



November 5, 2019

Quarterly Information

Eneva S.A.

(a publicly listed company)

September 30, 2019

with Independent Auditors' Report

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Balance sheet

At September 30, 2019 and December 31, 2018
(All amounts in thousands of reais)

	Note	Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
Current assets					
Cash and cash equivalents	5	434,223	452,050	1,122,991	1,152,266
Marketable securities	6	57,068	96,919	381,486	207,017
Trade receivables	7	2,020	-	534,063	357,883
Inventories	8	36,414	34,977	204,702	225,730
Prepaid expenses		5,837	9,583	14,590	34,507
Income tax and social contribution recoverable	9	34,896	46,632	96,356	107,391
Other taxes recoverable	9	40,698	14,568	55,717	30,874
Derivative financial instruments	17	1,006	-	49,359	725
Sundry advances		5,208	707	28,842	20,122
Dividends receivable		10,990	10,843	147	-
Secured deposits		2,290	2,288	2,472	2,651
Trade operations with related parties	14	23,124	6,496	-	-
Advances to suppliers		-	2,121	30,349	5,117
Others		-	2,004	1,021	2,345
		653,774	679,188	2,522,095	2,146,628
Non-assets assets held for sale	3	2,730	5,965	2,730	-
		656,504	685,153	2,524,825	2,146,628
Non-current assets					
Long-term receivables					
Prepaid expenses		3	26	3	26
Secured deposits		1,564	388	43,926	28,966
Trade operations with related parties	14	197,081	187,551	2,415	4,298
Loans	14	534,357	511,118	11,431	13,808
Income tax and social contribution recoverable	9	56,197	63,828	60,446	69,994
Other taxes recoverable	9	91,539	85,316	94,109	88,927
Deferred income tax and social contribution	9	184,259	178,291	535,417	572,461
Other credits		187	-	679	586
		1,065,187	1,026,518	748,426	779,066
Investments	10	4,423,694	3,718,497	4,985	3,865
Property, plant and equipment	12	1,966,337	1,836,157	8,329,324	7,929,919
Intangible assets	13	921,788	945,679	1,393,195	1,440,204
		8,377,006	7,526,851	10,475,930	10,153,054
		9,033,510	8,212,004	13,000,755	12,299,682

Balance sheet– continuing

At September 30, 2019 and December 31, 2018

(All amounts in thousands of reais)

	Note	Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
Current liabilities					
Trade payables		51,210	59,347	410,568	348,849
Borrowings and financings	15	11,787	9,859	204,749	184,066
Debentures	16	42,407	-	285,501	113,297
Lease liability	11	16,969	-	19,321	-
Income taxes and social contributions payable	18	9,440	22,972	73,586	87,617
Other taxes payable	18	25,857	7,645	47,360	29,664
Social and labor obligations		19,132	12,632	33,206	22,217
Profit sharing		29,323	42,063	43,779	62,227
Trade payables - electric power sector		-	-	12,079	11,439
Provision for cost due to unavailability		-	-	57,237	51,560
Research and development - electric power sector		-	-	76,249	64,538
Other payables		262	59	589	370
		206,387	154,577	1,264,224	975,844
Liabilities related to non-current assets held for sale	3	9,282	2,920	9,282	2,920
		215,669	157,497	1,273,506	978,764
Non-current liabilities					
Trade payables		5,517	2,083	28,636	5,167
Borrowings and financings	15	69,332	1,595,082	1,444,007	3,191,757
Debentures	16	1,983,793	-	3,423,920	1,674,624
Lease liability	11	69,643	-	65,241	-
Trade operations with related parties	14	45,917	45,831	293	26,768
Contractual retention		-	-	4,330	4,330
Provision for uncovered liability	10	2,175	39,220	-	-
Provision for contingencies	19	24,175	12,533	85,205	18,832
Provision for decommissioning costs		83,306	61,720	90,305	66,885
Deferred income tax and social contribution	9	-	-	49,506	45,474
Other payables		-	-	3,195	3,201
		2,283,858	1,756,469	5,194,638	5,037,038
Total liabilities		2,499,527	1,913,966	6,468,144	6,015,802
Equity	20				
Share capital		8,829,296	8,822,057	8,829,296	8,822,057
Capital reserve		21,178	22,461	21,178	22,461
Legal reserve		4,775	4,775	4,775	4,775
Carrying value adjustments		9,023	11,972	9,023	11,972
Accumulated losses		(2,330,289)	(2,563,227)	(2,330,289)	(2,563,227)
Shareholders' equity attributable to controlling shareholders		6,533,983	6,298,038	6,533,983	6,298,038
Interest of non-controlling stockholders		-	-	(1,372)	(14,158)
Total shareholders' equity		6,533,983	6,298,038	6,532,611	6,283,880
		9,033,510	8,212,004	13,000,755	12,299,682

Statements of income

For the nine-month periods ended September 30, 2019 and 2018
(All amounts in thousands of reais)

	Note	Parent Company		Consolidated	
		Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018
Sales and services income	23	404,437	-	2,025,443	2,388,383
Cost of sales and services	24	(138,670)	-	(1,193,452)	(1,404,376)
Gross profit		265,767	-	831,991	984,007
Operating costs/income					
General and administrative	24	(182,986)	(66,682)	(251,967)	(240,474)
Other operating income	24	32,201	196,382	42,614	197,131
Other operating expenses	24	(16,908)	(2,023)	(32,294)	(5,615)
Result in equity-accounted investments	10	185,490	403,014	(3,096)	(7,298)
Result before finance income (costs) and taxes		283,564	530,691	587,248	927,751
Finance income/costs					
Finance income	25	88,561	82,676	153,389	126,691
Financial costs	25	(140,883)	(128,783)	(442,061)	(480,307)
Result before income taxes		231,242	484,584	298,576	574,135
Income tax and social contribution on income					
Current	9	(1,832)	-	(22,863)	(51,715)
Deferred	9	5,963	(66,143)	(41,077)	(104,859)
Profit for the period		235,373	418,441	234,636	417,561
Attributed to the owners of the parent company		235,373	418,441	235,373	418,441
Attributed to the non-controlling shareholders			-	(737)	(880)
Earnings per share from continuing operations attributable to the owners during the year (expressed in R\$ per share)					
Basic earnings per share	21	-	-	0.74654	1.32842
Diluted earnings per share	21	-	-	0.74563	1.32842

Statements of income

For the quarters ended September 30, 2019 and 2018
(All amounts in thousands of reais)

	Note	Parent Company		Consolidated	
		Quarter ended 9/30/2019	Quarter ended 9/30/2018	Quarter ended 9/30/2019	Quarter ended 9/30/2018
Sales and services income	23	261,891	-	858,279	1,121,957
Cost of sales and services	24	(78,972)	-	(569,484)	(685,100)
Gross profit		182,919	-	288,795	436,857
Operating costs/income					
General and administrative	24	(61,815)	(24,226)	(86,332)	(90,255)
Other operating income	24	-	431	8,626	2,082
Other operating expenses	24	(8,993)	(592)	(13,046)	(3,374)
Result in equity-accounted investments	10	(7,679)	214,723	(1,989)	(1,002)
Result before finance income (costs) and taxes		104,432	190,336	196,054	344,308
Finance income/costs					
Finance income	25	25,797	24,586	49,817	40,360
Financial costs	25	(39,926)	(38,365)	(143,310)	(169,582)
Result before income taxes		90,303	176,557	102,561	215,086
Income tax and social contribution on income					
Current	9	(1,832)	-	(5,909)	(27,294)
Deferred	9	1,315	(880)	(7,097)	(12,200)
Profit for the period		89,786	175,677	89,555	175,592
Attributed to the owners of the parent company		89,786	175,677	89,786	175,677
Attributed to the non-controlling shareholders		-	-	(231)	(85)
Earnings per share from continuing operations attributable to the owners during the year (expressed in R\$ per share)					
Basic earnings per share	21	-	-	0.28478	0.55772
Diluted earnings per share	21	-	-	0.28443	0.55772

Statements of comprehensive income

For the nine-month periods ended September 30, 2019 and 2018
(All amounts in thousands of reais)

	Parent Company		Consolidated	
	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018
Profit for the period	235,373	418,441	234,636	417,561
Other comprehensive income to be reclassified for result for the year in subsequent periods				
Cumulative translation adjustments	3,406	1,314	3,406	1,314
Carrying value adjustments	(6,355)	1,259	(6,355)	1,259
Total other comprehensive income for the period	232,424	421,014	231,687	420,134
Other comprehensive income to be reclassified for result for the year in subsequent periods	232,424	421,014	231,687	420,134
Non-controlling interests	-	-	(737)	(880)
Controlling shareholders	232,424	421,014	232,424	421,014
Total other comprehensive income for the period, net of	232,424	421,014	231,687	420,134

Statements of comprehensive income

For the quarters ended September 30, 2019 and 2018
(All amounts in thousands of reais)

	Parent Company		Consolidated	
	Quarter ended 9/30/2019	Quarter ended 9/30/2018	Quarter ended 9/30/2019	Quarter ended 9/30/2018
Profit for the period	89,786	175,677	89,555	175,592
Other comprehensive income to be reclassified for result for the year in subsequent periods				
Cumulative translation adjustments	4,054	1,369	4,054	1,369
Carrying value adjustments	641	-	641	-
Total other comprehensive income for the period	94,481	177,046	94,250	176,961
Other comprehensive income to be reclassified for result for the year in subsequent periods	94,481	177,046	94,250	176,961
Non-controlling interests	-	-	(231)	(85)
Controlling shareholders	94,481	177,046	94,481	177,046
Total other comprehensive income for the period, net of	94,481	177,046	94,250	176,961

Statements of changes in equity

For the periods ended September 30, 2019 and 2018
(All amounts in thousands of reais)

	Paid-in share capital	Legal reserve	Capital reserve and options granted	Other comprehensive income	Accumulated losses	Net shareholders' equity	Non-controlling shareholder interests	Total shareholders' equity
At December 31, 2017	8,822,219	4,775	18,144	(3,595)	(3,451,100)	5,390,443	(14,508)	5,375,935
Transactions with shareholders:								
Profit for the period	-	-	-	-	418,441	418,441	(880)	417,561
Appropriation of funding cost	(162)	-	-	-	-	(162)	-	(162)
Fair value of asset instruments	-	-	3,620	-	-	3,620	-	3,620
Other comprehensive income:								
Adjustments translation foreign currency for the year	-	-	-	1,314	-	1,314	-	1,314
Carrying value adjustment asset held for sale	-	-	-	1,259	-	1,259	-	1,259
At September 30, 2018	8,822,057	4,775	21,764	(1,022)	(3,032,659)	5,814,915	(15,388)	5,799,527
At December 31, 2018	8,822,057	4,775	22,461	11,972	(2,563,227)	6,298,038	(14,158)	6,283,880
Capital increase	7,239	-	(7,239)	-	-	-	13,523	13,523
Tax incentive SUDAM/SUDENE	-	-	2,435	-	(2,435)	-	-	-
Transactions with shareholders:								
Profit for the period	-	-	-	-	235,373	235,373	(737)	234,636
Fair value of asset instruments	-	-	3,521	-	-	3,521	-	3,521
Other comprehensive income:								
Adjustments of translation foreign currency for the period	-	-	-	3,406	-	3,406	-	3,406
Carrying value adjustment asset held for sale	-	-	-	(6,355)	-	(6,355)	-	(6,355)
At September 30, 2019	8,829,296	4,775	21,178	9,023	(2,330,289)	6,533,983	(1,372)	6,532,611

Statements of Cash Flows

For the nine-month periods ended September 30, 2019 and 2018

	Parent Company		Consolidated	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
Cash flows from operating activities				
Result before income taxes	231,242	484,584	298,576	574,135
Adjustments to reconcile the loss to the cash flows from operating activities:				
Depreciation and amortization	77,336	2,288	327,636	336,261
Depreciation and amortization IFRS 16	20,042	-	17,274	-
Result in equity-accounted investments	(189,618)	(415,469)	(254)	7,298
Provision for uncovered liability	4,128	12,455	3,350	-
Interest provision for abandonment cost	3,855	-	4,148	4,969
Write-off of dry wells and sub commercial areas	32,916	-	32,916	19,261
Write-off of properties, plants and equipment and intangible assets	-	-	-	11,795
Fine and interest determined	-	-	(4,696)	-
Credit of PIS/ COFINS due to legal decision	(33,705)	3,341	(33,705)	-
Interest on credit of PIS/COFINS	(8,529)	-	(8,529)	-
Asset and liability exchange variation	(1,015)	27,383	(12,993)	(7,814)
Interest loans and debentures	98,443	88,443	334,373	340,555
Contractual monetary update	263	-	17,144	(3,653)
Earning from loans	(24,825)	(28,406)	(665)	(5,941)
Provision for contingencies	10,473	-	19,883	-
Interest debentures receivable	-	(37,071)	-	-
Earnings of investments (marketable securities) and other finance income and costs	(16,911)	(10,827)	(20,484)	(45,623)
Recovery of tax credits	171	-	3,131	-
Derivative financial instruments	(1,375)	-	(14,997)	(6,671)
Lease interest IFRS16	7,026	-	7,154	-
Amortization of funding cost	698	-	11,096	10,352
Acquisition of subsidiary	-	(56,809)	-	(56,809)
Gain in advantageous purchase in the acquisition of Pecém II in 2018	-	(135,573)	-	(135,573)
	210,615	(65,661)	980,358	1,042,542
(Increase) decrease in assets / Increase (decrease) in operating liabilities				
Sundry advances	(2,380)	(3,676)	(33,952)	(34,892)
Prepaid expenses	3,769	(1,074)	19,940	(29,257)
Trade receivables	(2,020)	61	(159,698)	(116,825)
Taxes recoverable	29,077	(496)	29,661	(4,519)
Secured deposits	(1,177)	12,112	(14,782)	73,670
Inventory	(1,437)	-	21,028	(51,604)
Taxes and contributions	2,847	(7,204)	3,507	(58,420)
Trade payables	(17,654)	(1,515)	(11,752)	99,139
Provisions and labor charges	(6,241)	(6,131)	(7,459)	(11,743)
Loans	1,586	39,163	3,042	(551)
Commercial operations	(26,072)	(15,969)	(24,592)	-
Trade payables	-	4	-	-
Prepayments - CCC	-	-	44,091	-
Other assets and liabilities	9,319	3,770	38,012	11,226
	(10,383)	19,045	(92,954)	(123,776)
Income tax and social contribution paid	-	-	(22,705)	(41,207)
Dividends received	-	80,977	-	-
Net cash and cash equivalents provided by (used in) operating activities	200,232	34,361	864,699	877,559
Cash flow from investing activities				
Acquisition of properties, plants and equipment and intangible assets	(116,900)	(1,003)	(565,534)	(358,931)
Capital contribution / Capital decrease	-	(170,603)	-	-
Capital transfer to investee	(15,097)	(110,000)	(1,000)	(110,000)
Acquisition of subsidiary, net of cash acquired	-	(160,000)	-	(148,866)
Advance for future capital increase	(518,479)	-	-	-
Marketable securities	56,762	32,238	(139,769)	128,397
Net cash and cash equivalents provided by (used in) the investing activities	(593,714)	(409,368)	(706,303)	(489,400)
Cash flow from financing activities				
Financial instruments	369	-	183	-
Payment of lease liability	(16,311)	-	(21,821)	-
Capital transfer of non-controlling interest	-	-	13,524	-
Funding	2,000,000	-	2,000,000	439,910
Amortizations of principal - financings	(1,571,791)	-	(1,798,486)	(673,874)
Interest paid	(15,310)	-	(187,684)	(243,556)
Funding costs	(21,302)	(162)	(35,194)	-
Secured deposits	-	-	(158,193)	58,881
Net cash and cash equivalents provided by (used in) the financing activities	375,655	(162)	(187,671)	(418,639)
Decrease in cash and cash equivalents	(17,827)	(375,169)	(29,275)	(30,480)
Statement of the variation in cash and cash equivalents				
At the beginning of the period	452,050	502,905	1,152,266	766,884
At the end of the period	434,223	127,736	1,122,991	736,404
Increase/(decrease) in cash and cash equivalents	(17,827)	(375,169)	(29,275)	(30,480)

Statements of value added

For the nine-month periods ended September 30, 2019 and 2018
(All amounts in thousands of reais)

	Parent Company		Consolidated	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
Revenue	490,048	192,382	2,261,121	2,813,964
Sales of goods, products and services	454,800	-	2,220,541	2,621,443
Other revenue	35,248	192,382	40,580	192,521
Consumables acquired from third parties (including ICMS and IPI)	(134,691)	(34,771)	(839,335)	(1,068,714)
Materials, electricity, outsourced services and others	(132,527)	(34,404)	(740,693)	(978,114)
Rates for use of transmission system (TUST)	-	-	(96,083)	(86,758)
Impairment and recovery of assets	(2,164)	(367)	(2,559)	(3,842)
Gross value added	355,357	157,611	1,421,786	1,745,250
Depreciation and amortization	(97,378)	(2,288)	(344,910)	(336,261)
Net value added generated by the entity	257,979	155,323	1,076,876	1,408,989
Transferred value added	305,071	528,561	150,293	123,393
Result in equity-accounted investments	185,490	403,014	(3,096)	(7,298)
Finance income	63,686	17,199	147,578	114,211
Interest on loan operations and debentures	24,825	65,477	1,145	5,941
Shared services	31,020	42,871	-	-
Others	50	-	4,666	10,539
Total value added to be distributed	563,050	683,884	1,227,169	1,532,382
Distribution of value added	563,050	683,884	1,227,169	1,532,382
Personnel	83,720	58,622	201,210	110,722
Direct remuneration	61,583	45,826	148,402	65,703
Benefits	18,844	10,173	45,283	37,607
FGTS and contributions	3,293	2,623	7,525	7,412
Taxes and contributions	90,283	77,959	323,341	478,111
Federal	51,238	77,870	300,280	433,133
State	11,292	-	(27,305)	(37,233)
Municipal	198	31	340	668
Fees and contributions	27,555	58	50,026	81,543
Remuneration of third-parties' capital	153,674	128,862	467,982	525,988
Interest and fines paid or earned	37,182	61	155,623	62,838
Rentals	5,220	2,369	16,751	52,865
Exchange and monetary variation	20,439	33,451	53,189	71,695
Finance costs	80,192	91,673	222,925	334,932
Others	10,641	1,308	19,494	3,658
Remuneration of own capital	235,373	418,441	234,636	417,561
Profit for the period	235,373	418,441	235,373	418,441
Profit (loss) for the period attributed to non-controlling shareholders	-	-	(737)	(880)
	563,050	683,884	1,227,169	1,532,382

Notes to the Quarterly Information

All amounts in thousands of reais except when otherwise indicated

1 Operations

Eneva S.A. ("Company" or "Group") is a publicly traded company registered in B3 S.A. – Brasil, Bolsa, Balcão, under the code ("ENEV3"), headquartered in the Municipality and State of Rio de Janeiro, which operates in the generation and trade of electric power and in the exploration and production (E&P) of natural gas in Brazil.

ENEVA counts on a thermal power station of 2.8 GW of installed capacity (78% operating), being 2.0 GW natural gas (74%) and 725 MW mineral coal (26%).

It is the second largest company in thermal capacity in the country, responsible for 11% of the national installed thermal capacity.

With gas production capacity of 8.4 million m³/day, Eneva is the largest natural gas private operator in Brazil, operating in an area of 38 thousand km² in the Parnaíba Basin, State of Maranhão.

On September 30, 2019, the Company has the following interest in subsidiaries, joint ventures and associates:

	Equity Interest*	
	9/30/2019	12/31/2018
Direct subsidiaries		
Gas thermal plants		
Parnaíba I Geração de Energia S. A	100,00%	100.00%
Parnaíba II Geração de Energia S.A.	88,85%	88.85%
Azulão Geração de Energia S.A.	99,90%	99.90%
Upstream		
Parnaíba B.V.	100,00%	100.00%
Coal -fired thermal plants		
Itaqui Geração de Energia S. A	100,00%	100.00%
Pecém II Participações S. A	100,00%	100.00%
Others		
Amapari Energia S.A.	51,00%	51.00%
Centrais Termelétricas São Marcos S.A.	-	99,90%
Eneva Participações S.A.	100,00%	100.00%
Jandaíra Ventos S.A.	99,90%	-
Jandaíra II Ventos S.A.	99,90%	-
MPX Energia GMBH	-	100%
Termopantanal Participações Ltda.	66,67%	66.67%
Indirect subsidiaries		
Gas thermal plants		
Parnaíba Geração e Comercialização de Energia S.A.	70,00%	70.00%
Coal -fired thermal plants		
Pecém II Geração de Energia S. A	100,00%	100.00%
Energy trade		
Eneva Comercializadora de Energia Ltda.	100,00%	100.00%
Others		
MPX Chile Holding Ltda.	50,00%	50.00%
Seival Geração de Energia Ltda.	100,00%	100.00%
SPE's Ventos	100,00%	100.00%
Sul Geração Energia Ltda.	50,00%	50.00%
Tauá Geração de Energia Ltda.	100,00%	100.00%
Termopantanal Ltda.	66,67%	66.67%
Joint ventures:		
Centrais Termelétricas São Marcos S.A.	50,00%	-
MABE Construção e Administração de Projetos Ltda.	50,00%	50.00%
PO&M - Pecém Operação e Manutenção de Geração Elétrica S.A.	50,00%	50.00%
Porto do Pecém Transportadora de Minérios S.A.	50,00%	50.00%

* The details of the Company's corporate interest are described in Note 10 - Investments.

1.1 Significant events occurred in the period:

The Company was successful in having the investments plan framed, by the Ministry of Mines and Energy, in the exploration, development and production of hydrocarbons in the Parnaíba Basin ("Investments Plan") as priority project for the issuance of debentures of infrastructure. The Investments Plan contemplates the initiatives necessary to comply with the obligations and commitments in force within the Company's concession areas in the Parnaíba Basin, including, among others, the acquisition of seismic lines, drilling and completion of exploratory and producer wells, construction of new gas pipelines, systems of collection and flow of the production and production stations. The framing widens the Company's financing options and allows the strengthening of the business model.

Furthermore, on September 10, 2019, the Ministry of Mines and Energy framed the supply solution project for generation of electric power of the Thermoelectric Generating Plant "Jagatirica II" in the Special Incentive System for Infrastructure Development ("REIDI"), according to publication of the SPE/MME Ordinance No. 261/2019, of September 6, 2019, in the Union's Official Gazette.

The framing in REIDI ensures the suspension of the requirement of PIS and COFINS levied on properties, services and rentals incorporated during the project's construction stage which included a Generating Unit of 82,407 kW and a Generating Unit of 43,883 kW, in combined cycle, including the logistic chain necessary for the supply of natural gas (liquefaction, tanking, cryogenic trailers and regasification) and Transmission System of restrict interest comprised of elevatory substation (SE) of 13.8/230 kV, near the Plant, and a transmission line in 230 kV, with approximately 6,000m (six thousand meters) of extension, interconnecting the SE to the Boa Vista Substation, under the responsibility of Eletrobrás Eletronorte.

On October 9, 2019, the Brazilian Federal Revenue published the Executive Declaratory Act No. 109, which authorized Azulão Geração de Energia S.A. to benefit from REIDI.

Our participation in the first cycle of Permanent Offer, which took place on September 10, by the Oil, Natural Gas and Biofuel National Agency (ANP) resulted in the acquisition of 6 onshore blocks. The Company acquired 100% of interest in the blocks PN-T-47, PN-T-48A, PN-T-66, PN-T-67A, PN-T-68, PNT-102A, in the Parnaíba Basin, in the State of Maranhão, and offered Minimum Exploratory Program of 8,811 Work Units, to be carried out during 6 years, in the total area auctioned off of 13,779.74 Km². Eneva will be the operator in all the auctioned off blocks, and the signature total bonus amount was of R\$ 3,503. According to the ANP schedule, the concession agreements of the companies that won the bid shall take place up to February 28, 2020.

The new assets will complement the Company's portfolio, which already counts with 38,256 Km² under concession in the Parnaíba Basin, as exploratory blocks, developing areas and seven commercial declared fields. The strategy strengthens the Eneva's presence in the region, continuing the development of the Reservoir-to-Wire (R2W) model, which integrates the onshore gas production to the power generation.

On September 17, the Environmental Protection Institute of Amazonas ("IPAAM") issued the Installation License ("LI") for the construction of the gas treatment unit and of the liquefaction terminal, to be installed in Azulão Field ("Azulão"), in the State of Amazonas.

On July 19, IPAAM had already issued LI for the drilling of the Azulão's wells. And on September 5, the Company obtained LI for the construction of the thermal power plant Jagatirica II, of 132.3 MW of installed capacity, to be built in Boa Vista, State of Roraima. Therefore, as from September 17, the whole Azulão-Jagatirica integrated project is licensed and being built.

2 Licenses and authorizations

For the 3rd quarter of 2019, besides the compliance with all the legal and social and environmental obligations planned for the period, we highlight the issuance of environmental licenses for the Jaguatirica II Project, with the issuance of the Installation License for UTG Azulão in the State of Amazonas, besides the Previous and Installation Licenses for the UTE Jaguatirica II in the State of Roraima, confirming the technical viability in relation to the environmental aspects for the construction stage, which had already begun in both states. These licensing processes have been closely monitored and updated with IPAAM in the State of Amazonas and State Foundation of the Environment and Water Resources of the State of Roraima ("FEMARH"), the responsible environmental bodies.

In the Parnaíba Complex, the E&P activities were maintained, in compliance with the natural gas seismic, drilling, disposal and treatment requirement, thus maintaining the continuity of the supply of natural gas, as well as the operation of the thermal plants, ensuring the demanded energy. We also highlight that, in the last quarter, Eneva significantly evolved with its renewable sources generation projects, obtaining two more environmental authorizations for the installation of photovoltaic plants in the States of Maranhão and Ceará, and requesting authorization to the Institute of Sustainable Development and Environment (IDEMA-RN) for the wind power project in the State of Rio Grande do Norte.

3 Quarterly information presentation

The quarterly information was elaborated based on the same accounting policies, principles, methods and criteria as those adopted for the elaboration of the financial information at the end of the last year ended December 31, 2018 and, consequently, they should be read together with this information.

The preparation of quarterly information requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. Accounting estimates and judgments are continually evaluated and are based on historical analysis and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Parent company and consolidated quarterly information

The Company's parent company and consolidated quarter information is in accordance with CPC 21(R1) and the consolidated interim accounting information is accordance with CPC 21(R1) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, and the presentation of this information is in compliance with the standards issued by the Securities Exchange Commission of Brazil ("Comissão de Valores Mobiliários – CVM"), applicable to the elaboration of the Quarter Information - ITR.

In the presentation of the parent company quarter information, the costs related to the debentures issued by Eneva S.A. (3rd series), which are for the construction of the Parnaíba V project, are recorded as "investment in subsidiaries", according to the paragraph 8th, of CPC 43 – Initial adoption of the technical pronouncements CPCs 15 to 41. In the consolidated quarterly information, these costs are presented as "property, plant and equipment". Accordingly, there is no difference between the parent company equity and the consolidated equity.

The interim financial statements of the Company and its associates and joint ventures are measured using the currency of the main economic environment in which the entity operates ("functional currency"), which is Brazilian real ("R\$"), except for the subsidiary Parnaíba BV (USD), whose functional currency is different from the presentation and its translation is in accordance with the criteria at December 31, 2018.

The issue of this quarterly information was authorized by the Board of Directors and Executive Board on November 5, 2019.

(b) Assets held for sale

On February 25, 2019, the Company entered into an Agreement of Purchase and Sale of Shares and Other Agreements with Copelmi Participações Ltda. ("Copelmi"), for the disposal of all the interest in the associate Seival Sul Mineração (30%) and the land owned by the indirect subsidiary Seival Geração de Energia (cost of R\$2,730), as previously disclosed in the financial statements for 2018.

The conclusion of the operation is subject to the approval by the National Defense Council (CDN).

CPC 31 (IFRS 5) - Non-current assets held for sale and Discontinued Operation requires that the assets classified as held for sale are measured at the lowest amount between the carrying amount and the fair value less the sale expenses. The assets held for sale are as follows:

9/30/2019

	Investor	%	Result	Unsecured liability	Unsecured liability recorded in Eneva
Seival Sul Mineração S.A.	Eneva S.A.	30%	(23,864)	(30,941)	9,282
TOTAL			(23,864)	(30,941)	(9,282)

(c) Changes in material accounting policies

ICPC 22 - Uncertainty on tax treatment - ICPC 22 came into force for the years begun after January 1, 2019 and clarifies the criteria for measure and recognition of CPC 32 - Income Taxes. The Company evaluated the requirements of this new interpretation and concluded that there is no material impact in the interim financial statements.

CPC 06 - The Company adopted IFRS 16 as from January 1, 2019, initial adoption, using the modified retrospective approach. Accordingly, the comparative information was not represented and continues being disclosed according to the CPC 06/IFRIC 4. As a result of the adoption of CPC 06 (R2), the Company changed its accounting policy for the lease agreements, as presented in Note 11 "Leases".

4 Segment reporting

The Company's management manages its ventures based on five main business segments, which require different means of delivery and generation of energy, namely: (i) gas-fired thermal plants, (ii) upstream, (iii) coal-fired thermal plants, (iv) energy trade and (v) others.

The performance of the activities of each segment are evaluated by the Company's Executive Board and reflect the structure of the business model adopted. It is important to highlight that the operations between the Company and its subsidiaries, as well as the operations between the subsidiaries, are fully eliminated for the presentation of the segment balance.

The segments are described as follows:

(i) Gas-fired thermal plants

This segment comprises the subsidiaries Parnaíba I Geração de Energia S.A., Parnaíba II Geração de Energia S.A. and Parnaíba Geração e Comercialização S.A., comprising the Parnaíba Complex in the State of Maranhão. The total installed capacity of the mentioned complex is 1.4 GW, and it will increase to 2.0 GW as from completion of the cycle closure works, known as Parnaíba V project, Jaguatirica II project and Parnaíba VI project. The conclusion of the two first projects are foreseen to the 2nd six-month period of 2021 and the Parnaíba VI conclusion is foreseen to happen in the 1st six-month period of 2021. All the complex is connected to the North Subsystem of generation and transmission of energy of the National Interconnected System (SIN).

(ii) Upstream

In this segment, the Company acts in the exploration and production (E&P) of hydrocarbons in an area under concession of approximately 38 thousand km² in the Parnaíba Basin, in the State of Maranhão and of 58 km² in the Amazonas Basin.

Currently, the Company has the daily production capacity of 8.4 million m³ of natural gas, totally for the supply of the Parnaíba Complex, consolidating the *Reservoir-to-Wire* ("R2W") model, which the Company was the pioneer to adopt in the country. This segment comprises the companies Eneva S.A. and Parnaíba B.V..

(iii) Coal -fired thermal plants

This segment comprises the subsidiaries Itaquí Geração de Energia S.A. with installed capacity of 360 MW, located in the State of Maranhão, connected to the North Subsystem, and Pecém II Geração de Energia S.A. with installed capacity of 365 MW, located in the State of Ceará, connected to the Northeast Subsystem of generation and transmission or power of the National Interconnected System (SIN).

(iv) Energy trade

In this segment, the Company acts in the trade of energy in the Free Hiring Environment (ACL) mandatorily registered in CCEE through its indirect subsidiary Eneva Comercializadora de Energia Ltda.

(v) Others

This segment comprises Eneva Participações S.A., besides companies held for the development of projects.

The segment balance sheet for September 30, 2019 and December 31, 2018 and the statements of operations for the periods ended September 30, 2019 and 2018 are as follows:

QUARTERLY INFORMATION AT SEPTEMBER 30, 2019 - ENEVA S.A.

Equity accounts - 9/30/2019

	Natural Gas generation				Coal -fired thermal plants			Energy trade	Holding and others		Total consolidated
	Gas thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal -fired thermal plants	Eliminations	Subtotal Consolidated		and others	Eliminations	
Total assets	4,235,727	3,944,731	(365,396)	7,815,062	4,508,402	(2,609)	4,505,793	153,574	512,017	14,309	13,000,755
Current	1,208,107	723,412	(109,897)	1,821,622	582,173	-	582,173	67,985	53,045	-	2,524,825
Cash and equivalents	497,869	434,224	-	932,093	155,889	-	155,889	13,647	21,362	-	1,122,991
Trade receivables	281,694	1,050	-	282,744	226,825	-	226,825	24,321	173	-	534,063
Inventory	36,624	36,414	-	73,038	131,654	-	131,654	-	10	-	204,702
Other assets	391,920	251,724	(109,897)	533,747	67,805	-	67,805	30,017	31,500	-	663,069
Non-current	3,027,620	3,221,319	(255,499)	5,993,440	3,926,229	(2,609)	3,923,620	85,589	458,972	14,309	10,475,930
Deferred IR/CS	106,733	102,015	-	208,748	304,780	-	304,780	21,853	36	-	535,417
PPE and intangible assets	2,858,839	2,570,151	(19,560)	5,409,430	3,614,481	-	3,614,481	146	117,037	581,425	9,722,519
Other assets	62,048	549,153	(235,939)	375,262	6,968	(2,609)	4,359	63,590	341,899	(567,116)	217,994
Total liabilities	4,235,727	3,944,731	(365,396)	7,815,062	4,508,402	(2,609)	4,505,793	153,574	512,017	14,309	13,000,755
Current	722,066	139,723	(124,842)	736,947	445,211	(141)	445,070	77,352	15,580	(1,443)	1,273,506
Borrowings	19,732	11,788	-	31,520	173,229	-	173,229	-	-	-	204,749
Debentures	243,094	42,407	-	285,501	-	-	-	-	-	-	285,501
Other liabilities	459,240	85,528	(124,842)	419,926	271,982	(141)	271,841	77,352	15,580	(1,443)	783,256
Non-current	1,980,577	2,161,977	(240,554)	3,902,000	1,718,438	(2,468)	1,715,970	8,207	127,187	(558,726)	5,194,638
Borrowings	193,318	69,332	-	262,650	1,181,357	-	1,181,357	-	-	-	1,444,007
Debentures	1,440,127	1,983,793	-	3,423,920	-	-	-	-	-	-	3,423,920
Other liabilities	347,132	108,852	(240,554)	215,430	537,081	(2,468)	534,613	8,207	127,187	(558,726)	326,711
Non-controlling stockholders	-	-	-	-	-	-	-	-	-	(1,372)	(1,372)
Shareholders equity - controllers	1,533,084	1,643,031	-	3,176,115	2,344,753	-	2,344,753	68,015	369,250	575,850	6,533,983

Equity accounts - 12/31/2018

	Natural Gas generation				Coal -fired thermal plants			Energy trade	Holding and others		Total consolidated
	Gas thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal -fired thermal plants	Eliminations	Subtotal Consolidated		and others	Eliminations	
Total assets	3,833,288	3,305,836	(490,605)	6,648,519	4,573,221	(2,608)	4,570,613	103,818	2,012,432	(1,035,700)	12,299,682
Current	865,651	613,321	(92,408)	1,386,564	562,638	-	562,638	61,658	207,800	(72,032)	2,146,628
Cash and equivalents	481,094	338,226	-	819,320	193,549	-	193,549	22,582	116,815	-	1,152,266
Trade receivables	176,040	2,018	-	178,058	161,971	-	161,971	17,815	39	-	357,883
Inventory	37,639	34,977	-	72,616	153,103	-	153,103	-	11	-	225,730
Other assets	170,878	238,100	(92,408)	316,570	54,015	-	54,015	21,261	90,935	(72,032)	410,749
Non-current	2,967,637	2,692,515	(398,197)	5,261,955	4,010,583	(2,608)	4,007,975	42,160	1,804,632	(963,668)	10,153,054
Deferred IR/CS	118,184	14,565	-	132,749	316,043	-	316,043	592	123,077	-	572,461
PPE and intangible assets	2,569,511	2,410,573	-	4,980,084	3,686,572	-	3,686,572	181	101,004	602,282	9,370,123
Other assets	279,942	267,377	(398,197)	149,122	7,968	(2,608)	5,360	41,386	1,580,551	(1,565,949)	210,470
Total liabilities	3,833,288	3,305,836	(490,605)	6,648,519	4,573,221	(2,608)	4,570,613	103,818	2,012,432	(1,035,700)	12,299,682
Current	290,419	235,196	(89,329)	436,286	413,501	(154)	413,347	41,864	138,606	(51,339)	978,764
Borrowings	18,266	9,859	-	28,125	155,941	-	155,941	-	-	-	184,066
Debentures	113,297	-	-	113,297	-	-	-	-	-	-	113,297
Other liabilities	158,856	225,337	(89,329)	294,864	257,560	(154)	257,406	41,864	138,606	(51,339)	681,401
Non-current	2,433,311	503,665	(383,772)	2,553,204	1,857,631	(2,454)	1,855,177	8,200	1,590,660	(970,203)	5,037,038
Borrowings	201,817	77,698	-	279,515	1,394,858	-	1,394,858	-	1,517,384	-	3,191,757
Debentures	1,674,624	-	-	1,674,624	-	-	-	-	-	-	1,674,624
Other liabilities	556,870	425,967	(383,772)	599,065	462,773	(2,454)	460,319	8,200	73,276	(970,203)	170,657
Non-controlling stockholders	-	-	-	-	-	-	-	-	-	(14,158)	(14,158)
Shareholders equity - controllers	1,109,558	2,566,975	(17,504)	3,659,029	2,302,089	-	2,302,089	53,754	283,166	-	6,298,038

Result accounts for the 9-month period ended 9/30/2019

	Natural Gas generation				Coal - fired thermal plants			Energy trade	Holding and others	Eliminations	Total consolidated
	Gas thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal - fired thermal plants	Eliminations	Subtotal Consolidated				
Statement of operations											
Net operating revenue	1,081,063	412,270	(377,994)	1,115,339	873,712	-	873,712	234,625	273	(198,506)	2,025,443
Cost of goods and/or sold services	(743,005)	(138,670)	375,840	(505,835)	(654,382)	-	(654,382)	(231,627)	(114)	198,506	(1,193,452)
Operating costs	(17,925)	(125,378)	-	(143,303)	(16,915)	-	(16,915)	(3,463)	(4,585)	(16,075)	(184,341)
Other operating results	(702)	11,166	-	10,464	(7,857)	-	(7,857)	-	1,933	5,780	10,320
Costs with exploration and dry well	-	(67,626)	-	(67,626)	-	-	-	-	-	-	(67,626)
Equity in the results of investees	-	-	-	-	-	-	-	-	(3,096)	-	(3,096)
Finance income/costs	(124,607)	(53,807)	2,154	(176,260)	(125,482)	-	(125,482)	14,876	(1,806)	-	(288,672)
Provision for current and deferred taxes	(41,509)	4,833	-	(36,676)	(26,412)	-	(26,412)	(149)	(703)	-	(63,940)
Profit (Loss) for the period	153,315	42,788	-	196,103	42,664	-	42,664	14,262	(8,098)	(10,295)	234,636
Attributed to the owners of the parent company	153,315	42,788	-	196,103	42,664	-	42,664	14,262	(8,098)	(9,558)	235,373
Attributed to the non-controlling shareholders	-	-	-	-	-	-	-	-	-	(737)	(737)

Result accounts for the 9-month period ended 9/30/2018

	Natural Gas generation				Coal - fired thermal plants			Energy trade	Holding and others	Eliminations	Total consolidated
	Gas thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal - fired thermal plants	Eliminations	Subtotal Consolidated				
Statement of operations											
Net operating revenue	1,385,189	565,925	(552,953)	1,398,161	908,255	-	908,255	374,896	345	(293,274)	2,388,383
Cost of goods and/or sold services	(1,020,238)	(208,226)	552,953	(675,511)	(658,758)	-	(658,758)	(363,337)	(48)	293,278	(1,404,376)
Operating costs	(20,828)	(110,348)	-	(131,176)	(16,047)	-	(16,047)	(2,378)	(70,964)	(19,909)	(240,474)
Other operating results	(19,299)	(1,276)	18,266	(2,309)	85	-	85	-	184,691	9,049	191,516
Equity in the results of investees	29,419	-	(29,419)	-	81,340	(81,340)	-	-	407,982	(415,280)	(7,298)
Finance income/costs	(111,572)	(71,371)	-	(182,943)	(109,333)	-	(109,333)	(16,749)	(44,591)	-	(353,616)
Provision for current and deferred taxes	(48,700)	(29,164)	-	(77,864)	(12,486)	-	(12,486)	(3)	(66,221)	-	(156,574)
Profit (Loss) for the period	193,971	145,540	(11,153)	328,358	193,056	(81,340)	111,716	(7,571)	411,194	(426,136)	417,561
Attributed to the owners of the parent company	193,971	145,540	(11,153)	328,358	193,056	(81,340)	111,716	(7,571)	411,194	(425,256)	418,441
Attributed to the non-controlling shareholders	-	-	-	-	-	-	-	-	-	(880)	(880)

5 Cash and cash equivalents

		Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
Cash and banks		2,877	2,737	58,515	41,601
Investment funds FICFI RF CP ENEVA	(a)	43,087	215,936	286,188	450,130
CDB/Purchase and sale agreements		388,259	233,377	778,288	660,535
		434,223	452,050	1,122,991	1,152,266

- (a) The quotas of the Investments Fund FI Multimercado Crédito Privado Eneva, managed by Banco Itaú, which have high liquidity, are readily convertible into a known cash amount and are subject to an immaterial risk of change in value. On September 30, 2019, the balance is comprised only of repurchase agreements backed by federal government securities registered at CETIP or SELIC, when applicable, and with guarantee of repurchase at a previously established rate from the financial institutions. Cash and cash equivalents of the Exclusive Fund are as follows:

Breakdown – FICFI RF CP ENEVA		Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
CDBs		-	15,115	-	30,716
Securities held under repurchase agreements		43,087	200,821	286,188	419,414
		43,087	215,936	286,188	450,130

6 Marketable securities

		Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
Treasury Financial Bills (LFTs)	(a)	57,068	96,919	376,486	202,017
Capitalization securities		-	-	5,000	5,000
		57,068	96,919	381,486	207,017

- (a) Treasury Financial Bills (LFTs) are post-fixed securities whose remuneration is based on the variation of the daily SELIC rate recorded between the settlement date and the maturity date. On September 30, 2019, the Company's LFT portfolio holds securities whose maturities are between 2020 and 2025. These securities are presented as current assets due to their realization expectation.

7 Trade receivables

		Consolidated	
		9/30/2019	12/31/2018
Energy trading agreements in the regulated environment (CCEAR- D):			
Pecém II Geração de Energia S.A.		81,303	94,170
Parnaíba II Geração de Energia S.A.		81,634	71,453
Parnaíba I Geração de Energia S.A.		126,222	75,708
Itaqui Geração de Energia S.A.		80,210	55,474
	(a)	369,369	296,805
Energy trading agreements in the free environment:			
Pecém II Geração de Energia S.A.		30,146	1,463
Parnaíba Geração e Comercialização S.A.		11,427	14,521
Parnaíba II Geração de Energia S.A.		4,672	6,542
Itaqui Geração de Energia S.A.		34,447	10,588
Parnaíba I Geração de Energia S.A.		57,629	3,399
Eneva Comercializadora de Energia Ltda.		911	226
	(b)	139,232	36,739
Bilateral energy trading agreements:			
Eneva Comercializadora de Energia Ltda.		33,776	27,700
Tauá Geração de Energia Ltda.		29	35
Parnaíba Geração e Comercialização de Energia S.A.		-	6,967
		33,805	34,702
Condensed gas trading contracts			
Eneva S.A.		2,020	-
		2,020	-
Expected Credit Loss			
Provision for expected credit loss		(10,363)	(10,363)
		534,063	357,883

- (a) The increase is directly related to the higher level of power dispatch, mainly in the last month of the quarter. The plants reached an average of approximately 82% of dispatch in this quarter against 42% in the last quarter of 2018.
- (b) The presented variation basically refers to: (i) success in the participation in bids of the operating reserves recomposition (RRO) modality, by Pecém II. The RRO mechanism is described in Note 23 - Operating revenue and (ii) increase of the operations of sale of ballast in Itaqui and Parnaíba I.

The power market is an environment highly regulated, with mechanisms to mitigate the default risk of its agents. The market's financial security is ruled in the model of the multilateral and centralized clearing house.

The operations carried out within the scope of the Electricity Trade Chamber (CCEE) are accounted for and settled on a multilateral way, not indicating the party and the counterparty. This model benefits the agents individually and also the stability of the market as a whole, minimizing the probability of negative impacts. Accordingly, all the agents ensure the operations to be settled.

There are no default accounts receivable and with loss expectation, except for the balance of Canabrava Energética S.A., in the amount of R\$ 10,363 thousand, whose provision for expected credit loss was fully recognized.

8 Inventories

	Consolidated	
	9/30/2019	12/31/2018
Material, supplies and others	37,841	31,834
Coal	74,951	95,045
Electronic and mechanical parts	83,891	91,086
Lubricant and chemicals	8,019	7,765
	204,702	225,730

9 Deferred taxes recoverable

9.1 Taxes recoverable

The balance of the account Income Tax (IRPJ) and Social Contributions (CSLL) recoverable is as follows:

	Parent Company		Consolidated	
	9/30/2019	12/31/2018	9/30/2019	12/31/2018
Income tax	90,274	94,437	134,478	141,982
Social contribution	819	16,023	22,324	35,403
	91,093	110,460	156,802	177,385
Current	34,896	46,632	96,356	107,391
Non-current	56,197	63,828	60,446	69,994

The other taxes recoverable are as follows:

	Parent Company		Consolidated	
	9/30/2019	12/31/2018	9/30/2019	12/31/2018
PIS (a)	19,881	16,994	20,608	18,342
COFINS (a)	108,692	79,618	111,987	85,808
Others	3,664	3,272	17,231	15,651
	132,237	99,884	149,826	119,801
Current	40,698	14,568	55,717	30,874
Non-current	91,539	85,316	94,109	88,927

- (a) On January 23, 2019, the Federal Regional Court of the 2nd Region had its final decision about the lawsuit No. 0155564-75.2015.4.02.5101, accepting the request of Parnaíba Gás Natural S.A., incorporated by Eneva S.A. in 2018, to exclude the ICMS from the PIS/COFINS calculation basis and recognized the right to offset the amount unduly paid by PGN in this regarding in the last 5 years. Accordingly, the Company recognize PIS/COFINS credits in the amount of R\$ 42,750, being R\$ 33,705 related to the principal amount and recognized as "other operating income" and R\$ 9,045 related to the increase of interest and Selic recognized as "finance income".

This balance also includes the Pis/Cofins credits on the expenditures that comprise property, plant and equipment of the E&P segment, whose offset occurs proportionally to the depreciation/amortization charges.

9.2 Deferred taxes

Deferred taxes by company and nature are as follows:

	Consolidated					
	9/30/2019					
	Deferred asset				Liabilities Deferred	Net
Tax losses/Negativ e basis	Temporary differences (a)	Total (c)	Assets at fair value	Temporary differences (b)		
Eneva	246,203	14,446	260,649	78,062	(154,452)	184,259
Itaqui	155,101	49,824	204,925	-	(8,271)	196,654
Parnaíba I	-	32,858	32,858	-	(69,138)	(36,280)
Parnaíba II	69,786	4,091	73,877	-	(28,326)	45,551
Energy trader	21,851	2	21,853	-	-	21,853
Eneva Participações	-	36	36	-	-	36
Pecém II Geração	99,852	1	99,853	-	(12,790)	87,063
Seival Geração	-	-	-	-	(11,178)	(11,178)
Termo Pantanal	-	-	-	-	(2,047)	(2,047)
	592.793	101.258	694.051	78.062	(286.202)	

Net deferred asset	535,417
Net deferred liability	(49,506)

	Consolidated					
	12/31/2018					
	Deferred asset				Liabilities Deferred	Net
	Tax losses/Negative basis	Temporary differences (a)	Total (c)	Assets at fair value	Temporary differences (b)	
Eneva	246,203	15,608	261,811	78,062	(161,582)	178,291
Itaqui	155,101	58,617	213,718	-	(649)	213,069
Parnaíba I	-	32,390	32,390	-	(64,639)	(32,249)
Parnaíba II	79,813	5,982	85,795	-	(21,661)	64,134
Energy trader	21,851	2	21,853	-	-	21,853
Eneva Participações	-	36	36	-	-	36
Pecém II Geração	102,325	1	102,326	-	(7,248)	95,078
Seival Geração	-	-	-	-	(11,178)	(11,178)
Termo Pantanal	-	-	-	-	(2,047)	(2,047)
	605,293	112,636	717,929	78,062	(269,004)	

Net deferred asset	572,461
Net deferred liability	(45,474)

(a) Temporary differences per nature of the asset are as follows:

	Consolidated	
	9/30/2019	12/31/2018
Undeductible provisions	27,951	29,391
PIS and COFINS - injunction	119	119
Pre-operating expenses - RTT (1)	73,188	83,126
Assets - temporary differences	101,258	112,636

(1) Constituted on pre-operating expenditures that, due to the Transition Tax System, are controlled in Lalur Part B and, consequently, have been excluded for the purposes of determination of taxable income since the beginning of the operations, in monthly and fixed quotas, in the maximum term of 10 years.

(b) Temporary differences per nature of the liability are as follows:

	Consolidated	
	9/30/2019	12/31/2018
Accelerated depreciation	118,523	94,198
Gains of advantageous purchase	105,353	110,836
Assets' added value	29,785	31,431
Fair value adjustment	32,541	32,539
Liability - temporary differences	286,202	269,004

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- (c) Total tax credits arising from deferred taxes amounts to R\$ 1,029,549, on the tax losses balance and temporary differences for the period ended September 30, 2019. The amount constituted based on the future taxable income generation estimative is as follows:

	2019	2020	2021	2022	2023	2024 to 2026	2027 and 2028	Total
Expectation of annual realization of the deferred taxes	44,679	60,850	76,489	75,528	70,200	190,767	175,538	694,051

On September 30, 2019, the taxes calculated on adjusted net income comprise Income Tax (rate of 15% and additional 10%) and Social Contribution (rate of 9%), whose conciliation with the corresponding expense is as follows:

	Parent Company		Consolidated	
	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018
Result for the period before IRPJ/CSLL	231,242	484,584	298,576	574,135
Nominal rate - %	34%	34%	34%	34%
IRPJ/CSLL at nominal rate	(78,622)	(164,759)	(101,516)	(195,206)
Result in equity-accounted investments	69,935	147,853	(1,053)	(2,481)
Subsidy for investment - ICMS (a)	9,557	-	9,557	-
Permanent differences	4,263	(23)	4,090	2,101
Tax asset not constituted in the period (c)	(1,353)	(49,214)	(14,290)	(14,451)
Benefit reduction SUDENE and PAT (b)	351	-	39,272	53,463
Deferred income tax and social contribution	4,131	(66,143)	(63,940)	(156,574)
Current income tax and social contribution	(1,832)	-	(22,863)	(51,715)
Deferred income tax and social contribution	5,963	(66,143)	(41,077)	(104,859)
Total	4,131	(66,143)	(63,940)	(156,574)
Effective rate	(1.79%)	13.65%	21.41%	27.27%

	Parent Company		Consolidated	
	Quarter ended 9/30/2019	Quarter ended 9/30/2018	Quarter ended 9/30/2019	Quarter ended 9/30/2018
Result for the period before IRPJ/CSLL	90,303	176,557	102,561	215,086
Nominal rate - %	34%	34%	34%	34%
IRPJ/CSLL at nominal rate	(30,703)	(60,029)	(34,871)	(73,129)
Result in equity-accounted investments	(1,851)	75,378	(677)	(340)
Subsidy for Investment - ICMS (a)	9,557	-	9,557	-
Permanent differences	10,030	(11)	9,734	124
Tax asset not constituted in the period (c)	12,099	(16,218)	(1,223)	8,930
Benefit reduction SUDENE and PAT (b)	351	-	4,474	24,921
Income tax and social contribution as per statement of operations	(517)	(880)	(13,006)	(39,494)
Current income tax and social contribution	(1,832)	-	(5,909)	(27,294)
Deferred income tax and social contribution	1,315	(880)	(7,097)	(12,200)
Total	(517)	(880)	(13,006)	(39,494)

- (a) Subsidy for Investment related to the tax incentive in the State of Maranhão, granted by the Law No. 9,463/2011, which consists of ICMS presumed credit in the outlets of natural gas for the natural gas driven thermal plants.
- (b) The most material amount refers to the regional tax benefit granted by Sudene, which results in decrease of up to 75% of income tax in a 10-year period.
- (c) This refers to the portion of deferred taxes of subsidiaries that were not recorded due to uncertainties regarding its recovery.

10 Investments

10.1 Breakdown of balances

	Parent Company		Consolidated	
	9/30/2019	12/31/2018	9/30/2019	12/31/2018
Equity interests	3,905,122	3,716,465	4,985	3,865
Advance for future capital increase	518,477	1,937	-	-
Future acquisition of investment	95	95	-	-
Total	4,423,694	3,718,497	4,985	3,865

10.2 Changes in investments:

Investments	%	At 12/31/2018	Transfer	Capital payment	Advance for future capital increase	Equivalence	Amortization	Dividend	Available-for-sale	PGC interest	Carrying value adjustment	At 9/30/2019
Subsidiaries (direct and indirect)												
Gas thermal plants												
Azulão Geração de Energia S. A	99,90%	1	-	-	187,841	(1,089)	-	-	-	-	-	186,753
Parnaíba Geração e Comercialização de Energia S. A	30,00%	-	(34,688)	-	96,371	(6,868)	-	-	-	10,427	-	65,242
Parnaíba I Geração de Energia S.A.	100,00%	312,383	-	-	-	78,909	-	-	-	-	-	391,292
Parnaíba II Geração de Energia S.A.	88,85%	765,659	-	-	-	87,419	-	-	-	-	-	853,078
Upstream												
Parnaíba B.V.	100,00%	92,263	-	21	-	138	-	-	-	-	3,406	95,828
Coal -fired thermal plants												
Itaqui Geração de Energia S.A.	100,00%	1,322,079	-	-	-	15,478	-	-	-	-	-	1,337,557
Pecém II Participações S.A.	100,00%	980,010	-	-	2	27,184	-	-	-	-	-	1,007,196
Others												
Eneva Participações S.A.	100,00%	200,125	-	-	234,263	4,379	-	-	-	-	-	438,767
Future acquisition of investment	-	95	-	-	-	-	-	-	-	-	-	95
MPX Energia GmbH	100,00%	398	-	-	-	-	-	-	-	-	-	398
Sul Geração de Energia Ltda.	50,00%	-	-	-	-	(125)	-	-	6,141	-	-	6,016
Joint ventures												
Porto do Pecém Transportadora de Minérios	50,00%	3,615	-	-	-	447	-	(147)	-	-	-	3,915
Pecém Oper. e Manutenção de Ger. Elétrica	50,00%	249	-	-	-	8	-	-	-	-	-	257
Centrais Termelétricas São Marco S.A.	50,00%	-	-	1,000	-	(187)	-	-	-	-	-	813
		3,676,877	(34,688)	1,021	518,477	205,693	-	(147)	6,141	10,427	3,406	4,387,207
Added value and loss of assets												
(Direct) subsidiaries												
Coal-fired thermal plants												
Pecém II Participações S.A. (1)	100,00%	(140,151)	-	-	-	-	(4,843)	-	-	-	-	(144,994)
(Indirect) subsidiaries												
Gas thermal plants												
Parnaíba Geração e Comercialização de Energia S.A	30,00%	-	10,942	-	-	-	(348)	-	-	-	-	10,594
		3,536,726	(23,746)	1,021	518,477	205,693	(5,191)	(147)	6,141	10,427	3,406	4,252,807
Right of use												
(Direct) subsidiaries												
Gas thermal plants												
Parnaíba II Geração de Energia S.A.	88,85%	42,769	-	-	-	-	(3,340)	-	-	-	-	39,429
Coal -fired thermal plants												
Itaqui Geração de Energia S.A.	100,00%	12,616	-	-	-	-	(383)	-	-	-	-	12,233
Others												
Eneva Participações S.A.	100,00%	126,386	-	-	-	-	(7,161)	-	-	-	-	119,225
Total Investments		3,718,497	(23,746)	1,021	518,477	205,693	(16,075)	(147)	6,141	10,427	3,406	4,423,694

(1) This amount reflects the remeasure at fair value of the assets and liabilities identified in the business combination related to the transaction of acquisition of the control of PECÉM II Participações.

10.3 Unsecured liability

On September 30, 2019 and December 31, 2018, the balance with subsidiaries of Grupo Eneva whose equity is negative, characterized as constructive obligation for the Company, is classified as non-current liability. The balance for the period as follows:

	Parent Company	
	9/30/2019	12/31/2018
Unsecured liability (a)	(2,175)	(50,162)
Assets' added value	-	10,942
	(2,175)	(39,220)

(a) Changes in Unsecured Liability

Company		At 12/31/2018	Transfer for investment	Advance for future capital increase	Capital payment	Provision for uncovered liability	Transfers for loans	At 9/30/2019
Subsidiaries (direct and indirect)								
Gas thermal plants								
Parnaíba Geração e Comercialização de Energia S.A.	30,00%	(34,688)	34,688	-	-	-	-	-
Others								
Amapari Energia S.A.	51,00%	(13,928)	-	-	14,076	(768)	-	(620)
Termopantanal Participações Ltda	66,67%	(1,546)	-	-	-	-	-	(1,546)
Jandaira Ventos S.A.	99,90%	-	-	1	-	(6)	-	(5)
Jandaira II Ventos S.A.	99,90%	-	-	1	-	(5)	-	(4)
Joint ventures								
MABE Construção e Administração de Projetos Ltda	50,00%	-	-	-	-	(3,349)	3,349	-
Total Unsecured liability		(50,162)	34,688	2	14,076	(4,128)	3,349	(2,175)

10.4 Breakdown of Equity in the Results of Investees

	Breakdown of Equity in the Results of Investees	
	9/30/2019	9/30/2018
Equity in the result of investees	205,693	435,377
Result of Unsecured Liability	(4,128)	(12,455)
Amortization of assets at fair value	(16,075)	(19,908)
	185,490	403,014

11 Leases

The Company used the modified retrospective approach. This approach requires no comparative information and the right to use asset is measured at the same value of the lease liability. The standard defines that an agreement is or has a lease when it transfers the right to control the use of an identified asset, for a certain period, in exchange for a consideration.

Furthermore, it opted for adopting the recognition exemptions provided for by the standard for short term and low value leases.

The impact produced in the statements of operations as from the adoption of IFRS 16 is the substitution of the straight-line cost with rentals (operating lease) for the straight-line cost of depreciation of the right of use of the assets object of these agreements and for the interest expense in the lease obligations to the effective funding rates at the time these transactions were contracted.

Below, we present information about the recognition and measure, presentation and disclosure of lease operations used by the Company:

Recognition

The lease liability is initially measured at present value, less the incremental nominal interest rate of the group's loan, net of the following effects:

- (a) Lease variable payments based on index or rate;
- (b) Amounts paid by the lessee under residual values guarantees;

- (c) Exercise price of a purchase option if the lessee is reasonably certain that it will exercise the option;
- (d) Payments of fines for lease termination if the agreement terms contemplate the exercise of the option by the lessee; and
- (e) PIS and COFINS credits, in the agreements with right to this credit. When there is none, we use the gross value.

The assets of right of use are measured according to the following items:

- (a) The initial measurement value of the lease liability;
- (b) Any payments of leases made at the initial date or before less any lease incentives received;
- (c) Any initial direct costs.

The payments of the short-term leases, as well as of the leases of low-cost goods, are recognized in the result as an expense or cost, because according to the standard they are exempt from being treated as leases.

Critical judgments in determining the lease term

In determining the lease term, management considers all the facts and circumstances that create an economical incentive for the exercise of an extension or termination option of a lease agreement. The extension options (or periods after the termination options) are included in the lease term only when there is reasonable certainty that the lease will be extended (or it will not be terminated).

This evaluation is reviewed in the case event or material change occurs in the circumstances that affect this evaluation and that is under the control of the lessee. During the current year, in order to reflect the effect of the exercise of the extension options, the financial effect of the review of the lease terms is shown below.

11.1 Balance sheet

The balance sheet has the following lease balances:

	Parent Company		
	9/30/ 2019	1/1/2019	12/31/2018
Right to use assets *			
Automobiles	2,534	3,485	-
Properties for gas exploration	11,330	11,523	-
Properties	12,742	9,302	-
Machinery and Equipment	49,054	66,405	-
Service with rent of assets	195	676	-
	75,855	91,391	-

*included in the "Property and equipment in use assets" account in the balance sheet

Lease liabilities

Current	16,969	28,020	-
Non-current	69,643	63,371	-
	86,612	91,391	-

	Consolidated		
	9/30/2019	1/1/2019	12/31/2018
Right to use assets *			
Automobiles	3,406	4,200	-
Properties for gas exploration	11,330	11,523	-
Properties	28,438	26,395	-
Machinery and Equipment	38,586	51,476	-
Service with rent of assets	195	677	-
	81,955	94,271	-

*included in the "Property and equipment in use assets" account in the balance sheet

Lease liabilities

Current	19,321	24,083	-
Non-current	65,241	70,188	-
	84,562	94,271	-

11.2 Statement of operations

The statement of operations has the following lease balances:

	Parent Company	Consolidated	Parent Company	Consolidated
	Quarter ended 9/30/2019	Quarter ended 9/30/2019	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2019
Depreciation of the right of use assets				
Automobiles	317	426	950	1,277
Exploration of oil and gas	133	133	378	378
Properties	502	967	950	2,347
Machinery and Equipment	5,805	4,307	17,414	12,922
Service/asset	117	117	350	350
	6,874	5,950	20,042	17,274
Interest expenses (included in financial costs)	2,367	2,181	7,026	7,154

11.3 Changes in the right of use - Asset

	Parent Company 9/30/2019					
	AUTOMOBILES	EXPLORATION OF OIL AND GAS	PROPERTIES	MACHINERY AND EQUIPMENT	SERVICE AND ASSET	Total
Right of use						
At 12/31/2018	-	-	-	-	-	-
Additions (a)	3,485	11,708	20,482	66,467	545	102,687
Write-offs	-	-	(6,790)	-	-	(6,790)
At 9/30/2019	3,485	11,708	13,692	66,467	545	95,897
Depreciation						
At 12/31/2018	-	-	-	-	-	-
Additions*	(950)	(378)	(950)	(17,414)	(350)	(20,042)
At 9/30/2019	(950)	(378)	(950)	(17,414)	(350)	(20,042)
Carrying amount						
At 12/31/2018	-	-	-	-	-	-
At 9/30/2019	2,535	11,330	12,742	49,053	195	75,855

	Consolidated 9/30/2019					
	AUTOMOBILES	EXPLORATION OF OIL AND GAS	PROPERTIES	MACHINERY AND EQUIPMENT	SERVICE AND ASSET	Total
Right of use						
At 12/31/2018	-	-	-	-	-	-
Additions	4,683	11,708	37,576	51,507	545	106,019
Write-offs	-	-	(6,790)	-	-	(6,790)
At 9/30/2019	4,683	11,708	30,786	51,507	545	99,229
Depreciation						
At 12/31/2018	-	-	-	-	-	-
Additions*	(1,277)	(377)	(2,348)	(12,922)	(350)	(17,274)
At 9/30/2019	(1,277)	(377)	(2,348)	(12,922)	(350)	(17,274)
Carrying amount						
At 12/31/2018	-	-	-	-	-	-
At 9/30/2019	3,406	11,331	28,438	38,585	195	81,955

*The depreciation is according to the contractual term of each asset.

11.4 Changes in the right of use - Liability

						Parent Company
						9/30/2019
	AUTOMOBILES	EXPLORATION OF OIL AND GAS	PROPERTIES	MACHINERY AND EQUIPMENT	SERVICE AND ASSET	Total
Lease liability						
At 12/31/2018	-	-	-	-	-	-
Additions (a)	3,485	11,708	20,482	69,964	545	106,184
Write-offs	(1,102)	(1,790)	(7,485)	(15,923)	(298)	(26,598)
Interest	220	1,065	683	5,029	29	7,026
At 9/30/2019	2,603	10,983	13,680	59,070	276	86,612

Classification

Current liabilities	16,969
Non-current liabilities	69,643

						Consolidated
						9/30/2019
	AUTOMOBILES	EXPLORATION OF OIL AND GAS	PROPERTIES	MACHINERY AND EQUIPMENT	SERVICE AND ASSET	Total
Lease liability						
At 12/31/2018	-	-	-	-	-	-
Additions (a)	4,683	11,708	37,576	53,209	545	107,721
Write-offs	(1,500)	(1,790)	(10,032)	(16,693)	(298)	(30,313)
Interest	330	1,065	1,983	3,747	29	7,154
At 9/30/2019	3,513	10,983	29,527	40,263	276	84,562

Classification

Current liabilities	19,321
Non-current liabilities	65,241

- (a) The additions are substantially related to the initial adoption of CPC 06 (R2). The main agreements identified are as follows:

Machinery and equipment – The Company has lease agreements related to the activity of exploration and production of natural gas. Located in the State of Maranhão, the term of these agreements is between 15 and 35 months. The recognized amount was measured less the contractual minimum payments remaining to the present value, using the average discount rate: of 7.35%.

Properties – Eneva also has lease agreements of properties used as operating facilities and administrative offices, being the main agreement its headquarter in Rio de Janeiro, with remaining term of 117 months. The recognized amount was measured less the contractual minimum payments remaining to the present value, using the average discount rate: of 7.64%.

12 Property, plant and equipment

Breakdown of the balances

Consolidated											
9/30/2019											
	Land	Buildings, Civil Constructions, Improvements	Machinery and Equipment	Computer equipment	Vehicles	Furniture and utensils	PPE E&P	Provision for impairment	PPE in course	Right of use	Total
Cost											
At 12/31/2018	10,575	3,115,349	5,143,826	12,827	3,298	15,340	3,029,846	(528,553)	179,439	-	10,981,947
Additions	2,522	1,065	37,688	613	-	249	34,756	(2,233)	328,731	-	403,391
Additions IFRS16	-	-	-	-	-	-	-	-	-	106,019	106,019
Write-offs IFRS 16	-	-	-	-	-	-	-	-	-	(6,790)	(6,790)
Changes MTM	-	-	-	-	-	-	-	-	(46,363)	-	(46,363)
Dry well*	-	-	-	-	-	-	-	-	(32,916)	-	(32,916)
Supplier prepayment	-	-	-	-	-	-	-	-	287,119	-	287,119
Provision for abandonment	-	-	-	-	-	-	5,962	-	(30,630)	-	(24,668)
PIS/COFINS credit **	-	-	-	-	-	-	-	-	(3,833)	-	(3,833)
Transaction cost 2nd issuance of debentures 3rd series	-	-	-	-	-	-	-	-	81	-	81
Interest 2nd issuance of debentures 3rd series	-	-	-	-	-	-	-	-	8,412	-	8,412
Monetary variation 2nd issuance of debentures 3rd series	-	-	-	-	-	-	-	-	1,934	-	1,934
FPS - Social Promotion Fund	-	-	-	-	-	-	-	-	9,600	-	9,600
PPE Reserve	-	-	(721)	-	-	-	-	-	-	-	(721)
At 9/30/2019	13,097	3,116,414	5,180,793	13,440	3,298	15,589	3,070,564	(530,786)	701,574	99,229	11,683,212
Depreciation											
At 12/31/2018	-	(554,940)	(1,467,828)	(7,764)	(2,637)	(6,556)	(1,036,577)	24,274	-	-	(3,052,028)
Additions	-	(81,544)	(149,777)	(1,376)	(298)	(593)	(50,977)	(21)	-	-	(284,586)
Additions IFRS16	-	-	-	-	-	-	-	-	-	(17,274)	(17,274)
At 9/30/2019	-	(636,484)	(1,617,605)	(9,140)	(2,935)	(7,149)	(1,087,554)	24,253	-	(17,274)	(3,353,888)
Carrying amount											
At 12/31/2018	10,575	2,560,409	3,675,998	5,063	661	8,784	1,993,269	(504,279)	179,439	-	7,929,919
At 9/30/2019	13,097	2,479,930	3,563,188	4,300	363	8,440	1,983,010	(506,533)	701,574	81,955	8,329,324

(*) These are drilled wells identified as "dry" because there was not a good outcome to continue the exploration.

(**) Credit constituted on the acquisition of assets in the development stage of the gas fields.

Consolidated										
12/31/2018										
	Land	Buildings, Civil Constructions, Improvements	Machinery and Equipment	Computer equipment	Vehicles	Furniture and utensils	PPE E&P	Provision for impairment	PPE in course	Total
Cost										
At 12/31/2017	10,575	2,959,698	2,778,075	8,723	2,972	12,737	2,919,116	(528,553)	76,169	8,239,512
Additions	-	3,331	6,129	848	183	820	27,881	-	212,268	251,460
Additions Pecém II	-	379,195	2,216,957	1,280	63	952	-	-	40,958	2,639,405
Changes MTM	-	-	-	-	-	-	-	-	(74)	(74)
Added Value Additions - Pecém II	-	-	94,052	-	-	-	-	-	-	94,052
Write-offs	-	(16)	(11,773)	-	-	(6)	-	-	(4,374)	(16,169)
Loss write-off – Pecém II	-	(229,594)	-	-	-	-	-	-	-	(229,594)
Dry well (*)	-	-	-	-	-	-	-	-	(38,175)	(38,175)
Capitalized interest	-	-	-	-	-	-	-	-	418	418
Supplier prepayment	-	-	-	-	-	-	-	-	(22)	(22)
Provision for abandonment	-	-	-	-	-	-	(2,690)	-	(880)	(3,570)
Pis/Cofins	-	-	-	-	-	-	-	-	2,983	2,983
PPE Reserve	-	-	(518)	-	-	-	-	-	20,862	20,344
Translation	-	-	-	-	-	-	21,949	-	-	21,949
Transfers	-	2,735	61,476	1,976	80	837	63,590	-	(130,694)	-
Decommissioning	-	-	(572)	-	-	-	-	-	-	(572)
At 12/31/2018	10,575	3,115,349	5,143,826	12,827	3,298	15,340	3,029,846	(528,553)	179,439	10,981,947
Depreciation										
At 12/31/2017	-	(386,931)	(490,302)	(5,075)	(1,215)	(5,548)	(921,904)	24,274	-	(1,786,701)
Additions	-	(104,824)	(162,268)	(2,058)	(403)	(861)	(114,673)	-	-	(385,087)
Additions Pecém II	-	(63,185)	(826,417)	(631)	(1,019)	(150)	-	-	-	(891,402)
Write-offs	-	-	11,315	-	-	3	-	-	-	11,318
Translation	-	-	(156)	-	-	-	-	-	-	(156)
At 12/31/2018	-	(554,940)	(1,467,828)	(7,764)	(2,637)	(6,556)	(1,036,577)	24,274	-	(3,052,028)
Carrying amount										
At 12/31/2017	10,575	2,572,767	2,287,773	3,648	1,757	7,189	1,997,212	(504,279)	76,169	6,452,811
At 12/31/2018	10.575	2.560.409	3.675.998	5.063	661	8.784	1.993.269	(504.279)	179.439	7.929.919

On September 30, 2019, the Company reclassified the additions balances of Pecém II Geração S.A. from the Buildings, Civil Constructions and Improvements group to the Machinery and Equipment group, for the purpose of best presentation of the balances. There was no change in the total of the account groups. The same procedure was consistently realized for the period ended December 31, 2018.

Depreciation

The depreciation is calculated on a straight-line basis during the assets' estimated useful lives, as follows:

PPE items	Depreciation range
Buildings and improvements	From 25 to 30 years
Computer equipment	6 years
Machinery and Equipment	From 5 to 36 years
Furniture and Utensils	16 years
Vehicles	7 years

The E&P property, plant and equipment is depreciated as from the declaration of commerciality and beginning of the fields production by the produced units method ("DUP - Depreciation for Produced Units").

The production guarantee levels are as follows:

- 1P - High production guarantee level;
- 2P - Probable production reserves, attributable to 50% in the guarantee level;
- 3P - Probable production reserves, attributable to 10% in the guarantee level.

Annually, the volume of 2P reserves of each field is certified by international class company, and based on this information, the Company maintains its depreciation records for produced units.

Campo Gavião Real	9/30/2019	12/31/2018
Recoverable amount in billions m ³	9.6300	9.6300
Field's accumulated production in billions of m ³	6.5711	6.5367
Total	3.0589	3.0933
Campo Gavião Vermelho	9/30/2019	12/31/2018
Recoverable amount in billions m ³	2.2400	2.2400
Field's accumulated production in billions of m ³	0.9226	0.8882
Total	1.3174	1.3518
Campo Gavião Branco	9/30/2019	12/31/2018
Recoverable amount in billions m ³	7.1902	6.9290
Field's accumulated production in billions of m ³	2.0491	1.9950
Total	5.1411	4.9340
Campo Gavião Caboclo	9/30/2019	12/31/2018
Recoverable amount in billions m ³	4.7180	4.7190
Field's accumulated production in billions of m ³	0.7343	0.4912
Total	3.9837	4.2278
Campo Gavião Azul	9/30/2019	12/31/2018
Recoverable amount in billions m ³	1.3910	0.9680
Field's accumulated production in billions of m ³	0.0269	0.0153
Total	1.3641	0.9527

Impairment assessment

At least once a year, the Company assesses whether there are evidences of a possible impairment of property, plant and equipment. On September 30, 2019, the Management identified no evidence that the value in use of property, plant and equipment could be impaired.

QUARTERLY INFORMATION AT SEPTEMBER 30, 2019 - ENEVA S.A.

13 Intangible assets

Breakdown of the balances:

Consolidated									
9/30/2019									
	Computer licenses and software	E&P Intangible assets	Right of use	Awards and CCEARs	Exploration rights agreements	Right of use in the acquisition of investments	Right of use of undefined useful life assets	Intangible assets in course	Total
Amortization rate % p.a.	20								
Cost									
At 12/31/2018	90,908	817,401	80,169	183,448	307,081	116,030	64,386	5,885	1,665,308
Additions	129	-	-	-	-	-	-	1,019	1,148
Transfers	54	-	-	-	-	-	-	(54)	-
At 9/30/2019	91,091	817,401	80,169	183,448	307,081	116,030	64,386	6,850	1,666,456
Amortization									
At 12/31/2018	(30,274)	(30,552)	(17,749)	(62,204)	(38,026)	(46,299)	-	-	(225,104)
Additions	(2,967)	(7,281)	(2,301)	(9,167)	(15,209)	(11,232)	-	-	(48,157)
At 9/30/2019	(33,241)	(37,833)	(20,050)	(71,371)	(53,235)	(57,531)	-	-	(273,261)
Carrying amount									
At 12/31/2018	60,634	786,849	62,420	121,244	269,055	69,731	64,386	5,885	1,440,204
At 9/30/2019	57,850	779,568	60,119	112,077	253,846	58,499	64,386	6,850	1,393,195

Consolidated									
12/31/2018									
	Computer licenses and software	E&P Intangible assets	Right of use	Awards and CCEARs	Exploration rights agreements	Right of use in the acquisition of investments	Right of use of undefined useful life assets	Intangible assets in course	Total
Amortization rate % p.a.	20								
Cost									
At 12/31/2017	88,532	619,751	80,169	183,448	307,081	144,528	64,386	642	1,488,537
Additions	1,239	-	-	-	-	-	-	3,385	4,624
Additions Subsidiary Acquisition (Pecém II))	1,137	-	-	-	-	-	-	-	1,137
Additions Campo Azulão	-	197,650	-	-	-	-	-	-	197,650
Write-offs	-	-	-	-	-	(28,498)	-	-	(28,498)
Round 14 cost	-	-	-	-	-	-	-	1,858	1,858
At 12/31/2018	90,908	817,401	80,169	183,448	307,081	116,030	64,386	5,885	1,665,308
Amortization									
At 12/31/2017	(24,350)	(20,866)	(12,473)	(49,980)	(17,746)	(43,681)	-	-	(169,096)
Additions	(5,548)	(9,686)	(5,276)	(12,224)	(20,280)	(6,402)	-	-	(59,416)
Additions Subsidiary Acquisition (Pecém II))	(376)	-	-	-	-	-	-	-	(376)
Write-off	-	-	-	-	-	3,784	-	-	3,784
At 12/31/2018	(30,274)	(30,552)	(17,749)	(62,204)	(38,026)	(46,299)	-	-	(225,104)
Carrying amount									
At 12/31/2017	64,182	598,885	67,696	133,468	289,335	100,847	64,386	642	1,319,441
At 12/31/2018	60,634	786,849	62,420	121,244	269,055	69,731	64,386	5,885	1,440,204

E&P Intangible assets

It is presented the balances of the signature bonus paid by the concession of the exploratory blocks (R\$ 343,585 on September 30, 2019), of the value added generated by the business combination operation that occurred in 2016 with the acquisition of Parnaíba Gás Natural (R\$435,883 on September 30, 2019), net of the respective accumulated amortization, amounting R\$ 779,568.

Amortization

The amortization of the intangible assets, except for the signature bonus paid for the concession areas for exploration of natural gas that are amortized by the produced units method ("DUP"), is recognized in the result on a straight-line basis in relation to the estimated useful life, as presented in December 2018.

Concession Agreements for the Exploration and Production of Natural Gas

On September 30, 2019, Eneva S.A. holds the following concessions:

No.	Block/Contract	ANP Round	% Eneva
1	BT-PN-1	9th	100%
2	BT-PN-4	9th	100%
3	BT-PN-5	9th	100%
4	BT-PN-7	9th	100%
5	BT-PN-8	9th	100%
6	PN-T-69_R13	13th	100%
7	PN-T-84_R13	13th	100%
8	PN-T-87_R13	13th	100%
9	PN-T-101_R13	13th	100%
10	PN-T-103_R13	13th	100%
11	PN-T-146_R13	13th	100%
12	PN-T-163_R13	13 ^a	100%
13	PN-T-117_R14	14th	100%
14	PN-T-118_R14	14th	100%
15	PN-T-119_R14	14h	100%
16	PN-T-133_R14	14th	100%
17	PN-T-134_R14	14th	100%
18	BA-3A	-	100%

All the supply of natural gas, as well as the lease of the gas treatment unit (GTU) capacity, is carried out for the subsidiaries Parnaíba I Geração de Energia S.A. and Parnaíba II Geração de Energia S.A.

Impairment assessment

At least once a year, the Company assesses whether there are evidences of possible impairment of intangible. On September 30, 2019, the Management identified no evidence that the value in use of these assets could be impaired.

14 Related parties

The operations that influenced the result for the period, regarding the Company's transactions with its direct and indirect subsidiaries, associates and key management, were carried out according to the conditions contracted between the parties and reflect terms, equivalent to those that prevail in market transactions, observing the price and the usual market conditions.

Shareholders

The Company's main stockholders are Banco BTG Pactual S.A, Cambuhy I Fundo de Investimento em Ações, Atmos Capital Gestão de Recursos Ltda and Dynamo Administração de Recursos Ltda, which hold, respectively, 22.96%, 22.96%, 5.01% and 5.05% of the common shares. The remaining 44.02% are distributed for different shareholders, as presented in Note 20 – "Equity".

Managers

The Company is managed by a Board of Directors and an Executive Board, pursuant to the duties and powers vested by its Bylaws.

Related companies

The Company's main affiliated companies are: Banco BTG Pactual S.A and Cambuhy and their respective subsidiaries and associates.

On September 30, 2019 and December 31, 2018, the balances of assets, liabilities and effects on income of related-party transactions are as follows:

Assets	Investment relation	Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
Loan					
Coal -fired thermal plants					
Itaqui Geração de Energia S.A.	Subsidiary	154,866	147,694	-	-
Pecém II Geração de Energia S.A.	Subsidiary	291,444	279,708	-	-
Upstream					
Parnaíba B.V.	Subsidiary	75,929	69,221	-	-
Others					
MABE do Brasil	Joint venture	8,611	11,115	8,611	11,115
Pecém Operação e Manutenção de Unidades de Geração Elétrica	Subsidiary	2,820	2,693	2,820	2,693
Termopantanal Participações	Subsidiary	457	457	-	-
Termopantanal Ltda.	Indirect subsidiary	230	230	-	-
		534,357	511,118	11,431	13,808
Commercial operations					
Coal -fired thermal plants					
Itaqui Geração de Energia S.A.	Subsidiary	7,095	6,915	-	-
Pecém II Geração de Energia S.A.	Indirect subsidiary	6,542	6,295	-	-
Pecém II Participações S.A.	Subsidiary	2,327	2,276	-	-
Gas thermal plants					
Parnaíba Geração e Comercializadora de Energia S.A.	Indirect subsidiary	9,565	5,273	-	-
Parnaíba I Geração de Energia S.A.	Subsidiary	110,390	74,859	-	-
Parnaíba II Geração de Energia S.A.	Subsidiary	72,174	87,226	-	-
Azulão Geração de Energia S.A.	Direct subsidiary	622	-	-	-
Others					
ENEVA Comercializadora de Energia S.A.	Indirect subsidiary	3,269	3,298	-	-
Uniper Energy (*)	Shareholder	-	92	-	93
Amapari Energia S.A.	Subsidiary	524	453	-	-
MABE do Brasil	Joint venture	22	22	22	22
ENEVA Participações S.A.	Subsidiary	6,678	6,201	-	-
Porto do Pecém Transportadora de Minério S. A	Joint venture	10	10	10	10
PO&M Geração Elétrica S. A	Joint venture	18	18	18	18
SPE 's Ventos	Indirect subsidiary	131	46	-	-
Seival Geração de Energia S.A.	Indirect subsidiary	340	363	-	-
Seival Sul Mineração Ltda.	Joint venture	-	10	2,365	4,155
Sul Geração de Energia S.A.	Indirect subsidiary	-	320	-	-
Tauá Geração Energia	Indirect subsidiary	498	370	-	-
		220,205	194,047	2,415	4,298
Total assets		754,562	705,165	13,846	18,106

Liabilities	Investment relation	Parent Company		Consolidated	
		9/30/2019	12/31/2018	9/30/2019	12/31/2018
Commercial operations - Lease					
Upstream					
Parnaíba B. V	Subsidiary	39,697	39,697	-	-
		39,697	39,697	-	-
Commercial operations					
Gas thermal plants					
Parnaíba I Geração de Energia S.A.	Subsidiary	36	35	-	-
Parnaíba II Geração de Energia S.A.	Subsidiary	48	47	-	-
Coal -fired thermal plants					
Itaqui Geração de Energia S.A.	Subsidiary	2,235	2,186	-	-
Pecém II Geração de Energia S.A.	Indirect subsidiary	99	49	-	-
Others					
Uniper Energy (*)	Shareholder	-	13	-	26,475
ENEVA Participações S.A.	Subsidiary	3,355	3,355	-	-
Copelmi Mineração Ltda.	Associate	-	-	293	293
Amapari Energia S.A.	Subsidiary	3	3	-	-
Tauá Geração de Energia Ltda.	Indirect subsidiary	444	446	-	-
		6,220	6,134	293	26,768
Total liabilities		45,917	45,831	293	26,768

(*) On September 30, 2019, Uniper Energy is not a shareholder.

Result	Investment relation	Parent Company		Consolidated	
		9/30/2019	9/30/2018	9/30/2019	9/30/2018
Gas-fired thermal plant					
Parnaíba Geração e Comercialização de Energia S.A.	Indirect subsidiary	11,890	632	-	-
Parnaíba I Geração de Energia S.A.	Subsidiary	235,808	5,622	-	-
Parnaíba II Geração de Energia S.A.	Subsidiary	157,612	12,946	-	-
Coal thermal plant					
Pecém II Geração de Energia S.A.	Indirect subsidiary	20,047	20,203	-	6,642
Itaqui Geração de Energia S.A.		16,152	17,064		
Others					
Amapari Energia S.A.	Subsidiary	355	272	-	-
Parnaíba Participações S.A.	Indirect subsidiary	-	101	-	-
Pecém II Participações S. A	Subsidiary	80	106	-	-
Eneva Comercializadora de Energia S.A.	Indirect subsidiary	772	1,058	-	-
Eneva Participações S.A.	Subsidiary	282	221	-	-
MABE Construção e Administração de Projetos Ltda.	Joint venture	995	961	995	961
Eneva S.A.	Subsidiary	-	44,910	-	-
Pecém Operação e Manutenção de Unidades de Geração Elétrica S.A.	Joint venture	149	144	149	144
Seival Geração de Energia S.A.	Indirect subsidiary	27	55	-	-
SPE's Ventos	Indirect subsidiary	138	88	-	-
Sul Geração de Energia S.A.	Indirect subsidiary	-	7	-	-
Tauá Geração de Energia Ltda.	Indirect subsidiary	371	224	-	-
		444,678	104,614	1,144	7,747

14.1 Key management compensation

In accordance with Law No. 6,404/1976 and the Company's Bylaws, the shareholders will establish the managers' overall annual remuneration at the General Meeting. The Board of Directors will distribute the amount among the managers.

The total amounts of quarter compensation of the Company's Executive Board and Board of Directors members for the quarters and nine-month period ended September 30, 2019 and 2018, recognized on an accrual basis, are as follows:

		Parent Company				Consolidated			
		Quarter ended	Nine-month period ended	Quarter ended	Nine-month period ended	Quarter ended	Nine-month period ended	Quarter ended	Nine-month period ended
		9/30/2019	9/30/2018	9/30/2019	9/30/2018	9/30/2019	9/30/2018	9/30/2019	9/30/2018
Short term	benefits	3,925	21,459	4,019	17,673	4,440	24,909	4,512	20,664
	Long-term benefits	3,468	13,875	-	-	3,588	14,194	-	-
	Total	7,393	35,334	4,019	17,673	8,028	39,103	4,512	20,664

The minimum, average and maximum annual compensation of the Board of Directors and Officers, in R\$, are as follows:

	Consolidated			Consolidated		
	9/30/2019			9/30/2018		
	Minimum	Average	Maximum	Minimum	Average	Maximum
Board of Directors	75	322	360	198	422	972
Executive Board	198	3,044	13,927	140	1,590	4,635
Total	273	3,366	14,287	338	2,012	5,607

Furthermore, as described in Note 22- "Share-based payments", the Company implemented a share-based payment for certain executives. During the third quarter, participants exercised their options of mature shares, described in Note 20 - "Equity", in the amount of R\$ 1,714 (principal plus social security charges).

15 Borrowings and financings

The borrowings with financial institutions are as follows:

											Consolidated			
						9/30/2019				12/31/2018				
Company	Creditor	Currency	Interest rates	Effective rate	Maturity	Funding costs to appropriate	Principal	Interest	Total	Funding costs to appropriate	Principal	Interest	Total	
Gas thermal plants														
Parnaíba II	Itaú Unibanco (indirect)	R\$	TJLP+5.15%	10,94%	9/15/2027		223,937	919	224,856	-	236,057	1,042	237,099	
Upstream														
ENEVA S/A	FINEP	R\$	TJLP+3.00%	9,12%	3/15/2025		63,488	227	63,715	-	70,009	269	70,278	
ENEVA S/A	FINEP	R\$	TJLP+1.00%	7,09%	12/15/2028	(198)	17,553	49	17,404	(224)	17,500	-	17,276	
ENEVA S/A	Itaú Unibanco	R\$	CDI+2.75%		5/15/2028	-	-	-	-	-	282,642	168,806	451,448	
ENEVA S/A	Banco BTG Pactual	R\$	CDI+2.75%		5/15/2028	-	-	-	-	-	514,770	307,442	822,212	
ENEVA S/A	Bullseye I FIDC	R\$	CDI+2.75%		5/15/2028	-	-	-	-	-	19,726	11,781	31,507	
ENEVA S/A	FIDC Receivables Eneva	R\$	CDI+2.75%		5/15/2028	-	-	-	-	-	35,915	21,450	57,365	
ENEVA S/A	Bullseye I LLC	US\$	LIBOR 6M		5/15/2028	-	-	-	-	-	133,222	6,423	139,645	
ENEVA S/A	Zonda - VX FIDC	US\$	LIBOR 6M		5/15/2028	-	-	-	-	-	6,148	296	6,444	
ENEVA S/A	Crown Ocean Credits III FIDC	US\$	LIBOR 6M		5/15/2028	-	-	-	-	-	8,362	403	8,765	
Coal -fired thermal plants														
Itaqui	BNDES (Direct)	R\$	TJLP+2.78%	8,90%	6/15/2026	(4,575)	629,800	2,053	627,278	(5,453)	746,391	2,447	743,385	
Itaqui	BNB	R\$	10%	8.59%	12/15/2026	(1,494)	154,156	613	153,275	(1,761)	183,644	780	182,663	
Pecém II	BNDES (Direct) (a)	R\$	TJLP+3.14%	9,27%	6/15/2027	(3,035)	344,891	1,169	343,025	(3,574)	377,185	1,285	374,896	
Pecém II	BNDES (Direct) (a)	R\$	IPCA+10.59%	12,17%	6/15/2027	(402)	133,994	11,205	144,797	(463)	130,287	511	130,335	
Pecém II	BNB	R\$	10,00%	8.67%	1/31/2028	(2,746)	197,202	-	194,456	(3,107)	207,650	-	204,543	
						(12,450)	1,765,021	16,235	1,768,806	(14,582)	2,969,508	522,935	3,477,861	
Secured deposits						-	(120,050)	-	(120,050)	-	(102,038)	-	(102,038)	
Saldo líquido de empréstimos e financiamentos						(12,450)	1,644,971	16,235	1,648,756	(14,582)	2,867,470	522,935	3,375,823	
Current						(2,648)	191,162	16,235	204,749	(2,802)	180,534	6,334	184,066	
Non-current						(9,802)	1,453,809	-	1,444,007	(11,780)	2,686,936	516,601	3,191,757	

The financial institutions usually do not require guarantees for borrowings and financings granted to the Parent Company. However, the borrowings got by the subsidiaries are guaranteed by the assets (machinery and equipment) as well as by the billing flow of the subsidiaries' CCEAR contracts. Furthermore, the parent company Eneva S.A. grants endorsement to the subsidiaries.

The changes in borrowings are as follows (current and non-current):

	Parent Company	Consolidated
At December 31, 2018	1,604,941	3,375,823
(+) Interest incurred	61,959	181,699
(+/-) Exchange variation Principal	725	725
(+/-) Exchange variation Interest	306	306
(-) Payment of principal	(1,571,791)	(1,776,820)
(-) Payment of interest	(15,310)	(125,262)
(+) Funding cost	26	2,132
(+/-) Contractual monetary update	263	8,165
(-) Secured deposits	-	(18,012)
At September 30, 2019	81,119	1,648,756

	Parent Company	Consolidated
At December 31, 2017	1,376,101	3,702,760
(+) New fundings	-	47,410
(+) Interest incurred	119,007	379,241
(+/-) Exchange variation Interest	666	666
(+/-) Exchange variation Principal	21,610	21,610
(-) Payment of interest	-	(285,201)
(-) Payment of principal	-	(1,388,698)
(+) Funding cost	(220)	39,159
(-) Contractual monetary update	-	19,182
(-) Secured deposits	-	136,491
(-) Secured deposits - Pecém II	-	(62,371)
(+) Pecém II Geração de Energia S.A.	-	765,574
(+) Parnaíba Gás Natural S.A.	87,777	-
At December 31, 2018	1,604,941	3,375,823

The installments of the borrowings and financings classified as non-current liabilities on September 30, 2019 have the following payment schedule:

	Parent Company	Consolidated
	9/30/2019	9/30/2019
Maturity year		
2020	3,058	60,329
2021	13,682	233,609
2022	13,685	236,890
2023	13,688	237,019
2024	13,692	244,543
2025 up to the last maturity	11,527	551,667
	69,332	1,564,057
Secured deposits	-	(120,050)
	69,332	1,444,007

Financial and non-financial covenants

The financings and debentures agreements of the operating subsidiaries have non-financial and financial covenants clauses, usual in the market and the same disclosed on December 31, 2018, which on September 30, 2019 are fully met, as follows:

16 Debentures

						Consolidated							
						9/30/2019				12/31/2018			
Company	Creditor	Currency	Interest rates	Effective rate	Maturity	Cost to appropriate	Principal	Interest	Total	Cost to appropriate	Principal	Interest	Total
Gas thermal plants													
Parnaíba I	1st issue - 1st series	R\$	IPCA + 7.2227%	8,89%	11/15/2025	(7,883)	323,155	19,621	334,893	(6,768)	314,214	2,094	309,540
Parnaíba I	1st issue - 2nd series	R\$	CDI + 2,50%	9,07%	11/15/2025	(13,026)	551,000	18,183	556,157	(11,726)	551,000	4,570	543,844
Parnaíba II	1st issue	R\$	CDI + 2,50%	9,07%	12/5/2025	(23,281)	695,000	19,239	690,958	(19,099)	695,000	1,916	677,817
Parnaíba II	2Nd issue	R\$	CDI + 2,95%	9,57%	12/5/2024	(3,887)	238,334	6,947	241,394	(4,883)	260,000	1,603	256,720
Upstream													
Eneva	2nd issue - 1st series	R\$	CDI + 0,95%	7,36%	12/5/2024	(7,596)	750,000	17,602	760,006	-	-	-	-
Eneva	2nd issue - 2nd series	R\$	CDI + 1,45%	7,91%	12/5/2024	(7,768)	750,000	18,882	761,114	-	-	-	-
Eneva	2nd issue - 3rd series	R\$	IPCA + 5.05%	6,71%	5/15/2029	(5,265)	501,934	8,411	505,080	-	-	-	-
						(68,706)	3,809,423	108,885	3,849,602	(42,476)	1,820,214	10,183	1,787,921
Secured deposits							(140,181)		(140,181)		-	-	-
Debentures amount balance						(68,706)	3,669,242	108,885	3,709,421	(42,476)	1,820,214	10,183	1,787,921
Current						(13,628)	190,244	108,885	285,501	(4,515)	107,629	10,183	113,297
Non-current						(55,078)	3,478,998	-	3,423,920	(37,961)	1,712,585	-	1,674,624

The increase in the balance is due to the 2nd Issuance of simple debentures, non-convertible into shares, unsecured, in 3 series, for distribution with restrict efforts of placement, which raised R\$ 2 billion.

The changes in debentures are as follows:

	Parent Company	Consolidated
At December 31, 2018	-	1,787,921
(+) New fundings	2,000,000	2,000,000
(+) Interest incurred	44,896	161,086
(-) Payment of principal	-	(21,666)
(-) Payment of interest	-	(62,422)
(+) Funding cost	(20,630)	(26,230)
(+/-) Contractual monetary update	1,934	10,913
(-) Secured deposits	-	(140,181)
At September 30, 2019	2,026,200	3,709,421

	Parent Company	Consolidated
At December 31, 2017	-	652,832
(+) New fundings	-	1,971,000
(+) Interest incurred	-	72,080
(-) Payment of principal	-	(796,170)
(-) Payment of interest	-	(78,925)
(-) Funding cost	-	(37,593)
(+) Amortization of funding cost	-	4,697
At December 31, 2018	-	1,787,921

The installments of the debentures classified as non-current liabilities on September 30, 2019 have the following payment schedule:

	Parent Company	Consolidated
	9/30/2019	9/30/2019
Maturity year		
2020	(675)	100,614
2021	(2,894)	221,359
2022	(3,220)	269,513
2023	(3,524)	300,155
2024	747,347	1,087,580
2025 up to the last maturity	1,246,759	1,584,880
	1,983,793	3,564,101
Secured deposits	-	(140,181)
	1,983,793	3,423,920

Covenants

Due to funding in 2019, the parent company now has a financial covenant, which did not exist on December 31, 2018 and is fully met on September 30, 2019.

Company	Description of the financial covenants	Frequency of the determination	Position on 9/30/2019
Eneva	Net debt of no more than 4.5 times the EBITDA	Quarterly	Met

17 Financial instruments and risk management

The financial instruments presented ed in the balance sheets as well as the fair value hierarchy classification are presented below:

		Parent Company	
	Level	9/30/2019	12/31/2018
Assets			
Amortized Cost		5,874	2,676
Secured deposit		3,854	2,676
Trade receivables		2,020	-
Fair value through profit or loss		1,245,853	1,254,134
Cash and cash equivalents	Level 1	434,223	452,050
Marketable securities	Level 2	57,068	96,919
Commercial operations	Level 1	220,205	194,047
Loans	Level 1	534,357	511,118
Fair value through comprehensive profit or loss		1,006	-
Derivative financial instruments	Level 2	1,006	-
Liabilities			
Amortized Cost		2,296,575	1,712,202
Trade payables		56,727	61,430
Borrowings and financings		81,119	1,604,941
Debentures		2,026,200	-
Commercial operations		45,917	45,831
Lease		86,612	-

		Consolidated	
	Level	9/30/2019	12/31/2018
Assets			
Amortized Cost		580,461	389,500
Trade receivables		534,063	357,883
Secured deposit		46,398	31,617
Fair value through profit or loss		1,518,323	1,377,389
Cash and cash equivalent	Level 1	1,122,991	1,152,266
Marketable securities	Level 2	381,486	207,017
Commercial operations	Level 1	2,415	4,298
Loan	Level 1	11,431	13,808
Fair value through comprehensive profit or loss		49,359	725
Derivative financial instruments	Level 2	49,359	725
Liabilities			
Amortized Cost		5,898,645	5,560,297
Trade payables		439,204	354,016
Borrowings and financings		1,648,756	3,375,823
Debentures		3,709,421	1,787,921
Commercial operations		293	26,768
Contractual retentions		4,330	4,330
Trade payables - electric power sector		12,079	11,439
Lease		84,562	-

Subsequent measure, gains and losses:

Financial assets at fair value through profit or loss

For the assets previously stated, classified as fair value through profit or loss, the net gains and losses, including interest, are recognized in the result.

Financial assets at amortized cost

The assets carried at amortized cost, stated in the previous chart, are measured using the effective interest rate method. The amortized cost is decreased by impairment. The revenue from interest, foreign exchange gains and losses and impairment are recognized in the result. Any gain or loss in the write-off of financial assets is recognized in the result.

Fair value of financial instruments

The concept of fair value states that assets and liabilities should be valued at market prices, in the case of liquid assets, or by using mathematical pricing methods, otherwise the fair value hierarchy level gives priority to unadjusted prices quoted in active market.

A part of the accounts presented by the Company has the fair value equal to book value, these accounts include cash equivalents, payables and receivables and indebtedness. Financial investments are being presented at fair value, due to their classification under fair value through profit or loss.

Derivatives, hedge and risk management

The Company has derivative instruments, called *Non Deliverable Forwards* ("NDFs"), in order to mitigate the foreign exchange exposure arising from (i) purchase of equipment to be used in the maintenance operating cycle of the plant by Parnaíba I Geração de Energia S.A.; (ii) investments in foreign currency foreseen by Parnaíba Geração e Comercialização for the construction of the thermal plant Parnaíba V, whose implantation began in February 2019, with expectation of construction provided by the global contract (EPC) of 31 months and (iii) investments in foreign currency foreseen by Azulão Geração de Energia in the implantation of the Azulão-Jaguatirica project, which won in May 2019 the Aneel Bid for Supply of Boa Vista and Connected Locations, with construction term provided by the global contract (EPC) of up to 24 months.

On September 30, 2019, the Market to Market ("MtM") net amounts determined for these derivative instruments were gains of R\$ 49,359, being R\$ 1,006 related to insurance of the plants and R\$ 48,353 linked to the construction of Group's assets, this gain was fully recorded in the respective PPE accounts.

17.1 Risk of price variation (commodities)

Risk of variation in the prices of commodities, foreign exchange rates and interest.

Itaqui	Market value	API2 / CIF ARA (25% increase)	API2 / CIF ARA (50% increase)
9/30/2018 (R\$)			
Variable income (Ccomb)	253,479,334	316,849,168	380,219,001
Variable cost (Coal)	(253,907,001)	(313,298,282)	(372,689,562)
Variable result	(427,667)	3,550,886	7,529,439
9/30/2019 (R\$)			
Variable income (Ccomb)	117,309,105	146,636,382	175,963,658
Variable cost (Coal)	(111,329,948)	(137,309,813)	(163,289,678)
Variable result	5,979,157	9,326,569	12,673,980

Assumptions (unaudited)	9/30/2018	9/30/2019
Electric power generation - MWh	1,464,143	855,413
Coal consumption (Ton)	645,956	378,514
CIF ARA	94.55	66.61
API2	94.55	66.61
Award	6.50	4.75
Factor i	0.52	0.52
FX	3.50	3.94
Being:		
$Ccomb = CIF\ ARA * Factor\ i *$		
FX		
$Coal\ cost = API2 + award$		
$API2 \sim CIF\ ARA$		

17.2 Foreign exchange rate risk

The Company has no foreign exchange exposure on its financial liabilities, arising from transactions in US dollars.

17.3 Interest rate risk

a) Cash flow risk related to floating interest rates

More than 93.8% of the Company and its subsidiaries' liabilities are indexed to floating interest and inflation in the interbank deposit segment (DI), in the inflationary segment with restatement according to the IPCA price index and by the TJLP economic index.

The BNDES facilities restated by the IPCA and TJLP price indexes - which also contain a strong inflation component - are part of a special credit segment posing low volatility and therefore a low probability of abrupt changes in rates. The assets of the Company and its subsidiaries, represented by their income, will also be updated by the same rates, which substantially decreases the mismatch between the assets and liabilities.

The current debt has a principal of R\$ 5,493,286 and the total balance of R\$ 5,358,175 on September 30, 2019. From this total, approximately 9.1% has short term maturity. In order to verify the sensibility of the debts indexers to which the Company was exposed, 3 different scenarios were defined. As probable scenario, the Company used market projections to estimate what would be the gross financial expenses for the next 12 months. As alternative scenarios, the Company calculated what would be the financial loss for the next 12 months should the TJLP, CDI and IPCA curves be displaced in 25% and 50% respecting the payment term of each line.

Risk	Scenario	Scenario I	Scenario II
	Probable	(25% increase)	(50% increase)
Cash flow risk: Increase in the interest rate			
Liabilities indexed to TJLP	99,495	112,953	126,028
Liabilities indexed to CDI	222,568	263,416	303,939
Liabilities indexed to IPCA	91,612	99,285	106,923
Expected Financial Costs	413,675	475,654	536,890
Increase in finance costs	-	61,979	123,215

Methodology: parallel displace above the interest curves in 25% and 50%.

IPCA for the next 12 months: 3.43% (Source: Boletim Focus)

TJLP for the next 12 months: 5.57% (Source: National Monetary Council)

Average CDI for the next 12 months: 5.68% (Source: Market Projection)

17.4 Liquidity risk

The Company and its subsidiaries monitor their liquidity levels, based on expected cash flows versus the amount of cash and cash equivalents on hand. Managing the liquidity risk means maintaining cash, sufficient securities and capacity to settle market positions. The amounts recognized at September 30, 2019 approach the operations' settlement values, including estimated future interest payments.

	Consolidated				
	9/30/2019				
	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years
Liabilities					
Trade payables	-	410,568	28,636	-	-
Commercial operations	-	-	293	-	-
Borrowings and financings	185,706	157,736	361,035	1,005,279	748,466
Debentures	235,170	227,055	483,638	2,400,367	2,075,178
Contractual retention	-	-	-	4,330	-
	420,876	795,359	873,602	3,409,976	2,823,644
					8,323,457

						Consolidated
						12/31/2018
	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Liabilities						
Trade payables	-	348,849	5,167	-	-	354,016
Trade payables	-	-	26,768	-	-	26,768
Borrowings and financings	174,201	266,445	528,335	1,805,046	2,880,658	5,654,685
Debentures	84,336	178,723	372,508	1,245,411	826,814	2,707,792
Contractual retention	-	-	4,330	-	-	4,330
	258,537	794,017	937,108	3,050,457	3,707,472	8,747,591

17.5 Credit risk

This arises from the possibility of the Company and its subsidiaries suffering losses due to the default of their counterparties or of financial institutions where they have funds or financial investments. This risk factor could derive from commercial operations and cash management.

To mitigate these risks, the Company and its subsidiaries have a policy of analyzing the financial position of their counterparties, as well as constantly monitoring outstanding accounts.

The Company has a Financial Investment Policy, which establishes investment limits for each institution and considers the credit rating as a reference for limiting the investment amount. The average terms are continually assessed, as are the indexes underlying the investments, in order to diversify the portfolio.

			Consolidated
			12/31/2018
	9/30/2019		
Credit risk positions			
Cash and cash equivalent	1,122,991		1,152,266
Marketable securities	381,486		207,017
Trade receivables	534,063		357,883
Derivatives	49,359		725
Secured deposit	46,398		31,617
	2,134,297		1,749,508

Capital management

The Company's objectives when managing capital are to safeguard the companies' ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure of the Company, management can make, or will propose to the stockholders when their approval is required, adjustments to the amount of dividends paid to stockholders, return capital to stockholders, issue new shares or sell assets to reduce, for example, debt.

18 Taxes payable

The balance of Income tax and Social Contribution payable is as follows:

	Parent Company		Consolidated	
	9/30/2019	12/31/2018	9/30/2019	12/31/2018
Corporate Income Tax - IRPJ	9,192	14,060	57,645	62,536
Social contribution on Net Income - CSLL	248	8,912	15,941	25,081
	9,440	22,972	73,586	87,617

The group's companies are taxed on the Taxable Profit system, monthly prepaying Income Tax and Social Contribution on Income, according to effective legislation.

The other taxes payable at the end of the period:

	Parent Company		Consolidated	
	9/30/2019	12/31/2018	9/30/2019	12/31/2018
Value-added Tax on Sales and Services (ICMS)	2,298	70	7,204	2,257
PIS, COFINS and IOF	11,547	3,965	24,395	21,014
Importation taxes	-	-	278	143
Others	12,012	3,610	15,483	6,250
Current	25,857	7,645	47,360	29,664

19 Provision for contingencies

The Company and its subsidiaries are a party in civil (indemnity), tax, environmental and labor lawsuits, as well as in regulatory administrative proceedings, assessed by its legal advisors.

The Company constitutes a provision when there is present obligation, arisen from past events, and that it is probable that a cash disbursement will occur for its ending. The consolidated balance of the provision for contingencies in the period ended September 30, 2019 is presented, as follows:

Consolidated					
	12/31/2018	9/30/2019			
	Accumulated balance	Additions	Reversal	Update	Accumulated balance
Civil (a)	4,286	49,395	(4,601)		49,080
Labor (b)	14,351	28,113	(12,178)	5,637	35,923
Tax	40	-	-	-	40
Environmental	155		(321)	328	162
Total Provisions	18.832	77.508	(17.100)	5.965	85.205

(a) Civil risks

The civil risks are substantially comprised of:

(i) Ordinary lawsuit filed by the subsidiary Amapari Energia S.A. ("Amapari") in the amount of R\$ 44,091, with request for early custody, in order that it is framed in the fuel cost reimbursement mechanism of CCC-ISOL. In September 2018, the appeal filed by Amapari was upheld, annulling the decision and upholding the demand, authorizing the Company to use the fuel cost reimbursement mechanism instituted by the Fuel Consumption Account for the Isolated System (CCC-ISOL). Still through the decision, it was determined immediate reimbursement of CCC that Amapari did not receive in the period from November 2008 to February 2009.

In compliance with the decision, during 2019, ANEEL paid the reimbursement requested by Amapari. However, it filed special appeal, still pending judgment. For this reason, the amount early received was accounted for as provision.

(ii) Ordinary lawsuit filed by RIP Serviços e Industriais S.A. against the subsidiary Itaqui, requiring the payment of invoices in the total amount of R\$ 4,959, from which R\$ 1,000 is considered as probable.

(b) Labor risks

These encompass claims from former employees of the Company and employees of third-party companies that plead, among others, severance funds, hazardous work premium, recognition of employment relationship with the Company and later leveling of rights to its employees or funds eventually not paid by their companies. The increase presented in the previous chart is linked to partial conviction and settlement of the claims during this quarter. There is no material individual suit.

Possible risk contingencies (not provided for)

The tax, civil, labor and environment lawsuits, which are not provided for, because they involve prognosis management and its lawyers and legal advisors classified as possible, are as follows:

		Consolidated	
		9/30/2019	12/31/2018
Environmental	(a)	23,845	22,519
Regulatory	(a)	12,769	12,869
Labor	(a)	46,488	46,191
Civil	(b)	171,520	201,545
Tax	(c)	263,095	45,533
Total		517,717	328,657

(a) Environmental, Labor and Regulatory administrative proceedings

The environmental cases involve lawsuits and administrative proceedings about environmental license of the thermal plants and compliance with obligations created by environmental legislations. It is worth highlighting the public civil action filed by the Federal Prosecutors about the Demand community, whose reallocation is being conducted and concluded by Itaqui.

Regarding the labor suits, two legal decisions are more relevant to the Company, because they involve former employees claiming high amounts.

The regulatory suits involve assessment notices filed by ANP and ANEEL.

(b) CivilSubsidiary Mabe Construção e Administração De Projetos LTDA

The subsidiary has civil demands as defendant; one of them was filed by Montcalm Montagens Industriais S.A. requiring payments related to electromechanical assembly services, equipment installation, electric plant pipe, specialized painting, besides return of withdrawn amounts and indemnity for material damages caused to it. On September 30, 2019, the amount involved is R\$ 99,998 (R\$ 98,212 on December 31, 2018).

Besides, Moncalm Montagens Industriais S.A. requires in another demand that the guarantee consubstantiated in the Letter of Guarantee No. 100412080083300 is written-off, and that the amounts deposited in court due to incidental precautionary action No. 1078755-27.2014.8.26.0100 are returned. The amount involved on September 30, 2019 is R\$ 2,512, amount determined by the judge.

Subsidiary Eneva Comercializadora

It is an action for annulment of arbitration decision that granted all the pleas requested by Eneva Comercializadora in the arbitration procedure No. 22/2014 filed against COPEN. On September 30, 2019, the amount involved is R\$ 38,000.

Other subsidiaries

The remaining amounts are divided into lawsuits involving civil claims that individually do not represent material financial risk, and that are described in the possible loss prognostic report. The changes in amounts presented above are related to the changes in the prognosis of the lawsuits during the quarter.

(c) TaxSubsidiary Itaqui Geração de Energia S.A.

The subsidiary has tax demands as defendant, one of the main demands is related to the Assessment Notice filed by the tax authorities for disagreement regarding expenses recorded by the taxpayer. According to the tax authorities, these are not necessary expenses, which should not have given rise to deduction in the determination of Income Tax and Social Contribution by taxable income, because the tax authority understands it was not proven the protection against risks in certain hedge operation contracted for the acquisition of a borrowing abroad in foreign currency. On September 30, 2019, the amount involved is R\$ 206,195.

Other subsidiaries

In 2019, the Company was mentioned in new lawsuits and administrative proceedings, whose discussion involve amounts associated to assessment notices and tax enforcement, but they were classified as possible loss, so it is not required to constitute provision for contingency.

Special Appeal - ANEELSubsidiary Pecém II Geração de Energia S.A.

The subsidiary Pecém II Geração filed suit, claiming anticipation of the effects of the custody, claiming the right to receive the fixed income provided by the Energy Trading Agreements in the Regulated Environment (CCEAR), entered into in new energy auction, as from July 2013, period in which the Company was already duly commissioned and able to generate energy and, consequently, comply with the commitments entered into. ANEEL justified that the delay in the construction of implantation of the substation of Transmissora Delmiro Gouveia S.A. (TDG), necessary for the outflow of the generated energy, would constitute unforeseeable circumstances or force majeure and it did not pay the fixed income, just excluding the Company from the penalties foreseen for the failure in the supply of energy.

In November 2014, the Company obtained favorable decision from the Federal Court of Federal District, which confirmed the anticipation of the custody effects, and the decision was confirmed by the Federal

Regional Court of the 1st Region ("2014 of 1st Region"). Within this context, with the court of appeals judgment, it was recognized the right of Pecém II to receive the payment of the Fixed Income arising from the CCEARs and it was determined the immediate compliance with the decision. ANEEL filed amendment of judgment with TRF of 1st Region, which was rejected on May 11, 2018. Therefore, on May 30, 2018, exhausted the discussion in TRF of 1st Region and with a court order for immediate compliance with the decision, CCEE paid to Pecém II the amount of R\$ 59,326, corresponding to the due fixed income. The Company became aware of special appeal filed by ANEEL, and after subpoena, Pecém II presented counter arguments on August 30, 2018. This appeal will be appreciated by the Superior Court of Justice, if accepted by the TRF of the 1st Region, reason why there is no final decision yet

20 Equity

Share capital

The Company only has common, book entry shares, with no par value.

On August 3, 2019, the capital increased the amount of R\$ 1,242, arising from the exercise of the options granted to certain collaborators and managers within the scope of the Purchase Option Plan or Subscription of the Company's Shares. The methodology of the plan is described in Note 22 - Share-based payments.

On September 30, 2019 and December 31, 2018, the Company's capital was of R\$ 8,829,296 and R\$ 8,822,057, respectively, whose shares are distributed as follows:

Parent Company		
9/30/2019		
Shareholder	Number	%
Banco BTG Pactual S.A.	72,410,101	22.96%
Cambuhy I Fundo de Investimento em Ações	72,410,101	22.96%
Atmos Capital Gestão de Recursos Ltda	15,793,261	5.01%
Dynamo Administração de Recursos Ltda	15,922,247	5.05%
Others	138,787,713	44.02%
Total	315,323,423	100.00%

Parent Company		
12/31/2018		
Shareholder	Number	%
Banco BTG Pactual S.A	84,370,481	26.79%
Cambuhy I Fundo de Investimento em Ações	72,410,101	22.99%
DD Brazil Holdings (Uniper Energy)	19,217,333	6.10%
Itaú Unibanco	18,530,085	5.88%
Others	120,462,499	38.24%
Total	314,990,499	100.00%

The incremental costs directly attributable to the issue of new shares or options are stated in equity as a deduction of the acquired amount.

21 Result per share

The diluted and basic result per share was calculated by the division of the result for the period attributable to controlling and non-controlling stockholders of the Company on September 30, 2019 and September 30, 2018 and the respective weighted average of shares outstanding during the same period, as follows:

	Nine-month period ended		Consolidated	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
Result for the period				
Numerator				
Profit attributable to stockholders of the Parent	235,373	418,441	89,786	175,677
Denominator				
Weighted average of shares	315,284,369	314,990,499	315,284,369	314,990,499
Profit per share (R\$) – basic	0.74654	1.32842	0.28478	0.55772

	Nine-month period ended		Consolidated	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
Result for the period				
Numerator				
Profit attributable to stockholders of the Parent	235,373	418,441	89,786	175,677
Denominator				
Weighted average of shares	315,669,176	314,990,499	315,669,176	314,990,499
Profit per share (R\$) – diluted	0.74563	1.32842	0.28443	0.55772

(*) The dilution factor represented by the Company's share-based compensation programs represented no material change in the calculation of the diluted profit.

22 Share-based payment

a) Stock options awarded by the Company

The changes in the options plan are as follows:

Plan	Date Awarded	Award term (years)	Initial date of maturity	Maximum date rights expire	Original amount awarded	Remaining number	Original strike price	Strike price restated by IPCA + 3% p.a.
2016	10/3/2016	5	4/3/2018	8/1/2022	621,094	207,031	15	18.02
2016	10/3/2016	3	4/3/2018	1/30/2021	2,667,000	1,000,125	15	18.02
2016	5/10/2017	5	5/10/2018	9/7/2022	1,333,333	800,000	15	17.37
2016	8/3/2017	5	8/3/2018	12/1/2022	710,301	300,000	15	17.25
2016	2/11/2019	5	2/11/2020	6/10/2024	250,000	250,000	15	15.56

The changes in the options plan in the period between June 30, 2019 and September 30, 2019 are as follows:

Plan awarded by the Company - number of share options	Number of options	Weighted average strike price of options
At June 30, 2019	2,657,156	17.28
Exercised	100,000	17.25
Cancelled	-	-
Awarded	-	-
Expired	-	-
At September 30, 2019	2,557,156	17.49

The exercise of the options gave rise to the Company's capital increase, as described in Note 20 - Equity.

b) Restrict Performance Units (Units) granted by the Company.

In a Meeting on March 27, 2018, the first Incentive Plan of Share-based Long-term Compensation, which grants restrict performance units - units - to its beneficiaries, whose acquisition of right depends on the permanence of the beneficiary in the Company and on performance indicators for the shareholders.

The second plan was approved in Meeting that took place on April 29, 2019 and it was called Incentive Plan of Share-based Long-term Compensation (Performance Shares Plan). The transfer to the beneficiaries occurs when they meet the performance criteria related to the Parnaíba V Project, being:

- (i) carried out up to the date the commercial operations begins in March 2022 and
- (ii) the mentioned project carried out with up 10% of budget overrun. If both performance criteria in carrying out the project are met, all the shares will be transferred.

The units awarded by the Company are as follows:

Plan	Award date	Term (years)	Purpose	Date the right was acquired	Original amount awarded
2018	7/13/2018	3	Retention	4/2/2021	217,181
2018	7/13/2018	3	Performance	4/2/2021	217,181
2018	4/1/2018	3	Retention	4/1/2022	189,109
2018	4/1/2018	3	Performance	4/1/2022	189,109
2019	4/29/2019	2.92	Performance shares	3/31/2022	387,101

The changes in the units plan in the period between June 30, 2019 and September 30, 2019 are as follows:

Units plan granted by the Company - number of units	Number of Units	Weighted average price of the shares
At June 30, 2019	1,199,680	24.8
Exercised	-	-
Canceled	-	-
Granted	-	-
Expired	-	-
At September 30, 2019	1,199,680	30.67

The Company calculates the fair value of the awarded shares based on the model proposed by Monte Carlo to allow the incorporation of the lack of market conditions in the asset's fair value. The expense is recognized on a pro rata temporis basis, which begins on the award date until the date the beneficiary acquires the right to receive the shares.

23 Sales and services income

The reconciliation between the gross revenue and the net revenue recorded in the income statement for the year is as follows:

	Parent Company		Consolidated	
	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018
Gross revenue (a)	454,800	-	2,230,524	2,668,811
Taxes on sales	(50,363)	-	(195,098)	(233,060)
	404,437	-	2,035,426	2,435,751
Penalties for unavailability	-	-	(9,983)	(47,368)
Total net revenue	404,437	-	2,025,443	2,388,383

	Parent Company		Consolidated	
	Quarter ended 9/30/2019	Quarter ended 9/30/2018	Quarter ended 9/30/2019	Quarter ended 9/30/2018
Gross revenue (a)	295,950	-	936,384	1,263,339
Taxes on sales	(34,059)	-	(68,003)	(101,767)
	261,891	-	868,381	1,161,572
Penalties for unavailability	-	-	(10,102)	(39,615)
Total net revenue	261,891	-	858,279	1,121,957

Within the sales operations, the Company recognizes the following revenues as operating revenues, in compliance with IFRS 15:

(a) Gross revenue

Revenue from trade of energy in the Regulated Environment

Revenue derives from electricity supply agreements, being the monthly instalment fixed in contract and the variable installment is monthly defined at the recognition moment, according to the demand required by the National Electric System Operator - ONS. Revenue on any sales is recognized by a measurement equal to the volume of energy transferred to the client and estimates to measure the energy delivered but does not yet take into account the measurements prior to closing the financial year.

Revenue from Electric Power in the Free Trade Environment

In the contracting operation in free environment, the Company has the right to recognize the revenue from sale of energy by the value of MWh. Revenue comprises the fair value of the consideration received or receivable for the sale of electrical power both in the regulated market and in the free market.

Furthermore, as from June 2018, with the publication of the normative resolution No. 822, the operation for complementary dispatch for maintenance of the operating power reserve (RRO) has begun. This mechanism is an ancillary service rendered by centrally dispatched thermoelectric plants, in order to preserve the operating power reserve in the hydraulic generating units in any subsystem. The thermoelectric plants that are triggered to meet the complementary dispatch for maintenance of the operating power reserve (RRO) receive this power valued at price of the offer made, when the service to the dispatch is considered satisfactory, or at its Unit Variable Cost (CVU), when unsatisfactory. This revenue is recorded at the dispatch confirmation moment by ONS.

The result information is presented by segment in Note 4 – Segment reporting.

The balances of the revenue earned by the Parent Company refer to the natural gas supply agreements, to the lease of the capacity of Gas Treatment Unit (UTG) and to the condensed gas arising from the operations of Parnaíba Gás Natural, which was incorporated by Eneva S.A. on December 28, 2018.

24 Costs and expenses per nature

	Parent Company		Consolidated	
	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018
Regulatory costs	-	-	(100,474)	(91,697)
Depreciation and amortization (a)	(97,378)	(2,288)	(344,910)	(336,261)
Environmental expenses	(777)	(343)	(5,501)	(5,324)
Rental expenses	(5,220)	(2,369)	(16,751)	(4,722)
Costs with exploration and dry well (b)	(67,625)	-	(67,625)	(80,571)
Personnel expenses	(99,391)	(66,403)	(243,064)	(212,093)
Electric power for resale (d)	-	-	(211,887)	(297,368)
Taxes and contributions (e)	31,292	(782)	26,935	(2,481)
Generation inputs (c)	-	-	(306,380)	(433,484)
Consumption material	(12,163)	(697)	(33,778)	(27,110)
Other income (expenses)	(10,496)	(1,540)	(12,786)	20,679
Government interests	(27,503)	-	(27,503)	(57,861)
Provision for loss in investment	(2,164)	(366)	(4,315)	(27,911)
Operating and administrative insurance	(3,893)	(673)	(20,570)	(19,797)
Shared services - Cost sharing	31,020	42,871	-	-
Outsourced services	(42,065)	(32,115)	(66,490)	(69,602)
Loss in the disposal of goods	-	-	-	(113)
Investment Evaluation - Pecém II	-	56,809	-	56,809
Gain in advantageous purchase in the acquisition of Pecém II in 2018	-	135,573	-	135,573
	(306,363)	127,677	(1,435,099)	(1,453,334)
Classified as:				
Cost	(138,670)	-	(1,193,452)	(1,404,376)
Administrative and general expenses	(182,986)	(66,682)	(251,967)	(240,474)
Other revenue	32,201	196,382	42,614	197,131
Other expenses	(16,908)	(2,023)	(32,294)	(5,615)

	Parent Company		Consolidated	
	Quarter ended 9/30/2019	Quarter ended 9/30/2018	Quarter ended 9/30/2019	Quarter ended 9/30/2018
Regulatory costs	-	-	(35,623)	(33,133)
Depreciation and amortization (a)	(51,341)	(751)	(132,002)	(136,789)
Environmental expenses	4	(157)	(1,813)	(1,423)
Rental expenses	(2,121)	(868)	(7,121)	1,724
Costs with exploration and dry well (b)	(20,670)	-	(20,670)	(33,640)
Personnel expenses	(35,560)	(23,441)	(82,674)	(76,309)
Electric power for resale (d)	-	-	(128,292)	(106,923)
Taxes and contributions (e)	(2,581)	(450)	(5,453)	(961)
Generation inputs (c)	-	-	(174,001)	(295,426)
Consumption material	(1,615)	(295)	(9,738)	(8,917)
Other income (expenses)	(4,327)	(1,987)	1,473	(5,160)
Government interests	(21,722)	-	(21,722)	(38,521)
Provision for loss in investment	(130)	(106)	(259)	561
Operating and administrative insurance	(1,375)	(248)	(7,086)	(7,420)
Shared services - Cost sharing	9,838	13,606	-	-
Outsourced services	(18,180)	(10,121)	(35,255)	(34,741)
Investment Evaluation - Pecém II	-	19,842	-	19,842
Gain in advantageous purchase in the acquisition of Pecém II in 2018	-	(19,411)	-	(19,411)
	(149,780)	(24,387)	(660,236)	(776,647)
Classified as:				
Cost	(78,972)	-	(569,484)	(685,100)
Administrative and general expenses	(61,815)	(24,226)	(86,332)	(90,255)
Other revenue	-	431	8,626	2,082
Other expenses	(8,993)	(592)	(13,046)	(3,374)

- (a) The variation presented in the consolidated balance basically refers to the consolidation of Pecém II Participações S.A. which occurred as from April 2018. The variation in the balances of the parent company is linked to the incorporation of Parnaíba Gás Natural S.A., which occurred in December 2018;
- (b) The expenditures refer to expenses with acquisitions of geophysical data and expenditures with research in E&P new fields. The variation found in the consolidated balances is related to the higher seismic campaign activity comparing to the same period of 2018. In the parent company, the increase refers to the incorporation of Parnaíba Gás Natural S.A..
- (c) The variation is due to decrease in the dispatch level of the Coal-fired thermal plants segment, comparing to the same period of 2018. It has also suffered the impact of the volatility of the foreign currency (U.S. Dollar), considering the importation of coal. Furthermore, it is important to highlight that the balance of Pecém II was consolidated as from April 2018.
- (d) The expenditures refers to the increase of the trading activities, as well as the compliance with the Company's protection strategy, operated by the subsidiary Eneva Comercializadora de Energia S.A.. The decrease is due to the lower level of dispatch in the period.
- (e) The variation is mainly due to the gain arising from the recognition of the principal amount of the PIS/COFINS credits, as disclosed in Note 9.

25 Finance income/costs

		Parent Company		Consolidated	
		Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018	Nine-month period ended 9/30/2019	Nine-month period ended 9/30/2018
Financial costs					
Debt charges	(a)	(61,959)	(88,443)	(181,699)	(274,546)
Fine and interest paid or incurred		(698)	(61)	(2,949)	(14,124)
Amortization transaction cost borrowings		(698)	-	(11,096)	(10,938)
Commission on bank guarantees		(1,331)	(77)	(1,854)	(19,328)
Interest on provision for abandonment costs		(3,855)	-	(4,148)	(4,969)
Interest on lease liabilities		(7,026)	-	(7,154)	-
Interest on loans		-	-	(480)	(558)
Debentures interest	(b)	(36,484)	-	(152,674)	(48,714)
Losses with derivatives		-	(23)	-	(1,524)
Exchange and monetary variation		(20,439)	(33,451)	(53,189)	(71,695)
Others		(8,393)	(6,728)	(26,818)	(33,911)
		(140,883)	(128,783)	(442,061)	(480,307)
Finance income					

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Financial investment	(c)	29,680	10,827	78,272	45,623
MTM power contracts		1,375	-	14,997	-
Interest on debentures		-	37,071	-	-
Fines and interest received or earned		-	-	4,696	13,537
Earnings from loans		24,825	28,406	1,145	5,941
Exchange and monetary variation		21,191	5,766	37,035	50,262
Others		11,490	606	17,244	11,328
		88,561	82,676	153,389	126,691
Finance income/costs		(52,322)	(46,107)	(288,672)	(353,616)
		Parent Company		Consolidated	
		Quarter ended 9/30/2019	Quarter ended 9/30/2018	Quarter ended 9/30/2019	Quarter ended 9/30/2018
Financial costs					
Debt charges	(a)	(1,726)	(30,847)	(40,247)	(97,403)
Fine and interest paid or incurred		(104)	-	(2,121)	(4,506)
Amortization transaction cost borrowings		(537)	-	(3,797)	(2,827)
Commission on bank guarantees		(380)	(6)	(593)	(2,164)
Interest on provision for abandonment costs		(630)	-	(684)	(1,088)
Interest on lease liabilities		(2,367)	-	(2,181)	-
Interest on loans		-	-	(218)	(558)
Debentures interest	(b)	(28,096)	-	(67,580)	(18,522)
Exchange and monetary variation		(4,702)	(6,190)	(19,150)	(25,200)
Others		(1,384)	(1,322)	(6,739)	(17,314)
		(39,926)	(38,365)	(143,310)	(169,582)
Finance income					
Financial investment	(c)	8,719	1,840	27,112	15,137
MTM power contracts		726	-	(2,628)	-
Interest on debentures		-	12,786	-	-
Fines and interest received or earned		15	-	2,343	5,896
Earnings from loans		8,488	9,453	391	700
Exchange and monetary variation		6,837	331	19,788	15,312
Others		1,012	176	2,811	3,315
		25,797	24,586	49,817	40,360
Finance income/costs		(14,129)	(13,779)	(93,493)	(129,222)

- (a) This is substantially due to the pre-payment of the remaining balance of the unsecured credits of its judicial recovery plan, in the amount of R\$ 1,575 billion.
- (b) This refers to the interest levied on the funding of the subsidiaries Parnaíba I Geração de Energia S.A. and Parnaíba II Geração de Energia S.A..
- (c) The increase in the earnings of the financial investments is basically due to the conclusion of the issuance of debentures occurred in May 2019.

26 Insurance Coverage

It is the policy of the Company and its direct and indirect subsidiaries to take out insurance coverage for the assets subject to risk at amounts considered by management sufficient to cover any incidents, considering the nature of their activity. The policies are in force and the premiums have been paid.

At September 30, 2019 and December 31, 2018, the main risks covered are:

	9/30/2019	Consolidated 12/31/2018
Material damages (*)	14,955,555	13,915,518
Civil liability	410,000	410,000
Total	15,365,555	14,325,518

(*) The amounts related to material damages were translated based on the closing value of the US dollar at the respective dates.

27 Commitments

Minimum Exploratory Program ("PEM")

On September 30, 2019, the PEM balance related to the 13th and 14th rounds to be met before ANP is as follows:

PEM with guarantee insurance	Work Units	At 12/31/2018	Additions	Write-offs	At 9/30/2019
PN-T-69	3010	13,545	-	(13,545)	-
PN-T-87	3010	13,545	-	(13,545)	-
PN-T-84	2061	6,492	-	-	6,492
PN-T-101	7003	31,513	-	(25,179)	6,334
PN-T-103	7003	31,513	-	(31,513)	-
PN-T-146	1010	4,545	-	-	4,545
PN-T-163	1010	4,545	-	-	4,545
PN-T-117	400	8,200	-	-	8,200
PN-T-118	600	12,300	-	-	12,300
PN-T-119	600	12,300	-	-	12,300
PN-T-133	500	10,250	-	-	10,250
PN-T-134	600	12,300	-	-	12,300
Total		161,048	-	(83,782)	77,266

For the blocks PN-T-146 and PN-T-163, the beginning of the seismic campaign is foreseen for November 2019. This campaign will acquire the mileage for the compliance with the PEM related to the 1st exploratory period in these blocks. Thus, we will end our commitments related to the 1st period of the blocks of the 13th round. The 2nd exploratory period has a 2-year term for execution, with conclusion in December 2021.

The blocks of the 14th round (PN-T-117, PN-T-118, PN-T-119, PN-T-133 and PN-T-134) have a sole exploratory period with a 6-year term, whose beginning occurred in 2018. In these blocks, the seismic acquisition will contiguously begin after the survey in the blocks PN-T-146 and PN-T-163 of the 13th round, beginning in 2019. This data will promote the regional recognition of the area and will be enough to comply with the PEM of the blocks of the 14th round.

28 Events after the reporting period

Victory in the New Energy A-6 2019 Bid

Eneva won the new energy A-6 bid of 2019, of the Electric Power National Agency (ANEEL), which took place on October 18, 2019, whose objective is the expansion of the thermal plant UTE MC2 Nova Venécia 2, with additional installed capacity of 92.3 MW ("Parnaíba VI" or "Expansion"), to be installed in the Parnaíba Thermal Complex, in the State of Maranhão.

Parnaíba VI contracted average MW, with seasonal operational inflexibility of 50%, ensuring an annual fixed revenue of R\$ 85,346,713.80 (eighty five million, three hundred and forty six thousand, seven hundred and thirteen reais and eighty cents) (base date: April/2019), for a 25-year term, as from January 1, 2025. The Energy Trading Agreements in the Regulated Environment (CCEAR) provides annual adjustment of the fixed income according to IPCA variation.

Conclusion of the refinancing of the debt of Parnaíba II

On October 21, 2019, we concluded the refinancing of the debt of the subsidiary Parnaíba II Geração de Energia S.A. ("Parnaíba II"), as follows:

- i. Issue of R\$ 750 million in simple debentures, non-convertible into shares, in 3 series.
- ii. Prepayment of the remaining balance of the debts related to:
 - (a) 1st issuance of simple debentures of Parnaíba II, in the amount of R\$ 717 million, with cost of CDI + 2.50% p.a. and maturity in 2025;
 - (b) 2nd issuance of simple debentures of Parnaíba III Geração de Energia S.A. (succeeded by Parnaíba II, in the amount of R\$ 246 million, with cost of CDI + 2.95% p.a. and maturity in 2024;
 - (c) Bank credit note with Banco Itaú: Unibanco S.A., in the total amount of R\$ 223 million, with cost of CDI + 5.15% p.a. and maturity in 2027;

Board of Directors

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President

José Aurélio Drummond Jr.
Vice president

Directors:

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Guilherme Bottura
Lavinia Hollanda
Marcelo Pereira Lopes de Medeiros
Renato Antonio Secondo Mazzola

Executive Board

Pedro Zinner
Chief Executive Officer

Lino Lopes Cançado
Executive Officer

Marcelo Habibe
Executive Officer

Luis Vasconcelos
Executive Officer

Controller

Ana Paula Alves do Nascimento
CRC-RJ 086983/O-0

Accountant

Bruno Campelo de Azevedo
CRC-RJ 106648/O-9