

Duke Energy International,  
Geração Paranapanema S.A. and  
Controlled Company  
Individual and Consolidated Interim  
Financial Information

For the Three- and nine-month  
Period Ended September 30, 2015 and  
Report on Review of Interim  
Financial Information

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

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Directors and Management of  
Duke Energy International, Geração Paranapanema S.A.  
São Paulo - SP

### **Introduction**

We have reviewed the individual and consolidated interim financial information of Duke Energy International, Geração Paranapanema S.A. (the “Company”), included in the Quarterly Financial Information Form (ITR) for the quarter ended September 30, 2015, which comprises the balance sheet as of September 30, 2015, and the related statements of income and comprehensive income for the three- and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-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 the technical pronouncement CPC 21 (R1) and international standard 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 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 CVM.

### **Emphasis of matter**

As described in notes 2.10 and 3.12 to the annual 2014 financial statements and applicable for this Interim Financial Information (ITR), the property, plant and equipment items intended for generation of electric power under an independent production regime are depreciated over their estimated useful lives, considering the facts and circumstances mentioned in such explanatory notes. As new information or decisions from the regulatory agency or the concession grantor become known, the current depreciation term for such assets may or may not be changed. Our conclusion is not modified with respect to this matter.

### **Other matters**

#### *Statements of value added*

We have also audited the individual and consolidated statements of value added (DVA) for the nine-month period ended September 30, 2015, prepared under the responsibility of the Company's Management, whose presentation is required by the standards issued by the CVM applicable to the preparation of Interim Financial Information (ITR), and considered supplemental information by IFRS, which does not require the 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 individual and consolidated interim financial information taken as a whole.

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

São Paulo, November 5, 2015

DELOITTE TOUCHE TOHMATSU  
Auditores Independentes

Iara Pasian  
Engagement Partner

**COMMENTS ON THE ECONOMIC AND FINANCIAL PERFORMANCE  
PERIODS FROM JULY 1ST TO SEPTEMBER 30, 2015 AND 2014**  
(In thousands of Brazilian real - BRL, except when designated otherwise)

As from the 2nd semester of 2015, the financial statements are being presented in an individual and consolidated basis, in which it is included the effect of the controlled company DEB - Pequenas Centrais Hidrelétricas Ltda., as from May 7.

The transaction transfer of corporate control from DEB to the Company was made on May 6.

	Controlling company	Consolidated	% Variance
	3Q2014	3Q2015	
<b>Economic indicators</b>			
Gross operating revenue	329,954	353,230	7.1
(-) Deductions to operating revenue	(30,242)	(48,006)	58.7
Net operating revenue	299,712	305,224	1.8
(-) Operating expenses	(205,263)	(164,513)	-19.9
Operating profit	94,449	140,711	49.0
Ebitda	148,535	193,975	30.6
<i>Ebitda margin - %</i>	49.6%	63.6%	
Finance income	(19,389)	(44,078)	127.3
Operating income	75,060	96,633	28.7
Net income for the period	49,861	65,212	30.8
<i>Net margin - %</i>	16.6%	21.4%	
<b>Shares</b>			
Outstanding shares (thousands of shares)	94,433	94,433	
Net income per thousands of shares (in BRL)	528.00	690.56	30.8

From the Consolidated amounts abovementioned, the controlled company DEB represents 3.1% of the net operating revenue (BRL 9.5 million), 3.2% of the operating expenses (BRL 5.2 million) and 6.7% of the net operating income of the period (BRL 4.4 million).

	Controlling company	Consolidated	% Variance
	30/09/2014	30/09/2015	
<b>Financial indicators</b>			
Total assets	4,508,741	4,074,586	-9.6
Debts in national currency	(1,173,378)	(1,420,526)	21.1
Shareholders' equity	(2,665,659)	(1,982,175)	-25.6

## Operating Expenses

	Controlling company	Consolidated	% Variance
	3Q2014	3Q2015	
Depreciation and amortization	(54,086)	(53,264)	-1.5
Electric power purchased for resale	(78,483)	(28,302)	-63.9
Charges from electric power use	(24,190)	(26,104)	7.9
Personnel	(19,871)	(20,543)	3.4
Financial offset from the use of water resources	(13,848)	(15,660)	13.1
Third-party services	(12,298)	(13,586)	10.5
Insurances	(1,214)	(1,415)	16.6
Electric Power Service Inspection Fee (TFSEE)	(1,019)	(1,277)	25.3
Material	(1,350)	(1,156)	-14.4
Reversal (provision) for tax, labor and environment risks	176	(1,140)	-747.7
Other	1,527	(1,043)	-168.3
Rent	(1,002)	(982)	-2.0
Reversal / (constitution) of provision for doubtful accounts	395	(41)	-110.4
	<b>(205,263)</b>	<b>(164,513)</b>	<b>-19.9</b>

The operating expenses amounted to BRL 164.5 million in the 3rd quarter of 2015, 19.9% lower than the BRL 205.3 million recorded in the same period of the previous year. The Controlled Company DEB increased in BRL 5.2 million in the total of operating expenses in the consolidated numbers.

The main factors that impacted the operating expenses were:

- Electric power purchased for resale: decrease in 50.2 million or 63.9% which presented a lower volume of electric power, with lower price charged in the short-term market (PLD - Differences Settlement Price), due to the small recover of hydrological scenario, together with the reduction of electric power demand, resulting in a decrease of thermal dispatch in the 3rd quarter of 2015, when compared to the same period of the previous year;
- Charges for the use of electric grid: increase of BRL 1,914 or 7.9% in the quarter derived from the incidental adjustments on these charges during 2015;
- Financial offset for the use of hydric resources: Increase of BRL 1.8 million, or 13.1% in comparison to the same period of the previous year it is mainly due to the readjustment of 6.7% in the Restated Reference Rate (TAR), which increased from BRL 79.87/MWh to BRL 85.26/MWh as from January 1st, 2015, and also to the higher volume generated in the quarter of 5.94% (2,721,147.04 MWh in the 3rd quarter of 2015 and 2,568,516.38 MWh in 3rd quarter of 2014);
- Provisions for tax, labor and environmental risks: increase in BRL 1.3 million or 747.7% in the period, related to revaluation of provision for labor and environment contingencies due to unfavorable decisions that occurred in the period, according to description of note 20.1.

## Ebitda and Ebitda Margin

	Controlling company	Consolidated	% Variance
	3Q2014	3Q2015	
Net income for the period	49,861	65,212	30.8
Income tax and social contribution	25,199	31,421	24.7
Financial income (net)	19,389	44,078	127.3
Depreciation and amortization	54,086	53,264	-1.5
<b>Ebitda</b>	<b>148,535</b>	<b>193,975</b>	<b>30.6</b>
<i>Ebitda Margin</i>	49.6%	63.6%	

Ebitda (Lajida - income before interest, income tax including social contribution on net income, depreciation and amortization) is calculated with the net income added to the net financial income, income tax and social contribution, depreciation and amortization. Ebitda is a non-accounting measurement, calculated taking as basis the provisions of CVM Instruction No. 527/2012. Ebitda should not be considered as an alternative of cash flow as liquidity indicator.

Company's Management believes that Ebitda provides a useful measure of performance, which is widely used by investor and analysts to evaluate performance and to compare companies.

Ebitda increased 30.6% in comparison to the same period of the previous year, mainly as a result of the decrease in the purchase of electric power for resale, partially offset by the growth of financial expense derived from the increase in the inflation rates and by the decrease of the cash average volume applied in the period.

## Financial income (Costs)

	Controlling company	Consolidated	% Variance
	3Q2014	3Q2015	
Revenues	24,741	10,176	-58.9
Expenses	(44,130)	(54,254)	22.9
<b>Net financial income</b>	<b>(19,389)</b>	<b>(44,078)</b>	<b>127.3</b>

The net financial income in the 3rd quarter of 2015 was negative in BRL 44.1 million, which represents an increase of 127.3% in comparison with the same period of the previous year. This variation is due to the decrease in financial revenues resulted mainly from the lower average volume invested in the period; and also from the increase in financial expenses due to the growth in inflation rates.

## Debentures

Issuance	Series	Remuneration	Maturity	Controlling company	Consolidated
				09/30/2014	09/30/2015
3rd	Single	CDI variation + 1.15% per year	01/10/2017	153,553	154,672
4th	1	CDI variation + 0.65% per year	07/16/2018	255,332	256,925
4th	2	IPCA Variation + 6.07% per year	07/16/2023	270,020	295,788
5th	1	CDI variation + 0.89% per year	05/20/2019	247,282	250,037
5th	2	IPCA Variation + 7.01% per year	05/20/2021	247,191	271,137
				<b>1,173,378</b>	<b>1,228,559</b>



The balance of debentures of the Controlling Company in the 3rd quarter of 2015, amounts to BRL 1,228.6, 4.7% higher in comparison to BRL 1,173.4 million in the same period of the previous year.

This variation is a result mainly of the appropriation of interest and monetary adjustment in the period, partially offset by the payment of interest in the 3rd and 4th issuances in January and July 2015 and by the payment of interest of the 5th issuance in May, 2015.

#### Loan

	Remuneration	Maturity	Controlling company	Consolidated
			09/30/2014	09/30/2015
Loan	CDI variance + 1.4% per year	05/05/2017	-	191,967

In May 2015, the Controlling Company raised loan with Citibank, in the amount of BRL 181 million, being the same updated at 100% of CDI accumulated variation, plus interest of 1.4% per year. The maturity term of this loan is of two years, being possible a prepayment after the first year of the agreement effectiveness. There are no assets given as guarantee to obtain these financial transactions and there are no restrictive clauses.

#### Net financial debt

	Controlling company	Consolidated	% Variance
	09/30/2014	09/30/2015	
Loan	-	191,967	100.0
Debentures	1,173,378	1,228,559	4.7
Short-term	28,555	192,370	573.7
Long-Term	1,144,823	1,036,189	-9.5
Cash	(773,412)	(326,443)	-57.8
<b>Net debt</b>	<b>399,966</b>	<b>1,094,083</b>	<b>173.5</b>

The Consolidated net debt, which is made up by the indebtedness, less cash and cash equivalents proceeds, increased 173.5% in comparison to the same period in 2014. This variation derives from the decrease in cash and cash equivalents balance and debt increase.

#### Net income for the period

As a result of the abovementioned items, the Company recorded in the third quarter of 2015 a net income of BRL 65.2 million, BRL 15.4 million or 30.8% higher than the results recorded in the same period of the previous year.

The Controlling Company recorded as an equity accounting valuation, as effect of the result assessed from its controlled company DEB, the amount of BRL 4.4 million.

**BALANCE SHEETS AS OF SEPTEMBER 30, 2015 AND DECEMBER 31, 2014**  
 (In thousands of Brazilian real - BRL)

ASSETS	Note	Controlling company		Consolidated
		09/30/2015	12/31/2014	09/30/2015
<b>Current assets</b>				
Cash and cash equivalents	6	281,799	141,391	326,443
Trade receivables	7	130,811	129,513	134,835
Recoverable Taxes	8	2,854	15,909	3,777
Services in progress		16,059	16,790	16,059
Prepaid expenses		1,830	401	1,876
Sundry debtors		1,945	1,553	2,026
Related parties	15.1	242	409	242
Other assets		161	110	162
<b>Total current assets</b>		<b>435,701</b>	<b>306,076</b>	<b>485,420</b>
<b>Non current assets</b>				
Trade receivables	7	514	960	514
Recoverable Taxes	8	960	960	2,105
Court deposits	9	42,137	39,093	42,137
Restricted funds		34	12	34
Prepaid expenses		3,403	3,599	3,403
Investments		207,204	26	26
Controlled companies	10	207,178	-	-
Others		26	26	26
Property, plant and equipment	11	3,333,861	3,460,966	3,509,995
Intangible	12	30,703	32,151	30,952
<b>Total non-current assets</b>		<b>3,618,816</b>	<b>3,537,767</b>	<b>3,589,166</b>
<b>Total assets</b>		<b>4,054,517</b>	<b>3,843,843</b>	<b>4,074,586</b>

The Management notes are an integral part of the financial statements.

**BALANCE SHEETS AS OF SEPTEMBER 30, 2015 AND DECEMBER 31, 2014**  
(In thousands of Brazilian real - BRL)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Controlling company		Consolidated
		09/30/2015	12/31/2014	09/30/2015
<b>Current liabilities</b>				
Trade payables	13	114,885	79,113	117,720
Arbitration	14	-	-	14,496
Salaries and social charges		9,534	13,693	9,676
Debentures	16	192,370	42,584	192,370
Taxes payable	8	105,845	96,878	106,896
Dividends and Interest on capital	23.4	1,664	115,363	1,664
Estimated obligations		10,572	7,180	10,813
Cibacap	18	1,000	2,283	1,000
Sector charges	22	32,638	27,721	32,646
Other liabilities		384	3,695	741
<b>Total current liabilities</b>		<b>468,892</b>	<b>388,510</b>	<b>488,022</b>
<b>Non current liabilities</b>				
Loans	17	191,967	-	191,967
Debentures	16	1,036,189	1,153,353	1,036,189
Deferred revenues		23,865	13,026	24,230
Special obligations	21	2,788	3,180	2,788
Provision for tax, labor and environment risks	20	25,446	19,526	26,020
Cibacap	18	8,770	6,935	8,770
Deferred income tax and social contribution	8	295,563	368,430	295,563
Tariff for the Use of the Distribution System - TUSDg	13	8,923	6,861	8,923
Sector charges	22	4,271	9,184	4,271
Other liabilities		5,668	5,272	5,668
<b>Total non-current liabilities</b>		<b>1,603,450</b>	<b>1,585,767</b>	<b>1,604,389</b>
<b>Shareholders' Equity</b>				
Capital	23.1	839,138	839,138	839,138
Capital reserves	23.2	105,468	99,537	105,468
Income reserve	23.3	127,845	127,176	127,845
Retained earnings	23.4	158,241	-	158,241
Equity accounting adjustments	23.5	751,483	803,715	751,483
<b>Total shareholders' equity</b>		<b>1,982,175</b>	<b>1,869,566</b>	<b>1,982,175</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,054,517</b>	<b>3,843,843</b>	<b>4,074,586</b>

The Management notes are an integral part of the financial statements.

**INCOME STATEMENTS**  
**NINE MONTH-PERIODS ENDED ON SEPTEMBER 30, 2015 AND 2014**  
(In thousands of Brazilian real - BRL, except when designated otherwise)

	Note	Controlling company			
		07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014
<b>Net operating revenue</b>	24	295,733	877,580	299,712	938,619
<b>Operating (revenues) / expenses</b>	25				
Personnel		(20,042)	(62,782)	(19,871)	(57,730)
Material		(1,054)	(3,283)	(1,350)	(3,003)
Third-party services		(12,314)	(29,835)	(12,298)	(31,334)
Electric Power Service Inspection Fee (TFSEE)		(1,252)	(3,757)	(1,019)	(3,055)
Electric power purchased for resale	26.2	(24,451)	(201,320)	(78,483)	(135,052)
Charges from electric power use	26.3	(25,991)	(70,242)	(24,190)	(64,924)
Financial offset for the use of water resources		(15,660)	(43,461)	(13,848)	(42,971)
Depreciation and amortization	11.b and 12.b	(54,114)	(162,514)	(54,086)	(162,682)
Reversal / (provision) for tax, labor and environment risks		(1,140)	(6,297)	176	(242)
Estimate reversion for doubtful accounts		-	220	395	1,822
Rentals		(940)	(2,710)	(1,002)	(2,971)
Insurances		(1,373)	(4,093)	(1,214)	(3,607)
Other		(1,031)	(3,119)	1,527	(2,218)
		<b>(159,362)</b>	<b>(593,193)</b>	<b>(205,263)</b>	<b>(507,967)</b>
<b>Income from equity interest</b>					
Equity accounting		4,387	6,810	-	-
<b>Operating income</b>		<b>140,758</b>	<b>291,197</b>	<b>94,449</b>	<b>430,652</b>
<b>Financial income</b>	27				
Revenues		8,653	21,490	24,741	63,493
Expenses		(53,660)	(156,326)	(44,130)	(128,191)
		<b>(45,007)</b>	<b>(134,836)</b>	<b>(19,389)</b>	<b>(64,698)</b>
<b>Profit before income tax and social contribution</b>		<b>95,751</b>	<b>156,361</b>	<b>75,060</b>	<b>365,954</b>
<b>Income tax and social contribution</b>	8.2				
Current		(88,248)	(126,601)	(33,115)	(145,932)
Deferred		57,709	76,249	7,916	22,073
		<b>(30,539)</b>	<b>(50,352)</b>	<b>(25,199)</b>	<b>(123,859)</b>
<b>Net income for the period</b>		<b>65,212</b>	<b>106,009</b>	<b>49,861</b>	<b>242,095</b>
<b>Earnings per share from continuing operations (in R\$ per share)</b>					
Basic and diluted earnings per preferred share	28	0.69056	1.12258	0.52801	2.56366
Basic and diluted earnings per common share	28	0.69056	1.12258	0.52801	2.56366

The Management notes are an integral part of the financial statements.

**INCOME STATEMENTS**  
**NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2015 AND 2014**  
(In thousands of Brazilian real - BRL, except when designated otherwise)

	Note	Consolidated	
		07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015
<b>Net operating revenue</b>	24	<b>305,224</b>	<b>892,884</b>
<b>Operating (revenues) / expenses</b>	25		
Personnel		(20,543)	(63,493)
Material		(1,156)	(3,436)
Third-party services		(13,586)	(32,030)
Electric Power Service Inspection Fee (TFSEE)		(1,277)	(3,797)
Electric power purchased for resale	26.2	(28,302)	(207,297)
Charges from electric power use	26.3	(26,104)	(70,425)
Financial offset for the use of water resources		(15,660)	(43,461)
Depreciation and amortization	11.b and 12.b	(53,264)	(161,149)
Reversion / (provision) for tax, labor and environment risks		(1,140)	(6,729)
Estimate constitution/(reversion) for doubtful accounts		(41)	156
Rentals		(982)	(2,779)
Insurances		(1,415)	(4,161)
Other		(1,043)	(3,133)
		<b>(164,513)</b>	<b>(601,734)</b>
<b>Operating income</b>		<b>140,711</b>	<b>291,150</b>
<b>Financial income</b>	27		
Revenues		10,176	23,774
Expenses		(54,254)	(157,242)
		<b>(44,078)</b>	<b>(133,468)</b>
<b>Profit before income tax and social contribution</b>		<b>96,633</b>	<b>157,682</b>
<b>Income tax and social contribution</b>	8.2		
Current		(89,130)	(127,922)
Deferred		57,709	76,249
		<b>(31,421)</b>	<b>(51,673)</b>
<b>Net income for the period</b>		<b>65,212</b>	<b>106,009</b>
<b>Attributable to</b>			
Controlling shareholders	28	<b>65,212</b>	<b>106,009</b>
Non-controlling shareholders	28	-	-

The Management notes are an integral part of the financial statements.

**STATEMENTS OF COMPREHENSIVE INCOME**  
**NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2015 AND 2014**  
 (In thousands of Brazilian real - BRL, except when designated otherwise)

	Controlling company and Consolidated		Controlling company	
	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014
<b>Net income for the period</b>	<b>65,212</b>	<b>106,009</b>	<b>49,861</b>	<b>242,095</b>
Actuarial gains on defined benefit pension plan	321	1,013	124	408
Deferred income tax and social contribution on actuarial gains	(109)	(344)	(40)	(139)
	212	669	84	269
<b>Comprehensive income for the period</b>	<b>65,424</b>	<b>106,678</b>	<b>49,945</b>	<b>242,364</b>

The Management notes are an integral part of the financial statements.

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2015 AND 2014**  
(In thousands of Brazilian real - BRL)

	Capital	Reserves		Retained earnings	Valuation adjustments to equity (Note 23.5)	Shareholders' equity of Controlling company and Consolidated
		Capital	Earnings			
<b>Balances on December 31, 2014</b>	<b>839,138</b>	<b>99,537</b>	<b>127,176</b>	<b>-</b>	<b>803,715</b>	<b>1,869,566</b>
Comprehensive income for the period						
Net income for the period	-	-	-	106,009	-	106,009
Actuarial gains on defined benefit pension plan	-	-	-	-	1,013	1,013
Deferred income tax and social contribution on actuarial gains	-	-	-	-	(344)	(344)
Reclassification of net actuarial gains - CPC 33 (R1)	-	-	669	-	(669)	-
Capital reserve - acquisition DEB - Pequenas Centrais Hidrelétricas Ltda.	-	5,897	-	-	-	5,897
	-	5,897	669	106,009	-	112,575
Contributions and distributions to shareholders						
Share-based payment	-	34	-	-	-	34
Valuation adjustments to equity (Note 23.5)	-	-	-	79,139	(79,139)	-
Deferred tax on valuation adjustments to equity	-	-	-	(26,907)	26,907	-
	-	34	-	52,232	(52,232)	34
<b>Balances on September 30, 2015</b>	<b>839,138</b>	<b>105,468</b>	<b>127,845</b>	<b>158,241</b>	<b>751,483</b>	<b>1,982,175</b>

	Capital	Reserves		Retained earnings	Valuation adjustments to equity	Shareholders' equity of Controlling company
		Capital	Earnings			
<b>Balances on December 31, 2013</b>	<b>1,339,138</b>	<b>99,512</b>	<b>112,586</b>	<b>-</b>	<b>872,034</b>	<b>2,423,270</b>
Comprehensive income for the period						
Net income for the period	-	-	-	242,095	-	242,095
Actuarial gains on defined benefit pension plan	-	-	-	-	408	408
Deferred income tax and social contribution on actuarial gains	-	-	-	-	(139)	(139)
Reclassification of net actuarial gains - CPC 33 (R1)	-	-	269	-	(269)	-
	-	-	269	242,095	-	242,364
Contributions and distributions to shareholders						
Share-based payment	-	25	-	-	-	25
Realization of valuation adjustments to equity	-	-	-	77,276	(77,276)	-
Deferred tax on valuation adjustments to equity	-	-	-	(26,274)	26,274	-
	-	25	-	51,002	(51,002)	25
<b>Balances on September 30, 2014</b>	<b>1,339,138</b>	<b>99,537</b>	<b>112,855</b>	<b>293,097</b>	<b>821,032</b>	<b>2,665,659</b>

The Management notes are an integral part of these financial statements.

**STATEMENTS OF CASH FLOWS**  
**NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2015 AND 2014**  
(In thousands of Brazilian real - BRL)

	Controlling company		Consolidated
	09/30/2015	09/30/2014	09/30/2015
<b>Cash flows from operating activities</b>			
Net income for the period	106,009	242,095	106,009
<b>Adjustments to:</b>			
Depreciation and amortization	162,514	162,682	161,149
(Earnings) write-offs of fixed/intangible assets	(137)	(3,290)	(130)
Deferred income tax and social contribution	(76,249)	(22,073)	(76,249)
Estimate reversion for doubtful accounts	(220)	(1,822)	(156)
Interest on CCB loans	10,967	-	10,967
Interest on debentures	92,863	96,471	92,863
Monetary variation on debentures	40,325	25,547	40,325
Provision for tax, labor and environment risks	6,285	(112)	6,717
Monetary variation on provision for tax, labor and environment risks	2,419	328	2,547
Monetary variation on court deposits	(3,023)	(2,712)	(3,024)
Financial updating by arbitral proceeding	-	-	814
Equity accounting	(6,810)	-	-
Share-based payment	34	25	34
<b>Variation in assets and liabilities</b>			
Trade receivables	(632)	47,656	(370)
Sundry debtors	(392)	(841)	(473)
Related parties	167	(351)	(15)
Court deposits	(21)	(9)	(20)
Services in progress	(4,890)	(4,055)	(4,890)
Restricted funds	(22)	519	(22)
Prepaid expenses	(1,233)	(1,242)	(1,279)
Trade payables	37,834	56,303	39,027
Salaries and social charges	(4,159)	(3,466)	(4,328)
Tax, fees and contributions	123,216	120,661	123,397
Estimated obligations	3,392	3,949	3,633
Deferred revenues	10,839	2,641	10,857
Cibacap	552	(18)	552
Provision for tax, labor and environment risks	(2,784)	(642)	(2,787)
Other active and passive variations	3,672	2,663	4,140
<b>Cash generated in operations</b>	<b>500,516</b>	<b>720,907</b>	<b>509,288</b>
Interest and monetary variation paid on debentures	(100,566)	(201,424)	(100,566)
Income tax and social contribution, paid	(101,194)	(203,498)	(101,194)
<b>Net cash from operating activities</b>	<b>298,756</b>	<b>315,985</b>	<b>307,528</b>
<b>Cash flow from investment activities</b>			
Investment in controlled companies - DEB - Pequenas Centrais Hidrelétricas Ltda	(191,433)	-	(191,433)
Cash from acquisition - DEB - Pequenas Centrais Hidrelétricas Ltda	-	-	36,826
Income from property, plant and equipment sale	2,920	4,020	2,920
Additions to property, plant and equipment	(36,278)	(31,759)	(37,232)
Additions on intangible assets	(858)	(422)	(858)
<b>Net cash invested in investment activities</b>	<b>(225,649)</b>	<b>(28,161)</b>	<b>(189,777)</b>
<b>Cash flows from financing activities</b>			
Fund raising	181,000	-	181,000
Amount received from issuance of debentures	-	479,000	-
Cost of transaction from issuance of debentures	-	(3,999)	-
Payment of debentures	-	(333,350)	-
Dividends and interests on capital paid	(113,699)	(267,733)	(113,699)
<b>Net cash from (used in) financing activities</b>	<b>67,301</b>	<b>(126,082)</b>	<b>67,301</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>140,408</b>	<b>161,742</b>	<b>185,052</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>141,391</b>	<b>611,670</b>	<b>141,391</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>281,799</b>	<b>773,412</b>	<b>326,443</b>

The Management notes are an integral part of these financial statements.



**STATEMENTS OF VALUE ADDED**  
**NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2015 AND 2014**  
(In thousands of Brazilian real - BRL)

	Controlling company		Consolidated
	09/30/2015	09/30/2014	09/30/2015
<b>Revenues</b>			
Electric power sales	1,016,401	1,037,759	1,032,346
Revenues from the construction of own assets	36,278	31,759	37,232
Estimate reversion for doubtful accounts	220	1,822	156
	<b>1,052,899</b>	<b>1,071,340</b>	<b>1,069,734</b>
<b>Inputs acquired from third-parties</b>			
Electric power purchased and charges from network use	(271,562)	(199,976)	(277,722)
Materials and services from third parties	(69,396)	(66,096)	(74,613)
Other operating costs	(12,408)	(5,134)	(11,005)
	<b>(353,366)</b>	<b>(271,206)</b>	<b>(363,340)</b>
<b>Gross value added</b>	<b>699,533</b>	<b>800,134</b>	<b>706,394</b>
Depreciation and amortization	(162,514)	(162,682)	(161,149)
<b>Value added produced, net</b>	<b>537,019</b>	<b>637,452</b>	<b>545,245</b>
Rentals	216	108	216
Equity accounting income	6,810	-	6,810
Financial income	21,490	63,493	23,774
Other	-	3,903	-
<b>Value added received in transfer</b>	<b>28,516</b>	<b>67,504</b>	<b>30,800</b>
<b>Total value added to be distributed</b>	<b>565,535</b>	<b>704,956</b>	<b>576,045</b>
<b>Distribution of value added</b>			
<b>Personnel</b>			
Direct remuneration	34,544	31,015	34,895
Benefits	6,593	6,303	6,751
FGTS (Government Severance Indemnity Fund for Employees)	4,889	2,950	4,924
Provision for gratuities (bonuses)	5,371	5,639	5,398
Profit sharing	1,685	2,689	1,711
Welfare charges (except for INSS - National Institute of Social Security)	2,379	2,201	2,406
	<b>55,461</b>	<b>50,797</b>	<b>56,085</b>
<b>Tax, fees and contributions</b>			
Federal	205,868	266,649	207,960
State	39,032	14,141	39,032
Municipal	129	112	129
	<b>245,029</b>	<b>280,902</b>	<b>247,121</b>
<b>Compensation from third party's capital</b>			
Rentals	2,710	2,971	2,779
Interest on debentures	92,863	96,471	92,863
Monetary variation on debentures	40,325	25,547	40,325
Interest recovery and monetary adjustment of debentures	-	(3,431)	-
Other financial expenses	23,138	9,604	24,054
	<b>159,036</b>	<b>131,162</b>	<b>160,021</b>
<b>Others</b>			
Retained earnings	158,241	293,097	165,050
Realization of attributed cost of property, plant and equipment	(52,232)	(51,002)	(52,232)
	<b>106,009</b>	<b>242,095</b>	<b>112,818</b>
<b>Value added distributed</b>	<b>565,535</b>	<b>704,956</b>	<b>576,045</b>

The Management notes are an integral part of these financial statements.

**MANAGEMENT NOTES  
TO THE QUARTERLY INFORMATION - ITR - September 30, 2015**

(Amounts expressed in thousands of Brazilian real - BRL, unless when otherwise indicated)

**1. GENERAL INFORMATION**

Duke Energy International, Geração Paranapanema S.A. ("Controlling Company" or "Company") is a publicly-held corporation and a public utility concessionaire, operating as independent generator, with registered office in São Paulo, which is mainly engaged in the generation and sale of electric power, operations that are regulated and supervised by the National Electric Energy Agency (ANEEL), which reports to the Ministry of Mines and Energy (MME).

The Company's installed capacity is 2,241.3 MW, consisting of the following generation plants in operation in the State of São Paulo: Capivara hydroelectric power plant, Chavantes hydroelectric power plant, Jurumirim hydroelectric power plant, Salto Grande hydroelectric power plant, Taquaruçu hydroelectric power plant, Rosana hydroelectric power plant, and 49.7% of the Canoas Complex consisting of the Canoas I and II hydroelectric power plants.

As mentioned in Note 10, on May 6, 2015, the Company acquired a 99.99% interest in DEB - Pequenas Centrais Hidrelétricas Ltda ("Controlled Company" or "DEB"), based on the contractual agreements executed by and between Duke Energy International, Brasil Ltda. ("Duke Brasil") and the Company.

The installed capacity of DEB controlled company is 32.5 MW, consisting of the PCH Retiro and PCH Palmeiras plants, located on the Sapucaí River, in the municipalities of Guará and São Joaquim da Barra, both in the State of São Paulo.

On September, 30, 2015, the Company's negative net working capital was BRL 33,191 (BRL 2,602 in the Consolidated), mainly due to the transference of the 4th debentures issuance, series 1, to the current liabilities, which will be settled in July, 2016, the increase in provision for taxes payable and the high amount of the electric power purchase in the period.

The unfavorable hydrological scenario is still impacting the Company. Associação Brasileira dos Produtores Independentes de Energia Elétrica ("APINE"), filed for a preliminary injunction to reduce the hydrological exposure and the levels of thermic dispatch.

On June 2, 2015, this preliminary injunction was granted in favour to APINE, limiting the Company's exposure and other generators, until the moment of the judgment of the merits of the claim. The APINE decision is subject to acceptance of appeal, and the decision is uncertain. Thus, it is not possible to foresee the impact on the Company.

On August 18, 2015, the Federal Government published a Provisional Measure No. 688 which provides for the repactuation of the hydrological risk for the agents of the generation category that own participant plants of the Power Reallocation Mechanism - MRE The ANEEL Public Hearing No. 032/2015, which intends to gain subsidies for the improvement of the proposal of the Normative Resolution that resolve on the consent and renegotiation criteria for the hydrological risk in the terms of the Provisional Measure No. 688 had its term for the delivery of contributions by the agents ended on October 13, 2015, and is still pending on conclusion.

The issuance of these financial statements was approved by the Company's Board of Directors on November 5, 2015

## 2. SUMMARY OF MAIN ACCOUNTING POLICIES AND PRESENTATION OF THE FINANCIAL STATEMENTS

### 2.1. Basis for preparation

#### Individual and consolidated financial statements

The interim financial statements were prepared according to the Technical Pronouncement CPC 21 (R1) – Interim Statement and with international accounting standards IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and presented in a form that is compliant with the standards issued by the Brazilian Securities Commission, applicable to the preparation of the Quarterly Information – ITR.

Consequently, as described in Circular Letter CVM/SNC/SEP 03/2011, the Company opted to present the notes to this interim financial information in a summarized manner in those cases of redundancy of the information presented in the annual financial statements. In these cases, we have included a reference to the complete note to the annual financial statements to avoid any misunderstanding of the Company's financial position and the individual and consolidated performance of the Company and its controlled company for the interim period.

The Company states that the basis of preparation and the accounting policies used are the same as those applied in the 2014 annual financial statements, with the exception of income tax and social contribution obtained for its controlled company, which has chosen the deemed profit tax regime. The related information is disclosed in notes 2.1 to 2.20 to those financial statements.

The Controlling Company analyzed the new CPC/IFRS pronouncements and interpretations effective beginning January 1, 2015 and concluded that they do not have significant impact on these financial statements.

### 2.2. Consolidation

#### Consolidated financial statements

The following are the accounting practices adopted in the preparation of the consolidated financial statements.

#### a) Controlled Company

Controlled Company is an entity over which the Controlling Company has the power to determine financial and operating policies, while also holding more than half of the voting rights thereof (voting capital). The Controlled Company is consolidated as of the date when control is transferred to the Controlling Company. Consolidation is interrupted as of the date that control is terminated.

Transactions between the companies, balances and gains not realized in transactions between the companies are eliminated. Unrealized losses are also eliminated, unless the operation provides evidence of impairment of the asset transferred. The Controlled Company's accounting policies are changed as needed to assure consistency with the policies adopted.

On September 30, 2015, the Company maintained control of DEB, as described in note 10.

### 2.3. Concession arrangements

On May 14, 2015, MME Ordinance 156/2015 was published, and provides for the raise of the power physical guarantee for the Capivara Hydroelectric Power Plant, Rosana Hydroelectric Power Plant, and Taquaruçu Hydroelectric Power Plant under the Company's concession.

Due to this authorization, the total of the power physical guarantee increased from 1,085.6 average MW to 1,104.8 average MW in June 2015.

After the conclusion of the modernization of the Generated Unit 1 of Chavantes hydroelectric power plant, ANEEL published on July 29, 2015 an order no. 2.436/2015 that authorized the increase of 4,1 average MW as the plant physical guarantee.

Thus, Company's total power physical guarantee increased from 1,104.8 average MW to 1,108.9 average MW.

Authorization Resolution - ANEEL	Plant	Type	State	River	Installed power (MW)	Assured energy (average MW)	Start of authorization	Authorization expiration
76/1999	Jurumirim	UHE - Hydroelectric	SP	Paranapanema	101.0	47.0	09/22/1999	09/21/2029
76/1999	Chavantes	UHE - Hydroelectric	SP	Paranapanema	414.0	176.1	09/22/1999	09/21/2029
76/1999	Salto Grande	UHE - Hydroelectric	SP	Paranapanema	73.8	55.0	09/22/1999	09/21/2029
76/1999	Capivara	UHE - Hydroelectric	SP	Paranapanema	619.0	337.5	09/22/1999	09/21/2029
76/1999	Taquaruçu	UHE - Hydroelectric	SP	Paranapanema	525.0	205.6	09/22/1999	09/21/2029
76/1999	Rosana	UHE - Hydroelectric	SP	Paranapanema	354.0	182.7	09/22/1999	09/21/2029
183/1998	Canoas I	UHE - Hydroelectric	SP	Paranapanema	82.5	57.0	07/30/1998	07/29/2033
183/1998	Canoas II	UHE - Hydroelectric	SP	Paranapanema	72.0	48.0	07/30/1998	07/29/2033
					<b>2,241.3</b>	<b>1,108.9</b>		

### 2.4. Authorization agreements

#### Controlled Company

ANEEL authorized exploration of the hydroelectric potential of the Retiro and Palmeiras Small Hydroelectric Plants (PCHs) through, respectively, Resolution 549, dated October 8, 2002, and Resolution 706, dated December 17, 2002, on behalf of Sociedade de Energia Bandeirantes - SEBAND - Ltda. ("SEBAND").

In February 2007, Duke Energy International, Brasil Ltda. ("Duke Brasil") and SEBAND executed an Agreement to Assign and Transfer of Ownership Interest and Other Covenants, aiming the transfer of assets and rights related to the exploration of the hydroelectric potential of the Retiro PCH and Palmeiras PCH to DEB, in conjunction with the full transfer of ownership interest in DEB to Duke Brasil.

Through Resolution 944, dated June 5, 2007, ANEEL authorized the transfer from SEBAND to DEB of permissions to implement and explore the Retiro PCH and Palmeiras PCH.

Authorization Resolution - ANEEL	Plant	Type	State	River	Installed power (MW)	Assured energy (average MW)	Start of authorization	Authorization expiration
549/2002	Retiro	PCH - Hydroelectric	SP	Sapucaí	16.0	8.1	10/10/2002	10/09/2032
706/2002	Palmeiras	PCH - Hydroelectric	SP	Sapucaí	16.5	8.1	12/18/2002	12/17/2032
					<b>32.5</b>	<b>16.2</b>		

### 2.5. Impairment of non-financial assets

On December 31, 2014, the Controlled Company used as calculation methodology for the calculation of assets recoverable value, the generation of projected future cash by the end of the authorization, with projected revenues and expenses, in accordance with sale price expectations, based on the projected budget. The discounted cash flow used a discount rate (weighted average cost of capital - wacc) of 12.0%, with the balance totaling BRL 235,982. Changes to the balance in 2015 are shown below:

<b>Balance on December 31, 2014</b>	<b>(235,982)</b>
Amortization	15,558
<b>Balance on May 6, 2015</b>	<b>(220,424)</b>
Amortization	5,327
<b>Balance on September 30, 2015</b>	<b>(215,097)</b>

Impairment is amortized and it is accounted for in the fixed asset group, with the end of its useful life being the final term of the concession.

Duke Paranapanema declares that the information on impairment of non-financial assets described in the 2014 annual financial statements is the same as that included in this interim financial information (ITR), as presented in note 2.11 to those financial statements.

### 3. KEY ESTIMATES AND CRITICAL ACCOUNTING JUDGMENTS

The Controlling Company hereby declares that the key estimates and critical accounting judgments described in the 2014 annual financial statements are applicable to this interim financial information, as presented in note 3 of those financial statements.

The Controlled Company calculates estimates in relation to the future based on assumptions. By definition, the resulting accounting estimates are rarely equal to the respective actual results. Those estimates and assumptions that pose a significant risk, with the likelihood of causing a substantial adjustment to accounting values for assets and liabilities in the next fiscal year, are shown below:

- Useful life of long-term assets;
- Conditions for compensation of assets to be reversed at the end of the Authorization;
- Provision for impairment.

### 4. BUSINESS RISK MANAGEMENT

#### 4.1. Financial risk factors

The other information on the financial risk described in the 2014 annual financial statements are applicable to this interim financial information, as presented in notes 4.1 to 4.4 to those financial statements, except for the sensitivity analysis and capital management, as described below:

##### 4.1.1. Credit risk

The classifications of Company's financial assets were impacted by the decrease in the level of the investments in Brasil, derived from the new classification of the ratings of financial risks from the main agencies.

##### 4.1.2. Sensitivity analysis

The Company and its controlled company, in accordance with item 40 of CPC 40 (R1) - Financial Instruments: For evidences, disclose the sensitivity analysis for each type of market risk considered as relevant by Management, arising from financial instruments comprised of debentures and cash and cash equivalents, to which the Company and its controlled company are exposed at the end of the period.

The sensitivity for the probable scenario was calculated taking into consideration the changes in the rates and indexes for the last 12 months and also took into consideration four other scenarios, with favorable and unfavorable stress of 25% and 50% on interest rates and floating indexes compared to the probable scenario.

The following table shows the impacts on the finance income for the Controlling Company and the Consolidated in the five scenarios estimated for the next 12 months:

			Controlling company					
Debentures	Issuance	Debt	09/30/2015	Scenario - Δ 50%	Scenario - Δ 25%	Probable scenario	Scenario + Δ 25%	Scenario + Δ 50%
		Index						
	3rd	CDI (Interbank Deposit Certificate)	(154,672)	(11,508)	(16,372)	(21,236)	(26,101)	(30,965)
	4th S1	CDI (Interbank Deposit Certificate)	(256,925)	(17,831)	(25,911)	(33,991)	(42,071)	(50,152)
	4th S2	IPCA (Amplified Consumer Price Index)	(295,788)	(31,989)	(39,007)	(46,025)	(53,042)	(60,060)
	5th S1	CDI (Interbank Deposit Certificate)	(250,037)	(17,953)	(25,816)	(33,680)	(41,544)	(49,407)
	5th S2	IPCA (Amplified Consumer Price Index)	(271,137)	(31,872)	(38,305)	(44,738)	(51,170)	(57,603)
<b>Loan</b>		CDI (Interbank Deposit Certificate)	(191,967)	(14,762)	(20,800)	(26,837)	(32,874)	(38,912)
			<b>(1,420,526)</b>	<b>(125,915)</b>	<b>(166,211)</b>	<b>(206,507)</b>	<b>(246,802)</b>	<b>(287,099)</b>
<b>Cash and cash equivalents</b>		CDI (Interbank Deposit Certificate)	281,799	17,725	26,588	35,450	44,313	53,175
<b>Total net exposure</b>			<b>(1,138,727)</b>	<b>(108,190)</b>	<b>(139,623)</b>	<b>(171,057)</b>	<b>(202,489)</b>	<b>(233,924)</b>

			Consolidated					
Debentures	Issuance	Debt	30/09/2015	Scenario - Δ 50%	Scenario - Δ 25%	Probable scenario	Scenario + Δ 25%	Scenario + Δ 50%
		Index						
	3rd	CDI (Interbank Deposit Certificate)	(154,672)	(11,508)	(16,372)	(21,236)	(26,101)	(30,965)
	4th S1	CDI (Interbank Deposit Certificate)	(256,925)	(17,831)	(25,911)	(33,991)	(42,071)	(50,152)
	4th S2	IPCA (Amplified Consumer Price Index)	(295,788)	(31,989)	(39,007)	(46,025)	(53,042)	(60,060)
	5th S1	CDI (Interbank Deposit Certificate)	(250,037)	(17,953)	(25,816)	(33,680)	(41,544)	(49,407)
	5th S2	IPCA (Amplified Consumer Price Index)	(271,137)	(31,872)	(38,305)	(44,738)	(51,170)	(57,603)
<b>Loan</b>		CDI (Interbank Deposit Certificate)	(191,967)	(14,762)	(20,800)	(26,837)	(32,874)	(38,912)
			<b>(1,420,526)</b>	<b>(125,915)</b>	<b>(166,211)</b>	<b>(206,507)</b>	<b>(246,802)</b>	<b>(287,099)</b>
<b>Cash and cash equivalents</b>		CDI (Interbank Deposit Certificate)	326,443	20,534	30,800	41,067	51,334	61,601
<b>Total net exposure</b>			<b>(1,094,083)</b>	<b>(105,381)</b>	<b>(135,411)</b>	<b>(165,440)</b>	<b>(195,468)</b>	<b>(225,498)</b>

Index variations	Scenario - Δ 50%	Scenario - Δ 25%	Probable scenario	Scenario + Δ 25%	Scenario + Δ 50%
IPCA (Amplified Consumer Price Index)	4.75%	7.12%	9.49%	11.86%	14.24%
CDI (Interbank Deposit Certificate)	6.29%	9.44%	12.58%	15.73%	18.87%

## 4.2. Capital Management

	Controlling company		Consolidated
	09/30/2015	12/31/2014	09/30/2015
Loan (note 17)	191,967	-	191,967
Debentures (note 16)	1,228,559	1,195,937	1,228,559
Cash and cash equivalents (note 6)	(281,799)	(141,391)	(326,443)
<b>Net debt</b>	<b>1,138,727</b>	<b>1,054,546</b>	<b>1,094,083</b>
Shareholders' equity	1,982,175	1,869,566	1,982,175
<b>Total</b>	<b>3,120,902</b>	<b>2,924,112</b>	<b>3,076,258</b>
<b>Financial leverage ratio (%)*</b>	<b>36.5</b>	<b>36.1</b>	<b>35.6</b>

\*Net Debt/Total

The changes in the Capital Management balance are the result of regular changes in the period.

#### 4.3. Estimate of fair value

The Company declares that the information on the fair value estimate described in the 2014 annual financial statements are applicable to this information, as presented in note 4.3 to those financial statements.

#### 5. CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are not past due may be evaluated by reference to external credit ratings (if any) or historical information on default rates for counterparties (see note 6):

Standard & Poor's	Moody's	Cash and cash equivalents		
		Controlling company		Consolidated
		09/30/2015	12/31/2014	09/30/2015
A-3	BR-1	8	125,051	8
B	BR-1	183,240	-	226,428
B	-	98,548	-	100,004
A-2	BR-1	-	7	-
A-3	-	-	16,330	-
*	*	3	3	3
		<b>281,799</b>	<b>141,391</b>	<b>326,443</b>

\* As at September 30, 2015, the balance of BRL 3 (BRL 3 as at December 31, 2014) refers to cash fund and, therefore, it does not have a risk rating.

#### 6. CASH AND CASH EQUIVALENTS

	Controlling company		Consolidated
	09/30/2015	12/31/2014	09/30/2015
Cash and banks	412	3,105	720
Financial investments			
Bank deposit certificate - CDB	263,863	135,462	308,056
Fixed income fund	17,524	2,824	17,667
	<b>281,799</b>	<b>141,391</b>	<b>326,443</b>

Financial investments correspond to transactions involving bank certificates of deposits and fixed-income investment funds, which are carried out with institutions operating in the domestic financial market and are contracted under regular market terms and conditions and rates, which are highly liquid, pose low credit risk and yield interest based on market practices.

The characteristics of the balances are the same as described in note 6 to the 2014 annual financial statements.



## 7. TRADE RECEIVABLES

	Controlling company				Consolidated	
	09/30/2015		12/31/2014		09/30/2015	
	Current	Non current	Current	Non current	Current	Non current
Receivables from bilateral agreements	119,224	799	96,411	-	122,186	927
Receivables from bid agreements	-	-	27,000	1,245	-	-
Short-term electric power (MRE/MCP)	11,587	-	6,322	-	12,721	-
	<b>130,811</b>	<b>799</b>	<b>129,733</b>	<b>1,245</b>	<b>134,907</b>	<b>927</b>
Estimated doubtful debts	-	(285)	(220)	(285)	(72)	(413)
	<b>130,811</b>	<b>514</b>	<b>129,513</b>	<b>960</b>	<b>134,835</b>	<b>514</b>

### Activity of estimate for doubtful accounts ("ECLD"):

	Controlling company	Consolidated
<b>Balance on December 31, 2014</b>	<b>(505)</b>	<b>(505)</b>
ECLD - DEB – Pequenas Centrais Hidrelétricas Ltda., on May 6, 2015	-	(136)
Constitution	-	(70)
Reversal	220	226
<b>Balance on September 30, 2015</b>	<b>(285)</b>	<b>(485)</b>

The changes in the balance of Trade Receivables arise from normal changes in this period; all information on trade receivables is described in note 7 to the 2014 annual financial statements.

## 8. RECOVERABLE/PAYABLE TAXES

	Controlling company				Consolidated	
	09/30/2015		12/31/2014		09/30/2015	
	Current	Non-current	Current	Non-current	Current	Non-current
<b>Assets</b>						
IRPJ and CSLL	1,472	819	8,584	819	2,395	819
PIS and COFINS	1,382	141	7,265	141	1,382	141
ISS (Tax on Services)	-	-	21	-	-	-
INSS (National Institute of Social Security)	-	-	39	-	-	1,145
	<b>2,854</b>	<b>960</b>	<b>15,909</b>	<b>960</b>	<b>3,777</b>	<b>2,105</b>
<b>Liabilities</b>						
IRPJ and CSLL	90,628	-	75,475	-	91,510	-
PIS and COFINS	11,165	-	10,145	-	11,305	-
ICMS	3,843	-	1,468	-	3,844	-
IRRF on JSCP	-	-	9,454	-	-	-
Others	209	-	336	-	237	-
	<b>105,845</b>	<b>-</b>	<b>96,878</b>	<b>-</b>	<b>106,896</b>	<b>-</b>
<b>Assets from deferred taxes</b>						
Temporary differences	-	(59,635)	-	(10,971)	-	(59,635)
Tax benefit	-	(29,183)	-	(32,185)	-	(29,183)
Deferred revenues	-	(8,126)	-	(4,448)	-	(8,126)
<b>Deferred tax liability</b>						
Adjustment of equity method	-	387,127	-	414,036	-	387,127
Actuarial adjustment - pension plan	-	2,343	-	1,998	-	2,343
Surplus - investment acquisition	-	3,037	-	-	-	3,037
<b>Deferred tax liability (net)</b>	<b>-</b>	<b>295,563</b>	<b>-</b>	<b>368,430</b>	<b>-</b>	<b>295,563</b>

The Controlled Company has opted for the deemed profit tax regime.

The changes in the balance of Recoverable/Payable Taxes arise from normal changes in this period, and the complete information thereon is disclosed in notes 8 and 8.1 to the 2014 annual financial statements.



### 8.1. Tax benefit - Merged goodwill

The Company recognized a provision to keep the integrity of equity, whose reversal will neutralize the effect arising from the amortization of goodwill on the balance sheet. The composition of the balance is as follows:

	Controlling company and Consolidated			Controlling company
	09/30/2015			12/31/2014
	Goodwill	Provision	Net Amount	Net Amount
Balances from incorporation (note 23.2)	305,406	(201,568)	103,838	103,838
Realization	(219,560)	144,905	(74,655)	(71,653)
<b>Balance at the end of the period</b>	<b>85,846</b>	<b>(56,663)</b>	<b>29,183</b>	<b>32,185</b>

Net amount corresponding to the tax benefit - income tax and social contribution:

	Controlling company and Consolidated	Controlling company
	09/30/2015	09/30/2014
Amortization of goodwill	(8,828)	(9,559)
Reversal of provision	5,826	6,309
Tax benefit	3,002	3,250
<b>Net effect for the period</b>	<b>-</b>	<b>-</b>

The following is the realization of the tax benefit related to the merged goodwill of Duke Sudeste.

	Controlling company and Consolidated								
	2015	2016	2017	2018	2019	2020 - 2021	2022 - 2024	2025 onwards	Total
Estimated realization	1,000	3,695	3,299	2,946	2,630	4,445	5,035	6,133	29,183

The changes in the tax benefits balance - Merged Goodwill - arise from the normal changes in the current period, and complete information thereon is disclosed in note 8.2 to the 2014 annual financial statements.

## 8.2. Statements of income tax and social contribution calculation

The reconciliation between income tax and social contribution expenses at their statutory rates and at their actual tax rates is as follows:

	Controlling company					
	09/30/2015			09/30/2014		
	IRPJ	CSLL	Total	IRPJ	CSLL	Total
<b>Accounting profit before IRPJ and CSLL</b>	156,361			365,954		
Nominal rate of IRPJ and CSLL	25%	9%	34%	25%	9%	34%
<b>IRPJ and CSLL to rates provided by law</b>	<b>39,090</b>	<b>14,072</b>	<b>53,162</b>	<b>91,489</b>	<b>32,936</b>	<b>124,425</b>
<b>Calculation adjustments by the effective rate</b>						
Amortization - charge, inflation creditor	(1,640)	55	(1,585)	(1,650)	55	(1,595)
Non-deductible expenses	922	196	1,118	883	177	1,060
Equity accounting from controlled subsidiaries	(1,702)	(613)	(2,315)	-	-	-
Others	(31)	3	(28)	(33)	2	(31)
<b>IRPJ and CSLL with effect in income</b>	<b>36,639</b>	<b>13,713</b>	<b>50,352</b>	<b>90,689</b>	<b>33,170</b>	<b>123,859</b>
Current IRPJ and CSLL	92,704	33,897	126,601	106,919	39,013	145,932
Deferred IRPJ and CSLL	(56,065)	(20,184)	(76,249)	(16,230)	(5,843)	(22,073)
<b>Total IRPJ and CSLL with effect in income</b>	<b>36,639</b>	<b>13,713</b>	<b>50,352</b>	<b>90,689</b>	<b>33,170</b>	<b>123,859</b>
<b>Effective tax rate</b>	<b>23.4%</b>	<b>8.8%</b>	<b>32.2%</b>	<b>24.8%</b>	<b>9.1%</b>	<b>33.9%</b>

	Consolidated		
	09/30/2015		
	IRPJ	CSLL	Total
<b>Accounting profit before IRPJ and CSLL</b>	157,682		
Nominal rate of IRPJ and CSLL	25%	9%	34%
<b>IRPJ and CSLL to rates provided by law</b>	<b>39,421</b>	<b>14,191</b>	<b>53,612</b>
<b>Calculation adjustments by the effective rate</b>			
Amortization - charge, inflation creditor	(1,640)	55	(1,585)
Non-deductible expenses	922	196	1,118
Difference per taxation of deemed income in controlled companies	(1,112)	(332)	(1,444)
Others	(31)	3	(28)
<b>IRPJ and CSLL with effect in income</b>	<b>37,560</b>	<b>14,113</b>	<b>51,673</b>
Current IRPJ and CSLL	93,625	34,297	127,922
Deferred IRPJ and CSLL	(56,065)	(20,184)	(76,249)
<b>Total IRPJ and CSLL with effect in income</b>	<b>37,560</b>	<b>14,113</b>	<b>51,673</b>
<b>Effective tax rate</b>	<b>23.8%</b>	<b>9.0%</b>	<b>32.8%</b>

The Controlled Company has chosen the presumptive profit tax regime and does not have a provision for Deferred Income Tax and Social Contribution.

The changes in the balances of Current and Deferred Income Tax and Social Contribution arise from normal changes in this period, and the complete information thereon is disclosed in note 8.3 to the 2014 annual financial statements.

## 9. ESCROW DEPOSITS

### a) Breakdown

	Controlling company and Consolidated	Controlling company
	09/30/2015	12/31/2014
Environment	5,287	4,977
Tax:	8,998	8,362
IPTU (Municipal Real Estate Tax) (Municipality of Primeiro de Maio)	1,322	1,236
Debits under claim on IRRF, IRPJ and CSLL	116	111
Debits under claim on PIS, COFINS, IRPJ, CSLL and IOF	7,560	7,015
Tusd-g	27,852	25,754
	<b>42,137</b>	<b>39,093</b>

This line item only includes the escrow deposits made for appeals, or not, not related to provisions for the probable risks, and are adjusted for inflation (see note 20).

The characteristics of the balances are the same as described in note 9 to the 2014 annual financial statements.

## 10. INVESTMENTS

On April 22, 2015, Authorization Resolution 5.182/2015 was published, through which ANEEL approved transfer of the direct controlling interest in DEB - Pequenas Centrais Hidrelétricas Ltda. to the Duke Energy International - Geração Paranapanema S.A., which was concluded on May 6, 2015.

As of this date, the Controlling Company began to use equity accounting to obtain financial results for DEB, with the initial balances for DEB, as at May 6, 2015, being as follows:

	DEB
<b>Balance on May 6, 2015</b>	
Shareholders' equity	200,368
Net income	6,610
Total assets	217,061
Net revenues	14,223

Consideration to acquire shareholding control was BRL 191,433, with payment of this amount being made on the same date as conclusion of the corporate control transfer process. The difference assessed between the consideration paid and the equity value of DEB on the date of the acquisition, in the amount of BRL 5,897 million, net of taxes, was recorded as a capital reserve in the Controlling Company's equity, since this is an operation between entities under common control.

a) **Controlled Company**

Controlled company	09/30/2015		
	Number of quotas	Direct interest (%)	Equity Value
DEB - Pequenas Centrais Hidrelétricas Ltda.	398,617,358	99.99%	207,178

b) **Changes in controlling company investments**

	DEB
<b>Balance on December 31, 2014</b>	-
Acquisition DEB – Pequenas Centrais Hidrelétricas Ltda	200,368
Equity accounting	6,810
<b>Balance on September 30, 2015</b>	<b>207,178</b>

c) **Financial information of the Controlled Company**

	DEB
<b>Balance on September 30, 2015</b>	
Shareholders' equity	207,178
Net income for the period	6,810
Total assets	227,246
Net revenue for the period	15,304

11. **PROPERTY, PLANT AND EQUIPMENT**

a) **Breakdown**

	Controlling company				Consolidated			Depreciation annual average rate
	Cost	Accumulated depreciation	09/30/2015 Net Amount	12/31/2014 Net Amount	Cost	Accumulated depreciation	09/30/2015 Net Amount	
<b>In service</b>								
Land	210,982	-	210,982	210,989	220,387	-	220,387	
Reservoirs, dams and water mains	3,407,736	(1,026,594)	2,381,142	2,493,441	3,641,897	(1,037,671)	2,604,226	4.3%
Buildings, civil construction and improvements	453,953	(152,611)	301,342	312,605	491,515	(154,555)	336,960	3.2%
Machinery and equipment	833,687	(304,747)	528,940	557,533	950,765	(312,775)	637,990	5.1%
Vehicles	6,686	(1,997)	4,689	4,426	6,746	(2,021)	4,725	13.7%
Furniture and Fixtures	1,960	(1,491)	469	373	2,078	(1,505)	573	4.6%
(-) Reserve - Canoas I and II plants	(200,675)	-	(200,675)	(200,675)	(200,675)	-	(200,675)	
	<b>4,714,329</b>	<b>(1,487,440)</b>	<b>3,226,889</b>	<b>3,378,692</b>	<b>5,112,713</b>	<b>(1,508,527)</b>	<b>3,604,186</b>	
<b>In progress</b>								
Land	4,248	-	4,248	4,248	13,949	-	13,949	
Reservoirs, dams and water mains	2,094	-	2,094	1,898	2,843	-	2,843	
Buildings, civil construction and improvements	850	-	850	1,529	984	-	984	
Machinery and equipment	98,218	-	98,218	71,991	101,568	-	101,568	
Vehicles	97	-	97	1,453	97	-	97	
Furniture and Fixtures	1,465	-	1,465	1,155	1,465	-	1,465	
	<b>106,972</b>	<b>-</b>	<b>106,972</b>	<b>82,274</b>	<b>120,906</b>	<b>-</b>	<b>120,906</b>	
Reversal/(loss) from the non-recoverability of assets (CPC 01 - note 2.5)	-	-	-	-	(235,982)	20,885	(215,097)	
	<b>4,821,301</b>	<b>(1,487,440)</b>	<b>3,333,861</b>	<b>3,460,966</b>	<b>4,997,637</b>	<b>(1,487,642)</b>	<b>3,509,995</b>	
(-) Special obligations (note 21)	(2,017)	483	(1,534)	(1,595)	(2,017)	483	(1,534)	
	<b>4,819,284</b>	<b>(1,486,957)</b>	<b>3,332,327</b>	<b>3,459,371</b>	<b>4,995,620</b>	<b>(1,487,159)</b>	<b>3,508,461</b>	

## b) Changes in property, plant and equipment

						Controlling company
	Net amount on December 31, 2014	Additions	Depreciation	Write-offs	Reclassification e transfer	Net amount on September 30, 2015
Land	215,237	-	-	(7)	-	215,230
Reservoirs, dams and water mains	2,495,339	1,533	(114,854)	-	1,218	2,383,236
Buildings, civil construction and improvements	314,134	420	(11,203)	(1,159)	-	302,192
Machinery and equipment	629,524	33,355	(33,874)	(1,060)	(787)	627,158
Vehicles	5,879	171	(628)	(537)	(99)	4,786
Furniture and Fixtures	1,528	799	(61)	-	(332)	1,934
(-) Reserve - Canoas I and II plants	(200,675)	-	-	-	-	(200,675)
	<b>3,460,966</b>	<b>36,278</b>	<b>(160,620)</b>	<b>(2,763)</b>	<b>-</b>	<b>3,333,861</b>
(-) Special obligations (note 21)	(1,595)	-	61	-	-	(1,534)
	<b>3,459,371</b>	<b>36,278</b>	<b>(160,559)</b>	<b>(2,763)</b>	<b>-</b>	<b>3,332,327</b>

							Consolidated
	Net amount on December 31, 2014	Acquisition DEB-Pequeñas Centrais Hidrelétricas Ltda	Additions	Depreciation	Write-offs	Reclassification and transfer	Net amount on September 30, 2015
Land	215,237	18,950	156	-	(7)	-	234,336
Reservoirs, dams and water mains	2,495,339	225,913	1,534	(116,932)	(3)	1,218	2,607,069
Buildings, civil construction and improvements	314,134	36,103	420	(11,553)	(1,160)	-	337,944
Machinery and equipment	629,524	113,128	34,152	(35,398)	(1,061)	(787)	739,558
Vehicles	5,879	40	171	(630)	(539)	(99)	4,822
Furniture and Fixtures	1,528	107	799	(64)	-	(332)	2,038
(-) Reserve - Canoas I and II plants	(200,675)	-	-	-	-	-	(200,675)
	<b>3,460,966</b>	<b>394,241</b>	<b>37,232</b>	<b>(164,577)</b>	<b>(2,770)</b>	<b>-</b>	<b>3,725,092</b>
Reversal/(loss) from the non-recoverability of assets (CPC 01 - see Note 2.5)	-	(220,424)	-	5,327	-	-	(215,097)
	<b>3,460,966</b>	<b>173,817</b>	<b>37,232</b>	<b>(159,250)</b>	<b>(2,770)</b>	<b>-</b>	<b>3,509,995</b>
(-) Special obligations (see note 21)	(1,595)	-	-	61	-	-	(1,534)
	<b>3,459,371</b>	<b>173,817</b>	<b>37,232</b>	<b>(159,189)</b>	<b>(2,770)</b>	<b>-</b>	<b>3,508,461</b>

### 11.1. Deemed cost of property, plant and equipment

The Company applied the deemed cost at first-time adoption of IFRS in accordance with CPC 27 ("Property, Plant and Equipment") and engaged advisors from an external consultant to prepare the appraisal of its property, plant and equipment. The appraisal was carried out in accordance with the standards and procedures of the Brazilian Association of Technical Standards (ABNT) and the Ross-Heidecke depreciation method which considers the state of conservation and elapsed life of the asset to obtain its deemed cost, in addition to other requirements of the applicable legislation.

On January 1st, 2009, date of the first-time adoption of the IFRS, property, plant and equipment were increased by BRL 2,083,565 due to the adoption of the deemed cost as a counterpart to the valuation adjustment to equity valuation in shareholders' equity. Within the context of fair value calculation, the Company took into consideration the reimbursable concession residual values and the increase in fair value was limited to the indemnity amount. Accordingly, the Company recognized a reserve of BRL 200,675, relating to the residual balance at the end of the concession term of Canoas I and II plants.

The additional depreciation expense, calculated on the adjustments to the deemed cost in the periods ended September 30, 2015 and September 30, 2014, amounted to BRL 78,226 and BRL 76,974, respectively.

Land was stated at historical cost.

## **11.2. Depreciation rates**

The Company and its controlled company record depreciation with the linear method, by item, and the depreciation rate takes into consideration the estimated useful lives of the assets according to the regulatory body. Land is not depreciated.

## **11.3. Concession-related assets**

In accordance with concession contracts 76/1999 and 183/1998, and authorization resolutions 549 and 706/2002, the Company is not allowed to sell or assign for any purpose the assets and installations considered usable by the concession/authorization, without the previous and express authorization of ANEEL. ANEEL Resolution 20/1999 regulates the release of assets from the concessions of the Public Electric Energy Service, granting prior authorization to release the assets not usable by the concession when they are destined for sale. The definition on public hearing 39/2010 is under discussion by ANEEL, which deals with the review of this resolution.

## **11.4. Repowering and Modernization of Capivara Hydroelectric Power Plant**

It was entered into a repowering and modernization agreement of the generated units of Capivara Hydroelectric Power Plant. This project is aimed for the replacement of the hydraulic turbines for other with better performance, which will result in the increase in 8.1MW in the physical guarantee of the plant. The works are estimated to start in 2016, and the estimated amount is of BRL 106 million.

## **11.5. 15% growth**

The Company reports that the Performance Commitment Action filed by the state of São Paulo related to the 15% expansion of its installed capacity is in secrecy.

## **11.6. Sale of Assets - Pousada Jurumirim**

On December 13, 2014, the "Pousada Jurumirim" was sold through public auction. The winning bid was in the amount of BRL 2,880, with a 25% payment made by way of downpayment and the remaining 75% paid on January 13, 2015, according to the agreement between the parties.

The sale cost of the asset was BRL 777, corresponding to its residual value on the date of the transaction. The result obtained in the transaction is recorded in "Other Operating Income" line item, in the statement of income.

## 12. INTANGIBLE ASSETS

Intangible assets as at September 30, 2015 consist of software licenses, right of way and the Use of Public Assets (UBP).

### a) Breakdown

	Controlling company				Consolidated			Depreciation annual average rate
	Cost	Accumulated depreciation	30/09/2015 Net Amount	31/12/2014 Net Amount	Cost	Accumulated depreciation	30/09/2015 Net Amount	
<b>In service</b>								
UBP	53,494	(27,124)	26,370	27,759	53,494	(27,124)	26,370	3.5%
Software	24,393	(20,713)	3,680	2,337	24,458	(20,733)	3,725	5.1%
Right of way	75	-	75	75	262	-	262	
	<b>77,962</b>	<b>(47,837)</b>	<b>30,125</b>	<b>30,171</b>	<b>78,214</b>	<b>(47,857)</b>	<b>30,357</b>	
<b>In progress</b>								
Software	578	-	578	1,980	578	-	578	
Right of way	-	-	-	-	17	-	17	
	<b>578</b>	<b>-</b>	<b>578</b>	<b>1,980</b>	<b>595</b>	<b>-</b>	<b>595</b>	
	<b>78,540</b>	<b>(47,837)</b>	<b>30,703</b>	<b>32,151</b>	<b>78,809</b>	<b>(47,857)</b>	<b>30,952</b>	
(-) Special obligations (see note 21)	(2,207)	953	(1,254)	(1,585)	(2,207)	953	(1,254)	
	<b>76,333</b>	<b>(46,884)</b>	<b>29,449</b>	<b>30,566</b>	<b>76,602</b>	<b>(46,904)</b>	<b>29,698</b>	

### b) Changes in intangible assets

	Controlling company				
	Net amount on December 31, 2014	Additions	Amortization	Write-offs	Net amount on September 30, 2015
UBP	27,759	-	(1,389)	-	26,370
Software	4,317	858	(897)	(20)	4,258
Right of way	75	-	-	-	75
	<b>32,151</b>	<b>858</b>	<b>(2,286)</b>	<b>(20)</b>	<b>30,703</b>
(-) Special obligations (note 21)	(1,585)	-	331	-	(1,254)
	<b>30,566</b>	<b>858</b>	<b>(1,955)</b>	<b>(20)</b>	<b>29,449</b>

						Consolidated
	Net amount on December 31, 2014	Acquisition DEB-Pequeñas Centrais Hidrelétricas Ltda	Additions	Amortization	Write-offs	Net amount on September 30, 2015
UBP	27,759	-	-	(1,389)	-	26,370
Software	4,317	50	858	(902)	(20)	4,303
Right of way	75	204	-	-	-	279
	<b>32,151</b>	<b>254</b>	<b>858</b>	<b>(2,291)</b>	<b>(20)</b>	<b>30,952</b>
(-) Special obligations (see note 21)	(1,585)	-	-	331	-	(1,254)
	<b>30,566</b>	<b>254</b>	<b>858</b>	<b>(1,960)</b>	<b>(20)</b>	<b>29,698</b>

### 13. TRADE PAYABLES

	Controlling company				Consolidated	
	09/30/2015		12/31/2014		09/30/2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Electric power supply	97,611	-	59,111	-	100,045	-
Contracted services and materials	5,962	-	9,398	-	6,326	-
Charges from electric power use	11,312	8,923	10,604	6,861	11,349	8,923
Tust	10,344	-	9,698	-	10,344	-
Tusd-g	947	8,923	884	6,861	984	8,923
Connection charges	21	-	22	-	21	-
	<b>114,885</b>	<b>8,923</b>	<b>79,113</b>	<b>6,861</b>	<b>117,720</b>	<b>8,923</b>

The line item supply of electric power is related to the process of electric power purchase in the short-term market, in the scope of CCEE.

There were no new events related to the legal discussion on the review of the amounts to be paid due to Tusd-g, which are stated net of escrow deposits, in non-current liabilities.

The complete information on trade payables is described in note 12 to the 2014 annual financial statements.

### 14. ARBITRATION

The Controlled Company executed temporary financing contracts for additional project costs with the third-party company responsible for construction of the Retiro PCH. These contracts were executed in an effort to continue construction. Both companies began dispute proceedings before an arbitration panel aimed at allocating responsibility for additional amounts expended. In 2013, a ruling was given in the arbitration proceedings (arbitration 45/2009). The procedure is currently in the liquidation of damages phase. In its total project cost estimate, the Controlled Company considers the amounts related to any final settlements resulting from this liquidation phase, which are also estimated according to available information. The restated balance as of September 30, 2015, is BRL 14,496 and, as established in the contract for purchase and sale of ownership interest executed by and between the Company, these amounts are under responsibility of Duke Brasil.

### 15. RELATED PARTIES

#### 15.1. Transactions and balances

The Company has expense sharing agreements with associate company Duke Brasil. Due from related parties under these agreements as of September 30, 2015 is BRL 242 (BRL 409 as of December 31, 2014).

To the extent that the Company's and its controlled company's customers require guarantees in commercial transactions, Duke Brasil offers such guarantees on behalf of the Company, whose amount as at September 30, 2015 is BRL 167,963 and BRL 1,944, respectively, (BRL 196,759 as of December 31, 2014). Other significant transactions with related parties refer to the distribution of results.



## 15.2. Compensation of key Management personnel

The table below shows the breakdown of compensation of key Management personnel:

	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014
Short-term benefits for employees and managers	2,170	6,159	1,624	4,589
Post-employment benefits	74	174	54	151
	<b>2,244</b>	<b>6,333</b>	<b>1,678</b>	<b>4,740</b>
Share-based compensation (note 23.2)	-	34	-	25
	<b>2,244</b>	<b>6,367</b>	<b>1,678</b>	<b>4,765</b>

In addition, the costs corresponding to the Supervisory Board for this period were BRL 711 (BRL 711 as of September 30, 2014).

## 16. DEBENTURES

### 16.1. Breakdown and maturity

#### a) Breakdown

Issuance	Series	Remuneration	Maturity	Controlling company and Consolidated		Controlling company	
				Principal + Charges in		Principal + Charges in	
				09/30/2015		12/31/2014	
				Current	Non current	Current	Non current
3rd	Single	CDI variation + 1.15% per year	1/10/2017	79,720	74,952	8,515	149,805
4th	1	CDI variation + 0.65% per year	7/16/2018	90,523	166,402	13,265	249,611
4th	2	IPCA Variation + 6.07% per year	7/16/2023	3,573	292,215	7,589	271,099
5th	1	CDI variation + 0.89% per year	5/20/2019	12,104	237,933	2,724	237,633
5th	2	IPCA Variation + 7.01% per year	5/20/2021	6,450	264,687	10,491	245,205
				<b>192,370</b>	<b>1,036,189</b>	<b>42,584</b>	<b>1,153,353</b>

#### b) Maturity

Long-term maturities	09/30/2015
	Non-current
2017	236,786
2018	162,167
2019	167,825
2020	88,309
2021	185,908
2022	97,351
2023	97,843
	<b>1,036,189</b>

## 16.2. Activity

	3rd Issuance	4th Issuance		5th Issuance		Total
	Single Series	Series 1	Series 2	Series 1	Series 2	
Balance on December 31, 2014	158,320	262,876	278,688	240,357	255,696	1,195,937
<b>Activity in debentures</b>						
Transaction costs	147	117	59	299	214	836
Interest appropriation	15,374	24,666	13,659	24,096	14,232	92,027
Appropriation of monetary variation	-	-	21,057	-	19,268	40,325
Payment of interest	(19,169)	(30,734)	(17,675)	(14,715)	(18,273)	(100,566)
	<b>(3,648)</b>	<b>(5,951)</b>	<b>17,100</b>	<b>9,680</b>	<b>15,441</b>	<b>32,622</b>
Balance on September 30, 2015	154,672	256,925	295,788	250,037	271,137	1,228,559

Changes in Debentures balance, except from the payment of interest on the 3rd, 4th and 5th issuance, in January, May and July 2015 derive from the normal activity in the period, and the full information is described in note 14 of 2014 annual financial statements.

## 16.3. Financial Covenants

The covenants contained in the Company's Private Instrument of Indenture of the Third, Fourth and Fifth Issuance of Debentures Not Convertible into Shares are:

1. Ratio of Net Debt to Ebitda cannot be over 3.20;
2. Ratio of Ebitda to Finance Income may not be equal to or lower than 2.0.

The Controlling Company has met all covenants set forth in the debenture indenture. These clauses are described in note 14 to the 2014 annual financial statements.

## 17. LOAN

On May 5, 2015, the Controlling Company raised funds through a loan from Citibank bank, in the amount of BRL 181,000 million, with said loan being restated at 100% of the YTD variation in the CDI, plus annual interest of 1.4%. The maturity term of this loan is of two years, being possible a prepayment after the first year of the agreement effectiveness. There are no assets given as guarantee to obtain this financial transactions and there are no restrictive clauses.

### 17.1. Breakdown and maturity

#### a) Breakdown

Remuneration	Maturity	Controlling company and Consolidated	
		09/30/2015	
		Current	Non current
CDI variation + 1.4% per year	05/05/2017	-	191,967

Long-term maturities	09/30/2015
	Non-current
2017	191,967
	<b>191,967</b>

b) Activity

	09/30/2015
<b>Balance on December 31, 2014</b>	-
<b>Loan activity</b>	
Fund raising	181,000
Interest recognition	10,967
<b>Balance on September 30, 2015</b>	<b>191,967</b>

18. CIBACAP - CAPIVARA BASIN INTERCITY CONSORTIUM

	Controlling company and Consolidated	Controlling company
	09/30/2015	12/31/2014
Current	1,000	2,283
Non-current	8,770	6,935
	<b>9,770</b>	<b>9,218</b>

The changes in the balance of Cibacap arise from normal changes in this period, and the complete information of Cibacap is described in note 15 to the 2014 annual financial statements.

19. PENSION AND RETIREMENT PLAN

In the period ended on September 30, 2015, there were no changes in the assumptions used in actuarial valuations.

The table below shows the determined and recognized expenses for the period (see note 27):

**Expense/(revenue) for the period recognized in the income of the quarter**

	Controlling company and Consolidated		Controlling company	
	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014
Current service cost	546	1,635	338	1,014
Interest on actuarial obligations	5,352	16,056	5,204	15,612
Expected income from the plan's assets	(6,447)	(19,341)	(6,782)	(20,346)
Interest on asset restriction	1,070	3,208	1,554	4,660
	<b>521</b>	<b>1,558</b>	<b>314</b>	<b>940</b>

The changes in the balance of Pension and Retirement Plan arise from normal changes in this period, and the complete information of pension and retirement plan is described in note 16 to 2014 annual financial statements.

## 20. PROVISIONS FOR TAX, LABOR AND ENVIRONMENTAL RISKS

The Company declares that the information on estimates involving the risk of loss classified by our outside legal counsel as probable and possible, as described in 2014 annual financial statements, is applicable to this interim financial information, and the complete information is described in note 17 to those annual financial statements.

### 20.1. Provisions for tax, labor and environmental risks

#### a) Breakdown

	Controlling company				Consolidated		
	09/30/2015		12/31/2014		09/30/2015		
	Provision	Court deposits	Net provisions	Net provisions	Provision	Court deposits	Net provisions
Labor	10,297	(2,190)	8,107	1,921	10,874	(2,193)	8,681
Tax	13,056	(706)	12,350	12,166	13,056	(706)	12,350
Environmental	8,129	(3,140)	4,989	5,439	8,129	(3,140)	4,989
	<b>31,482</b>	<b>(6,036)</b>	<b>25,446</b>	<b>19,526</b>	<b>32,059</b>	<b>(6,039)</b>	<b>26,020</b>

#### b) Changes in the provision for tax, labor and environmental risks

	Controlling company			
	Labor	Tax	Environmental	Total
<b>Balance on December 31, 2014</b>	<b>1,921</b>	<b>12,166</b>	<b>5,439</b>	<b>19,526</b>
<b>Contingencies</b>				
Provisions of the period	4,452	-	2,169	6,621
Reversions of the period	(336)	-	-	(336)
Adjustments of contingencies	1,965	223	520	2,708
Agreements/payments for the period	(32)	-	-	(32)
	<b>6,048</b>	<b>223</b>	<b>2,689</b>	<b>8,961</b>
<b>Court deposits</b>				
Monetary adjustments	(114)	(42)	(133)	(289)
(Additions)	(66)	-	(3,006)	(3,072)
Write-offs	317	3	-	320
	<b>137</b>	<b>(39)</b>	<b>(3,139)</b>	<b>(3,040)</b>
<b>Balance on September 30, 2015</b>	<b>8,107</b>	<b>12,350</b>	<b>4,989</b>	<b>25,446</b>

	Consolidated			
	Labor	Tax	Environmental	Total
<b>Balance on December 31, 2014</b>	<b>1,921</b>	<b>12,166</b>	<b>5,439</b>	<b>19,526</b>
<b>Contingencies</b>				
Corporate reorganization - acquisition DEB	17	-	-	17
Provisions of the period	4,900	-	2,169	7,069
Reversions of the period	(352)	-	-	(352)
Adjustments of contingencies	2,093	223	520	2,836
Agreements/payments for the period	(33)	-	-	(33)
	<b>6,625</b>	<b>223</b>	<b>2,689</b>	<b>9,537</b>
<b>Court deposits</b>				
Monetary adjustments	(114)	(42)	(133)	(289)
(Additions)	(69)	-	(3,006)	(3,075)
Write-offs	318	3	-	321
	<b>135</b>	<b>(39)</b>	<b>(3,139)</b>	<b>(3,043)</b>
<b>Balance on September 30, 2015</b>	<b>8,681</b>	<b>12,350</b>	<b>4,989</b>	<b>26,020</b>

As of September 30, 2015, net labor contingencies amounted to BRL 8,681 (BRL 1,921 as of December 31, 2014). This breakdown correspond to the new actions and reassessments on the part of the Company's legal advisers, as a result of unfavorable judgments in the period, as well as the decision issued by the Labor Court, on August 4, 2015, which determined the change in the index to adjust the labor contingencies to be adjusted by IPCA-E (to replace the TR). The write-offs for the period are in relation to finalization of actions in the normal course of processes and through execution of settlement agreements.

## 20.2. Possible contingencies

	Controlling company		Consolidated
	09/30/2015	12/31/2014	09/30/2015
Labor	9,746	18,162	10,317
Tax	88,897	73,326	88,897
Environmental	19,960	34,718	19,960
Regulatory	75,287	70,071	75,287
	<b>193,890</b>	<b>196,277</b>	<b>194,461</b>

The changes in the labor contingencies line item are a result of reassessments of certain claims made by the Company's legal advisers, resulting in establishment of the provision, as described in note 20.1b.

The changes in the possible tax contingencies line item derive mainly from the inclusion of the following tax assessments:

- IRPJ/CSLL on amounts in litigation in the administrative scope and disallowed by the tax authorities based on their accounting classification as "provisions" in the 2010 fiscal year (BRL 7,621) and;
- PIS/COFINS based on exclusion of the amounts collected as ICMS/ST from the basis used to calculate contributions during fiscal year 2010 (BRL 3,777).

Change in the environmental contingencies line item regards a ruling in favor of the Company in relation to the Tax Assessment on record with Instituto Ambiental do Paraná - IAP, for supposed environmental violations, in the amount of BRL 15,646.

Other changes in Possible Contingencies arise from normal changes in this period, and the complete information on these possible contingencies is described in note 17.2 to 2014 annual financial statements.

## 21. SPECIAL OBLIGATIONS (\*)

	Controlling company and Consolidated	Controlling company
	09/30/2015	12/31/2014
From property, plant and equipment (note 11)		
Equipment donations - ONS	1,414	1,458
Research and development - R&D	120	137
	<b>1,534</b>	<b>1,595</b>
From intangible assets (note 12)		
Research and development - R&D - Software	1,254	1,585
	<b>2,788</b>	<b>3,180</b>

(\*) Concession-related obligations

See additional comments in note 18 to the 2014 annual financial statements.

## 22. REGULATORY CHARGES

The payables arising from charges set out by power sector law are as follows:

	Controlling company				Consolidated	
	09/30/2015		12/31/2014		09/30/2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Financial offset from the use of water resources - CFURH	11,491	-	9,689	-	11,491	-
Electric Power Service Inspection Fee (TFSEE)	417	-	339	-	425	-
Research and development - R&D	20,730	4,271	17,693	9,184	20,730	4,271
	<b>32,638</b>	<b>4,271</b>	<b>27,721</b>	<b>9,184</b>	<b>32,646</b>	<b>4,271</b>

See additional comments in note 19 to 2014 annual financial statements.

## 23. SHAREHOLDERS' EQUITY

### 23.1. Capital

As of September 30, 2015, the authorized share capital of the Controlling Company amounted to BRL 2,355,580, BRL 785,193 of which is comprised of common shares and BRL 1,570,387 of which is preferred shares, all registered, book-entry and without par value.

The subscribed and paid-in capital is BRL 839,138 (BRL 839,138 as of December 31, 2014) represented by 94,433,283 (ninety four million, four hundred and thirty three thousand, two hundred and eighty three) shares, 31,477,761 (thirty one million, four hundred and seventy seven thousand, seven hundred and sixty one) of which are common shares and 62,955,522 (sixty two million, nine hundred and fifty five thousand, five hundred and twenty two) of which are preferred shares, all registered, book-entry and without par value.

	Equity position on September 30, 2015					
	Common	%	Preferred	%	Total	%
<b>Shareholders</b>						
Duke Energy Internat. Brasil Ltda.	31,181	99.06	57,850	91.89	89,031	94.28
Duke Energy Internat. Brazil Holdings Ltd.	-	-	735	1.17	735	0.78
Cia Metropolitana de São Paulo	-	-	1,324	2.10	1,324	1.40
Other individuals and legal entities	297	0.94	3,046	4.84	3,343	3.54
	<b>31,478</b>	<b>100.00</b>	<b>62,955</b>	<b>100.00</b>	<b>94,433</b>	<b>100.00</b>

See additional comments in note 20.1 to 2014 annual financial statements.

### 23.2. Capital Reserves

	09/30/2015	12/31/2014
Premium on issuance of shares	468	468
Spin-off account	(6,418)	(6,418)
Premium on downstream merger	103,838	103,838
Share-based payment	1,683	1,649
Special reserve - Acquisition DEB – Pequenas Centrais Hidrelétricas Ltda	5,897	-
	<b>105,468</b>	<b>99,537</b>

See additional comments in note 20.2 to 2014 annual financial statements.

### 23.3. Earnings Reserves

	09/30/2015	12/31/2014
Legal reserves	123,287	123,287
Pension plan	4,558	3,889
	<b>127,845</b>	<b>127,176</b>

### 23.4. Retained earnings

#### a) Breakdown of retained earnings

	09/30/2015
Net income for the year	106,009
Depreciation (attributed cost)	78,226
Write-offs (attributed cost)	913
Deferred IRPJ/CSLL	(26,907)
	<b>158,241</b>

#### b) Breakdown of dividends and interest on capital payable

	09/30/2015	12/31/2014
Proposed dividends	-	60,410
Interest on equity, payable	-	53,394
Dividends, interest on shareholders' equity and decrease on capital held in custody	1,664	1,559
	<b>1,664</b>	<b>115,363</b>

### 23.5. Valuation adjustments to equity

	Assigned cost	Pension plan	Total
<b>Balance on December 31, 2014</b>	<b>803,715</b>	<b>-</b>	<b>803,715</b>
<b>Realization of valuation adjustments to equity</b>			
Depreciation	(78,226)	-	(78,226)
Write-off	(913)	-	(913)
Deferred IRPJ/CSLL	26,907	-	26,907
	<b>(52,232)</b>	<b>-</b>	<b>(52,232)</b>
<b>Comprehensive income</b>			
Actuarial gains on defined benefit pension plan	-	1,013	1,013
Deferred income tax and social contribution on actuarial gains	-	(344)	(344)
	<b>-</b>	<b>669</b>	<b>669</b>
Reclassification of net actuarial gains - CPC 33 (R1)	-	(669)	(669)
<b>Balance on September 30, 2015</b>	<b>751,483</b>	<b>-</b>	<b>751,483</b>

See additional comments in note 20.6 to 2014 annual financial statements

### 24. NET OPERATING REVENUE

	Controlling company				Consolidated	
	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015
<b>Electric power supply</b>						
Bilateral agreements	332,854	994,190	260,541	790,713	341,863	1,008,963
Auction agreements	-	-	55,369	163,617	-	-
Short-term market - MCP	2,771	2,786	6,397	65,243	3,691	3,961
Electric power reallocation mechanism - MRE	7,619	19,425	6,388	18,186	7,619	19,422
	<b>343,244</b>	<b>1,016,401</b>	<b>328,695</b>	<b>1,037,759</b>	<b>353,173</b>	<b>1,032,346</b>
Other revenues	57	216	1,259	4,012	57	216
	<b>343,301</b>	<b>1,016,617</b>	<b>329,954</b>	<b>1,041,771</b>	<b>353,230</b>	<b>1,032,562</b>
<b>Deductions to operating revenue</b>						
PIS and COFINS	(32,384)	(91,782)	(22,421)	(79,747)	(32,822)	(92,423)
ICMS	(12,359)	(38,843)	(4,823)	(13,991)	(12,359)	(38,843)
R&D	(2,825)	(8,412)	(2,998)	(9,414)	(2,825)	(8,412)
	<b>(47,568)</b>	<b>(139,037)</b>	<b>(30,242)</b>	<b>(103,152)</b>	<b>(48,006)</b>	<b>(139,678)</b>
<b>Net operating revenue</b>	<b>295,733</b>	<b>877,580</b>	<b>299,712</b>	<b>938,619</b>	<b>305,224</b>	<b>892,884</b>



## 25. OPERATING COSTS AND EXPENSES

Breakdown of operating costs and expenses by nature:

	Controlling company			
	07/01/2015 to 09/30/2015			07/01/2014 to 09/30/2014
	Cost of electric power sold	General and administrative expenses	Total	Total
Personnel	11,228	8,814	20,042	19,871
Material	1,013	41	1,054	1,350
Third-party services	8,348	3,966	12,314	12,298
Electric Power Service Inspection Fee (TFSEE)	1,252	-	1,252	1,019
Electric power purchased for resale	24,451	-	24,451	78,483
Charges from electric power use	25,991	-	25,991	24,190
Financial offset from the use of water resources	15,660	-	15,660	13,848
Depreciation and amortization	53,708	406	54,114	54,086
Provision for tax, labor and environment risks	752	388	1,140	(176)
Estimated reversal for doubtful accounts	-	-	-	(395)
Rental	12	928	940	1,002
Insurances	1,373	-	1,373	1,214
Other	263	768	1,031	(1,527)
	<b>144,051</b>	<b>15,311</b>	<b>159,362</b>	<b>205,263</b>

	Controlling company			
	01/01/2015 to 09/30/2015			01/01/2014 to 09/30/2014
	Cost of electric power sold	General and administrative expenses	Total	Total
Personnel	34,697	28,085	62,782	57,730
Material	3,184	99	3,283	3,003
Third-party services	18,873	10,962	29,835	31,334
Electric Power Service Inspection Fee (TFSEE)	3,757	-	3,757	3,055
Electric power purchased for resale	201,320	-	201,320	135,052
Charges from electric power use	70,242	-	70,242	64,924
Financial offset from the use of water resources	43,461	-	43,461	42,971
Depreciation and amortization	161,276	1,238	162,514	162,682
Provision for tax, labor and environment risks	4,893	1,404	6,297	242
Estimated reversal for doubtful accounts	-	(220)	(220)	(1,822)
Rental	18	2,692	2,710	2,971
Insurances	4,093	-	4,093	3,607
Other	837	2,282	3,119	2,218
	<b>546,651</b>	<b>46,542</b>	<b>593,193</b>	<b>507,967</b>

	Consolidated					
	07/01/2015 to 09/30/2015			01/01/2015 to 09/30/2015		
	Cost of electric power sold	General and administrative expenses	Total	Cost of electric power sold	General and administrative expenses	Total
Personnel	11,729	8,814	20,543	35,086	28,407	63,493
Material	1,115	41	1,156	3,337	99	3,436
Third-party services	9,374	4,212	13,586	20,612	11,418	32,030
Electric Power Service Inspection Fee (TFSEE)	1,252	25	1,277	3,722	75	3,797
Electric power purchased for resale	24,451	3,851	28,302	196,578	10,719	207,297
Charges from electric power use	25,991	113	26,104	70,099	326	70,425
Financial offset from the use of water resources	15,660	-	15,660	43,461	-	43,461
Depreciation and amortization	52,852	412	53,264	159,904	1,245	161,149
Provision for tax, labor and environment risks	752	388	1,140	4,895	1,834	6,729
Constitution/ (Reversal) of provision for doubtful accounts	-	41	41	-	(156)	(156)
Rental	12	970	982	18	2,761	2,779
Insurances	1,415	-	1,415	4,161	-	4,161
Other	268	775	1,043	859	2,274	3,133
	<b>144,871</b>	<b>19,642</b>	<b>164,513</b>	<b>542,732</b>	<b>59,002</b>	<b>601,734</b>

## 26. ELECTRIC POWER SOLD AND PURCHASED AND POWER GRID CHARGES

### 26.1. Electric power sold

	Controlling company				Consolidated	
	07/01/2015 to 09/30/2015		07/01/2014 to 09/30/2014		07/01/2015 to 09/30/2015	
	MWh (*)	BRL	MWh (*)	BRL	MWh (*)	BRL
Bilateral agreements	2,024,269	332,854	1,533,320	260,541	2,055,915	341,863
Auction agreements	-	-	455,563	55,369	-	-
Short-term market - MCP	2,276	2,771	3,959	6,397	6,365	3,691
Electric power reallocation mechanism - MRE	710,714	7,619	611,157	6,388	710,714	7,619
	<b>2,737,259</b>	<b>343,244</b>	<b>2,603,999</b>	<b>328,695</b>	<b>2,772,994</b>	<b>353,173</b>

	Controlling company				Consolidated	
	01/01/2015 to 09/30/2015		01/01/2014 to 09/30/2014		01/01/2015 to 09/30/2015	
	MWh (*)	BRL	MWh (*)	BRL	MWh (*)	BRL
Bilateral agreements	6,072,717	994,190	4,759,134	790,713	6,125,500	1,008,962
Auction agreements	-	-	1,370,360	163,617	-	-
Short-term market - MCP	2,276	2,786	207,358	65,243	28,629	3,959
Electric power reallocation mechanism - MRE	1,793,461	19,425	1,762,615	18,186	1,793,461	19,425
	<b>7,868,454</b>	<b>1,016,401</b>	<b>8,099,467</b>	<b>1,037,759</b>	<b>7,947,590</b>	<b>1,032,346</b>

(\*) Not reviewed by independent auditors.

The table below summarizes the volumes in MWm of Guaranteed Energy contracted/expected from completion of contracts by the Company in the Deregulated Contracting Framework (ACL) and the Regulated Contracting Framework (ACR) as of September 30, 2015:

	Controlling company		Controlled Company
	MWm (*)		MWm (*)
	2015	2014	2015
<b>Electric power available for sale</b>	<b>1,019</b>	<b>1,009</b>	<b>16</b>
<b>ACR</b>	-	<b>211</b>	-
2007 (8 years)	-	211	-
<b>ACL</b>	<b>915</b>	<b>720</b>	<b>12</b>
Bilateral agreements with free consumers	915	720	16
Bilateral agreements for purchase of electric power	-	-	(4)
<b>Free electric power for contracting</b>	<b>104</b>	<b>78</b>	<b>4</b>
<b>Percentage of electric power contracted</b>	<b>89.8%</b>	<b>92.3%</b>	<b>75.0%</b>

(\*) Not reviewed by independent auditors.

### 26.2. Electric power purchased for resale

	Controlling company				Consolidated	
	07/01/2015 to 09/30/2015		07/01/2014 to 09/30/2014		07/01/2015 to 09/30/2015	
	MWh (*)	BRL	MWh (*)	BRL	MWh (*)	BRL
Bilateral	24,480	(4,725)	82,070	(54,257)	31,200	(8,234)
Short-term market - MCP	117,748	(19,726)	63,020	(23,864)	117,748	(19,763)
Electric power reallocation mechanism - MRE	-	-	52,031	(362)	19,567	(305)
	<b>142,228</b>	<b>(24,451)</b>	<b>197,121</b>	<b>(78,483)</b>	<b>168,515</b>	<b>(28,302)</b>

	Controlling company				Consolidated	
	01/01/2015 to 09/30/2015		01/01/2014 to 09/30/2014		01/01/2015 to 09/30/2015	
	MWh (*)	BRL	MWh (*)	BRL	MWh (*)	BRL
Bilateral	24,480	(4,725)	82,070	(64,974)	35,332	(10,325)
Short-term market - MCP	594,064	(196,595)	127,578	(68,285)	594,064	(196,632)
Electric power reallocation mechanism - MRE	-	-	150,082	(1,793)	21,594	(340)
	<b>618,544</b>	<b>(201,320)</b>	<b>359,730</b>	<b>(135,052)</b>	<b>650,990</b>	<b>(207,297)</b>

(\*) Not reviewed by independent auditors.

The changes in the balance of electric power purchased for resale primarily arise from the unfavorable hydrological scenario represented by the reduction in the levels of the Generation Scaling Factor (GSF) (see note 1).

### 26.3. Power grid charges

	Controlling company				Consolidated	
	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015
Tust	23,632	63,488	21,939	58,287	23,632	63,488
Tusd-g	2,296	6,594	2,202	6,495	2,409	6,777
Connection charges	63	160	49	142	63	160
	<b>25,991</b>	<b>70,242</b>	<b>24,190</b>	<b>64,924</b>	<b>26,104</b>	<b>70,425</b>

See additional comments in note 23.3 to the 2014 annual financial statements.

## 27. FINANCIAL INCOME

	Controlling company				Consolidated	
	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015
<b>Revenues</b>						
Financial investments	6,343	14,312	22,556	55,332	7,751	16,420
Monetary variation	2,621	7,086	2,127	6,153	2,712	7,225
Court deposits	2,621	7,084	2,034	5,984	2,712	7,223
Other	-	2	93	169	-	2
Interest and discounts obtained	(311)	92	58	2,008	(287)	129
	<b>8,653</b>	<b>21,490</b>	<b>24,742</b>	<b>63,493</b>	<b>10,176</b>	<b>23,774</b>
<b>Expenses</b>						
Interest - Debentures	(33,185)	(92,863)	(42,134)	(96,471)	(33,185)	(92,863)
Interest - Loan	(6,842)	(10,967)	-	-	(6,842)	(10,967)
Monetary variation	(12,763)	(50,172)	(1,950)	(31,424)	(13,355)	(51,081)
Debentures	(7,963)	(40,325)	62	(25,547)	(7,963)	(40,325)
Tusd-g	(2,145)	(5,843)	(1,669)	(4,430)	(2,145)	(5,843)
Provision for tax, labor and environment risks	(2,199)	(2,708)	(86)	(456)	(2,327)	(2,836)
Financial updating by arbitral proceeding	-	-	-	-	(464)	(781)
Other	(456)	(1,296)	(257)	(991)	(456)	(1,296)
Interest recovery and monetary adjustment of debentures	-	-	-	3,431	-	-
Expenses - Pension plan (note 19)	(521)	(1,558)	(314)	(940)	(521)	(1,558)
Other financial expenses	(349)	(766)	267	(2,787)	(351)	(773)
	<b>(53,660)</b>	<b>(156,326)</b>	<b>(44,131)</b>	<b>(128,191)</b>	<b>(54,254)</b>	<b>(157,242)</b>
	<b>(45,007)</b>	<b>(134,836)</b>	<b>(19,389)</b>	<b>(64,698)</b>	<b>(44,078)</b>	<b>(133,468)</b>

## 28. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing profit for the period attributable to the holders of the Company's common and preferred shares by the weighted average number of common and preferred shares outstanding in the period.

The table below presents information on the income and shares used to calculate basic and diluted earnings per share:

	Controlling company			
	07/01/2015 to 09/30/2015	01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014
<b>Numerator</b>				
<b>Net income of the period attributable to the shareholders of the Company</b>				
Preferred	43,475	70,673	33,240	161,396
Common	21,737	35,336	16,621	80,699
	<b>65,212</b>	<b>106,009</b>	<b>49,861</b>	<b>242,095</b>
<b>Denominator (weighted average of number of shares)</b>				
Preferred	62,955	62,955	62,955	62,955
Common	31,478	31,478	31,478	31,478
	<b>94,433</b>	<b>94,433</b>	<b>94,433</b>	<b>94,433</b>
<b>Basic and diluted earnings per share</b>				
Preferred	<b>0.69056</b>	<b>1.12258</b>	<b>0.52801</b>	<b>2.56366</b>
Common	<b>0.69056</b>	<b>1.12258</b>	<b>0.52801</b>	<b>2.56366</b>

## 29. FINANCIAL INSTRUMENTS

The Company declares that the information on financial instruments described in 2014 annual financial statements is the same as that included in this interim financial information (ITR), as presented in note 26 to those financial statements.

### Financial instruments in the balance sheet:

#### a) Cash and cash equivalents (note 6)

Investments in the open market in fixed-income securities, plus income earned through the balance sheet date, realizable within less than 90 days and accounted for at market yield amounts.

#### b) Debentures (note 16)

	09/30/2015		12/31/2014	
	Carrying amount	Market value	Carrying amount	Market value
Debentures	1,228,559	1,368,417	1,195,937	1,266,056
Loan	191,967	180,918	-	-
	<b>1,420,526</b>	<b>1,549,335</b>	<b>1,195,937</b>	<b>1,266,056</b>

The Company did not carry out derivative transactions in the fiscal year of 2014 and in the nine-month period ended on September 30, 2015. There is also no exposure to currency fluctuations and in foreign currency since the Company does not carry out such transactions.

### 30. INSURANCES

Duke Brasil holds insurance contracts taking into account the nature and degree of risk to cover significant losses on its assets and/or liabilities on its part and on the part of its controlling companies. The main coverage, according to insurance policies, is as follows:

	Maximum indemnification limit in thousands of BRL	
	Term of effectiveness from 01/01/2015 to 12/31/2015	Term of effectiveness from 01/01/2014 to 12/31/2014
Operating risk	1,300,000	1,103,982
Civil liability	13,000	11,040
Loss of profits	1,270	-

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## MANAGEMENT MEMBERS

### Board of Directors

Armando de Azevedo Henriques  
Chairman

Andrea Elizabeth Bertone  
Effective Member

Elizabeth Christina DeLaRosa  
Effective Member

Oswaldo Esteban Clari Redes  
Effective Member

Eliseu Nogueira de Andrade  
Effective Member

Narciso Meschiatti Filho  
Alternate Member

### Supervisory Board

Jarbas Tadeu Barsanti Ribeiro  
Chairman

François Moreau  
Effective Member

Marcelo Curti  
Effective Member

Ary Waddington  
Alternate Member

Edmundo Falcão Koblitz  
Alternate Member

Murici dos Santos  
Alternate Member

### Executive Board

Armando de Azevedo Henriques  
Chief Executive Officer

Angela Aparecida Seixas  
Chief Financial and Internal Controls Officer,  
Chief Information Officer and Chief Investor Relations Officer

Carlos Alberto Dias Costa  
Chief Operating Officer and Chief Environmental Officer

Jairo de Campos  
Chief Human Resources  
Management and Health and Security Officer

João Luis Campos da Rocha Calisto  
Executive Director of Regulatory

Plautius Soares André Filho  
Chief Commercial Officer

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Antonio Patricio Franco Martins  
General Controllershship Manager

Renata Mingorance Prando  
Accountant - SP-256166/O-2