Energia	EUR	Eur + 2.27%	CDI + 1.40%	10.22.2014	10.24.2016	50,000	52,343	-	52,343
Itaú	Light Energia	US\$	US\$ + 3.54%	CDI + 1.75%	12.16.2014	12.12.2016	50,047	62,743	-	62,743
Merrill Lynch	Light SESA	US\$	Libor + 2.15%	100% CDI + 0.65%	11.10.2011	11.10.2016	13,500	11,540	-	11,540
Bank Tokyo	Light SESA	US\$	US\$ + 2.85%	100% CDI + 0.88%	11.24.2014	11.21.2017	20,000	26,900	(1,397)	25,503
Itaú	Light SESA	US\$	US\$ + 3.03%	100% CDI + 1.50%	12.15.2014	12.12.2016	17,414	294	(23)	271
Santander	Light SESA	US\$	US\$ + 3.39%	100% CDI + 2.00%	02.05.2015	02.02.2016	44,233	44,105	-	44,105
BNP	Light SESA	US\$	US\$ + 4.07%	100% CDI+1.90%	04.01.2015	04.03.2017	24,404	13,911	(724)	13,187
							<b>TOTAL</b>	<b>602,270</b>	<b>(19,267)</b>	<b>583,003</b>

The amount recorded was measured by its fair value on June 30, 2016 and December 31, 2015. All operations with derivative financial instruments are registered in clearing houses for the custody and financial settlement of securities and there is no margin deposited in guarantee. Operations have no initial cost.

The chart below shows a breakdown of derivative transactions related to the transactions via Resolution 4131 in effect:

06.30.2016									
Institution	Subsidiary	Currency	Starting Date	Maturity Date	Principal - R\$	Principal (US\$/EURO) Thousand	Net Asset Swap		Adjustment
							Accrual	Market	
Bank Tokyo	Light SESA	US\$	03.17.2016	03.22.2017	60,217	18,760	(8,477)	(9,280)	(803)
Citibank	Light SESA	US\$	08.23.2012	02.23.2017	107,257	33,333	19,178	18,274	(904)
Citibank	Light SESA	US\$	08.23.2012	08.23.2017	107,257	33,333	19,178	17,950	(1,228)
Citibank	Light SESA	US\$	08.23.2012	02.23.2018	107,257	33,334	19,178	17,783	(1,395)
Citibank	Light SESA	US\$	02.25.2014	02.26.2018	321,667	100,000	57,620	51,062	(6,558)
Citibank	Light Energia	US\$	10.02.2012	04.03.2017	86,053	26,666	14,510	13,231	(1,279)
Citibank	Light Energia	US\$	10.02.2012	10.02.2017	86,053	26,667	14,510	13,048	(1,462)
Citibank	Light Energia	US\$	10.02.2012	04.03.2018	86,053	26,667	14,510	12,951	(1,559)
BNP	Light Energia	EUR	10.22.2014	10.24.2016	184,861	50,000	24,515	16,996	(7,519)
Itaú	Light Energia	US\$	12.16.2014	12.12.2016	160,870	50,047	28,043	27,900	(143)
Merrill Lynch	Light SESA	US\$	03.06.2015	11.10.2016	21,741	6,773	865	805	(60)
Bank Tokyo	Light SESA	US\$	11.19.2014	11.21.2017	64,390	20,060	12,965	12,350	(615)
Itaú	Light SESA	US\$	12.15.2014	02.15.2017	32,374	10,086	(6,761)	(7,207)	(446)
Santander	Light SESA	US\$	02.02.2016	02.01.2017	98,688	30,746	(27,228)	(29,874)	(2,646)
BNP	Light SESA	US\$	04.01.2015	04.03.2017	79,375	24,729	(3,257)	(3,831)	(574)
BMG	Light SESA	US\$	02.22.2016	10.10.2017	17,946	5,591	(3,697)	(3,351)	346
<b>TOTAL</b>							<b>175,652</b>	<b>148,807</b>	<b>(26,845)</b>

12.31.2015									
Institution	Subsidiary	Currency	Starting Date	Maturity Date	Principal - R\$	Principal (US\$/EURO) Thousand	Net Asset Swap		Adjustment
							Accrual	Market	
Bank Tokyo	Light SESA	US\$	03.11.2013	03.11.2016	116,880	60,000	33,551	36,756	3,205
Citibank	Light SESA	US\$	08.23.2012	02.23.2017	67,333	33,333	42,399	41,564	(835)
Citibank	Light SESA	US\$	08.23.2012	08.23.2017	67,333	33,333	42,399	40,826	(1,573)
Citibank	Light SESA	US\$	08.23.2012	02.23.2018	67,333	33,334	42,399	40,446	(1,953)
Citibank	Light SESA	US\$	02.25.2014	02.26.2018	235,750	100,000	127,266	119,393	(7,873)
Citibank	Light Energia	US\$	10.02.2012	04.03.2017	54,133	26,666	33,161	31,812	(1,349)
Citibank	Light Energia	US\$	10.02.2012	10.02.2017	54,133	26,667	33,161	31,373	(1,788)
Citibank	Light Energia	US\$	10.02.2012	04.03.2018	54,133	26,667	33,161	31,141	(2,020)
BNP	Light Energia	EUR	10.22.2014	10.24.2016	156,935	50,000	51,319	52,343	1,024
Itaú	Light Energia	US\$	12.16.2014	12.12.2016	132,000	50,047	62,942	62,743	(199)
Merrill Lynch	Light SESA	US\$	11.10.2011	11.10.2016	52,715	13,500	11,115	11,540	425
Bank Tokyo	Light SESA	US\$	11.24.2014	11.21.2017	50,782	20,000	26,913	25,503	(1,410)
Itaú	Light SESA	US\$	12.15.2014	12.12.2016	68,000	17,414	442	271	(171)
Santander	Light SESA	US\$	02.05.2015	02.02.2016	120,000	44,233	42,823	44,105	1,282
BNP	Light SESA	US\$	04.01.2015	04.03.2017	95,294	24,404	13,966	13,187	(779)
<b>TOTAL</b>							<b>597,017</b>	<b>583,003</b>	<b>(14,014)</b>

The difference between the curve (accrual) and market values was the result of the unique calculation methodology, because while the curve swap balance corresponds to the principal plus interest and restated by the exchange rate until June 30, 2016, the market swap balance is calculated considering the future curve of the indexes discounted by the exchange coupon.

Pursuant to the Brazilian accounting practices and IFRS, the amount of derivative instruments is recorded at fair value, which approximates market value.

Below, the sensitivity analysis for foreign exchange rates fluctuations, showing eventual impacts on the Company's financial result. These sensitivity analyses were prepared assuming that the equity balances were outstanding during entire period.

The methodology used in the "Probable Scenario" considered the best estimate for the foreign exchange rate on June 30, 2017. It is worth highlighting that, as this refers to a sensitivity analysis of the impact on the financial result of the next 12 months, debt balances on June 30, 2016 were considered. It is worth mentioning that the balance of temporary cash investments will fluctuate according to the need or available funds of the Company, as well as the behavior of debt and derivatives balances will observe their respective contracts.

Exchange Rate Sensitivity Analysis, with the presentation of effects on the income statement before taxes, based on rates and projections of the following sources: BM&FBOVESPA (on July 12, 2016), BNDES (on July 13, 2016), FOCUS (on July 08, 2016) and Bloomberg (on July 08, 2016).

OPERATION	Subsidiary	Risk	Debt (USD and EUR) thousand	R\$		
				Scenario (I) - Probable	Scenario (II) - 25%	Scenario (III) - 50%
<b>FINANCIAL LIABILITIES</b>				<b>(174,294)</b>	<b>276,882</b>	<b>728,056</b>
TN - Par Bond	Light SESA	US\$	39,422	(13,411)	21,576	56,563
TN - Surety - Par Bond	Light SESA	US\$	(34,446)	11,718	(18,852)	(49,423)
TN - Discount Bond	Light SESA	US\$	27,247	(9,269)	14,912	39,094
TN - Surety - Discount Bond	Light SESA	US\$	(24,033)	8,176	(13,153)	(34,483)
4131 Bank Merrill Lynch 2011	Light SESA	US\$	6,773	(2,304)	3,707	9,718
4131 Citibank 2012	Light SESA	US\$	100,247	(34,104)	54,865	143,834
4131 Citibank 2014	Light SESA	US\$	100,214	(34,093)	54,847	143,787
4131 Bank Tokyo 2013	Light SESA	US\$	18,760	(6,382)	10,268	26,918
4131 Bank Tokyo 2014	Light SESA	US\$	20,060	(6,825)	10,979	28,783
4131 Itaú 2015	Light SESA	US\$	10,086	(3,431)	5,520	14,472
4131 Santander 2015	Light SESA	US\$	30,746	(10,460)	16,827	44,114
4131 Bank BNP 2015	Light SESA	US\$	24,729	(8,413)	13,534	35,481
4131 Citibank 2012	Light Energia	US\$	80,429	(27,362)	44,019	115,399
4131 Bank BNP 2014	Light Energia	EURO	52,200	(21,084)	30,403	81,889
4131 Itaú 2014	Light Energia	US\$	50,119	(17,050)	27,430	71,910
<b>DERIVATIVES</b>				<b>194,188</b>	<b>(308,887)</b>	<b>(811,962)</b>
Currency swaps (long position)	Light SESA	US\$	378,284	128,692	(207,035)	(542,764)
Currency swaps (long position)	Light Energia	US\$	130,548	44,412	(71,449)	(187,309)
Currency swaps (long position)	Light Energia	EURO	50,277	21,084	(30,403)	(81,889)
<b>TOTAL GAINS (LOSSES)</b>				<b>19,894</b>	<b>(32,005)</b>	<b>(83,906)</b>
Reference for Financial Assets and Liabilities					-25%	-50%
R\$/US\$ exchange rate (on 06.30.2017)				3.55	2.66	1.78
R\$/EURO exchange rate (on 06.30.2017) <sup>(a)</sup>				3.94	2.96	1.97

<sup>(a)</sup> Foreign exchange rate between Euro/U.S. Dollar of the European Central Bank, converted into reais the Brazilian Central Bank's Ptax

With the chart above, it is possible to identify that the hedge against all foreign currency-denominated debt (considering the following 24 months), excluding security balances. However, including security balances, the Company has a debt balance below the amount related to derivatives, having a negative impact on its profit or loss in case of reduction in R\$/US\$ quotation.

- Interest rate risk

This risk derives from impact of interest rates fluctuation not only over financial expense associated with loans, borrowings and debentures of the Company, but also over financial revenues deriving from temporary cash investments. The policy for utilization of derivatives approved by the Board of Directors does not comprise the contracting of instruments against such risk. Nevertheless, the Company continuously monitors interest rates so that to evaluate eventual need of contracting derivatives to hedge against interest rates volatility risk. In these cases, prior approval of the Board of Directors is requested.

The chart below shows the position of the interest rate swap transactions on June 30, 2016 and December 31, 2015.

Institution	Subsidiary	Light's Receivable	Light's Payable	Starting Date	Maturity Date	Notional Value Contracted (R\$)	Fair Value June 2016 (R\$) Assets	Fair Value June 2016 (R\$) Liabilities	Fair Value June 2016 (R\$) Balance
HSBC	Light SESA	CDI + 0.85%	101.9% CDI + (TJLP-6%)	10.18.2011	10.18.2017	150,000	-	(499)	(499)
BMG	Light SESA	CDI + 1.15%	IPCA +7.82%	05.20.2016	05.17.2021	800,000	-	(7,744)	(7,744)
PLURAL	Light SESA	CDI + 1.15%	IPCA +7.82%	05.20.2016	05.17.2021	200,000	-	(1,403)	(1,403)
<b>TOTAL</b>							-	<b>(9,646)</b>	<b>(9,646)</b>

Institution	Subsidiary	Light's Receivable	Light's Payable	Starting Date	Maturity Date	Notional Value Contracted (R\$)	Fair Value Dec 2015 (R\$) Assets	Fair Value Dec 2015 (R\$) Liabilities	Fair Value Dec 2015 (R\$) Balance
HSBC	Light SESA	CDI + 0.85%	101.9% CDI + (TJLP-6%)	10.18.2011	10.18.2017	150,000	-	(720)	(720)
<b>TOTAL</b>							-	<b>(720)</b>	<b>(720)</b>

The interest rate swap contracted with HSBC bank in the subsidiary Light SESA is associated with the maturity of the CCB with Bradesco.

The swap transactions with BMG and Plural bank are associated with the 9th debenture issue of the subsidiary Light SESA with Banco do Brasil. The purpose of the transaction was: (i) to hedge with revenue because part of the tariff adjustments is restated by the IPCA; and (ii) to reinforce working capital because, during the grace period of the debentures, the Company will receive funds to amortize the interest pegged to the CDI.

Below, the sensitivity analysis for interest rates fluctuations, showing possible impacts on the result before taxes. These sensitivity analyses were prepared assuming that the equity balances were outstanding during entire period.

The methodology used in the "Probable Scenario" considered the best estimate for the interest rate on June 30, 2017. It is worth highlighting that, as this refers to a sensitivity analysis of the impact on the financial result of the next twelve months, considers debt and investment balances on June 30, 2016 were considered. It is worth mentioning that the behavior of debt and derivatives balances will observe their respective contracts, and the balance of temporary cash investments will fluctuate according to the need or available funds of the Company.

Below is the interest rate sensitivity analysis, showing the effects on income statement before taxes, based on rates and projections of the following sources: BM&FBOVESPA (on July 12, 2016), BNDES (on July 13, 2016), FOCUS (on July 08, 2016) and Bloomberg (on July 08, 2016).

OPERATION	Subsidiary	Risk	R\$		
			Scenario (I) - Probable	Scenario (II) + 25%	Scenario (III) + 50%
<b>FINANCIAL ASSETS</b>			<b>(3,870)</b>	<b>10,699</b>	<b>25,268</b>
Cash equivalents and marketable securities <sup>(a)</sup>		CDI	(3,870)	10,699	25,268
<b>FINANCIAL LIABILITIES</b>			<b>73,665</b>	<b>(73,195)</b>	<b>(218,942)</b>
TN - Discount Bond	Light SESA	Libor6M	(55)	(273)	(490)
CCB Bradesco	Light SESA	CDI	1,468	(4,058)	(9,583)
BNDES - Capex 2009/10 Sub A	Light SESA	TJLP	-	(500)	(954)
BNDES - Capex 2009/10 Sub B	Light SESA	TJLP	-	(522)	(981)
BNDES - Capex 2009/10 Sub D	Light SESA	TJLP	-	-	(1)
BNDES - Capex 2009/10 Sub E	Light SESA	TJLP	-	-	(1)
BNDES - Capex 2009/10 Sub N	Light SESA	TJLP	-	(1)	(2)
BNDES - Capex 2009/10 Sub O	Light SESA	TJLP	-	(1)	(2)
BNDES - Capex 2009/10 Sub P	Light SESA	TJLP	-	(3)	(6)
BNDES - Capex 2009/10 Sub Q	Light SESA	TJLP	-	(3)	(6)
BNDES - Capex 2011/12 Sub 1	Light SESA	TJLP	-	(37)	(74)
BNDES - Capex 2011/12 Sub 2	Light SESA	TJLP	-	(1,973)	(3,815)
BNDES - Capex 2011/12 Sub 3	Light SESA	TJLP	-	(2,416)	(4,640)
BNDES - Capex 2011/12 Sub 4	Light SESA	TJLP	-	(2,525)	(4,772)
4131 Bank Merrill Lynch 2011	Light SESA	Libor3M	(24)	(67)	(109)
Debentures 8th Issue	Light SESA	CDI	3,524	(9,740)	(23,004)
4131 Citibank 2012	Light SESA	Libor3M	(359)	(983)	(1,608)
BNDES - Capex 2013/14 Sub A	Light SESA	TJLP	-	(3,254)	(6,190)
BNDES - Capex 2013/14 Sub B	Light SESA	SELIC	2,573	327	(1,919)
BNDES - Capex 2013/14 Sub D	Light SESA	TJLP	-	(67)	(127)
BNDES - Capex 2013/14 Sub E	Light SESA	SELIC	53	7	(39)
BNDES - 2013/16 Olympics Sub A	Light SESA	TJLP	-	(382)	(728)
BNDES - 2013/16 Olympics Sub B	Light SESA	TJLP	-	(399)	(749)
BNDES - 2013/16 Olympics Sub C	Light SESA	SELIC	467	59	(349)
BNDES - 2013/16 Olympics Sub D	Light SESA	TJLP	-	(179)	(341)
BNDES - 2013/16 Olympics Sub E	Light SESA	TJLP	-	(187)	(351)
BNDES - 2013/16 Olympics Sub F	Light SESA	SELIC	219	28	(164)
CCB Banco do Brasil	Light SESA	CDI	1,537	(4,255)	(10,063)
CCB CEF	Light SESA	CDI	924	(2,555)	(6,035)
OVERDRAFT ACCOUNT - CEF 2015_3	Light SESA	CDI	370	(1,024)	(2,417)
OVERDRAFT ACCOUNT - CEF 2015_4	Light SESA	CDI	241	(665)	(1,571)
OVERDRAFT ACCOUNT - CEF 2015_5	Light SESA	CDI	93	(256)	(604)
OVERDRAFT ACCOUNT - CEF 2015_6	Light SESA	CDI	213	(589)	(1,390)
OVERDRAFT ACCOUNT - CEF 2015_7	Light SESA	CDI	8	(22)	(51)
Debentures 9th Issue Series A	Light SESA	CDI	9,065	(25,058)	(59,180)
Debentures 9th Issue Series B	Light SESA	IPCA	40,255	29,298	18,342
Debentures 10th Issue	Light SESA	CDI	7,911	(21,916)	(51,870)
Debentures 11th Issue	Light SESA	CDI	1,617	(4,469)	(10,554)
4131 Citibank 2014	Light SESA	Libor3M	(358)	(982)	(1,605)
BNDES - Capex 2009/10 Sub A	Light Energia	TJLP	-	(21)	(41)
BNDES - Capex 2009/10 Sub B	Light Energia	TJLP	-	(22)	(42)
BNDES - Capex 2011/12 Sub 1	Light Energia	TJLP	-	(157)	(303)
BNDES - Capex 2011/12 Sub 2	Light Energia	TJLP	-	(93)	(180)
Debentures 2nd Issue	Light Energia	CDI	3,986	(11,018)	(26,022)
Debentures 3rd Issue	Light Energia	CDI	225	(622)	(1,468)
4131 Citibank 2012	Light Energia	Libor3M	(288)	(789)	(1,289)
BNDES - Silo Bento 2011	Light Esco	TJLP	-	(2)	(3)
BNDES - Centro Médico Botafogo 2011 Sub A	Light Esco	TJLP	-	-	(1)
BNDES - Centro Médico Botafogo 2011 Sub B	Light Esco	TJLP	-	(1)	(1)
BNDES - SP Market 2012	Light Esco	TJLP	-	(37)	(72)
BNDES - Coca-Cola 2013 Sub A	Light Esco	TJLP	-	(444)	(853)
BNDES - Coca-Cola 2013 Sub C	Light Esco	TJLP	-	(81)	(155)
BNDES - Nova América 2013 Sub A	Light Esco	TJLP	-	(120)	(231)
BNDES - Nova América 2013 Sub C	Light Esco	TJLP	-	(31)	(59)
BNDES - Hotel HSC 2014 Sub A	Light Esco	TJLP	-	(49)	(94)
BNDES - Hotel HSC 2014 Sub C	Light Esco	TJLP	-	(11)	(21)
BNDES - Iguatemi Caxias 2014 Sub A	Light Esco	TJLP	-	(2)	(3)
BNDES - Norte Shopping 2014 Sub A	Light Esco	TJLP	-	(37)	(71)
BNDES - Leblon 2015 Sub A	Light Esco	TJLP	-	(10)	(18)
BNDES - Leblon 2015 Sub B	Light Esco	TJLP	-	(6)	(12)
<b>DERIVATIVES</b>			<b>80,349</b>	<b>(26,224)</b>	<b>(132,796)</b>
Currency swaps (short position) <sup>(a)</sup>		CDI	15,853	(43,819)	(103,488)
Interest rate swaps (long position) <sup>(a)</sup>		Libor3M	1,029	2,820	4,612
Interest rate swaps (long position) <sup>(a)</sup>		Libor6M	55	273	490
Interest rate swaps (long position) <sup>(a)</sup>		CDI	7,576	(20,943)	(49,462)
Interest rate swaps (short position) <sup>(a)</sup>		TJLP/CDI	1,487	(4,111)	(9,712)
Interest rate swaps (short position) <sup>(a)</sup>		IPCA	54,349	39,556	24,764
<b>TOTAL LOSS</b>			<b>150,144</b>	<b>(88,720)</b>	<b>(326,470)</b>
Reference for FINANCIAL ASSETS				+25%	+50%
CDI (% on 06.30.2017)			13.25%	16.56%	19.88%
Reference for FINANCIAL LIABILITIES				+25%	+50%
CDI (% on 06.30.2017)			13.25%	16.56%	19.88%
TJLP (% on 06.30.2017)			7.50%	9.38%	11.25%
IPCA (% on 06.30.2017)			5.40%	6.75%	8.10%
Selic (% on 06.30.2017)			11.00%	13.75%	16.50%
Libor3M (% on 06.30.2017)			0.76%	0.95%	1.15%
Libor6M (% on 06.30.2017)			0.99%	1.23%	1.48%

<sup>(a)</sup> Includes Light Group's subsidiaries.

- Credit risk

It refers to the Company eventually suffering losses deriving from default of counterparties or financial institutions depository of funds or temporary cash investments. To mitigate these risks, the Company uses all collection tools allowed by the regulatory body, such as disconnection for delinquency, debit losses and permanent monitoring and negotiation of outstanding positions. Credit risk of receivables is diluted due to the Company's client base.

Item "a" of this note contains a summary of the financial instruments broken down by category, including the Company's maximum credit risk.

Concerning financial institutions, the Company only carries out low-risk operations, classified by rating agencies. The Company has a policy of not concentrating its portfolio in certain financial institution. Therefore, the policy's principle is to control the portfolio concentration through limits imposed to the Groups and monitor financial institutions through their shareholders' equity and ratings.

Through its policy, the Company will be able to invest in fixed income products and Interbank Deposit Rate (CDI)-indexed post-fixed income and post-fixed government bonds.

- Liquidity risk

Liquidity risk relates to the Company's ability to settle its liabilities. In order to determine the ability to satisfactorily meet its financial liabilities, the streams of maturities for funds raised and other liabilities are reported with the Company's statements. Further information on the funds raised can be found in detail in Notes 17 and 18.

The Company has raised funds through its operations, from financial market transactions and from affiliate companies, primarily allocated to support its investment plan and in managing its cash for working capital and liability management purposes.

The Company manages the liquidity risk by continuously monitoring expected and real cash flows and combining the maturity profiles of its financial liabilities and its financial indicator limits (covenants).

On June 30, 2016, the Company had consolidated negative circulating capital of R\$949,210 (R\$423,135 on December 31, 2015). The Company expects an improvement in operating cash flow during the year due to the tariff adjustments made in the year ended on December 31, 2015, together with the expected reduction in investments in 2016 and the improvement of the hydrological scenario. Additionally, the Company has been negotiating the renewal of short-term loans and financings and the extension of its debt profile, as described in Note 17. Management believes that the success of these steps will reverse the current scenario of negative net circulating capital. It should also

be noted that the Company presented positive consolidated operating cash flow of R\$932,205 in its operations in the first half of 2016 (R\$185,903 negative in the first half of 2015).

The ratings assigned to the Company by the credit rating agencies are as follows:

Ratings	National	International	Date of publication
Fitch	A-	-	06.06.2016
S&P	brBBB+/brA-3	-	06.09.2016
Moody's	Baa3.br	B1	07.21.2016

The energy sold by the Company is mostly produced by hydroelectric power plants. A rainfall shortage lengthy period may result in reduced water volume in power plants reservoirs and result in losses due to higher energy acquisition costs or decreased revenues with the implementation of comprehensive electric power conservation programs. The lengthening of energy generation through the thermal power plants may pressure higher costs for energy distribution companies, causing higher cash needs in the short term, which are recoverable within current regulatory framework, and may result in future tariff increases.

In the regular process of energy purchase and agreements for the use of transmission system, subsidiary Light SESA's future receivables were tendered as collateral, especially in energy auctions, in the regulated trading environment (ACR), as provided for in agreements, totaling R\$344,395 on June 30, 2016 (R\$318,577 on June 30, 2015).

The realization flow concerning future liabilities as per the relevant terms and conditions, which include future interest up to the contractual maturity dates, is summarized in the statement below:

Consolidated					
Interest rate instruments:	Up to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Floating					
Loans, borrowings and debentures	(301,378)	(1,729,577)	(5,571,092)	(1,036,711)	(8,638,758)
Fixed rate					
Loans, borrowings and debentures	(50,558)	(336,386)	(222,911)	15,223	(594,632)
Trade accounts payable	(1,212,246)	-	-	-	(1,212,246)
Swap	(33,909)	174,237	184,645	-	324,973



## b) Capital Management

The Company manages its capital with the purpose of safeguarding its capacity to continuously offer return to shareholders and benefits to other stakeholders, in addition to maintaining the ideal capital structure to reduce costs.

In order to maintain or adjust its capital structure, the Company either reviews the dividend payment policy, returns capital to shareholders, issues new shares or sells assets to reduce the indebtedness level.

	Consolidated	
	06.30.2016	12.31.2015
Debt from borrowings, loans and debentures	6,775,188	7,574,385
(-) Cash and cash equivalents (Note 4)	550,433	447,441
Net Debt (A)	6,224,755	7,126,944
Shareholders' equity (B)	3,602,022	3,665,063
<b>FINANCIAL LEVERAGE RATIO - % (A÷ (B+A))</b>	<b>63%</b>	<b>66%</b>

## c) Hierarchical Fair Value

There are three types of classification levels for the fair value of financial instruments. This hierarchy prioritizes unadjusted prices quoted in an active market for financial assets or liabilities. The classification of hierarchical levels can be presented as follow:

- Level 1 - Data originating from an active market (unadjusted quoted price) that can be accessed on a daily basis, including on the date of fair value measurement.
- Level 2 - Different data originating from the active market (unadjusted quoted price) included in Level 1, extracted from a pricing model based on data observable in the market.
- Level 3 - Data extracted from a pricing model based on data that are not observable in the market.

	Consolidated			
	Measurement of Fair Value			
	06.30.2016	Identical markets Level 1	Similar markets Level 2	Without active market Level 3
<b>ASSETS</b>				
Marketable securities (Note 5)	72,230	7,889	64,341	-
Concessions' financial assets (Note 10)	3,192,066	-	-	3,192,066
Swaps	202,350	-	202,350	-
<b>TOTAL</b>	<b>3,466,646</b>	<b>7,889</b>	<b>266,691</b>	<b>3,192,066</b>
<b>LIABILITIES</b>				
Swaps	63,189	-	63,189	-
<b>TOTAL</b>	<b>63,189</b>	<b>-</b>	<b>63,189</b>	<b>-</b>

	Consolidated			
	Measurement of Fair Value			
	12.31.2015	Identical markets Level 1 Restated	Similar markets Level 2 Restated	Without active market Level 3
<b>ASSETS</b>				
Marketable securities (Note 5)	74,682	9,124	65,558	-
Concessions' financial assets (Note 10)	2,932,833	-	-	2,932,833
Swaps	583,003	-	583,003	-
<b>TOTAL</b>	<b>3,590,518</b>	<b>9,124</b>	<b>648,561</b>	<b>2,932,833</b>
<b>LIABILITIES</b>				
Swaps	720	-	720	-
<b>TOTAL</b>	<b>720</b>	<b>-</b>	<b>720</b>	<b>-</b>

Regarding the concession's financial assets, classified as available for sale, the inclusion in level 3 was due to the fact that the relevant factors for the valuation at fair value were not publicly observable. The changes between the periods and the respective gains and losses in the income statement for the periods are described in Note 10.

### 33. INSURANCE

On June 30, 2016, the Light group had insurances covering its main assets, including:

Operational Risk Insurance - it covers damages caused to hydroelectric and thermoelectric power plants, including, but not limited to its machinery, steam turbines, gas turbines, generators, boilers, transformers, channels, tunnels, dams, spillway, civil works, offices and warehouses. All assets are insured under the Operational Risks modality, with an "All Risks" coverage, including the transmission and distribution lines up to 1,000 feet from generation site.

Directors and Officers Liability Insurance (D&O) - It has the purpose of protecting Executives from losses and damages resulting from the performance of their activities inherent to the position as Directors, Officers and Managers of the Company.

General and Civil Liability Insurance - focuses on the payment of indemnity if the Company is deemed civilly liable by a final and unappealable court decision or deal authorized by the insurance company, in relation to remedies for property damage and involuntary personal injury caused to third parties and also those related to pollution, contamination, sudden and/or accidental leakage.

Financial Guarantee Insurance – Energy Trading and Judicial. Property Insurance – Comprehensive Business (Leased Properties). International Transport Insurance – Imports, Corporate Travel Insurance and Personal Insurance.

Below, a summarized breakdown of main insurance policies considered by Management:

RISKS	Term		Amount Insured	Gross Premium (including cost of insurance policy + IOF)
	From	To		
Directors & Officers (D&O)	08.10.2015	08.10.2016	40,350	160
Civil and general liabilities	10.31.2015	10.31.2016	20,000	772
Operating risks <sup>(a)</sup>	10.31.2015	10.31.2016	6,968,852	3,058

<sup>(a)</sup> Maximum limit of liability (LMR) is R\$300,000 - Indemnity

<sup>(a)</sup> Total Value in Risk of R\$6,968,852

#### 34. SEGMENT REPORTING

Segment reporting is presented in relation to the business of the Company, identified based on its management structure and internal management information.

The Company's Management considers the following segments: power distribution, power generation, power trading and others (including the holding company). The eliminations comprise intersegment balances and transactions. The Company is segmented according to its operation, which has different risks and compensation. No client accounts for more than 10% of the Company's revenue or receivables, and the Company operates only in Brazil.

Segment information for the quarters ended June 30, 2016 and 2015 and shareholding positions on June 30, 2016 and December 31, 2015 are presented below:

	Distribution	Generation	Services	Trading	Other	Eliminations	Consolidated 06.30.2016
<b>Assets:</b>							
Current assets	2,906,305	441,435	83,510	123,884	17,357	(150,820)	3,421,671
Other non-current assets	4,417,949	27,514	67,030	2,301	585	-	4,515,379
Investments	18,189	434,218	-	-	3,605,983	(3,302,462)	755,928
Property, plant and equipment	281,687	1,311,514	90,668	356	32,031	-	1,716,256
Intangible assets	3,845,109	6,761	1,759	63	3,243	-	3,856,935
<b>TOTAL ASSETS</b>	<b>11,469,239</b>	<b>2,221,442</b>	<b>242,967</b>	<b>126,604</b>	<b>3,659,199</b>	<b>(3,453,282)</b>	<b>14,266,169</b>
<b>Liabilities and shareholders' equity:</b>							
Current liabilities	3,512,794	796,049	92,246	102,735	17,877	(150,820)	4,370,881
Non-current liabilities	5,491,261	751,107	46,964	3	3,931	-	6,293,266
Shareholders' equity	2,465,184	674,286	103,757	23,866	3,637,391	(3,302,462)	3,602,022
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>11,469,239</b>	<b>2,221,442</b>	<b>242,967</b>	<b>126,604</b>	<b>3,659,199</b>	<b>(3,453,282)</b>	<b>14,266,169</b>

	Distribution	Generation	Services	Trading	Other	Eliminations	Consolidated 12.31.2015
<b>Assets:</b>							
Current assets	3,419,128	398,175	80,692	97,560	100,399	(119,718)	3,976,236
Other non-current assets	4,234,131	95,700	68,790	2,054	6,026	-	4,406,701
Investments	19,264	492,297	-	-	3,628,750	(3,390,666)	749,645
Property, plant and equipment	269,331	1,317,658	92,654	350	29,640	-	1,709,633
Intangible assets	4,054,457	2,821	1,613	63	251	-	4,059,205
<b>TOTAL ASSETS</b>	<b>11,996,311</b>	<b>2,306,651</b>	<b>243,749</b>	<b>100,027</b>	<b>3,765,066</b>	<b>(3,510,384)</b>	<b>14,901,420</b>
<b>Liabilities and shareholders' equity:</b>							
Current liabilities	3,614,557	666,353	90,396	86,450	61,333	(119,718)	4,399,371
Non-current liabilities	5,832,319	949,307	53,279	3	2,078	-	6,836,986
Shareholders' equity	2,549,435	690,991	100,074	13,574	3,701,655	(3,390,666)	3,665,063
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>11,996,311</b>	<b>2,306,651</b>	<b>243,749</b>	<b>100,027</b>	<b>3,765,066</b>	<b>(3,510,384)</b>	<b>14,901,420</b>

### Income segment reporting:

First six months	Distribution	Generation	Services	Trading	Other	Eliminations	Consolidated 2016 - Restated
<b>NET REVENUE</b>	<b>4,377,444</b>	<b>304,511</b>	<b>24,845</b>	<b>459,161</b>	<b>2,259</b>	<b>(332,861)</b>	<b>4,835,359</b>
<b>OPERATING COSTS AND EXPENSES</b>	<b>(4,263,850)</b>	<b>(110,981)</b>	<b>(32,179)</b>	<b>(401,469)</b>	<b>(10,178)</b>	<b>332,861</b>	<b>(4,485,796)</b>
Equity in the earnings (losses) of subsidiaries	-	(95,840)	-	-	(49,589)	50,522	(94,907)
<b>FINANCIAL RESULT</b>	<b>(236,351)</b>	<b>(70,149)</b>	<b>11,688</b>	<b>1,886</b>	<b>419</b>	<b>-</b>	<b>(292,507)</b>
Financial income	109,819	12,290	15,774	2,209	1,133	(334)	140,891
Financial expense	(346,170)	(82,439)	(4,086)	(323)	(714)	334	(433,398)
<b>EARNINGS BEFORE TAXES</b>	<b>(122,757)</b>	<b>27,541</b>	<b>4,354</b>	<b>59,578</b>	<b>(57,089)</b>	<b>50,522</b>	<b>(37,851)</b>
Social contribution	10,910	(11,096)	200	(5,425)	(36)	-	(5,447)
Income tax	31,180	(30,718)	556	(14,684)	(62)	-	(13,728)
<b>NET RESULT</b>	<b>(80,667)</b>	<b>(14,273)</b>	<b>5,110</b>	<b>39,469</b>	<b>(57,187)</b>	<b>50,522</b>	<b>(57,026)</b>

First six months	Distribution Restated	Generation	Services	Trading	Other	Eliminations	Consolidated 2015 - Restated
<b>NET REVENUE</b>	<b>5,208,802</b>	<b>311,015</b>	<b>25,770</b>	<b>417,876</b>	<b>3,903</b>	<b>(281,233)</b>	<b>5,686,133</b>
<b>OPERATING COSTS AND EXPENSES</b>	<b>(4,863,540)</b>	<b>(133,488)</b>	<b>(29,607)</b>	<b>(357,111)</b>	<b>(9,837)</b>	<b>281,233</b>	<b>(5,112,350)</b>
Equity in the earnings (losses) of subsidiaries	-	(43,789)	-	-	71,318	(76,679)	(49,150)
<b>FINANCIAL RESULT</b>	<b>(338,288)</b>	<b>(55,491)</b>	<b>1,454</b>	<b>3,254</b>	<b>494</b>	<b>-</b>	<b>(388,577)</b>
Financial income	195,360	55,478	4,010	3,336	516	(905)	257,795
Financial expense	(533,648)	(110,969)	(2,556)	(82)	(22)	905	(646,372)
<b>EARNINGS BEFORE TAXES</b>	<b>6,974</b>	<b>78,247</b>	<b>(2,383)</b>	<b>64,019</b>	<b>65,878</b>	<b>(76,679)</b>	<b>136,056</b>
Social contribution	(925)	(11,070)	429	(5,762)	(51)	-	(17,379)
Income tax	(2,571)	(29,973)	1,188	(15,984)	(95)	-	(47,435)
<b>NET RESULT</b>	<b>3,478</b>	<b>37,204</b>	<b>(766)</b>	<b>42,273</b>	<b>65,732</b>	<b>(76,679)</b>	<b>71,242</b>

### 35. NON-CASH TRANSACTIONS

In the first half of 2016 and 2015, the Company carried out the following non-cash investment and financing activities which are, therefore, not reflected in the statements of cash flows:

	Consolidated	
	2016	2015
Capitalized financial charges (property, plant and equipment and intangible assets)	18,136	16,195
Acquisition of intangible assets against suppliers	22,104	64,333
Construction revenue (Statement of Value Added)	541,313	413,870

### 36. SUBSEQUENT EVENTS

a) The main financial transactions occurred after June 30, 2016 were:

- On August 10, 2016, funds were raised in the amount of R \$36,000 by the subsidiary Light Energia with Banco BBM through a Bank Credit Note. The operation has an interest rate of CDI + 4.0% p.a. with maturity of one year.
- On September 28, 2016, R\$28,138 was raised by the subsidiary Lajes Energia with BNDES to finance CAPEX.
- On September 30, 2016, funding was raised between subsidiary Light SESA and China Construction Bank through operation 4131 in the amount of R\$50,000, at the cost of USD + libor for 6 months + 3.50% p.a. Immediately, a swap was contracted with Banco BMG transferring the risk of exposure to the US dollar to reais, at the total cost of CDI + 4.5% p.a.

- On September 30, 2016, the Light Energia raised funds of R\$50,000 from Banco Original through a Bank Credit Note. The operation has an interest rate of CDI + 4.0% p.a. and maturity of 60 days.
- On October 3, 2016, a fund was raised by subsidiary Light SESA and with China Construction Bank through operation 4131, in the amount of R\$75,000, at the cost of USD + libor of 6 months + 3.50% p.a. On the same date, a swap was contracted with Banco Fibra, transferring the risk in US dollars to reais, at the total cost of CDI + 4.5% p.a.
- On October 24, 2016, a loan was contracted between the subsidiary Light Energia and BNP Paribas, in the amount of R\$138,808. The operation has an interest rate of CDI + 4.5% p.a., with maturity on October 24, 2017.
- On November 16, 2016, the subsidiary Light SESA raised R\$180,000 with Banco Bradesco through a Bank Credit Note. The operation has an interest rate of CDI + 3.5% p.a., with maturity on November 1, 2019. In addition, on October 16, 2016, R\$75,000 was paid to Bradesco to settle a loan due in October 2017.
- On November 29, 2016, the 4th debenture issue of the subsidiary Light Energia was carried out in the amount of R\$88,933, of which R\$50,000 with Banco Original and R\$38,933 with Banco BBM. Debt has a cost of CDI + 4.0% p.a., with maturity on November 16, 2017.
- On December 12, 2016, the subsidiary Light Energia carried out the full rollover of operation 4131 with Banco Itaú, in U.S. dollars, at the fixed cost of 5.08% p.a. and with maturity on June 5, 2018. At the same time, a swap was contracted with the same Bank transferring the risk of exposure to the U.S. dollars to reais at the total cost of CDI + 4.1% p.a.
- On December 26, 2016, the subsidiary Light SESA raised R\$342,323 related to the 2015-2016 Capex financing agreement with the BNDES, with maturity in 2023, in monthly installment payments at the cost of TJLP + 3.74% p.a.
- On February 1, 2017, the rollover of the subsidiary Light SESA's debt with Santander in the amount of R\$120,000 was carried out through a Bank Credit Note. The debt matures on August 1, 2018 and bears an interest rate of CDI + 4.5% p.a.
- On February 3, 2017, the rollover of the subsidiaries Light SESA's and Light Energia's debt with Citibank was carried out through a swap monetization. Light SESA's rollover, totaling R\$631,000, matures on November 1, 2019, and Light Energia's rollover, totaling R\$220,850, matures on May 1, 2018. Both operations were carried out through operation 4131 with swap at the cost of CDI + 3.5% p.a.

- On February 6, 2017, the subsidiary Light Energia issued its 2nd Promissory Note in the amount of R\$60,000, of which R\$24,700 with Banco Itaú, R\$20,000 with Banco BBM and R\$15,300 with Banco ABC. The operation matures on July 31, 2018 and bears an interest rate of CDI + 4.5% p.a.
  - On February 22, 2017, the rollover of the subsidiary Light SESA's Credit Note with Banco do Brasil in the amount of R\$150,000 was carried out. The operation has a six-month grace period and six bimonthly amortizations, maturing on February 22, 2019 and with an interest rate of 140% of the CDI.
- b) The main capital contributions in the subsidiaries and jointly-owned subsidiaries in the period of 2016 were:
- Below is a table with the main contributions made in the joint control of Amazônia Energia in the period of 2016.

Date of transfer of capital	Value of the capital transfer	Date of transfer of capital	Value of the capital transfer
07.07.2016	7,474	12.19.2016	8,969
08.08.2016	8,346	01.31.2017	7,349
10.25.2016	5,979	02.24.2017	3,363
12.01.2016	4,360		

- On July 01, 2016, the Company made a capital transfer, in the amount of R\$18,360, to the jointly-controlled entity Guanhães Energia.
- On September 29, 2016, the parent company Light S.A. made a contribution of R\$125,000 to subsidiary Light SESA.
- On September 29, 2016, the parent company Light S.A. made a contribution, in the amount of R\$66,500, in the subsidiary Light Esco.
- On December 26, 2016, the subsidiary Light Energia made a contribution of R\$ 12,137 to Renova Energia.
- In the first quarter of 2017, the subsidiary Light Energia made a contribution of R\$74,970 to the jointly-owned subsidiary Guanhães Energia, mainly to fully settle the promissory notes held by Guanhães Energia and to settle project expenses.

c) Tariff readjustment of subsidiary Light SESA

On November 1, 2016, the Brazilian Electricity Regulatory Agency – Aneel, approved a tariff readjustment index for Light Serviços de Eletricidade S.A. with an average decrease of 12.25%, composed of two components: the structural component, of -1.24%, which will be integrated into the tariff; and the financial component, of -4.23%, exclusively applied to the next twelve months. Considering the removal of the financial component of 6.79% currently present in Light's tariff, Light SESA's consumers will observe an average increase of 12.25% in their electricity bills. The new tariffs will be applied as of November 7, 2016.

d) Agreement to sell wind farms between the jointly-owned subsidiary Renova Energia and AES Tietê Energia S.A.

On January 12, 2017, the jointly-owned subsidiary Renova Energia entered into an agreement with AES Tietê Energia to sell the group of wind farms comprising the Alto Sertão II complex ("Alto Sertão II"), which has an installed capacity of 386 MW.

The base price of the transaction totals R\$650,000 and it involves the acquisition of shares of Renova Eólica Participações S.A. or Nova Energia Holding S.A., which control the fifteen special-purpose entities ("SPEs") comprising Alto Sertão II. The price will be subject to change if certain conditions of the transaction are fulfilled.

e) Reversal of added value of the jointly-owned subsidiary Renova Energia

On December 31, 2016, the Company reassessed the recoverability of the added value registered in the jointly-owned subsidiary Renova Energia and, due to the estimated results, decided to lower the goodwill recorded in the amount of R\$60,892, in the equity line.

f) Negative equity of the jointly-owned subsidiary Guanhões Energia

On December 31, 2016, the Company recognized R\$56,087 related to negative equity at the jointly-owned subsidiary Guanhões Energia after recognizing a provision for impairment of the plants under construction, whose works are temporarily suspended.

g) Provision for loss on property, plant and equipment of subsidiary Light ESCO

On December 31, 2016, the assumptions used in the impairment testing of one of the subsidiary Light Esco's projects were reviewed, as well as this cash generating unit's expected cash flow generation. Based on the result of the impairment testing, the Company recognized a provision for impairment losses of R\$18,296 under other expenses.



h) Reversal of ICMS provision Credit limit

The subsidiary Light SESA, based on two reports, one from the law firm responsible for the case and another from a distinguished jurist of the Superior Courts, reassessed the likelihood of loss based on previous cases on this subject and, given that the likelihood of loss was considered as possible on December 31, 2016, it reversed the provision of R\$144,802 related to litigation on the application of State Law No. 3,188/99, which restricted the appropriation of ICMS credits incurred on the acquisition of assets destined to the property, plant and equipment, requiring that credit is deferred by installments, while this restriction was not provided for in the Supplementary Law No. 87/96.

The discussion revolves around the issue of whether an ordinary state law may regulate ICMS credits on the acquisition of permanent assets contrary to the provisions of Supplementary Law No. 87/96 and the 1988 Constitution.

The lawsuit in question seeks the recognition of Light's clear legal right to record credits without the restrictions set forth in Law No. 3,188/99, based on the following constitutional grounds:

(i) Prevalence of supplementary law to deal with the matter (article 146, item III, subparagraph "b", and article 155, item I, subparagraph "b", paragraph 2, item XII, subparagraph "c", of the Constitution). In summary, it is argued that, the right to credits arising from taxes paid in the acquisition of fixed assets, in particular, is governed by Supplementary Law 87/96, which has exclusive jurisdiction over this matter. As a result, the restriction to the taxpayers' right to this credit would be unconstitutional, given that it was established by a state law and this would constitute usurpation of the supplementary law.

(ii) Violation of the non-cumulative principle (article 155, item I, paragraph 2, item I, of the Constitution), given that the state law established a restriction to the right to ICMS credits on fixed asset acquisitions that is incompatible with the non-cumulative system set forth by the Constitution.

Consequently, the law firm responsible for the case and our legal advisor specialized in Superior Courts believe that the claim that the supplementary law shall prevail has grounds and will waive the collection of this credit since the enactment of State Law No. 3,188/99.

- i) Approval by Aneel of the result of the 4th Periodic Tariff Review (RTP) of the subsidiary Light SESA

On March 14, 2017, Aneel approved the result of the 4th Periodic Tariff Review (RTP) of the subsidiary Light SESA. The 4th RTP, previously scheduled for November 7, 2018, was moved to March 15, 2017, through the fifth amendment to its concession agreement, approved by the seventh Public Meeting of Aneel's Board on March 7, 2017, pursuant to Aneel Order No. 2,194 of August 16, 2016.

As a result of the amendment, the ordinary tariff processes of the subsidiary Light SESA will take place on March 15 of each year, and the next RTP is scheduled to occur on March 15, 2022. Light SESA's concession term will still end on June 4, 2026.

The items associated with the distribution service were recalculated and the regulatory loss and technical loss percentages were redefined, currently representing 36.06% of the low-voltage market and 6.34% of the Regulatory Grid Load, respectively (these figures previously stood at 30.11% and 5.35%, respectively). The subsidiary Light SESA's new tariffs also reflect an adjustment to Portion A items, associated with energy acquisition, sectorial charges and transmission costs, as well as to financial components.

This process caused an average increase of 10.45% in Light SESA's electricity bills as of March 15, 2017. The items associated with Unrecoverable Revenues and Portion B (Distribution), associated with Light SESA's manageable costs, accounted for 2.81% of the total average effect.

- j) Renova Energia's negative working capital

On March 22, 2017, the jointly-owned subsidiary Renova Energia disclosed its Financial Statements of 2016, where a negative working capital of R \$ 3,211,041 was presented. Renova also needs additional resources to complete the wind farms for the already signed energy sales contracts. These conditions indicate uncertainty meant that it may raise doubts as to the ability of Renova and its subsidiaries to continue operating.

On December 23, 2016, Renova's Management approved a capital increase of up to R\$300,000 by issuing up to 115,952,502 new common shares and up to 34,047,498 new preferred shares. Through this capital increase, Cemig Geração e Transmissão S.A. (Cemig GT) and the subsidiary Light Energia had made capital transfers of R\$37,863 and R\$12,137, respectively, by December 31, 2016.

The Capital Increase is one of the initiatives to follow up with Renova Energia's business plan after the termination of the transaction's Phase II with TerraForm Global and strengthened the Company's cash and cope with the implementation of the projects already under construction and in development phase, as well as to honor the holding

company's expenses and debt.

BOARD OF DIRECTORS	
SITTING MEMBERS	ALTERNATE MEMBERS
Nelson José Hubner Moreira	Samy Kopit Moscovitch
Sérgio Gomes Malta	Eduardo Henrique Campolina Franco
Mauro Borges Lemos	César Vaz de Melo Fernandes
Marcello Lignani Siqueira	Daniel Batista da Silva Júnior
Marco Antônio de Rezende Teixeira	Rogério Sobreira Bezerra
Ana Marta Horta Veloso	Vacant
Edson Rogério da Costa	Júlio Cezar Alves de Oliveira
Marcelo Pedreira de Oliveira	Luís Carlos da Silva Cantídio Junior
Ricardo Reisen de Pinho	Marcio Guedes Pereira Junior
Silvio Artur Meira Starling	Eduardo Maculan Vicentini
Carlos Alberto da Cruz	Magno dos Santos Filho

FISCAL COUNCIL	
SITTING MEMBERS	ALTERNATE MEMBERS
Edson Machado Monteiro	Izauro dos Santos Callais
Adriano Pereira de Paula	Leonardo Rodrigues Tavares
Luis Aniceto Silva Cavicchioli	Francisco Vicente Santana Silva Telles
Adriana Araújo Ramos	Moacir Dias Bicalho Júnior
Raphael Manhães Martins	Vacant

## BOARD OF EXECUTIVE OFFICERS

Ana Marta Horta Veloso

Chief Executive Officer and Interim Chief Business Development and  
Investor Relations Officer

Cláudio Bernardo Guimarães de Moraes

Chief Financial Officer

Jaconias de Aguiar

Human Resources and Corporate Management Officer

Wilson Couto Oliveira

Commercial Officer

Fernando Antônio Fagundes Reis

Legal Officer

Luis Fernando de Almeida Guimarães

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Ronald Cavalcante de Freitas

Communications Officer

Dalmer Alves de Souza

Engineering Officer

## CONTROLLERSHIP SUPERINTENDENCE

Roberto Caixeta Barroso

Controllership Superintendent

CPF 013.011.556-83

CRC-MG 078086/O-8

Simone da Silva Cerutti de Azevedo

Accountant - Accounting Manager

CPF 094.894.347-52

CRC-RJ 103826/O-9

(Convenience Translation into English from the Original Previously Issued in Portuguese)

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Board of Directors and Management of  
Light S.A.  
Rio de Janeiro, RJ

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of Light S.A. ("Company"), included in the Interim Financial Information Form (ITR) for the quarter ended June 30, 2016, which comprises the balance sheet as at June 30, 2016 and the related income statement and statement of comprehensive income (loss) for the three- and six-month periods then ended, statement of changes in equity, and statement of cash flows for the six-month period then ended, including the explanatory notes.

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

### **Scope of review**

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

### **Conclusion on the interim financial information**

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

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## Emphases of Matter

*Restatement of the corresponding figures related to the three- and six-month periods ended June 30, 2016 and 2015*

As referred to in Note 3, as a result of the reclassifications described in said Note, the corresponding figures in the consolidated income (loss) statements for the three- and six-month periods ended June 30, 2016 and 2015 and the consolidated statements of value added (presentation required by the Brazilian law for publicly-held companies and disclosed as supplemental information for the purposes of the IFRSs) for the six-month periods then ended, presented for purposes of comparison, were adjusted and are being restated as provided for by CPC 23 and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, and CPC 26 (R1) and IAS 1 - Presentation of Financial Statements. Our conclusion is not modified with respect to this matter.

### *Law- and regulation-related risks*

We draw attention to notes 2 and 12, which states that the Company has an indirect investment in Norte Energia S.A. in the amount of R\$234,106 thousand as at June 30, 2016 (R\$169,886 thousand as at December 31, 2015) and share of loss of subsidiaries in the amount of R\$11 thousand and R\$433 thousand in the three- and six-month periods ended June 30, 2016 (share of loss of subsidiaries in the amount of R\$578 thousand and R\$448 thousand in the three- and six-month periods ended June 30, 2015), respectively. The General Attorneys' Office is conducting investigations and applying other legal measures, involving other shareholders of Norte Energia S.A. and certain executive officers of such other shareholders. Our conclusion is not modified with respect to this matter.

*Significant uncertainty that may raise doubt as to the ability of indirect joint venture Renova S.A. to continue as a going concern.*

Without modifying our conclusion, as described in Note 36 (Subsequent Events) to the interim financial information, the indirect joint venture Renova Energia S.A. (Renova), as at June 30, 2016: (i) recognized excess of current liabilities over current assets and (ii) presented the need to raise funds to meet the commitments relating to the construction of wind and solar power farms. These conditions indicate the existence of significant uncertainty that may raise significant doubts as to Renova's and its subsidiaries' ability to continue as going concern.

## Other Matters

### *Statements of value added*

We have also reviewed the individual and consolidated statements of value added ("DVA"), for the six-month period ended June 30, 2016, prepared under the responsibility of the Company's management, the presentation of which in the interim financial information is required by the standards issued by the Brazilian Securities and Exchange Commission ("CVM") applicable to the preparation of Interim Financial Information (ITR), and considered supplemental information by IFRS, which does not require a presentation of a DVA. These statements were subject to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in relation to the interim financial information taken as a whole.

### *Convenience translation*

The accompanying interim financial information has been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, March 23, 2017

DELOITTE TOUCHE TOHMATSU  
Auditores Independentes

John Alexander Harold Auton  
Engagement Partner