

August 14, 2019

Quarter Information

ENEVA S.A.

(Publicly listed company)

June 30, 2019

with Independent Auditors' Report
on Quarter Information

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Balance sheet

At June 30, 2019 and December 31, 2018

(All amounts in thousands of reais)

		Parent Company		Consolidated	
	Note	6/30/2019	12/31/2018	6/30/2019	12/31/2018
Assets					
Current assets					
Cash and cash equivalents	5	755,677	452,050	1,362,474	1,152,266
Marketable securities	6	71,050	96,919	259,517	207,017
Trade receivables	8	2,080	-	379,671	357,883
Inventories	9	29,514	34,977	236,089	225,730
Prepaid expenses		6,707	9,583	23,472	34,507
Income tax and social contribution recoverable	10	37,457	46,632	96,190	107,391
Other taxes recoverable	10	57,080	14,568	74,736	30,874
Derivative financial instruments	19	280	-	4,457	725
Sundry advances		3,170	707	26,434	20,122
Dividends receivable		10,990	10,843	-	-
Secured deposits	7	2,289	2,288	2,652	2,651
Commercial operations	15	7,822	6,496	-	-
Advances to suppliers		-	2,121	61,106	5,117
Others		10	2,004	1,526	2,345
		984,126	679,188	2,528,324	2,146,628
Non-current assets held for sale	3	2,730	5,965	2,730	-
		986,856	685,153	2,531,054	2,146,628
Non-current assets					
Long-term receivables					
Prepaid expenses		3	26	3	26
Secured deposits	7	1,519	388	32,590	28,966
Commercial operations	15	89,991	187,551	4,205	4,298
Loans	15	523,088	511,118	13,154	13,808
Income tax and social contribution recoverable	10	54,999	63,828	59,684	69,994
Other taxes recoverable	10	89,591	85,316	93,202	88,927
Deferred income tax and social contribution	10	182,945	178,291	542,394	572,461
Other credits		194	-	678	586
		942,330	1,026,518	745,910	779,066
Investments	11	4,034,012	3,718,497	4,927	3,865
Property, plant and equipment	13	1,955,673	1,836,157	8,109,517	7,929,919
Intangible assets	14	926,737	945,679	1,403,844	1,440,204
		7,858,752	7,526,851	10,264,198	10,153,054
		8,845,608	8,212,004	12,795,252	12,299,682

Balance Sheet - continuing

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

		Parent Company		Consolidated	
	Note	6/30/2019	12/31/2018	6/30/2019	12/31/2018
Liabilities					
Current liabilities					
Trade payables		44,876	59,347	341,699	348,849
Borrowings and financings	16	11,801	9,859	195,546	184,066
Debentures	17	7,844	-	212,322	113,297
Lease liability	12	17,626	-	20,726	
Income taxes and social contributions payable	18	7,099	22,972	65,975	87,617
Other taxes payable	18	9,359	7,645	22,065	29,664
Social and labor obligations		15,582	12,632	29,207	22,217
Profit sharing		18,933	42,063	28,422	62,227
Trade payables - electric power sector		-	-	11,436	11,439
Provision for cost due to unavailability		-	-	49,841	51,560
Research and development - electric power sector		-	-	70,893	64,538
Other payables		122	59	445	370
		133,242	154,577	1,048,577	975,844
Liabilities related to assets held for sale	3	9,923	2,920	9,923	2,920
		143,165	157,497	1,058,500	978,764
Non-current liabilities					
Trade payables		150	2,083	22,568	5,167
Borrowings and financings	16	72,210	1,595,082	1,494,768	3,191,757
Debentures	17	1,981,430	-	3,492,395	1,674,624
Lease liability	12	69,918	-	68,758	-
Commercial operations	15	45,818	45,831	293	26,768
Contractual retention		-	-	4,330	4,330
Provision for uncovered liability	11	5,603	39,220	-	-
Provision for contingencies	20	15,137	12,533	77,121	18,832
Provision for decommissioning costs		74,600	61,720	87,502	66,885
Deferred income tax and social contribution	10	-	-	49,385	45,474
Other payables		-	-	3,196	3,201
		2,264,866	1,756,469	5,300,316	5,037,038
Total liabilities		2,408,031	1,913,966	6,358,816	6,015,802
Equity					
Share capital	21	8,828,054	8,822,057	8,828,054	8,822,057
Capital reserve		20,494	22,461	20,494	22,461
Legal reserve		4,775	4,775	4,775	4,775
Carrying value adjustments		4,328	11,972	4,328	11,972
Accumulated losses		(2,420,074)	(2,563,227)	(2,420,074)	(2,563,227)
Shareholders' equity attributable to controlling shareholders		6,437,577	6,298,038	6,437,577	6,298,038
Interest of non-controlling stockholders		-	-	(1,141)	(14,158)
Total shareholders' equity		6,437,577	6,298,038	6,436,436	6,283,880
		8,845,608	8,212,004	12,795,252	12,299,682

Statements of Operations

For the six-month period ended June 30, 2019 and 2018

(All amounts in thousands of reais)

	Note	Parent Company		Consolidated	
		Six-month period ended 6/30/2019	Six-month period ended 6/30/2018	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018
Sales and services income	24	142,546	-	1,167,164	1,266,426
Cost of sales and services	25	(59,698)	-	(623,968)	(719,276)
Gross profit		82,848	-	543,196	547,150
Operating costs/income					
General and administrative	25	(121,171)	(42,456)	(165,635)	(150,219)
Other operating income	25	32,201	195,951	33,988	195,049
Other operating expenses	25	(7,915)	(1,431)	(19,248)	(2,241)
Result in equity-accounted investments	11	193,169	188,291	(1,107)	(6,296)
Result before finance income (costs) and taxes		179,132	340,355	391,194	583,443
Finance income/costs					
Finance income	26	62,764	58,090	103,572	87,033
Finance costs	26	(100,957)	(90,418)	(298,751)	(311,427)
Result before income taxes		140,939	308,027	196,015	359,049
Income tax and social contribution on income					
Current	10	-	-	(16,954)	(24,421)
Deferred	10	4,648	(65,263)	(33,980)	(92,659)
Profit for the period		145,587	242,764	145,081	241,969
Attributed to the owners of the parent company		145,587	242,764	145,587	242,764
Attributed to the non-controlling shareholders		-	-	(506)	(795)
Earnings per share from continuing operations attributable to the owners of the parent during the year (expressed in R\$ per share)					
Basic earnings per share	22	-	-	0,46212	0,77070
Diluted earnings per share	22	-	-	0,46175	0,77070

Statements of Operations

For the quarter ended June 30, 2019 and 2018

(All amounts in thousands of reais)

	Note	Parent Company		Consolidated	
		Quarter ended 6/30/2019	Quarter ended 6/30/2018	Quarter ended 6/30/2019	Quarter ended 6/30/2018
Sales and services income	24	75,429	-	555,784	756,559
Cost of sales and services	25	(31,628)	-	(293,363)	(431,130)
Gross profit		43,801	-	262,421	325,429
Operating costs/income					
General and administrative	25	(79,616)	(24,884)	(99,632)	(83,363)
Other operating income	25	(1,690)	191,951	(615)	191,951
Other operating expenses	25	(2,600)	(635)	(9,832)	(1,429)
Result in equity-accounted investments	11	81,496	133,822	(229)	(4,059)
Result before finance income (costs) and taxes		41,391	300,254	152,113	428,529
Finance income/costs					
Finance income	26	26,533	23,473	40,528	52,930
Finance costs	26	(51,728)	(52,411)	(151,153)	(181,371)
Result before income taxes		16,196	271,316	41,488	300,088
Income tax and social contribution on income					
Current	10	-	-	(7,672)	(17,015)
Deferred	10	(410)	(65,263)	(18,136)	(77,471)
Profit for the period		15,786	206,053	15,680	205,602
Attributed to the owners of the parent company		15,786	206,053	15,786	206,053
Attributed to the non-controlling shareholders		-	-	(106)	(451)
Earnings per share from continuing operations attributable to the owners of the parent during the year (expressed in R\$ per share)					
Basic earnings per share	22	-	-	0,05011	0,65416
Diluted earnings per share	22	-	-	0,05007	0,65416

Statements of comprehensive income

For the six-month period ended June 30, 2019 and 2018
(All amounts in thousands of reais)

	Parent Company		Consolidated	
	Six-month period ended	Six-month period ended	Six-month period ended	Six-month period ended
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Profit for the period	145.587	242.764	145.081	241.969
Other comprehensive income to be reclassified for result for the year in subsequent periods				
Cumulative translation adjustments	(648)	(55)	(648)	(55)
Carrying value adjustments	(6,996)	1,259	(6,996)	1,259
Total other comprehensive income for the period	137,943	243,968	137,437	243,173
Other comprehensive income to be reclassified for result for the year in subsequent periods	137,943	243,968	137,437	243,173
Non-controlling interests	-	-	(506)	(795)
Controlling shareholders	137,943	243,968	137,943	243,968
Total other comprehensive income for the period, net of taxes	137,943	243,968	137,437	243,173

Statements of comprehensive income

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

	Parent Company		Consolidated	
	Quarter ended	Quarter ended	Quarter ended	Quarter ended
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Profit for the period	15,786	206,053	15,680	205,602
Other comprehensive income to be reclassified for result for the year in subsequent periods				
Cumulative translation adjustments	(847)	33	(847)	33
Carrying value adjustments	(7,002)	1,259	(7,002)	1,259
Total other comprehensive income for the period	7,937	207,345	7,831	206,894
Other comprehensive income to be reclassified for result for the year in subsequent periods	7,937	207,345	7,831	206,894
Non-controlling interests	-	-	(106)	(451)
Controlling shareholders	7,937	207,345	7,937	207,345
Total other comprehensive income for the period, net of taxes	7,937	207,345	7,831	206,894

Statements of changes in equity

For the quarters ended June 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	-	-	-	-	242,764	242,764	(795)	241,969
Appropriation of funding cost	(162)	-	-	-	-	(162)	-	(162)
Fair value of asset instruments	-	-	2,705	-	-	2,705	-	2,705
Other comprehensive income:								
Translation adjustments for the year	-	-	-	(55)	-	(55)	-	(55)
Translation adjustments for the year	-	-	-	1,259	-	1,259	-	1,259
At June 30, 2018	8,822,057	4,775	20,849	(2,391)	(3,208,336)	5,636,954	(15,303)	5,621,651
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	5,997	-	(5,997)	-	-	-	13,523	13,523
Transactions with shareholders:								
Profit for the period	-	-	-	-	145,587	145,587	(506)	145,081
Fair value of asset instruments	-	-	1,596	-	-	1,596	-	1,596
Tax incentive SUDAM/SUDENE	-	-	2,434	-	(2,434)	-	-	-
Other comprehensive income:								
Translation adjustments for the period	-	-	-	(648)	-	(648)	-	(648)
Carrying value adjustments	-	-	-	(6,996)	-	(6,996)	-	(6,996)
At June 30, 2019	8,828,054	4,775	20,494	4,328	(2,420,074)	6,437,577	(1,141)	6,436,436

Statements of Cash Flows

Para o período de 6 meses findos em June 30, 2019 and 2018
(All amounts in thousands of reais)

	Parent Company		Consolidated	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Cash flows from operating activities				
Result before income taxes	140,939	308,027	196,015	359,049
Adjustments to reconcile the loss to the cash flows from operating activities:				
Depreciation and amortization	32,867	1,537	201,584	199,472
Depreciation and amortization IFRS 16	13,170	-	11,324	-
Result in equity-accounted investments	(198,485)	(199,916)	(189)	3,622
Provision for uncovered liabilities	5,316	11,625	1,296	2,674
Interest provision for abandonment cost	3,225	-	3,464	3,881
Write-off of dry wells and sub commercial areas	26,553	-	26,553	4,866
Fine and interest determined	15	-	(2,353)	-
Credit of PIS/ Cofins due to legal decision	(42,234)	-	(42,234)	-
Asset and liability exchange variation	1,119	21,827	2,854	(5,825)
Interest - loans and debentures	70,482	57,657	226,546	217,720
Contractual monetary update	512	-	15,704	(2,182)
Earning from loans	(16,337)	(18,953)	(492)	(5,145)
Provision for contingencies	1,792	-	12,526	-
Interest debentures receivable	-	(24,285)	-	-
Financial investment earnings and other finance income/costs	(5,631)	(6,968)	(1,244)	(30,486)
Derivative financial instruments	(649)	-	(17,625)	(3,866)
Lease interest IFRS16	4,659	-	4,973	-
Realization of deferred income tax – Added value	-	1,737	-	-
Amortization of funding cost	161	-	7,299	7,893
Acquisition os subsidiary	-	(36,967)	-	(36,967)
Gain in the advantageous purchase of Pecém II in 2018	-	(154,984)	-	(154,984)
	37,474	(39,663)	646,001	559,722
(Increase) decrease in assets / Increase (decrease) in operating liabilities				
Sundry advances	(2,110)	9,130	(62,217)	(10,237)
Prepaid expenses	2,877	(1,413)	11,035	5,944
Trade receivables	(62)	-	(2,046)	110,165
Taxes recoverable	15,367	(1,255)	15,608	5,572
Secured deposits	(1,132)	-	(3,627)	80,241
Inventory	5,463	-	(10,359)	(38,226)
Taxes and contributions	(14,174)	(8,866)	(29,555)	(114,603)
Trade payables	(20,832)	7,430	(10,135)	(23,199)
Provisions and labor charges	(20,180)	(14,169)	(26,816)	(26,850)
Loans	4,368	29,762	-	(466)
Commercial operations	96,222	(6,957)	(28,560)	5,059
Accounts payable	-	-	-	(5,601)
Prepayments - CCC	-	-	44,091	-
Other assets and liabilities	4,359	6,458	17,212	3,233
	70,166	20,120	(85,369)	(8,968)
Income tax and social contribution paid	-	-	(15,966)	(23,469)
Net cash and cash equivalents provided by (used in) operating activities	107,640	(19,543)	544,666	527,285
Cash flow from investing activities				
Acquisition of properties, plants and equipment and intangible assets	(75,105)	(252)	(279,828)	(309,104)
Disposal of properties, plants and equipment and intangible assets	-	-	-	11,795
Capital contribution / Capital decrease	(1,002)	(164,465)	-	-
Capital transfer to investee	(14,076)	(110,000)	-	(110,000)
Advance for future capital increase	-	(160,000)	-	(148,866)
Dividends	(132,114)	-	-	-
Cash arising from sale of assets	-	16,764	-	-
Marketable securities	-	-	-	-
Net cash and cash equivalents provided by (used in) the investing activities	35,417	39,322	(32,649)	153,457
Advance for future capital increase	(186,880)	(378,631)	(312,477)	(402,718)
Cash flow from financing activities				
Financial instruments	(280)	-	616	-
Lease liabilities - IFRS 16	(13,011)	-	(14,718)	-
Capital transfer from minority interest	-	-	13,524	-
Funding	2,000,000	-	2,000,000	410,000
Amortizations of principal - financings	(1,568,905)	-	(1,758,367)	(611,227)
Interest paid	(13,568)	-	(151,626)	(149,412)
Funding cost	(21,369)	(162)	(34,767)	-
Secured deposits	-	-	(76,643)	44,223
Net cash and cash equivalents provided by (used in) the financing activities	382,867	(162)	(21,981)	(306,416)
Decrease in cash and cash equivalents	303,627	(398,336)	210,208	(181,849)
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	755,677	104,569	1,362,474	585,035
Increase (decrease) in cash and cash equivalents	303,627	(398,336)	210,208	(181,849)

Statements of value added

For the six-month periods ended June 30, 2019 and 2018

(All amounts in thousands of reais)

	Parent Company		Consolidado	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Revenue	194,098	191,951	1,329,708	1,589,688
Sales and services	158,850	-	1,294,259	1,397,719
Other revenue	35,248	191,951	35,449	191,969
Consumables acquired from third parties (including ICMS and IPI)	(91,972)	(19,300)	(416,687)	(481,484)
Materials, electricity, outsourced services and others	(89,938)	(19,039)	(353,618)	(422,510)
Gas contract	-	-	(61,662)	(55,372)
Impairment and recovery of assets	(2,034)	(261)	(1,407)	(3,602)
Gross value added	102,126	172,651	913,021	1,108,204
Depreciation and amortization	(46,037)	(1,537)	(212,908)	(199,472)
Net value added generated by the entity	56,089	171,114	700,113	908,732
Transferred value added	277,115	273,053	102,465	80,737
Result in equity-accounted investments	193,169	188,291	(1,107)	(6,296)
Finance income	46,393	14,852	99,649	76,828
Interest on loan operations and debentures	16,337	43,238	754	5,145
Shared services	21,182	26,672	-	-
Others	34	-	3,169	5,060
Total value added to be distributed	333,204	444,167	802,578	989,469
Distribution of value added	333,204	444,167	802,578	989,469
Personnel	54,998	37,873	135,396	122,336
Direct remuneration	40,237	29,203	101,201	92,766
Benefits	12,568	6,852	29,371	24,468
FGTS and contributions	2,193	1,818	4,824	5,102
Taxes and contributions	28,816	73,259	207,489	288,388
Federal	21,294	73,170	191,999	267,508
State	1,636	-	(3,842)	(11,567)
Municipal	53	31	172	126
Fees and contributions	5,833	58	19,160	32,321
Remuneration of third-parties' capital	103,803	90,271	314,612	336,776
Interest and fines paid or earned	8,982	61	85,922	39,394
Rent	3,099	1,501	9,630	30,591
Exchange and monetary variation	15,737	27,262	34,039	46,494
Finance costs	74,016	60,625	172,465	217,199
Others	1,969	822	12,556	3,098
Remuneration of own capital	145,587	242,764	145,081	241,969
Profit for the period	145,587	242,764	145,587	242,764
Profit/(Loss) for the period attributable to the non-controlling stockholders	-	-	(506)	(795)
	333,204	444,167	802,578	989,469

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, recorded 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 gas in Brazil.

ENEVA counts on a thermal power station of 2.7 GW of installed capacity (81% operating), being 1,9 GW natural gas (67%) and 725 MW mineral coal (33%). 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 around 38,000 km² under the concession system for the exploration and production of hydrocarbons, in the Parnaíba Basin, State of Maranhão.

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

	Interest*	
	6/30/2019	12/31/2018
Direct subsidiaries:		
Gas-fired 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	100.00%	100.00%
Termopantanal Participações Ltda.	66.67%	66.67%
Indirect subsidiaries:		
Gas-fired thermal plants		
Parnaíba Geração e Comercialização de Energia S.A.	30.00%	30.00%
Coal-fired thermal plants		
Pecém II Geração de Energia S. A	100.00%	100.00%
Trade of energy		
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 venture:		
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 interest is described in Note 11 -Investments.

The technical and commercial specifications of the operating subsidiaries are as follows:

Power generation

Company	Venture	Location	Tptal capacity	Fuel	Eneva's interest	Date of granting issue	Date of granting maturity	Maturity date of CCEARs
Parnaíba I	Maranhão IV Maranhão V	Santo Antônio dos Lopes/MA	676 MW	Nnatural gas	100%	12/3/2009 12/7/2009	12/3/2044 12/7/2044	12/31/2027
Parnaíba II	Parnaíba II MC2 Nova Venécia 2	Santo Antônio dos Lopes/MA	753 MW	Nnatural gas	100%	3/22/2012 11/20/2009	3/22/2047 11/20/2044	4/30/2036 12/31/2027
Itaqui	Itaqui	São Luís/MA	360 MW	Imported mineral coal	100%	5/12/2008	5/12/2043	12/31/2026
Pecém II	Pecém II	São Gonçalo do Amarante/CE	365 MW	Imported mineral coal	100%	6/27/2008	5/12/2043	12/31/2026
Tauá	Tauá	Tauá/CE	1 MW	Solar power	100%	-	-	-

Trade of power

Company	Location	ENEVA's interest	Authorization date
ENEVA Comercializadora de Energia Ltda.	Rio de Janeiro/RJ	100%	2/25/2008

Natural Gas

Company	Venture	Location	ENEVA's interest
Eneva S.A.	9 natural gas fields, currently with production capacity of 8.4 million m ³ per day	Maranhão/Amazonas	100%
Parnaíba B. V	Lessor of E&P machinery and equipment	Netherlands	100%

1.1 Significant events in the period:

Secondary offering

On March 27, 2019, a secondary offering with distribution restrict efforts was launched, of up to 60,646,269 common shares of the Company, belonging to Itaú Unibanco S.A., Uniper Holding GmbH, Banco Pine S.A., Dommo Energia S.A. and BTG Pactual S.A. On April 4, the Bookbuilding procedure was concluded and the price per share was established in R\$ 18.25, equivalent to a total financial amount of R\$ 1,106,794,409.25.

The negotiation of the shares in B3 began on April 8, 2019, and the effective settlement of the Restrict Offering occurred on April 10, 2019.

After the offering was concluded, the Company's largest individual shareholders are Banco BTG S.A. (22.9%) and Cambuhy (22.9%). The Company's detailed shareholding chart is presented in Note 21 – Equity.

Conclusion of the Debentures Issue

On May 29, 2019, Eneva S.A. concluded the bookbuilding process of the 2nd issue of simple debentures, non-convertible into shares unsecured, in three series, in the amount of R\$2,000,000,000.00 (two billion reais) ("Issue").

The final obtained conditions and the allocation of Debentures among the Issue series are as follows:

Series	1st Series	2nd Series	3rd Series
Type	Unincentived debenture	Unincentived debenture	Incentived debenture
Maturity	May 15, 2024	May 15, 2027	May 15, 2029
Principal Amortization	1 (one) installment on May 15, 2024	3 (three) annual and consecutive installment on May 15, 2025, May 15, 2026 and May 15, 2027	3 (three) annual and consecutive installment on May15, 2027, May15, 2028 and May15, 2029
Final rate (after Bookbuilding)	CDI + 0.95% a.a.	CDI + 1.45% a.a.	IPCA + 5.05% a.a.
Allocated Volume R\$	750,000,000.00	750,000,000.00	500,000,000.00

The funds obtained by the Company through the first and second series debentures were for the prepayment of the unsecured creditors of its Judicial Recovery process, as detailed below in this Note. Furthermore, the funds obtained from the third series will be for the payment or reimbursement of expenditures, expenses and/or debts related to the implantation of UTE Parnaíba V, qualifiable asset – power generating plant, to be built.

Payment in full Judicial Recovery Plan

On June 21, 2019, the Company settled in advance 100% of the remaining balance of unsecured credits of its Judicial Recovery Plan, in the total amount of R\$ 1,575 billion, being R\$ 1,417 billion at the cost of CDI plus 2.75% a year and R\$ 157 million at the cost of Libor. The refinancing of this debt was carried out with funds arising from the Company's 1st and 2nd issue debentures.

Considering the full compliance with the Judicial Recovery obligations with the consent of the creditors, and with no more issues to be decided in the suit, Eneva and Eneva Participações required to the Competent Court the immediate filing of this suit.

Bid for the Supply of Boa Vista and Connected Locations

On May 31, 2019, the thermoelectric generation project UTE Jaguatirica II ("UTE Jaguatirica II"), with installed capacity of 132.3 MW, to be implanted in the Municipality of Boa Vista, State of Roraima, won the Bid for the Supply of Boa Vista and Connected Locations of 2019, of the National Agency of Electric Power – ANEEL.

The Agreement for the Trade of Electric Power and Potency in the Isolated Systems ("Contrato de Comercialização de Energia Elétrica e Potência nos Sistemas Isolados – CCESI") provides that UTE Jaguatirica II will be committed to deliver the potency of 117 MW, totally flexible, during 15 years, as from June 28, 2021. During the supply period, the plant will receive annual fixed revenue of R\$ 429,300,196.62 (four hundred and twenty nine million, three hundred thousand, one hundred and ninety six reais and sixty two cents), which will annually readjusted by IPCA. Furthermore, when dispatched, the plant will receive variable revenue equivalent to the fuel costs and variable operating and maintenance costs.

The gas supply to UTE Jaguatirica II will be carried out as from the land field Azulão, located in the Amazonas Basin, State of Amazonas ("Campo de Azulão"). Eneva acquired Campo de Azulão in 2018 and the field has reserves volume, certified by the independent consultancy Gaffney, Cline & Associates, of 3.6 billion of cubic meters of natural gas.

The total estimated investment for the implantation of Azulão-Jaguatirica is of R\$ 1.8 billion, being approximately 40% in foreign currency. The venture is located in area under the responsibility of the Amazon Development Superintendence ("Superintendência do Desenvolvimento da Amazônia – SUDAM") and it is eligible to the Special System of Incentives for the Infrastructure Development ("Regime Especial de Incentivos para o Desenvolvimento da Infraestrutura – REIDI").

On June 6, 2019, Eneva delivered to Techint (Italian-Argentine group hired in the full EPC modality) the notice to proceed the implantation of UTE Jaguatirica II.

Signature of the financing agreement with BNB

On June 28, 2019, Parnaíba Geração e Comercialização de Energia S.A. and Banco do Nordeste do Brasil S.A. ("BNB") entered into an agreement of credit opening through private instrument ("Financing Agreement"), in the amount of R\$ 842,567,004.00 (eight hundred and forty two million, five hundred and sixty seven thousand and four reais), with a 17-year term, 5-year grace period for interest and cost of IPCA+1.938% p.a., considering the contractual bonus for payment.

The contracted amount will be disbursed according to evolution of the evidence of the expenditures made in the construction of UTE Parnaíba 5A and 5B ("Parnaíba V") and, at each disbursement, Parnaíba V should present bank guarantees to the financing agreement. We must highlight the signature of guarantee contracts in benefit of BNB according to characteristics, terms and conditions established in the Financing Agreement.

Together with the funds obtained by Eneva S.A. through the third series of issue of simple debentures, in the amount of R\$ 500 million, the Company concluded the financing contract of 100% of the investments for the construction of Parnaíba V, venture that won the ANEEL bid of new power A-6 of 2018, whose Energy Trading Agreements in the Regulated Environment ("Contrato de Comercialização de Energia no Ambiente Regulado – CCEAR") has a 25-year term, as from January 2024.

2 Licenses and authorizations

In the second quarter of 2019, Company complied with all its social and environment obligations established within the scope of the environmental licensing of its assets, complying with the applicable legislation and the health, safety and environmental initiatives that strengthen the licensing process. Winning the Power Bid of Roraima, the Company required to the State Foundation for Environment and Water Resources of the State of Roraima ("Fundação Estadual do Meio Ambiente e Recursos Hídricos do Estado de Roraima - FEMARH/RR) the license for the beginning of the construction of UTE Jaguatirica II, inserted in Boa Vista, in the State of Roraima, and requested to the Amazon Environmental Protection Institute ("Instituto de Proteção Ambiental do Amazonas – IPAAM") the correction of the license for drilling gas exploratory wells, and of the installation license construction of natural gas treatment and liquefaction unit, in Silves and Itapiranga in the State of Amazonas. Furthermore, new licenses related to the environment and location feasibility of the Wind project Santo Expedito ("Ventos") were required to the Sustainable Development Institute of the State of Rio Grande do Norte ("Instituto de Desenvolvimento Sustentável e Meio Ambiente do Rio Grande do Norte - IDEMA/RN"), thus enabling the company's expansion based on sustainable growth.

Within the scope of the E&P activities in the Parnaíba Basin, the Company maintained the commitment to comply with all the legal requirements applicable to the projects of seismic, drilling, flow and treatment of natural gas, ensuring the continuity of the natural gas supply to the Parnaíba Complex plants.

3 Quarterly Information Presentation

The quarterly information was prepared based on the historical cost, adjusted at realization value, when applicable, excepting certain financial instruments held at fair value. Unless otherwise mentioned, 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 for 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. As from January 1, 2019, the Group adopted the CPC 6 (R2) / IFRS 16 – Leases, whose main effects are detailed in Note 12 – “Leases”.

(a) Consolidated and parent company quarter 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 issue of this quarter information was authorized by the Board of Directors on August 14, 2019.

The presentation of the Statement of Value Added, parent company and consolidated, is required by Brazilian Corporation Law and by the accounting practices adopted in Brazil applicable to the publicly held companies. IFRS do not require the presentation of this statement. As a consequence, this statement is presented as additional information, with no harm to the set of the financial statements.

(b) Assets classified as 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 previous consent of the National Defense Council (CDN).

CPC 31 (IFRS 5) – Non-current Assets Held for Sale and Discontinued Operations requires that the assets classified as held for sale are measured for the lower between the accounting and the fair value, less the sale expenses. The assets held for sale are as follows:

					6/30/2019
	Investor	%	Result	Equity	Investment/ Unsecured liability
Seival Sul Mineração S.A.	Eneva S.A.	30%	(25,999)	(33,077)	(9,923)
TOTAL			(25,999)	(33,077)	(9,923)

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. Cabe destacar que as operações entre a Companhia

e suas controladas, bem como as operações entre as controladas são integralmente eliminadas para a apresentação dos saldos por segmento.

The segments are described as follows:

1.1) Gas-fired thermal plants

In this segment, the Company acts in the electric power generation fired by natural gas, cujo faturamento é majoritariamente proveniente de contratos de comercialização de energia elétrica no ambiente regulado, na modalidade de disponibilidade ("CCEAR-D").

This segment is comprised of the subsidiaries Parnaíba I Geração de Energia S.A., Parnaíba II Geração de Energia S.A., Parnaíba Geração e Comercialização S.A., forming the Parnaíba Complex, in the State of Maranhão. This complex has total installed capacity of around 1.4 GW, which will increase to 1.8 GW as from the conclusion of the construction of cycle closing, known as Parnaíba V project, foreseen to the 2nd semester of 2021. The entire complex is connected to the North Subsystem of power generation and transmission of the National Interconnected System ("Sistema Interligado Nacional – SIN").

Furthermore, the gas thermal segment will count on the company Azulão Geração de Energia S.A., whose natural gas thermal plant will be built in the State of Roraima, with generation capacity of 132 MW, in isolated system.

(i) 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 58 km² in the Amazonas Basin.

Currently, the Company has production capacity of 8.4 million of natural gas m³ per day, which is totally for the supply of Complexo Parnaíba, which strength the model *Reservoir-to-Wire* ("R2W") implemented at the first time in the country by the Company. This segment comprises the companies Eneva S.A. and Parnaíba B.V.

(ii) Coal-fired thermal plants

In this segment, the Company acts in the electric power generation fired by mineral coal imported mainly according to the Energy Trading Agreement in the Regulated Environment, in the availability modality (CCEAR-D).

This segment comprises the subsidiaries Itaqui 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).

(iii) Energy Trade

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

(iv) Others

This segment comprises Eneva Participações S.A., besides companies held for the development of projects, as shown in Note 1 - Operations.

The balance sheet by segment for June 30, 2019 and December 31, 2018, and the statement of operations for June 30, 2019 and 2018 as follows:

Equity accounts – 6/30/2019

	Parnaíba Complex							Energy Trade			Total Consolidated
	Gas-fired thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal-fired thermal plants	Eliminations	Subtotal Consolidated		Holding and others	Eliminations	
Total assets	3,759,932	5,426,830	(494,910)	8,691,852	4,498,031	(2,687)	4,495,344	84,979	2,818,350	(3,295,273)	12,795,252
Current assets	875,867	1,056,113	(88,062)	1,843,918	574,331	-	574,331	57,450	55,503	(148)	2,531,054
Non-current assets	2,884,065	4,370,717	(406,848)	6,847,934	3,923,700	(2,687)	3,921,013	27,529	2,762,847	(3,295,125)	10,264,198
Total liabilities	3,759,932	5,426,830	(494,910)	8,691,852	4,498,031	(2,687)	4,495,344	84,979	2,818,350	(3,295,273)	12,795,252
Current liabilities	315,402	258,625	18,361	592,388	430,818	(232)	430,586	7,205	14,554	13,767	1,058,500
Non-current liabilities	2,115,824	2,219,655	(355,983)	3,979,496	1,716,768	(2,455)	1,714,313	7,996	216,537	(618,026)	5,300,316
Non-controlling interest	-	-	-	-	-	-	-	-	-	(1,141)	(1,141)
Equity	1,328,706	2,948,550	(157,288)	4,119,968	2,350,445	-	2,350,445	69,778	2,587,259	(2,689,873)	6,437,577

Equity accounts – 12/31/2018

	Parnaíba Complex							Energy Trade			Total Consolidated
	Gas-firer thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal-fired thermal plants	Eliminations	Subtotal Consolidated		Holding and others	Eliminations	
Total assets	3,758,190	3,305,836	(394,521)	6,669,505	4,573,221	(2,608)	4,570,613	103,818	2,112,988	(1,157,242)	12,299,682
Current assets	886,637	613,322	(92,408)	1,407,551	562,637	-	562,637	62,732	185,740	(72,032)	2,146,628
Non-current assets	2,871,553	2,692,514	(302,113)	5,261,954	4,010,584	(2,608)	4,007,976	41,086	1,927,248	(1,085,210)	10,153,054
Total liabilities	3,758,190	3,305,836	(394,521)	6,669,505	4,573,221	(2,608)	4,570,613	103,818	2,112,988	(1,157,242)	12,299,682
Current liabilities	311,406	241,508	(89,329)	463,585	413,500	(153)	413,347	41,864	123,872	(63,904)	978,764
Non-current liabilities	2,433,310	503,665	(305,192)	2,631,783	1,857,632	(2,455)	1,855,177	8,200	1,453,562	(911,684)	5,037,038
Non-controlling interest	-	-	-	-	-	-	-	-	-	(14,158)	(14,158)
Equity	1,013,474	2,560,663	-	3,574,137	2,302,089	-	2,302,089	53,754	535,554	(167,496)	6,298,038

Result accounts for the 6-month period ended 6/30/2019

	Parnaíba Complex										
	Gas-fired thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal-fired thermal plants	Eliminations	Subtotal Consolidated	Energy Trade	Holding and other	Eliminations	Total Consolidated
Statement of operations											
Net operating revenue	592,299	147,434	(141,782)	597,951	536,771	-	536,771	80,995	61	(48,614)	1,167,164
Cost of goods and/or sold services	(310,857)	(59,698)	140,481	(230,074)	(361,722)	-	(361,722)	(80,670)	(116)	48,614	(623,968)
Operating costs	(10,299)	(77,948)	-	(88,247)	(11,135)	-	(11,135)	(2,143)	(4,510)	(12,645)	(118,680)
Other operating results	(1,411)	20,099	3,494	22,182	(8,676)	-	(8,676)	-	(4,100)	5,334	14,740
Costs with exploration and dry well	-	(46,955)	-	(46,955)	-	-	-	-	-	-	(46,955)
Equity in the results of investees	-	(1,107)	-	(1,107)	-	-	-	-	-	-	(1,107)
Finance income	18,452	62,762	(7,405)	73,809	15,247	-	15,247	18,235	666	(4,385)	103,572
Finance costs	(105,522)	(101,881)	8,707	(198,696)	(102,682)	-	(102,682)	(394)	(1,364)	4,385	(298,751)
Provision for current and deferred taxes	(36,133)	4,648	-	(31,485)	(19,449)	-	(19,449)	-	-	-	(50,934)
Profit (Loss) for the period	146,529	(52,646)	3,495	97,378	48,354	-	48,354	16,023	(9,363)	(7,311)	145,081
Attributed to the owners of the parent company	146,529	(52,646)	3,495	97,378	48,354	-	48,354	16,023	(9,363)	(6,805)	145,587
Attributed to the non-controlling shareholders	-	-	-	-	-	-	-	-	-	(506)	(506)

Result accounts for the 6-month period ended 6/30/2018

	Parnaíba Complex										
	Gas-fired thermal plants	Upstream	Eliminations	Subtotal Consolidated	Coal-fired thermal plants	Eliminations	Subtotal Consolidated	Energy Trade	Holding and others	Eliminations	Total Consolidated
Statement of operations											
Net operating revenue	780,651	246,933	(252,685)	774,899	439,943	-	439,943	213,868	106	(162,390)	1,266,426
Cost of goods and/or sold services	(531,245)	(103,451)	252,685	(382,011)	(284,333)	-	(284,333)	(215,308)	(48)	162,424	(719,276)
Operating costs	(13,545)	(39,502)	-	(53,047)	(10,056)	-	(10,056)	(1,455)	(45,429)	(13,536)	(123,523)
Other operating results	(957)	(534)	-	(1,491)	162	-	162	-	194,137	-	192,808
Costs with exploration and dry well	-	(26,696)	-	(26,696)	-	-	-	-	-	-	(26,696)
Equity in the results of investees	-	-	-	-	-	-	-	-	(6,296)	-	(6,296)
Finance income	24,645	10,239	(848)	34,036	31,614	-	31,614	934	59,328	(38,879)	87,033
Finance costs	(102,622)	(55,597)	848	(157,371)	(95,861)	-	(95,861)	(6,282)	(90,792)	38,879	(311,427)
Provision for current and deferred taxes	(35,279)	(8,815)	-	(44,094)	(7,670)	-	(7,670)	-	(65,316)	-	(117,080)
Profit (Loss) for the period	121,648	22,577	-	144,225	73,799	-	73,799	(8,243)	45,690	(13,502)	241,969
Attributed to the owners of the parent company	121,648	22,577	-	144,225	73,799	-	73,799	(8,243)	45,690	(12,707)	242,764
Attributed to the non-controlling shareholders	-	-	-	-	-	-	-	-	-	(795)	(795)

5 Cash and cash equivalents

		Parent Company		Consolidated	
		6/30/2019	12/31/2018	6/30/2019	12/31/2018
Cash and banks		3,940	2,737	10,898	41,601
Investment funds FICFI RF CP ENEVA	(a)	84,929	215,936	304,252	450,130
CDB/Purchase and sale agreements	(b)	666,808	233,377	1,047,324	660,535
		755,677	452,050	1,362,474	1,152,266

(a) Substantially consist of quotas in investment funds, of high liquidity, readily convertible into a known amount of cash, and are subject to an insignificant risk of a change in value. This is a share investment fund FI Multimercado Crédito Privado administrated by Banco Itaú and primarily backed by Bank Deposit Certificates - CDBs and securities subject to repurchase agreements issued by first-rate financial institutions and companies, all linked to floating rates and with an average annual yield of 99.3% (99.2% on December 31, 2018) - nominal rate on the curve, of the DI CETIP rate (Interbank Deposit Certificate - CDI). Securities held under repurchase agreements underlied by debentures represent purchase and sale commitments, registered at CETIP or SELIC, when applicable, and with guarantee of repurchase at a previously established rate from the financial institutions. On June 30, 2019, the balance is comprised by 90% of repurchase agreements and 10% of CDBs, as follows::

Breakdown – FICFI RF CP ENEVA		Parent Company		Consolidated	
		6/30/2019	12/31/2018	6/30/2019	12/31/2018
CDBs		8,810	15,115	31,614	30,716
Repurchase agreements		76,119	200,821	272,638	419,414
		84,929	215,936	304,252	450,130

(b) These represent amounts invested in CDBs and securities held under repurchase agreements issued by first-rate financial institutions all linked to floating rates, with an average annual yield of 100.5% (100% on December 21, 2018) nominal rate on the curve, and subject to immaterial risk of change in value). The companies that hold these amounts are Itaqui Geração de Energia S.A., Pecém II Geração de Energia S.A., Parnaíba I Geração de Energia S.A., Parnaíba II Geração de Energia S.A. and the Company itself.

6 Marketable securities

		Parent Company		Consolidated	
		6/30/2019	12/31/2018	6/30/2019	12/31/2018
Treasury Financial Bills (LFTs)	(a)	71,050	96,919	254,517	202,017
Capitalization securities	(b)	-	-	5,000	5,000
		71,050	96,919	259,517	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 June 30, 2019, the Company's LFT portfolio holds securities whose maturities are between 2021 and 2024.

(b) The Company has Capitalization Securities acquired on October 9, 2018, whose remuneration is established by the Basic Remuneration Rate (TR in the Portuguese abbreviation) between the purchase settlement date and the maturity.

7 Secured deposits

		Parent Company		Consolidated	
		6/30/2019	12/31/2018	6/30/2019	12/31/2018
Overhaul reserve account	a)	-	-	30,123	27,218
Judicial deposits		3,381	2,249	4,324	3,606
Other secured deposits		427	427	795	793
		3,808	2,676	35,242	31,617
Current liabilities		2,289	2,288	2,652	2,651
Non-current assets		1,519	388	32,590	28,966

(a) It refers to the deposits carried out in the Overhaul reserve account constituted in compliance with the obligations provided by the financing contracts of Parnaíba II.

8 Trade receivables

	6/30/2019	Consolidated 12/31/2018
Energy trading agreements in the regulated environment (CCEAR):		
Pecém II Geração de Energia S.A.	51,897	94,170
Parnaíba II Geração de Energia S.A.	83,664	71,453
Parnaíba I Geração de Energia S.A.	78,602	75,708
Itaqui Geração de Energia S.A.	50,779	55,474
(a)	264,942	296,805
Energy trading agreements in the free environment:		
Pecém II Geração de Energia S.A.	60,603	1,463
Parnaíba Geração e Comercialização S.A.	11,102	14,521
Parnaíba II Geração de Energia S.A.	6,085	6,542
Itaqui Geração de Energia S.A.	5,713	10,588
Parnaíba I Geração de Energia S.A.	2,993	3,399
Eneva Comercializadora de Energia Ltda.	988	226
(b)	87,484	36,739
Bilateral energy trading agreements:		
Eneva Comercializadora de Energia Ltda.	35,504	27,700
Tauá Geração de Energia Ltda.	24	35
Parnaíba Geração e Comercialização de Energia S.A.	-	6,967
(c)	35,528	34,702
Condensed gas trading contracts		
Eneva S.A.	2,080	-
	2,080	-
Expected Credit Loss		
Provision for expected credit loss	(10,363)	(10,363)
(d)	379,671	357,883

- a) The changes are directly related to the level of dispatch of the plants, as well as the number of useful days of the quarter (impact in the receipt of the 2nd installment of billing in May). The main variations by company were: (i) Pecém II has not dispatched to comply with its CCEAR, recognizing in the period only the contractual fixed income; (ii) Parnaíba II incurred dispatch of 33% of its contracted capacity by order of merit in the first six-month period of 2019; (iii) Parnaíba I the variation is related to a small volume of energy generated in test activities and that was settled with CCEE at differences settlement price; and (iv) Itaqui dispatched only 4% of its hired capacity in the six-month period. It is important to highlight that the dispatch is determined by the National System Operator ("Operador Nacional do Sistema – ONS") upon utilization strategy of the available power resources.
- b) The presented variation refers basically to: (i) success in the participation in bids of the operating reserves recomposition modality ("recomposição de reservas operativas – RRO"), by Pecém II. The RRO mechanism is described in Note 24 – Operating Income and (ii) observed decrease in Itaqui is due to the lower level of dispatch and generation of power in the period.
- c) The electric power trade transactions are settled in the CCEE (free environment) or traded in the bilateral market based on short and long-term contracts, being the contractual value guaranteed through sureties and investments; The presented variation is basically due to: (i) the end of the bilateral agreement entered into by Parnaíba Geração e Comercialização de Energia, Parnaíba IV Geração de Energia and Kinross and (ii) the Group's trade strategy, operated by Eneva Comercializadora de Energia.
- d) The Company evaluated its operations and, considering the nature of the business and the profile of these clients, it did not constituted the Expected Credit Loss - ECL. Changes in the main balances are as follows:

	6/30/2019	Consolidated 12/31/2018
Canabrava Energética S.A.(CCEE)	(10,363)	(10,363)
	(10,363)	(10,363)

The maturities of trade receivables are as follows:

	6/30/2019	Consolidated 12/31/2018
Falling due	379,671	335,002
Up to 30 days	-	22,479
From 31 to 60 days	-	240
From 61 to 90 days	-	162
More than 181 days	10,363	10,363
	390,034	368,246

9 Inventories

		Consolidado	
		6/30/2019	12/31/2018
Material, supplies and others	(a)	33,731	31,834
Coal	(b)	111,350	95,045
Electronic and mechanical parts	(c)	83,015	91,086
Lubricant and chemicals	(d)	7,993	7,765
		236,089	225,730

- (a) This refers to the consumable material necessary for the working of the UTEs and UTG, as well as diesel oil, lime and hydrogen gas in the coal-fired thermal plants.
- (b) The balance is comprised of the mineral coal inventory, acquired by the subsidiaries Itaqui Geração de Energia S.A. and Pecém II Geração de Energia S.A. as main input in the generation of electric power and for the constitution of safety inventory.
- (c) This comprises electronic and mechanical parts for use and replace in the maintenance operations carried out by the plants: Itaqui Geração de Energia S.A. (R\$ 27,688), Pecém II Geração de Energia S.A. (R\$ 13,822), Parnaíba I Geração de Energia S.A. (R\$ 10,330), Parnaíba II Geração de Energia S.A. (R\$ 14,476), Tauá Geração de Energia (R\$ 11) e Unidade de Tratamento de Gás - Eneva S.A. (R\$ 16,688).
- (d) This refers to chemical material and lubricants used in the maintenance operations carried out in the plants and in the gas treatment units, as follows: Itaqui Geração de Energia S.A. (R\$ 1,202), Pecém II Geração de Energia S.A. (R\$ 394), Parnaíba I Geração de Energia S.A. (R\$ 319), Parnaíba II Geração de Energia S.A. (R\$ 1,769) and Gas Treatment Unit - Eneva S.A. (R\$ 4,309).

10 Deferred taxes recoverable

10.1 taxes recoverable

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

	Parent Company		Consolidated	
	6/30/2019	12/31/2018	6/30/2019	12/31/2018
Income tax	89,807	94,437	136,057	141,982
Social contribution	2,649	16,023	19,817	35,403
	92,456	110,460	155,874	177,385
Current	37,457	46,632	96,190	107,391
Non-current	54,999	63,828	59,684	69,994

The other taxes recoverable are as follows:

	Parent Company		Consolidated	
	6/30/2019	12/31/2018	6/30/2019	12/31/2018
PIS (a)	25,299	16,994	26,855	18,342
COFINS (a)	117,896	79,618	124,959	85,808
Others	3,476	3,272	16,124	15,651
	146,671	99,884	167,938	119,801
Current	57,080	14,568	74,736	30,874
Non-current	89,591	85,316	93,202	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 monetary update and recognized as "finance income".

10.2 Deferred taxes

Deferred taxes by company and nature are as follows:

	Consolidated				
	6/30/2019				
	Deferred assets				Deferred liabilities
	Tax Loss/ Negative basis	Temporary differences	Total	Assets at fair value	Temporary differences
Eneva	246,203	15,509	261,712	78,062	(156,829)
Itaqui	155,015	52,756	207,771	-	(5,730)
Parnaíba I	-	31,478	31,478	-	(67,638)
Parnaíba II	68,794	4,212	73,006	-	(26,104)
Comercializadora de Energia	21,851	2	21,853	-	-
Eneva Participações	-	36	36	-	-
Pecém II Geração	99,559	1	99,560	-	(10,943)
Amapari	-	-	-	-	-
Seival Geração	-	-	-	-	(11,178)
Termo Pantanal	-	-	-	-	(2,047)
	591,422	103,994 (a)	695,416 (b)	78,062	(280,469)

Net deferred assets		542,394
Net deferred liabilities	-	(49,385)

	Consolidated				
	12/31/2018				
	Deferred assets				Deferred liabilities
	Tax Loss/ Negative basis	Temporary differences	Total	Assets at fair value	Diferenças temporárias
Eneva	246,203	15,608	261,811	78,062	(161,582)
Itaqui	155,101	58,617	213,718	-	(649)
Parnaíba I	-	32,390	32,390	-	(64,639)
Parnaíba II	79,813	5,982	85,795	-	(21,661)
Comercializadora de Energia	21,851	2	21,853	-	-
Eneva Participações	-	36	36	-	-
Pecém II Geração	102,325	1	102,326	-	(7,248)
Seival Geração	-	-	-	-	(11,178)
Termo Pantanal	-	-	-	-	(2,047)
	605,293	112,636	717,929	78,062	(269,004)

Net deferred assets		572,461
Net deferred liabilities		(45,474)

(a) The temporary differences by nature is as follows:

	Consolidated	
	6/30/2019	12/31/2018
Provisions	27,474	29,391
PIS and COFINS - injunction	119	119
Pre-operating expenses – RTT (1)	76,401	83,126
Assets - temporary differences	103,994	112,636

(1) Constituted on balance of pre-operating expenditures that, due to the Transition Tax System, now 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) The total tax credits arising from deferred taxes is R\$1,037,137, on the tax loss and temporary differences balance for the period ended June 30, 2019. The amount constituted based on the estimate of generation of future taxable income is as follows:

	2019	2020	2021	2022	2023	2024 a 2026	2027 and 2028	Total
Expectation of annual realization of the deferred taxes	46,045	60,850	76,489	75,528	70,200	190,767	175,537	695,416

	6/30/2019	Consolidated 12/31/2018
Accelerated depreciation	110,413	94,198
Gain with advantageous purchase	107,181	110,836
Assets' added value	30,334	31,431
Fair value adjustment	32,541	32,539
Liability - temporary differences	280,469	269,004

On June 30, 2019, the taxes calculated on adjusted net income comprise Income Tax (rate of 15% and additional 10%) and Social Contribution (rate of 9%). The conciliation of the expense calculated using the combined statutory tax rate and of the expense of income tax and social contribution expense is as follows:

	Parent Company		Consolidated	
	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018
Result for the period before IRPJ/CSLL	140,939	308,027	196,015	359,049
Nominal rate - %	34%	34%	34%	34%
IRPJ/CSLL at nominal rate	(47,919)	(104,729)	(66,645)	(122,077)
Result in equity-accounted investments	71,787	72,475	(376)	(2,141)
Permanent differences	(5,768)	(12)	(5,644)	1,977
Not constituted tax asset (b)	(13,452)	(32,997)	(13,067)	(23,382)
Benefit reduction	-	-	34,798	28,543
Deferred income tax and social contribution	4,648	(65,263)	(50,934)	(117,080)
Current income tax and social contribution expenses	-	-	(16,954)	(24,421)
Deferred income tax and social contribution (c)	4,648	(65,263)	(33,980)	(92,659)
Total	4,648	(65,263)	(50,934)	(117,080)
Effective rate	-3,30%	21,19%	25,98%	32,61%

	Parent Company		Consolidated	
	Quarter ended 6/30/2019	Quarter ended 6/30/2018	Quarter ended 6/30/2019	Quarter ended 6/30/2018
Result for the period before IRPJ/CSLL	16,196	271,316	41,488	300,088
Nominal rate - %	34%	34%	34%	34%
IRPJ/CSLL at nominal rate	(5,507)	(92,247)	(14,106)	(102,030)
Result in equity-accounted investments	29,441	50,147	(77)	(1,380)
Permanent differences	1,417	(4)	1,236	1,377
Not constituted tax asset (b)	(25,761)	(23,159)	(29,059)	(9,026)
Benefit reduction	-	-	16,198	16,573
Income tax and social contribution as per statement of operations	(410)	(65,263)	(25,808)	(94,486)
Current income tax and social contribution expenses	-	-	(7,672)	(17,015)
Deferred income tax and social contribution (c)	(410)	(65,263)	(18,136)	(77,471)
Total	(410)	(65,263)	(25,808)	(94,486)

- (a) The most expressive 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.
- (b) This refers to the portion of deferred taxes of subsidiaries that was not recorded due to uncertainties regarding its recovery, as follows:

	Parent Company		Consolidated	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Tax losses/Negative basis	(18,421)	(18,747)	(24,044)	(59,661)
Temporary differences	4,969	(14,250)	10,977	36,279
	(13,452)	(32,997)	(13,067)	(23,382)

- (c) This refers to the effective realization of the tax credit (income tax and social contribution) constituted on tax losses and temporary differences.

11 Investments

11.1 Breakdown of the balances

	Parent Company		Consolidated	
	6/30/2019	12/31/2018	6/30/2019	12/31/2018
Corporate interest	3,923,071	3,716,465	4,927	3,865
Advance for future capital increase	110,846	1,937	-	-
Future acquisition of investment	95	95	-	-
	4,034,012	3,718,497	4,927	3,865

The Company's corporate interest include the direct and indirect subsidiaries and joint ventures that are stated in Note 1 – Operations. On June 30, 2019 and December 31, 2018, the balances of the main investees accounting groups are as follows:

	6/30/2019					
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Result
Subsidiaries (direct and indirect)						
Gas-fired thermal plants						
Azulão Geração de Energia S.A.	15	52,421	94	-	52,342	(397)
Parnaíba Geração e Comercialização de Energia S.A. (i)	18,475	110,438	30,572	153,396	(55,055)	(10,323)
Parnaíba I Geração de Energia S.A.	314,243	1,052,843	130,444	869,789	366,853	54,427
Parnaíba II Geração de Energia S.A.	543,134	1,725,944	154,291	1,150,221	964,566	102,822
Upstream						
Parnaíba B.V.	4,803	161,129	74,155	-	91,777	64
Coal-fired thermal plants						
Itaqui Geração de Energia S.A.	244,725	2,145,073	195,628	846,831	1,347,339	25,260
Pecém II Geração de Energia S.A.	328,066	1,794,838	239,021	878,854	1,005,029	23,085
Pecém II Participações S.A.	1,540	1,005,491	499	3,426	1003,106	23,093
Energy Trade						
Eneva Comercializadora de Energia Ltda (i)	67,816	17,163	7,205	7,996	69,778	16,023
Others						
Amapari Energia S.A.	52,343	8,218	8,246	53,055	(740)	(1,032)
Eneva Participações S.A.	343	339,606	5,272	123,959	210,718	16,855
Jandaíra Ventos S.A.	1	-	-	-	1	-
Jandaíra II Ventos S.A.	1	-	-	-	1	-
MPX Energia GMBH	398	-	-	-	398	-
SPE's Ventos (i)	16	1,952	42	471	1,455	(391)
Seival Geração de Energia Ltda (i)	3	2,730	201	23,768	(21,236)	2,712
Sul Geração de Energia Ltda. (i)	-	13,146	97	1,014	12,035	(245)
Termopantanal Ltda.	10	7,464	1	9,731	(2,258)	-
Termopantanal Participações Ltda.	10	400	1	2,726	(2,317)	-
Tauá Geração de Energia Ltda (i)	45	7,392	514	1,390	5,533	(986)
Joint Ventures						
Centrais Termelétricas São Marcos S.A.	1,693	-	1	-	1,692	(309)
MABE Construção e Administração de Projetos Ltda.	78,368	9,966	19,047	87,592	(18,305)	(2,592)
PO&M - Pecém Operação e Manutenção de Geração Elétrica S.A.	8,061	312	3,401	4,318	654	(155)
Porto do Pecém Transportadora de Minérios S.A.	17,039	4,492	11,163	2,964	7,404	207

(i) In the chart above, we stated the interest percentage of 100%, considering the Company's final interest.

						12/31/2018
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Result
Subsidiaries (direct and indirect)						
Gas-fired thermal plants						
Azulão Geração de Energia S.A	3	10	1	11	1	(11)
Parnaíba Geração e Comercialização de Energia S. A	70,599	4,515	44,184	146,556	(115,626)	(39,709)
Parnaíba I Geração de Energia S.A	316,542	1,073,156	110,205	967,111	312,382	71,543
Parnaíba II Geração de Energia S.A.	490,980	1,740,684	156,990	1,212,931	861,743	121,121
Upstream						
Parnaíba B.V.	20,697	145,574	74,007	-	92,264	(99)
Coal-fired thermal plants						
Itaqui Geração de Energia S.A.	312,572	2,182,141	208,106	960,611	1,325,996	74,145
Pecém II Geração de Energia S.A	250,055	1,830,388	204,945	893,553	981,945	108,213
Pecém II Participações S.A	11	1,972	497	3,420	(1,934)	108,183
Energy Trade						
Eneva Comercializadora de Energia Ltda	62,732	41,086	41,864	8,200	53,754	(11,244)
Others						
Amapari Energia S.A.	4,890	1,166	31,198	2,174	(27,316)	715
Centrais Termelétricas São Marcos S.A.	1	-	-	-	1	-
Eneva Participações S.A.	14,589	41,460	35,150	126,925	(106,026)	(14,959)
MPX Energia GMBH	398	-	-	-	398	-
SPE ´s Ventos	1	1,970	45	461	1,465	(776)
Seival Geração de Energia Ltda	3	-	3	-	-	(71)
Sul Geração de Energia Ltda.	-	13,391	97	1,014	12,280	(78)
Termopantanal Ltda.	10	7,464	1	9,731	(2,258)	-
Termopantanal Participações Ltda.	10	400	1	2,726	(2,317)	-
Tauá Geração de Energia Ltda	132	7,565	479	1,398	5,820	(1,169)
Joint Ventures						
MABE Construção e Administração de Projetos Ltda.	78,854	10,675	19,033	86,210	(15,714)	(7,166)
PO&M - Pecém Operação e Manutenção de Geração Elétrica S.A.	7,489	420	3,274	-	4,635	955
Porto do Pecém Transportadora de Minérios S.A.	15,033	2,841	9,366	-	8,508	1,327

11.2 Changes in investments:

Investments	%	Balance at 12/31/2018	Capital contribution	Advance for future capital increase	Equivalence	Amortization	Dividends	Investment available for sale	Carrying value adjustments	Balance at 6/30/2019
Subsidiaries (direct and indirect)										
Gas-fired thermal plants										
Azulão Geração de Energia S. A	99.90%	1	-	52,733	(398)	-	-	-	-	52,336
Parnaíba I Geração de Energia S.A.	100.00%	312,383	-	-	54,427	-	-	-	-	366,810
Parnaíba II Geração de Energia S.A.	88.85%	765,659	-	-	91,358	-	-	-	-	857,017
Upstream										
Parnaíba B.V.	100.00%	92,263	-	-	64	-	-	-	(648)	91,679
Coal-fired thermal plants										
Itaqui Geração de Energia S.A.	100.00%	1,322,079	-	-	25,260	-	-	-	-	1,347,339
Pecém II Participações S.A.	100.00%	980,010	-	2	23,094	-	-	-	-	1,003,106
Others										
Eneva Participações S.A.	100.00%	200,125	-	58,111	16,849	-	-	-	-	275,085
Futura aquisição de investimento	-	95	-	-	-	-	-	-	-	95
Jandaira Ventos S.A.	99.90%	-	1	-	-	-	-	-	-	1
Jandaira II Ventos S.A.	99.90%	-	1	-	-	-	-	-	-	1
MPX Energia GmbH	100.00%	398	-	-	-	-	-	-	-	398
Sul Geração de Energia Ltda.	50.00%	-	-	-	(123)	-	-	6,141	-	6,018
Joint Ventures										
Porto do Pecém Transportadora de Minérios S.A.	50.00%	3,615	-	-	441	-	(147)	-	-	3,909
Pecém Oper. e Manutenção de Ger. Elétrica S.A.	50.00%	249	-	-	(77)	-	-	-	-	172
Centrais Termelétrica São Marco S.A.	50.00%	-	1,000	-	(154)	-	-	-	-	846
		3,676,877	1,002	110,846	210,741	0	(147)	6,141	(648)	4,004,812

Assets impairment

Subsidiaries (direct)

Coal-fired thermal plants

Pecém II Participações S.A. (1)	100.00%	(140,151)	-	-	-	(3,229)	-	-	-	(143,380)
		3,536,726	1,002	110,846	210,741	(3,229)	(147)	6,141	(648)	3,861,432

Right of use

Subsidiaries (direct)

Gas-fired thermal plants

Parnaíba II Geração de Energia S.A.	88.85%	42,769	-	-	-	(2,227)	-	-	-	40,542
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Coal-fired thermal plants

Itaqui Geração de Energia S.A.	100.00%	12,616	-	-	-	(256)	-	-	-	12,360
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Others

Eneva Participações S.A.	100.00%	126,386	-	-	-	(6,708)	-	-	-	119,678
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Total Investments

	3,718,497	1,002	110,846	210,741	(12,420)	(147)	6,141	(648)	4,034,012
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(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 control of PECEM II Participações.

11.3 Unsecured liability

On June 30, 2019 and December 31, 2018, the balance of investment with subsidiaries of Grupo Eneva is classified as non-current assets under unsecured liability, considering the negative equity of some companies, characterized as constructive obligation for the Company. The balance for the period as follows:

Unsecured liability (a)
Assets' added value (i)

Parent Company	
6/30/2019	12/31/2018
(16,315)	(50,162)
10,712	10,942
(5,603)	(39,220)

(i) This arose from the business combination operation, which occurred in November 2015, for the independent production of energy between the companies Parnaíba IV Geração de Energia S.A. and Parnaíba Comercialização e Geração de Energia S.A..

(a) Changes in Unsecured Liability

Company	Balance at 12/31/2018	Advanc e for future capital increas e	Capital contributio n	Provision for unsecured liability	Transfer for loans (ii)	Interes t PGC	Balance at 6/30/2019
Subsidiaries (direct and indirect)							
Gas-fired thermal plant							
Parnaíba Geração e Comercialização de Energia S.A.	(34,688)	21,268	-	(3,098)	-	2,127	(14,391)
Others							
Amapari Energia S.A.	(13,928)	-	14,076	(526)	-	-	(378)
Termopantanal Participações Ltda	(1,546)	-	-	-	-	-	(1,546)
Joint Ventures							
MABE Construção e Administração de Projetos Ltda	-	-	-	(1,296)	1,296	-	-
	(50,162)	21,268	14,076	(4,920)	1,296	2,127	(16,315)

(ii) The balance was reclassified to loan held between Eneva and the joint-venture MABE, being an investment extension and in compliance with the technical standards IAS 28 (CPC 18 (R2) - Investment in Associate, Subsidiary and Joint-venture).

11.4 Breakdown of equity in the results of investees:

Breakdown of equity in the results of investees		
	6/30/2019	6/30/2018
Equity in the result of investees	210,741	213,417
Result of Unsecured Liability	(4,920)	(11,625)
Amortization of assets at fair value	(12,652)	(13,501)
	193,169	188,291

11.5 Breakdown of non-controlling interest

On June 30, 2019, the non-controlling stockholders' interest in equity and in the result of the investees is as follows:

Attributed to non-controlling interest							
				6/30/2019	6/30/2019	12/31/2018	6/30/2018
Investments	Interest	Equity	Result	Equity	Result	Equity	Result
Amapari Energia S.A.	49.00%	(740)	(1.032)	(368)	(506)	(13,385)	(795)
Termopantanal Participações	33.34%	(2,318)	-	(773)	-	(773)	-
Total				(1,141)	(506)	(14,158)	(795)

12 Leases

The adoption of the standard introduced by CPC 06 (R2), equivalent to IFRS 16, was required as from January 1, 2019, establishing new principles to the characterization of leases, which give rise to the assessment of rental agreements of general assets and of service provision with the use of machinery and equipment.

The lessees are the most impacted by the new principles because they become obliged to recognize a right of use and a lease liability in the cases identified as lease.

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.

The assets of right of use are measured at cost 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; and
- (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.

(ii) Critical judgements 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 an 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:

(A) Balance sheets

The balance sheet has the following balances related to leases:

	Parent Company		
	30/06/ 2019	01/01/2019	12/31/2018
Right to use assets *			
Automobiles	2,851	3,485	-
Properties for gas exploration	11,463	11,523	-
Properties	13,244	9,302	-
Machinery and equipment	54,858	66,405	-
Service with rent of assets	311	676	-
	82,727	91,391	-
*included in the "Intangible assets" account in the balance sheet			
Lease liabilities			
Current	17,626	28,020	-
Non-current	69,918	63,371	-
	87,544	91,391	-
	Consolidated		
	6/30/2019	01/01/2019	12/31/2018
Right to use assets *			
Automobiles	3,831	4,200	-
Properties for gas exploration	11,463	11,523	-
Properties	29,407	26,395	-
Machinery and equipment	42,893	51,476	-
Service with rent of assets	311	677	-
	87,905	94,271	-
*included in the "property, plant and equipment" account in the balance sheet			
Lease liabilities			
Current	20,726	24,083	-
Non-current	68,758	70,188	-
	89,484	94,271	-

(B) Statements of operations

The Statement of operations presented the following amounts related to the leases:

Depreciation of right of use assets	Parent Company	Consolidated	Parent Company	Consolidated
	Quarter ended 6/30/2019	Quarter ended 6/30/2019	Six-month period ended 6/30/2019	Six-month period ended 6/30/2019
Automobiles	317	469	634	851
Exploration of oil and gas	121	121	245	245
Properties	(183)	275	448	1,380
Machinery and equipment	7,971	6,514	11,610	8,615
Service/Asset	87	87	233	233
	8,313	7,466	13,170	11,324
Interest expenses (presented as finance costs)	2,280	2,453	4,659	4,973

13 Property, plant and equipment

Breakdown of the balances:

Consolidated											
6/30/2019											
	Land	Buildings, Civil construction and improvements	Machinery and Equipment	Computer equipment	Vehicles	Furniture and utensils	PPE E&P	Provision for impairment	PPE in course	Right of use	Total
Depreciation rate%	DUP										
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	3,130	1,002	35,783	613	-	205	17,698	-	99,915	-	158,346
Adstions IFRS16	-	-	-	-	-	-	-	-	-	99,229	99,229
Write-off	(2,730)	-	-	-	-	-	-	-	-	-	(2,730)
Changes MTM	-	-	-	-	-	-	-	-	(3,452)	-	(3,452)
Dry well*	-	-	-	-	-	-	-	-	(26,553)	-	(26,553)
Supplier prepayment	-	-	-	-	-	-	-	-	128,249	-	128,249
Provision for abandonment	-	-	-	-	-	-	5,962	-	3,690	-	9,652
PIS/COFINS credits**	-	-	-	-	-	-	-	-	(3,588)	-	(3,588)
Transaction cost 2nd Issue of Debentures 3rd Series	-	-	-	-	-	-	-	-	17	-	17
Interest 2nd Issue of Debentures 3rd Series	-	-	-	-	-	-	-	-	1,862	-	1,862
Monetary variation 2nd Issue of Debentures 3rd Series	-	-	-	-	-	-	-	-	248	-	248
PPE Reserve	-	-	(166)	-	-	-	-	-	-	-	(166)
Foreign currency translation – Parnaíba BV	-	-	-	-	-	-	(2,547)	-	-	-	(2,547)
At 6/30/2019	10,975	3,116,351	5,179,443	13,440	3,298	15,545	3,050,959	(528,553)	379,827	99,229	11,340,514
Deprecition											
At 12/31/2018	-	(554,940)	(1,467,828)	(7,764)	(2,637)	(6,556)	(1,036,577)	24,274	-	-	(3,052,028)
Additions	-	(54,359)	(98,534)	(928)	(199)	(394)	(13,231)	-	-	-	(167,645)
Additions IFRS16	-	-	-	-	-	-	-	-	-	(11,324)	(11,324)
At 6/30/2019	-	(609,299)	(1,566,362)	(8,692)	(2,836)	(6,950)	(1,049,808)	24,274	-	(11,324)	(3,230,997)
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 6/30/2019	10,975	2,507,052	3,613,081	4,748	462	8,595	2,001,151	(504,279)	379,827	87,905	8,109,517

(*) 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 development stage of the gas fields.

Consolidated										
12/31/2018										
	Land	Buildings, Civil construction and improvements	Machinery and Equipment	Computer equipment	Vehicles	Furniture and utensils	PPE E&P	Provision for impairment	PPE in course	Total
Depreciation rate %	DUP									
Cost										
At 31/12/2017	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)
Additions Added value - Pecém II	-	-	94,052	-	-	-	-	-	-	94,052
Write-offs	-	(16)	(11,773)	-	-	(6)	-	-	(4,374)	(16,169)
Write-off Loss – 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 31/12/2017	-	(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-off	-	-	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 31/12/2017	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 June 30, 2019, the Company reclassified the balances of additions of Pecém II Geração S.A. from the “Buildings, civil construction and improvements” group to the “Machinery and equipment” group, aiming the best presentation of the balances. There was no change in the total of the accounts groups. The same procedure was consistently carried out for the year ended December 31, 2018.

Depreciation

The depreciation was calculated on a straight-line basis during the estimated useful life of the assets, as follows:

PPE items	Depreciation range
Buildings and improvements	25 to 30 years
Computer equipment	6 years
Machinery and equipment	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 production by the produced units method.

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	6/30/2019	12/31/2018
Recoverable volume in billions m ³	9.6700	9.6300
Fields accumulated production of m ³	6.5395	6.5367
Total	3.1305	3.0933
Campo Gavião Vermelho	6/30/2019	12/31/2018
Recoverable volume in billions m ³	2.2400	2.2400
Fields accumulated production of m ³	0.8899	0.8882
Total	1.3501	1.3518
Campo Gavião Branco	6/30/2019	12/31/2018
Recoverable volume in billions m ³	7.1900	6.9290
Fields accumulated production of m ³	1.9720	1.9950
Total	5.2180	4.9340
Campo Gavião Caboclo	6/30/2019	12/31/2018
Recoverable volume in billions m ³	4.7180	4.7190
Fields accumulated production of m ³	0.5358	0.4912
Total	4.1822	4.2278
Campo Gavião Azul	6/30/2019	12/31/2018
Recoverable volume in billions m ³	1.3910	0.9680
Fields accumulated production of m ³	0.0154	0.0153
Total	1.3756	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 June 30, 2019, the Management identified no evidence that the value in use of property, plant and equipment could be impaired.

14 Intangible assets

Breakdown of balances:

									Consolidated 6/30/2019
	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	14	-	-	-	-	-	-	259	273
Write-offs	-	-	-	-	-	-	-	(2,694)	(2,694)
Transfers	54	-	-	-	-	-	-	(54)	-
At 6/30/2019	90,976	817,401	80,169	183,448	307,081	116,030	64,386	3,396	1,662,887
Amortization									
At 12/31/2018	(30,274)	(30,552)	(17,749)	(62,204)	(38,026)	(46,299)	-	-	(225,104)
Additions	(2,012)	(4,720)	(1,534)	(6,111)	(10,139)	(9,423)	-	-	(33,939)
At 6/30/2019	(32,286)	(35,272)	(19,283)	(68,315)	(48,165)	(55,722)	-	-	(259,043)
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 6/30/2019	58,690	782,129	60,886	115,133	258,916	60,308	64,386	3,396	1,403,844

									Consolidated 12/31/2018
	Licenças e Software de Informática	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 Acquisition Subsidiary (Pecém II)	1,137	-	-	-	-	-	-	-	1,137
Additions Campo Azulão	-	197,650	-	-	-	-	-	-	197,650
Write-offs	-	-	-	-	-	(28,498)	-	-	(28,498)
Cost Round 14	-	-	-	-	-	-	-	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 31/12/2017	(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 Acquisition Subsidiary (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 signature bonus balances paid by the concession of the exploratory blocks (R\$ 341,087 on June 30, 2019), of the added value arising from the business combination operation that occurred in 2016 with the acquisition of Parnaíba Gás Natural (R\$ 441,042 on June 30, 2019), net of the respective accumulated amortization, amounting to R\$ 782,129.

Amortization

The amortization of the intangible assets, except the signature bonus paid by the concession areas for the natural gas exploration that are amortized by the produced units method, is recognized in the Statements of Operations on a straight-line basis in relation to the estimated useful life, as follows:

PPE items	Amortization Range
Licenses and computer softwares	5 years
Right of use, Awards and CCEARs and Exploration contracts	15 to 31 years

Concession Agreements for the Exploration and Production of Natural Gas

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

No.	Block/Contract	ANP round	% Eneva
1	BT-PN-1	9th	100%
2	BT-PN4	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	pPN-T-101_R13	13th	100%
10	PN-T-103_R13	13th	100%
11	PN-T-146_R13	13th	100%
12	PN-T-163_R13	13th	100%
13	PN-T-117_R14	14th	100%
14	PN-T-118_R14	14th	100%
15	PN-T-119_R14	14th	100%
16	PN-T-133_R14	14th	100%
17	PN-T-134_R14	14th	100%
18	BA-3A	-	100%

All the natural gas supply, as well as the lease of capacity of gas treatment unit (UTG) 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 a possible impairment of PPE and intangible assets. On June 30, 2019, the Management identified no evidence that the value in use of these assets could be impaired.

15 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 and Cambuhy, which respectively hold 22.9% and 22.9% of the common shares. The remaining 54.2% are distributed among different stockholders, as presented in Note 21 – "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 June 30, 2019 and December 31, 2018, the balances of assets, liabilities and effects in the result of related-parties transactions are as follows:

Assets		Investment relations	Parent Company		Consolidated	
			6/30/2019	12/31/2018	6/30/2019	12/31/2018
Loan						
Itaqui Geração de Energia S.A.	(a)	Subsidiary	152,415	147,694	-	-
MABE do Brasil	(b)	Joint venture	10,376	11,115	10,376	11,115
Parnaíba B.V.	(c)	Subsidiary	69,396	69,221	-	-
Pecém II Geração de Energia S.A.	(d)	Subsidiary	287,436	279,708	-	-
Pecém Operação e Manutenção de Unidades de Geração Elétrica S.A.		Subsidiary	2,778	2,693	2,778	2,693
Termopantanal Participações		Subsidiary	457	457	-	-
Termopantanal Ltda.		Indirect subsidiary	230	230	-	-
			523,088	511,118	13,154	13,808
Commercial operations						
Amapari Energia S.A.		Subsidiary	397	453	-	-
ENEVA Comercializadora de Energia S.A.		Indirect subsidiary	3,069	3,298	-	-
ENEVA Participações S.A.		Subsidiary	6,570	6,201	-	-
Uniper Energy		Stockholder	-	92	-	93
Itaqui Geração de Energia S.A. (a)		Subsidiary	4,218	6,915	-	-
MABE do Brasil (b)		Joint venture	22	22	22	22
Parnaíba Geração e Comércio de Energia		Indirect subsidiary	2,576	5,273	-	-
Parnaíba I Geração de Energia S.A. (e)		Subsidiary	34,951	74,859	-	-
Parnaíba II Geração de Energia S.A. (e)		Subsidiary	39,015	87,226	-	-
Pecém II Geração de Energia S.A. (d)		Indirect subsidiary	3,932	6,295	-	-
Pecém II Participações S.A.		Subsidiary	2,282	2,276	-	-
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	59	46	-	-
Seival Geração de Energia S.A.		Indirect subsidiary	330	363	-	-
Seival Sul Mineração Ltda.		Joint venture	-	10	4,155	4,155
Sul Geração de Energia S.A.		Indirect subsidiary	-	320	-	-
Tauá Geração Energia		Indirect subsidiary	363	370	-	-
			97,813	194,047	4,205	4,298
Total short and long term assets			620,901	705,165	17,359	18,106

QUARTER INFORMATION ON JUNE 30, 2019 – ENEVA S.A.

Liabilities	Investment relations	Parent Company		Consolidated	
		6/30/2019	12/31/2018	6/30/2019	12/31/2018
Operações comerciais - arrendamento					
Parnaíba B, V	Subsidiary	39,697	39,697	-	-
		39,697	39,697	-	-
Operações comerciais					
Amapari Energia S,A,	Subsidiary	3	3	-	-
Copelmi Mineração Ltda,	Associate	-	-	293	293
Uniper Energy	Acionista	-	13	-	26,475
ENEVA Participações S,A,	Subsidiary	3,355	3,355	-	-
Itaqui Geração de Energia S,A,	Subsidiary	2,186	2,186	-	-
Parnaíba I Geração de Energia S,A,	Subsidiary	36	35	-	-
Parnaíba II Geração de Energia S,A,	Subsidiary	48	47	-	-
Pecém II Geração de Energia S,A,	Indirect subsidiary	49	49	-	-
Tauá Geração de Energia Ltda,	Indirect subsidiary	445	446	-	-
Porto do Pecém Transportadora de Minério S, A	Joint venture	-	-	-	-
Total short and long term liabilities		6,121	6,134	293	26,768
		45,818	45,831	293	26,768

Result	Investment relations	Parent Company		Consolidate	
		6/30/2019	6/30/2018	6/30/2019	6/30/2018
Amapari Energia S,A,	Subsidiary	227	199	-	-
Eneva Comercializadora de Energia S,A,	Indirect subsidiary	571	880	-	-
Eneva Participações S,A,	Subsidiary	184	179	-	-
Itaqui Geração de Energia S,A, (a)	Subsidiary	10,757	11,833	-	-
MABE Construção e Administração de Projetos Ltda, (b)	Joint venture	655	634	655	634
Eneva S,A,	Subsidiary	-	29,548	-	-
Parnaíba Geração e Comercialização de Energia S,A,	Indirect subsidiary	3,072	428	-	-
Parnaíba I Geração de Energia S,A, (e)	Subsidiary	96,672	3,923	-	-
Parnaíba II Geração de Energia S,A, (e)	Subsidiary	50,847	2,800	-	-
Parnaíba III Geração de Energia S,A,	Indirect subsidiary	-	1,442	-	-
Parnaíba IV Geração de Energia S,A,	Indirect subsidiary	-	4,048	-	-
Parnaíba Participações S,A,	Indirect subsidiary	-	82	-	-
Pecém II Geração de Energia S,A, (d)	Indirect subsidiary	12,902	13,466	-	6,642
Pecém II Participações S, A	Subsidiary	36	87	-	53
Pecém Operação e Manutenção de Unidades de Geração Elétrica S,A,	Joint venture	98	95	-	95
Seival Geração de Energia S,A,	Indirect subsidiary	18	44	-	-
SPE's Ventos	Indirect subsidiary	66	59	-	-
Sul Geração de Energia S,A,	Indirect subsidiary	-	7	-	-
Tauá Geração de Energia Ltda,	Indirect subsidiary	236	157	-	-
		176,341	69,911	655	7,424

- (a) The balance is as follows: (i) loan agreement entered into, in January 2012, with Eneva (creditor) subject to monthly market interest (104% of CDI) with indefinite maturity. In June 2016, we capitalized as investment the full amount of the principal of this loan, R\$ 332,095. Therefore, the balance of R\$ 152,415 (R\$ 147,694 on December 31, 2018) refers just to interest. On June 30, 2019, the effect on the result is R\$ 5,532 (R\$ 5,611 on June 30, 2018) and (ii) reimbursement of costs related to operating, financing and administrative activities in the amount of R\$ 4,218 (R\$ 6,915 on December 31, 2018). On June 30, 2019, the effect on the result is R\$ 5,225 (R\$ 6,222 on June 30, 2018);
- (b) Loan agreement entered into with Eneva (lender), in January 2013, subject to monthly market interest (105% of CDI, with indefinite maturity, in the amount of R\$ 19,529 (R\$ 18,972 on December 31, 2018), being R\$ 14,565 of principal and R\$ 4,964 of interest (R\$ 14,565 of principal and R\$ 4,407 of interest on December 31, 2018). On June 30, 2019, the effect on the consolidated result is R\$ 655 (R\$ 634 on June 30, 2018); On June 30, 2019 the losses balance in the period calculated by the subsidiary MABE was reclassified for the item Loans, according to the item 38 of CPC 18, in the amount of R\$ 9,153 (R\$ 7,857 on December 31, 2018) which makes up the loan balance of R\$ 10,376 (R\$ 11,115 on December 31, 2018).
- (c) Loan agreement entered into with Eneva (lender), in November 2014, subject to monthly market interest (Libor + 2.5%) and maturing within 5 years, in the amount of R\$ 69,396 (R\$ 69,221 on December 31, 2018), being R\$ 61,748 of principal and R\$ 7,648 of interest (R\$ 61,748 of principal and R\$ 7,473 of interest on December 31, 2018);
- (d) The balance is as follows: Loan agreement entered into with Eneva (lender), in January 2012, subject to monthly market interest (104% of CDI, with indefinite maturity, in the amount of R\$ 287,436 (R\$ 279,708 on December 31, 2018), being R\$ 219,074 of principal and R\$ 68,362 of interest (R\$ 219,074 of principal and R\$ 60,634 of interest on December 31, 2018). On June 30, 2019, the effect on result is of R\$ 9,092 (R\$ 8,803 on June 30, 2018) and (ii) reimbursement of costs related to operating, financing and administrative activities in the amount of R\$ 3,932 (R\$ 6,295 on December 31, 2018). On June 30, 2019, the effect on result is of R\$ 3,810 (R\$ 4,663 on June 30, 2018);
- (e) The balance is basically comprised of lease of the Gas Treatment Unit (UTG) for the subsidiaries Parnaíba I Geração de Energia S.A. and Parnaíba II Geração de Energia S.A., operation carried out by Eneva S.A. The impact in the result on June 30, 2019 was of R\$ 93,111 and R\$ 46,530, respectively.

15.1 Compensation of the Board of Directors and Executive Board members

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 ended June 30, 2019 and 2018, accounted for on an accrual basis, are as follows:

	Parent Company				Consolidated			
	Quarter ended	Six-month period ended	Quarter ended	Six-month period ended	Quarter ended	Six-month period ended	Quarter ended	Six-month period ended
	6/30/2019		6/30/2018		6/30/2019		6/30/2018	
Short term benefits	5,207	19,220	3,263	9,850	5,831	22,154	3,755	11,212
Long term benefits	9,615	10,200	-	-	9,733	10,358	-	-
	14,822	29,420	3,263	9,850	15,564	32,512	3,755	11,212

Abaixo os montantes de remuneração mínima, média e máxima do Conselho de Administração e Diretores:

	Consolidated			Consolidated		
			6/30/2019			6/30/2018
	Minimum	Average	Maximum	Minimum	Average	Maximum
Board of Directors	180	229	238	79	274	648
Executive Board	1,011	1,868	5,820	76	1,458	3,598
Total	1,191	2,097	6,058	155	1,732	4,246

Furthermore, as described in Note 23, the Company implemented a share-based payments for certain executives. During the quarter, participants exercised the matured options, described in Note 21 – "Equity", in the amount of R\$ 9,013 (principal plus social security charges).

16 Borrowings and financings

The borrowings with financial institutions is as follows:

						Consolidated							
						6/30/2019				12/31/2018			
Company	Creditor	Currency	Interest rates	Effective rates	Maturity	Funding cost to appropriate	Principal	Interest	Total	Funding cost to appropriate	Principal	Interest	Total
Gas-fired thermal plant													
Parnaíba II	Itaú Unibanco (indireto)	R\$	TJLP+5.15%		9/15/2027	-	228,334	1,008	229,342	-	236,057	1,042	237,099
Upstream													
ENEVA S/A	FINEP	R\$	TJLP+3.00%		3/15/2025	-	66,374	239	66,613	-	70,009	269	70,278
ENEVA S/A	FINEP	R\$	TJLP+1.00%	7.00%	12/15/2028	(205)	17,553	50	17,398	(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 Recebíveis 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 plant													
Itaqui	BNDES (Direto)	R\$	TJLP+2.78%	9.27%	6/15/2026	(4,869)	644,442	1,961	641,534	(5,453)	746,391	2,447	743,385
Itaqui	BNB	R\$	10%	10.32%	12/15/2026	(1,583)	157,741	629	156,787	(1,761)	183,644	780	182,663
Pecém II	BNDES (Direto) (a)	R\$	TJLP+3.14%	9.77%	6/15/2027	(3,213)	356,014	1,126	353,927	(3,574)	377,185	1,285	374,896
Pecém II	BNDES (Direto) (a)	R\$	IPCA+10.59%	10.80%	6/15/2027	(425)	133,583	7,492	140,650	(463)	130,287	511	130,335
Pecém II	BNB	R\$	10.00%	10.41%	1/31/2028	(2,867)	200,684	-	197,817	(3,107)	207,650	-	204,543
Secured deposits						(13,162)	1,804,725	12,505	1,804,068	(14,582)	2,969,508	522,935	3,477,861
Net balance of borrowings and financings						-	(113,754)	-	(113,754)	-	(102,038)	-	(102,038)
Current						(13,162)	1,690,971	12,505	1,690,314	(14,582)	2,867,470	522,935	3,375,823
Non-current						(2,688)	185,729	12,505	195,546	(2,802)	180,534	6,334	184,066
						(10,474)	1,505,242	-	1,494,768	(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	60,233	141,452
(+/-) Exchange variation Principal	725	725
(+/-) Exchange variation Interest	306	306
(-) Payment of principal	(1,568,905)	(1,736,700)
(-) Payment of interest	(13,568)	(89,204)
(+) Amortization of funding cost	15	1,911
(+/-) Contractual monetary update	264	7,717
(-) Secured deposits	-	(11,716)
At June 30, 2019	84,011	1,690,314

	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)
(+) Amortization of 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 June 30, 2019 have the following payment schedule:

	Consolidated
	6/30/2019
Maturity year	
2020	104,743
2021	233,329
2022	234,907
2023	237,125
2024	246,059
2025 up to the last maturity	552,359
	1,608,522
Secured deposits	(113,754)
	1,494,768

The Company's management evaluated that the best disclosure of the interest paid on borrowings, financing and debentures is in the cash flows of financings, because the cost of these financial liabilities is intrinsically linked to the funding for the construction of gas generating and production park of Grupo Eneva.

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, which on June 30, 2019 are fully met, as follows:

- Obligation to periodically submit financial statements to creditors.
- Creditor rights to inspect and visit facilities.
- Obligation to keep up with tax, social security and payroll obligations.
- Obligation to maintain materially important contracts for its operations in force.
- Comply with environmental legislation and keep any operating licenses necessary in force.

- Contractual restrictions on related-party transactions and sales of assets outside the normal course of business.
- Restrictions on the change of share control, corporate restructuring, except for those occurred within the economic group, and material changes to the core activities and Articles of Association of the borrowers;
- Restrictions on debt ratios and the procurement of new debt in the subsidiaries; and
- The covenant clauses related to the debentures are quarterly evaluated and the covenant of the borrowings and financings are annually evaluated.

The financing contracts relating to the ventures Parnaíba I Geração de Energia S.A., Parnaíba II Geração de Energia S.A., Pecém II Geração de Energia S.A. and Itaqui Geração de Energia S.A. have financial covenants specific clauses, as follows:

Company	Description of the financial covenants	Position on 6/30/2019
Parnaíba I	Net debt of no more than 3.5 times the EBITDA	Met
Parnaíba II	Net debt of no more than 3.25 times the EBITDA	Met
Parnaíba II	Net debt of no more than 3 times the EBITDA	Met
Pecém II	Debt coverage index of at least 1.20	Met

17 Debentures

						Consolidated							
						6/30/2019				12/31/2018			
Company	Creditor	Currency	Interest rate	Effective rates	Maturity	Cost to appropriate	Principal	Interest	Total	Cost to appropriate	Principal	Interest	Total
Gas--fired thermal plants													
Parnaíba I	1st Issue – 1st Series (Santander)	R\$	IPCA + 7.2227%	12.30%	11/15/2025	(8,372)	322,162	13,376	327,166	(6,768)	314,214	2,094	309,540
Parnaíba I	1st Issue – 2nd Series (Santander/BB/Citi)	R\$	CDI + 2.50%	12.08%	11/15/2025	(13,466)	551,000	5,910	543,444	(11,726)	551,000	4,570	543,844
Parnaíba II	1st Issue (Bradesco)	R\$	CDI + 2.50%	12.46%	12/5/2025	(24,573)	695,000	3,838	674,265	(19,099)	695,000	1,916	677,817
Parnaíba II	2nd Issue (Bradesco)	R\$	CDI + 2.95%	11.86%	12/5/2024	(4,221)	238,333	1,383	235,495	(4,883)	260,000	1,603	256,720
Upstream													
Eneva	2nd Issue – 1st Series	R\$	CDI + 0.95%	9.74%	12/5/2024	(7,928)	750,000	4,053	746,125	-	-	-	-
Eneva	2nd Issue – 2nd Series	R\$	CDI + 1.45%	10.58%	12/5/2024	(7,966)	750,000	4,334	746,368	-	-	-	-
Eneva	2nd Issue – 3rd Series	R\$	IPCA + 5.05%	9.76%	5/15/2029	(5,329)	500,248	1,862	496,781	-	-	-	-
						(71,855)	3,806,743	34,756	3,769,644	(42,476)	1,820,214	10,183	1,787,921
Secured deposits						-	(64,927)	-	(64,927)	-	-	-	-
Debentures net balance						(71,855)	3,741,816	34,756	3,704,717	(42,476)	1,820,214	10,183	1,787,921
Current						(13,154)	190,720	34,756	212,322	(4,515)	107,629	10,183	113,297
Non-current						(58,701)	3,551,096	-	3,492,395	(37,961)	1,712,585	-	1,674,624

On May 29, 2019, through the 2nd Issue of simple debentures, non-convertible into shares, unsecured, in three series, for distribution with restrict efforts of placement, the Company raised the total amount of R\$ 2,000 million. The details of this operation are described in Note 1 – Operations.

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	10,249	86,956
(-) Payment of principal	-	(21,667)
(-) Payment of interest	-	(62,422)
(+) Amortization of the funding cost	(21,223)	(29,379)
(+/-) Contractual monetary update	248	8,235
(-) Secured deposits	-	(64,927)
At June 30, 2019	1,989,274	3,704,717

	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 (New funding)	-	(37,593)
(+) Amortization of the funding cost	-	4,697
At December 31, 2018	-	1,787,921

	Parent Company	Consolidated
	6/30/2019	6/30/2019
Maturity year		
2020	(1,351)	97,100
2021	(2,894)	221,260
2022	(3,220)	269,384
2023	(3,524)	299,996
2024	747,347	1,087,351
2025 up to the last maturity	1,245,071	1,582,231
	1,981,429	3,557,322
Secured deposits	-	(64,927)
	1,981,429	3,492,395

The debentures contractual covenants were fully complied with and are detailed in Note 16 – “Borrowings and financings”.

18 Taxes and contributions payable

Income tax and Social Contribution payable is as follows:

	Parent Company		Consolidated	
	6/30/2019	12/31/2018	6/30/2019	12/31/2018
Corporate Income Tax - IRPJ	7,099	14,060	52,414	62,536
Social Contribution on Net Income - CSLL	-	8,912	13,561	25,081
	7,099	22,972	65,975	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.

Balances of the other taxes and contributions payable are as follows:

	Parent Company		Consolidated	
	6/30/2019	12/31/2018	6/30/2019	12/31/2018
ICMS	-	70	2,306	2,257
PIS, COFINS and IOF	4,555	3,965	11,925	21,014
IPI Importation	-	-	32	32
Importation Tax	-	-	111	111
Others	4,804	3,610	7,691	6,250
Current	9,359	7,645	22,065	29,664

19 Financial instruments risks management

The financial instruments presented in the balance sheets, as well as the classification of the fair value hierarchy, are as follows:

		Parent Company	
	Level	6/30/2019	12/31/2018
Assets			
Amortized cost		5,888	2,676
Secured deposits		3,808	2,676
Trade receivables		2,080	-
Fair value through profit or loss		1,447,908	1,254,134
Cash and cash equivalent	Level 1	755,677	452,050
Marketable securities	Level 2	71,050	96,919
Commercial operations	Level 1	97,813	194,047
Loans	Level 1	523,088	511,118
NDF borrowings	Level 2	280	-
Liabilities			
Amortized cost		174,855	1,712,202
Trade payable		45,026	61,430
Borrowings and financings		84,011	1,604,941
Commercial operations		45,818	45,831

		Consolidated	
	Nível	6/30/2019	12/31/2018
Assets			
Amortized cost		414,913	389,500
Trade receivables		379,671	357,883
Secured deposits		35,242	31,617
Fair value through profit or loss		1,643,807	1,378,114
Cash and cash equivalent	Level 1	1,362,474	1,152,266
Marketable securities	Level 2	259,517	207,017
Commercial operations	Level 1	4,205	4,298
Loans	Level 1	13,154	13,808
NDF borrowings	Level 2	4,457	725
Liabilities			
Amortized cost		5,775,357	5,560,297
Trade payable		364,267	354,016
Borrowings and financings		1,690,314	3,375,823
Debentures		3,704,717	1,787,921
Commercial operations		293	26,768
Contractual retentions		4,330	4,330
Accounts payable – Power sector		11,436	11,439

Subsequent measure, gains and losses:

Financial assets at FVTPL

These assets are classified as FVTPL. The net gains and losses, including interest, are recognized in the result.

Financial assets at amortized cost

These assets are measured at amortized cost 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 Company's accounts has the fair value equal to book value, these accounts include cash equivalents, payables and receivables, bullet debts and short-term. Financial investments are being presented at fair value, due to their classification under fair value through profit or loss.

Derivatives, hedge and risk management

In January 2019, the Company contracted derivative instruments, called Non-Deliverable Forwards (NDFs), in order to mitigate the foreign exchange exposition 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. and (ii) investments in foreign currency foreseen by Parnaíba I Geração e Comercialização de Energia for the construction of the thermoelectric plant Parnaíba V, whose implantation began in February 2019, with construction term foreseen in the global work contract (EPC, in the Portuguese abbreviation) for 31 months.

On June 30, 2019, the Mark to Market (MtM) net amounts determined for these derivative instruments were gains of R\$ 4,284. Considering that the instruments are intrinsically linked to the construction of the Group's assets, this gain was fully recorded in the respective PPE accounts.

Market risk

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

19.1 Risk of price variation (commodities)

The risk is exclusively associated to the price of the coal, which forms the inventories necessary for the generation of energy in the coal-fired thermal plants.

The period between the purchase of the load and its use for the energy generation is set as the risk of price variation taken by the thermoelectric plant. The projection of risk and sensitivity of the average amounts for the periods of June 2019 and 2018 is as follows:

Itaqui	Market value	API2 / CIF ARA (25% increase)	API2 / CIF ARA (50% increase)
6/30/2018 (R\$)			
Variable income (Ccomb)	238,112,114	297,640,143	357,168,171
Variable cost (Coal)	262,783,988	(328,479,985)	(394,175,982)
Variable result	(24,671,874)	(30,839,842)	(37,007,811)
6/30/2019 (R\$)			
Variable income (Ccomb)	165,939,439	207,424,299	248,909,159
Variable cost (Coal)	155,058,852	192,021,388	228,983,924
Variable result	10,880,587	15,402,911	19,925,235
Assumptions (unaudited)		6/30/2018	6/30/2019
Power generation - MWh		1,590,532	1,002,735
Coal consumption (ton)		700,321	448,878
CIF ARA		88,10	96,28
API2		88,10	96,28
Award		6,50	4,75
Factor i		0,52	0,52
FX		3,25	3,86
being:			
$Ccomb = CIF\ ARA * Factor\ i * FX$			
$Coal\ cost = API2 + award$			
$API2 \sim CIF\ ARA$			

The variation shown above, in the commodities price, solely refers to the level of purchases carried out in the year to meet the demand of the coal-fired thermal plants, together with the volatility of the foreign currency (U.S. Dollar). It is worth highlighting that the consolidation of the results of Pecém II occurred as from April 2018.

19.2 Foreign exchange risk

a) Borrowings and financings

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

19.3 Interest rate risk

a) Cash flow risk related to the floating interest

The Company and its subsidiaries have 93.6% of their liabilities 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\$ 5,526,451 and the total balance of R\$ 5,395,031 on June 30, 2019. From this total, approximately 7% 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	115,059	132,070	148,873
Liabilities indexed to CDI	228,829	271,093	313,058
Liabilities indexed to IPCA	95,864	104,423	112,941
Expected finance cost	439,752	507,586	574,872
Increase in finance cost	-	67,834	135,120

Methodology: parallel displace above the interest curves in 25% and 50%.
 IPCA for the next 12 months: 3.80% (Source: Boletim Focus)
 TJLP for the next 12 months: 5.95% (Source: National Monetary Council)
 Average CDI for the next 12 months: 5.79% (Source: Market Projection)

19.4 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 on June 30, 2019 approximate to the settlement amount of the operations, including the estimate of future payment of interest.

						Consolidated
						6/30/2019
	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
Liabilities						
Trade payables	-	353,204	38	-	-	353,242
Commercial operations	-	-	22,822	-	-	22,822
Borrowings and financings	117,792	125,483	263,285	771,550	597,826	1,875,936
Debentures	239,154	233,947	494,127	2,440,009	2,345,848	5,753,085
Contractual retention	-	-	-	4,330	-	4,330
	356,946	712,634	780,272	3,215,889	2,943,674	8,009,415

						Consolidated
						12/31/2018
	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
Liabilities						
Trade payables	-	348,849	5,167	-	-	354,016
Commercial operations	-	-	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

19.5 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
			6/30/2019
			12/31/2018
Credit risk positions			
Cash and cash equivalent	1,362,474		1,152,266
Marketable securities	259,517		207,017
Trade receivables	379,671		357,883
Derivatives	4,457		725
Secured deposit	35,242		31,617
	2,041,361		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 may propose to the stockholders when their approval is required, to review the dividends payment policy, to return capital to stockholders, to issue new shares or to sell assets to reduce, for example, debt level.

20 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 June 30, 2019 is presented, as follows:

		Consolidated			
		12/31/2018	6/30/2019		
		Accumulated balance	Additions	Reversal	Update
Civil	(a)	4,286	45,435	(4)	-
Labor	(b)	14,351	13,077	(2,917)	2,694
Tax		40	-	-	-
Environmental	(c)	155	-	-	4
Total Provisions		18,832	58,512	(2,921)	2,698
					77,121

(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 has a prognosis of probable loss.

(b) Labor risks

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

(c) Environmental risks

This refers to administrative proceeding arising from assessment notice filed by IBAMA against the company Porto do Pecém. The proceeding discusses alleged violation in the use of the mineral coal coveyor in the Complexo Industrial e Portuário de Pecém. If

IBAMA maintains the fine, there is a big chance that Pecém II pays the provided for amount correspondent to a third of the fine, due to its partnership with Porto do Pecém and also to the fact that it also uses the conveyor.

Possible risk contingencies (not provided for)

The Group is a party in tax, civil, labor and environment lawsuits, which are not provided for, because management, its lawyers and legal advisors classified the risk as possible. They are as follows:

		Consolidated	
		6/30/2019	12/31/2018
Ambiental	(a)	23,245	22,519
Cível	(b)	171,213	201,545
Regulatório	(a)	12,769	12,869
Trabalhista	(a)	72,690	46,191
Tributário	(c)	252,598	45,533
Total		532,515	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) Civil

Subsidiary 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, as well as return of withdrawn amounts and indemnity for damages caused to it. On June 30, 2019, the amount involved is R\$ 99,998 (R\$ 98,212 on December 31, 2018).

Besides, Montcalm 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. 2117152-50.2014.8.26.0000 are returned. On June 31, 2019, the amount involved is R\$ 2,512, due to determination of the amount 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 June 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 presented refer to the change in the prognosis during the quarter.

(c) Tax

Controlada 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 had given rise to deductions 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 June 30, 2019, the amount involved is R\$ 198,107.

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.

21 Equity

Share capital

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

On May 30, 2019, there was a capital increase in the amount of R\$ 5,997, arising from the exercise of options granted to certain employees and managers within the scope of the Company's Option Plan for Purchase or Subscription of Shares. The plan's methodology is described in Note 23 – "Share-based payment plan".

On June 30, 2019 and December 31, 2018, the Company's share capital is respectively of R\$ 8,828,054 and R\$ 8,822,057, whose shares are distributed as follows:

Parent Company		
6/30/2019		
Shareholder	Number	%
Banco BTG Pactual	72,410,101	22.97%
Cambuhy	72,410,101	22.97%
Others	170,455,835	54.07%
Total	315,276,037	100.00%

Parent Company		
12/31/2018		
Shareholder	Number	%
Banco BTG Pactual	84,370,481	26.79%
Cambuhy	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 the stated in equity as a deduction of the funds raised.

Secondary offer of shares

In April 2019, it was concluded the secondary offer of shares with restricted distribution efforts of 60,646,269 common shares, as described in Note 1 – Operations.

Furthermore, in the previous chart, it is shown the Company's new shareholding considering the effects of the offer.

Distribution of dividends and interest on capital

The distribution of dividends and interest on capital for the Company's shareholders is recognized as a liability in the financial statements at the end of the year, based on the Company's Bylaws. Any amount higher than the minimum mandatory is provided for at the date it is approved by the shareholders in Extraordinary General Meeting.

The tax benefits of the interest on capital are recognized in the Statement of Operations.

22 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 June 30, 2019 and 2018 and the respective weighted average of shares outstanding during the same period, as follows:

	Six-month period ended		Consolidated	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Result for the period				
Numerator				
Profit attributable to the stockholders	145,587	242,764	15,786	206,053
Denominator				
Weighted average of shares	315,039,403	314,990,499	315,039,403	314,990,499
Profit per share (R\$) – basic	0,46212	0,7707	0,05011	0,65416

	Six-month period ended		Consolidated	
	6/30/2019	6/30/2018	6/30/2019	6/30/2018
Result for the period				
Numerator				
Profit attributable to the stockholders	145,587	242,764	15,786	206,053
Denominator				
Weighted average of shares	315,039,403	314,990,499	315,039,403	314,990,499
Effect of the options	255,841	-	255,841	-
Profit per share (R\$) – diluted	0,46175	0,7707	0,05007	0,65416

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

23 Share-based payment plan

a) Stock options awarded by the Company

In Board of Directors Meeting on August 10, 2016, the Option Plan for Purchase or Subscription of Shares was approved.

The acquisition of the right depends on the continuity of the beneficiary in the Company and on the payment of the exercise price established in the Program.

The options will represent the maximum of 4% (four percent) of the Company's total shares at the options issue date. For this limit effect, it will be considered the sum of all the shares issued by the Company, including the shares that come to be issued by the Company due to options awarded within the scope of the Options Plan.

The options programs will be settled with equity instruments.

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	4/3/2017	5	4/3/2018	8/1/2022	621,094	207,031	15	17.82
2016	4/3/2017	3	4/3/2018	1/30/2021	2,667,000	1,000,125	15	17.82
2016	5/10/2017	5	5/10/2018	9/7/2022	1,333,333	800,000	15	17.18
2016	83//2017	5	8/3/2018	12/1/2022	710,301	400,000	15	17.06
2016	2/11/2019	5	2/11/2020	6/10/2024	250,000	250,000	15	15.39

The changes in the options plan in the period between March 31, 2019 and June 30, 2019:

Plan awarded by the Company – number of share options	Number of options	Weighted average strike price of options
Saldo em 31 de março de 2019	3,704,552	17.04
Exercidas	694,654	15.27
Canceladas	-	-
Outorgadas	-	-
Expiradas	-	-
Saldo em June 30, 2019	2,657,156	17.28

In compliance with IFRS2/CPC 10 – Share-based payment, the Company calculates the fair value of the awarded shares based on the model proposed by Merton to allow the incorporation of the lack of market conditions in the asset's fair value. The expenses is recognized on a *pro rata temporis* basis, which begins at the award date until the date when the beneficiary acquires the right to receive the shares.

According to the Program's regulation, the Company will settle this obligation with the issue of new shares or using (when constituted) the "Treasury shares" account. The effect in the result in the period ended June 30, 2019 is of R\$ 1,467.

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

In a Meeting on March 27, 2018, the Incentive Plan of Share-based Long-term Compensation was approved, granting 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	2/4/2021	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 March 31, 2019 and June 30, 2019 are as follows:

Units plan awarded by the Company – number of units	Number of units	Weighted average price of shares
At March 31, 2019	434,362	18.5
Exercised	-	-
Cancelled	-	-
Awarded	765,318	15.2
Expired	-	-
At June 30, 2019	1,199,680	24.8

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.

According to the Program's regulation, the Company will settle this obligation using the "Treasury shares" account. The effect in the result for the period ended June 30, 2019 is of R\$ 665.

24 Sales and services income

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

	Parent Company		Consolidated	
	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018
Gross revenue	158,850	-	1,294,140	1,405,472
Taxes on sales	(16,304)	-	(127,095)	(131,293)
	142,546	-	1,167,045	1,274,179
Penalties for unaivability (ADOMP)	-	-	119	(7,753)
Total net revenue	142,546	-	1,167,164	1,266,426

	Parent Company		Consolidated	
	Quarter ended 6/30/2019	Quarter ended 6/30/2018	Quarter ended 6/30/2019	Quarter ended 6/30/2018
Gross revenue	82,960	-	614,382	844,150
Taxes on sales	(7,531)	-	(58,615)	(80,073)
	75,429	-	555,767	764,077
Penalties for unaivability (ADOMP)	-	-	17	(7,518)
Total net revenue	75,429	-	555,784	756,559

Within the sales operations, the Company has the right to recognize the following revenues as operating revenues, in compliance with IFRS 15:

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.

25 Costs and expenses per nature

		Parent Company		Consolidated	
		Six-month period ended 6/30/2019	Six-month period ended 6/30/2018	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018
Regulatory costs		-	-	(64,851)	(58,564)
Depreciation and amortization	(a)	(46,037)	(1,537)	(212,908)	(199,472)
Environmental expenses		(781)	(186)	(3,688)	(3,901)
Rental expenses		(3,099)	(1,501)	(9,630)	(6,446)
Costs with exploration and dry well	(b)	(46,955)	-	(46,955)	(46,931)
Personnel expenses		(63,831)	(42,962)	(160,390)	(135,784)
Electric power for resale	(c)	-	-	(83,595)	(190,445)
Taxes and contributions	(d)	33,873	(332)	32,388	(1,520)
Generation inputs	(e)	-	-	(132,379)	(138,058)
Consumption material		(10,548)	(402)	(24,040)	(18,193)
Other income (expenses)		(6,169)	447	(14,259)	25,839
Government interests		(5,781)	-	(5,781)	(19,340)
Provision for loss in investment		(2,034)	(260)	(4,056)	(28,472)
Operating and administrative insurance		(2,518)	(425)	(13,484)	(12,377)
Shared services - Cost sharing	(f)	21,182	26,672	-	-
Outsourced services		(23,885)	(19,401)	(31,235)	(34,861)
Loss in the disposal of assets		-	-	-	(113)
Investment Assessment- Pecém II		-	36,967	-	36,967
Gain in the advantageous purchase in the acquisition of Pecém II in 2018		-	154,984	-	154,984
		(156,583)	152,064	(774,863)	(676,687)

Classified as:

Cost	(59,698)	-	(623,968)	(719,276)
Administrative and general expenses	(121,171)	(42,456)	(165,635)	(150,219)
Other revenue	32,201	195,951	33,988	195,049
Other expenses	(7,915)	(1,431)	(19,248)	(2,241)

		Parent Company		Consolidated	
		Quarter ended 6/30/2019	Quarter ended 6/30/2018	Quarter ended 6/30/2019	Quarter ended 6/30/2018
Regulatory costs		-	-	(32,464)	(32,875)
Depreciation and amortization	(a)	(24,866)	(776)	(107,143)	(104,953)
Environmental expenses		(605)	45	(2,225)	(2,276)
Rental expenses		(1,275)	(701)	(4,575)	(6,368)
Costs with exploration and dry well	(b)	(38,449)	-	(38,449)	(26,696)
Personnel expenses		(34,361)	(36,699)	(97,459)	(88,780)
Electric power for resale	(c)	-	-	(32,484)	(109,971)
Taxes and contributions	(d)	34,702	(225)	34,130	(695)
Generation inputs	(e)	302	-	(47,111)	(112,673)
Consumption material		(5,509)	(263)	(11,089)	(11,076)
Other income (expenses)		(34,752)	(1,969)	(37,748)	25,414
Government interests		(3,251)	-	(3,251)	(9,754)
Provision for loss in investment		(1,980)	(64)	(3,961)	(28,276)
Operating and administrative insurance		(1,328)	(134)	(6,762)	(7,297)
Shared services - Cost sharing	(f)	11,837	13,188	-	-
Outsourced services		(15,999)	2,079	(12,851)	467
Loss in the disposal of assets		-	-	-	(113)
Investment Assessment- Pecém II		-	36,967	-	36,967
Gain in the advantageous purchase in the acquisition of Pecém II in 2018		-	154,984	-	154,984
		(115,534)	166,432	(403,442)	(323,971)

Classified as:

Cost	(31,628)	-	(293,363)	(431,130)
Administrative and general expenses	(79,616)	(24,884)	(99,632)	(83,363)
Other revenue	(1,690)	191,951	(615)	191,951
Other expenses	(2,600)	(635)	(9,832)	(1,429)

- (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;
- (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 less 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 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;
- (d) The variation substantially occurs due to the gain arising from the recognition of the principal amount of the PIS/COFINS credits according the disclosure included in Note 10.1;
- (e) 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 was also strongly impacted by the volatility of the foreign currency (US Dollar), considering the coal importation. It is also important to highlight that the balance of Pecém II was consolidated as from April 2018; and
- (f) The variation can be explained by the optimization of the administrative expenditures shared by Eneva S.A. and its subsidiaries.

26 Finance income and costs

	Parent Company		Consolidated	
	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018
Finance costs				
Debt charges	(60,233)	(57,657)	(141,452)	(177,143)
Fine and interest paid or incurred	(594)	(61)	(828)	(9,618)
Amortization Transaction Cost Borrowings	(161)	-	(7,299)	(8,111)
Commission on bank guarantees	(951)	(71)	(1,261)	(17,164)
Interest on provision for abandonment costs	(3,225)	-	(3,464)	(3,881)
Interest on lease liabilities	(4,659)	-	(4,973)	-
Interest on loans	-	-	(262)	-
Interest on debentures	(a) (8,388)	-	(85,094)	(29,776)
Others	(7,009)	(5,344)	(20,079)	(17,566)
Losses with derivatives	-	(23)	-	(1,674)
Exchange and monetary variation	(15,737)	(27,262)	(34,039)	(46,494)
	(100,957)	(90,418)	(298,751)	(311,427)

	Parent Company		Consolidated	
	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018	Six-month period ended 6/30/2019	Six-month period ended 6/30/2018
Finance income				
Financial investment	20,961	8,987	51,160	30,486
MTM power contracts	649	-	17,625	149
Interest on debentures	-	24,285	-	-
Fine and interest received or earned	15	-	2,353	7,641
Others	(b) 10,478	430	14,433	8,662
Earnings from loans	16,337	18,953	754	5,145
Exchange and monetary variation	14,354	5,435	17,247	34,950
	62,764	58,090	103,572	87,033
Finance income/costs	(38,193)	(32,328)	(195,179)	(224,394)

	Parent Company		Consolidated	
	Quarter ended 6/30/2019	Quarter ended 6/30/2018	Quarter ended 6/30/2019	Quarter ended 6/30/2018
Finance costs				
Debt charges	(27,662)	(29,443)	(66,310)	(95,647)
Fine and interest paid or incurred	(1)	(3)	(148)	(5,340)
Amortization Transaction Cost Borrowings	(161)	-	(3,387)	(6,593)
Commission on bank guarantees	(560)	(65)	(1,166)	(4,084)
Interest on provision for abandonment costs	(1,480)	-	(1,573)	(2,681)
Interest on lease liabilities	(2,280)	-	(2,453)	-
Interest on loans	-	-	(124)	-
Interest on debentures	(a) (8,388)	-	(47,207)	(15,930)
Others	(5,487)	(1,674)	(13,600)	(11,684)
Losses with derivatives	-	(23)	-	(1,674)
Exchange and monetary variation	(5,709)	(21,203)	(15,185)	(37,738)
	(51.728)	(52.411)	(151.153)	(181.371)

	Parent Company		Consolidated	
	Quarter ended 6/30/2019	Quarter ended 6/30/2018	Quarter ended 6/30/2019	Quarter ended 6/30/2018
Finance income				
Financial investment	12.232	1.875	28.108	13.191
Gains with derivatives	(392)	-	2.404	149
Interest on debetures	-	12.285	-	-
Fine and interest received or earned	(15)	-	209	4.349
Others (b)	1.371	178	3.137	4.790
Earnings from loans	8.306	9.135	383	68
Exchange and monetary variation	5.031	-	6.287	30.383
	26.533	23.473	40.528	52.930
Finance income/costs	(25.195)	(28.938)	(110.625)	(128.441)

(a) 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., as described in Note 17 - Debentures.

(b) This refers basically to the Selic interest calculated on the PIS/COFINS amounts to offset arising from court decision favorable to the Company as disclosed in Note 10.1.

27 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.

On June 30, 2019 and December 31, 2018, the main risks covered are:

	Consolidated	
	6/30/2019	12/31/2018
Material damages (*)	13,762,530	13,915,518
Civil liability	410,000	410,000
Total	14,172,530	14,325,518

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

The main effective policies are the following:

Consolidated 6/30/2019								
Insurance company	Modality (In thousands of Reais thousands of US Dollars)	Currency	Value at risk	Currency	Maximum indemntly limit	Effectiveness	Currency	Award
Chubb / Sompo / AXA	Operating risks	USD	3,591,287	USD	500.000	8/1/2018 to 8/1/2020	USD	10,412
Sompo	General civil liability	BRL		BRL	135.000	8/1/2018 to 8/1/2019	BRL	215
Tokio Marine / Swiss	General civil liability	BRL		BRL	50.000	7/1/2018 to 7/1/2019	BRL	189
AIG	General civil liability	BRL		BRL	200.000	8/30/2018 to 8/30/2020	BRL	773
Tokio Marine	Port operator civil liability	BRL		BRL	25.000	8/23/2018 to 8/23/2019	BRL	28
Tokio Marine	Oil risk	USD	89,024	USD	89.024	9/1/18 to 3/1/20	USD	116
Tokio Marine / AXA / Fairfax	Insurance Guarantee (13th Round)	BRL		BRL	108,482	12/22/15 to 6/20/20	BRL	2.741
Pottencial	Insurance Guarantee	BRL		BRL	55,350	1/31/18 to 7/31/24	BRL	2,340
Junto Seguros	Insurance Guarantee	BRL		BRL	21,000	5/22/19 to 10/15/19	BRL	15

28 Commitments

Minimum Exploratory Program ("PEM")

On June 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-off	At 6/30/2019
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	-	-	31,513
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	-	(58,603)	102,445

During 2017 and 2018, ENEVA acquired around 4,500km of 2D seismic lines mostly in the blocks PN-T-69, PN-T-87 and PN-T-103 fully complying with the PEM related to the 1st exploratory period in these blocks.

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.

29 Events after reporting period

Installation of Statutory Audit Committee

On July 2, 2019, the Company's Board of Directors approved the installation of the Statutory Audit Committee ("CAE"), Mr. Ricardo Baldin, Mr. Guilherme Bottura and Mr. Felipe Gottlieb were elected.

Board of Directors

Jerson Kelman
President

José Aurélio Drummond Jr
Vice President

Directors:

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

Executive Board

Pedro Zinner
CEO

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