Centrais Elétricas Brasileiras S.A. – Eletrobras

Report on the Review of the Quarterly Financial Statements at March 31, 2016

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Report on the Review of the Quarterly Financial Statements

To the Management and Shareholders of
Centrais Elétricas Brasileiras S.A. – Eletrobras
Brasilia – Federal District

Introduction

We have reviewed the individual and consolidated interim financial information of Centrais Elétricas Brasileiras S.A. - Eletrobras ("Company"), contained in the Quarterly Financial Statements Form for the quarter ended March 31, 2016, which includes the balance sheet at March 31, 2016 and the respective income statement, statement of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended on that date, along with the explanatory notes.

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

Scope of the Review

We conducted our review in accordance with Brazilian and international standards for the review of interim information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). An interim financial information review consists of making inquiries, primarily with those responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is substantially less than an audit conducted in accordance with auditing standards and does not, therefore, ensure that we were aware of all the significant issues that could have been identified in an audit. Thus, we are not expressing an audit opinion.

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KPMG International Cooperative ("KMPG International"), a Swiss entity.

Basis for conclusion with qualification

Risks related to compliance with laws and regulations - Lava Jato

As mentioned in Explanatory Note 4.1.1, in connection with the investigation by federal public authorities in the operation known as “Lava Jato” (“Car Wash”) and its ramifications, the Company’s management became aware, through media coverage or other sources, of the existence of alleged illegal acts, including alleged bribe payments by officers and/or former officers of construction companies involved in certain enterprises to employees and/or officers and/or directors of the subsidiary to Centrais Elétricas Brasileiras S.A. (Eletrobras) and/or its investees consolidated or valuated using the equity method.

As a result, as approved by its Board of Directors, Eletrobras hired a specialized independent firm to conduct the investigation related to matter above and any possible breaches of laws or regulations, within the context of Brazilian and U.S. legislation. The Company also created an Independent Commission to manage and supervise the investigative works underway, being conducted by the independent firm that was hired.

Due to the fact that the activities related to the investigation of these matters is still in progress, but without any conclusive results, the possible impacts resulting from the final resolution of these issues on the Company’s interim financial statements in reference to the period ended March 31, 2016 are not known and could not be estimated by the Company. Consequently, it was not possible for us to determine whether there was a need for adjustments or disclosures related to these issues in the aforementioned interim financial statements.

Limited access to investee information

The Company has investments in Teles Pires Participações S.A., valuated by the equity method. On March 31, 2106, the balance of this investment is R$ 497,327,000 and negative shareholders’ equity is R$ 422,000 in the quarter ended on that date. We have not obtained evidence of an appropriate and sufficient review in relation to the amounts of the investments at March 31, 2016 and the results of the quarter ended on that date, due to not having access to the financial information and final conclusion of the work of the investee’s independent auditors.

Conclusion with qualification

Based on our review, except for the possible effects of the matters described in the paragraph Basis for conclusion with qualification, we are not aware of any facts that would lead us to believe that the interim financial information included in the quarterly financial statements referred to above were not prepared, in all material respects, in accordance with CPC 21 and IAS 34, applicable to the preparation of Quarterly Financial Statements and presented as per the rules issued by the Brazilian Securities and Exchange Commission.

Emphasis of matter

Operational continuity of the subsidiaries and affiliated companies

As mentioned in Note 15, the subsidiaries from the electricity distribution segment as well as the generation subsidiaries Eletrobras Termonuclear S.A. (Eletronuclear) and Companhia de Geração Térmica de Energia Elétrica (CGTEE) post continual losses in their operations, negative working capital and/or unsecured liabilities. The affiliated companies Teles Pires Participações S.A. and Madeira Energia S.A. reported relevant negative working capital at March 31, 2016. Furthermore, as explained in Note 2, the concessions of these distribution subsidiaries expired on June 15, 2015, and until this date there is no indication they will be renewed. The operational continuity of the aforementioned subsidiaries and affiliate companies depends on continued financial support from third parties, the Company and/or other shareholders.

Our review report is not qualified in light of these issues.

Other matters

Interim added value statements

We also reviewed the individual and consolidated added value statements for the quarter ended March 31, 2016, prepared under the responsibility of the Company’s management. Their presentation in the interim financial information is required according to the standards issued by the CVM (Brazilian Securities and Exchange Commission) applicable to the preparation of Quarterly Financial Statements and is considered as supplementary information by the IFRS, which does not require the presentation of added value statements.

These statements were subjected to the same review procedures described above and, based on our review, we are not aware of any facts, except for the possible effects of the matters described in the paragraph Basis for conclusion with qualification, that would lead us to believe they were not adequately prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Rio de Janeiro – May 11, 2016

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ

Danilo Siman Simões
Accountant CRC 1MG058180/O-2 T-SP

CENTRAIS ELÉTRICAS BRASILEIRAS S.A - ELETROBRAS
BALANCE SHEET FOR THE PERIODS ENDED MARCH 31, 2016 AND DECEMBER 31, 2015
(BRL thousands)

		PARENT COMPANY		CONSOLIDATED	
ASSETS	**NOTE**	**3/31/2016**	**12/31/2015**	**3/31/2016**	**12/31/2015**
CURRENT					
Cash and cash equivalents	**5**	1,257,675	691,719	1,801,798	1,393,973
Restricted cash	**5**	1,374,365	647,433	1,374,365	647,433
Bonds and securities	**6**	3,158,266	3,454,526	5,438,598	6,842,774
Customers	**7**	381,491	379,214	4,153,132	4,137,501
Financial assets – Concessions and Itaipu	**17**	-	371,007	613,228	965,212
Financing and loans	**8**	6,910,750	6,820,948	2,995,038	3,187,226
Fuel Consumption Account (CCC)	**25**	195,966	195,966	195,966	195,966
Remuneration of equity interest	**9**	279,581	255,468	276,302	309,360
Tax recoverable	**10**	146,595	373,962	499,605	716,651
Income tax and social contribution	**10**	855,851	928,743	1,241,804	1,475,598
Reimbursement right	**11**	-	-	2,635,490	2,265,242
Warehouse		333	360	589,640	631,669
Nuclear fuel inventory	**12**	-	-	402,453	402,453
Derivative financial instruments	**42**	-	-	44,938	21,307
Hydrological risk	**14**	-	-	143,833	195,830
Assets held for sale		-	-	4,623,785	4,623,785
Other		341,972	239,811	1,607,522	1,425,416
TOTAL CURRENT ASSETS		**14,902,845**	**14,359,157**	**28,637,497**	**29,437,396**
NONCURRENT					
LONG-TERM RECEIVABLES					
Reimbursement right	**11**	-	-	8,160,433	8,238,140
Financing and loans	**8**	28,403,569	30,277,797	12,725,993	14,400,394
Customers	**7**	113,147	125,383	1,816,567	1,833,457
Bonds and securities	**6**	195,203	191,763	197,085	194,990
Nuclear fuel inventory	**12**	-	-	542,487	578,425
Tax recoverable	**10**	-	-	2,704,765	2,623,186
Income tax and social contribution	**10**	1,645,382	1,645,382	2,968,054	3,067,591
Guarantees and linked deposits		2,283,648	2,204,685	5,313,476	5,079,707
Fuel Consumption Account (CCC)	**25**	10,774	13,331	10,774	13,331
Financial assets – Concessions and Itaipu	**17**	2,667,570	3,078,559	28,450,112	28,416,433
Financial derivative instruments	**42**	-	-	54,517	25,004
Advance for future capital increase	**13**	400,732	189,493	1,422,861	1,215,532
Hydrological risk	**14**	-	-	566,336	598,161
Other		2,087,401	2,116,312	1,466,728	1,487,335
		37,807,426	**39,842,705**	**66,400,188**	**67,771,686**
INVESTMENTS					
Valuated using the equity method	**15**	40,727,073	39,794,944	21,896,071	20,777,270
Held at fair value	**15**	1,082,456	1,018,143	1,246,557	1,177,260
		41,809,529	**40,813,087**	**23,142,628**	**21,954,530**
FIXED ASSETS	**16**	151,864	148,246	29,862,632	29,546,645
INTANGIBLE ASSETS	**18**	-	-	982,493	935,151
TOTAL NONCURRENT ASSETS		**79,768,819**	**80,804,038**	**120,387,941**	**120,208,012**
TOTAL ASSETS		**94,671,664**	**95,163,195**	**149,025,438**	**149,645,408**

CENTRAIS ELETRICAS BRASILEIRAS S.A - ELETROBRAS

BALANCE SHEET FOR THE PERIODS ENDED MARCH 31, 2016 AND DECEMBER 31, 2015

(thousands of BRL)

		PARENT COMPANY		CONSOLIDATED	
LIABILITIES AND SHAREHOLDERS' EQUITY	**NOTE**	**3/31/2016**	**12/31/2015**	**3/31/2016**	**12/31/2015**
CURRENT					
Financing and loans	**22**	2,891,033	2,572,745	4,621,955	4,224,448
Debentures	**23**	-	-	15,583	357,226
Compulsory loan	**24**	54,037	57,630	54,037	57,630
Suppliers	**20**	397,635	416,126	10,570,799	10,128,507
Advance from customers	**21**	607,187	593,404	661,869	648,236
Tax payable	**26**	78,974	280,637	1,388,088	1,556,578
Income tax and social contribution	**26**	218,139	196,000	385,278	581,344
Compensation to shareholders	**28**	42,447	42,478	43,508	84,076
Financial liabilities – Concessions and Itaipu	**17**	712,633	-	712,633	-
Estimated obligations		116,874	109,497	974,549	1,018,788
Reimbursement obligations	**11**	500,145	299,632	590,859	396,208
Post-employment benefits	**29**	5,074	22,557	99,552	114,861
Provision for contingencies	**30**	490,487	543,345	571,522	590,725
Energy sector charges	**27**	-	-	734,393	695,400
Commercial leasing	**22**	-	-	143,965	132,972
Concessions payable – Use of public property		-	-	3,640	3,920
Derivative financial instruments	**42**	22,326	18,860	22,514	20,608
Liabilities associated with assets held for sale		412,225	412,225	5,575,009	5,575,009
Other		121,018	123,133	2,009,517	1,913,107
TOTAL CURRENT LIABILITIES		**6,670,234**	**5,688,269**	**29,179,270**	**28,099,643**
NONCURRENT					
Financing and loans	**22**	25,340,377	27,463,707	40,782,238	42,173,812
Suppliers	**20**	-	-	9,514,088	9,449,421
Debentures	**23**	-	-	209,182	205,248
Advance from customers	**21**	-	-	644,370	659,082
Compulsory loan	**24**	470,348	466,005	470,348	466,005
Asset retirement obligations	**31**	-	-	1,221,677	1,201,186
Fuel Consumption Account (CCC)	**25**	467,355	452,948	467,355	452,948
Allowance for contingencies	**30**	12,405,998	8,901,900	16,800,368	13,556,129
Post-employment benefits	**29**	247,997	252,966	1,924,072	1,858,824
Provision for unsecured liabilities	**15**	9,203,144	7,793,798	261,853	257,907
Onerous contracts	**33**	-	-	1,388,741	1,489,292
Reimbursement obligations	**11**	-	-	2,571,894	2,483,378
Commercial leasing	**22**	-	-	1,088,324	1,119,183
Concessions payable – Use of public property		-	-	60,627	59,644
Advance for future capital increase	**32**	226,433	219,294	226,433	219,294
Financial derivative instruments	**42**	-	-	54,296	78,521
Energy sector charges	**27**	-	-	505,202	462,195
Tax payable	**26**	100,785	181,991	888,691	900,309
Income tax and social contribution	**26**	487,947	733,289	750,950	1,003,796
Other		905,893	917,014	2,218,527	1,710,369
TOTAL NONCURRENT LIABILITIES		**49,856,277**	**47,382,912**	**82,049,236**	**79,806,543**
SHAREHOLDERS' EQUITY					
Share capital	**35**	31,305,331	31,305,331	31,305,331	31,305,331
Capital reserves	**35**	26,048,342	26,048,342	26,048,342	26,048,342
Equity valuation adjustments		39,452	39,452	39,452	39,452
Accumulated losses		(16,077,890)	(12,181,172)	(16,077,890)	(12,181,172)
Accumulated other comprehensive income		(3,163,624)	(3,113,481)	(3,163,624)	(3,113,481)
Amounts recognized in other comprehensive income as held for sale		(6,458)	(6,458)	(6,458)	(6,458)
Share of non-controlling shareholders		-	-	(348,221)	(352,792)
TOTAL SHAREHOLDERS' EQUITY		**38,145,153**	**42,092,014**	**37,796,932**	**41,739,222**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**94,671,664**	**95,163,195**	**149,025,438**	**149,645,408**

CENTRAIS ELETRICAS BRASILEIRAS S.A. - ELETROBRAS
INCOME STATEMENT FOR THE PERIODS ENDED MARCH 31, 2016 AND 2015
(thousands of BRL)

		PARENT COMPANY		CONSOLIDATED	
	NOTE	3/31/2016	3/31/2015	3/31/2016	3/31/2015
NET OPERATING REVENUE	**37**	**839,970**	**803,581**	**6,761,370**	**8,598,882**
OPERATING COSTS					
Energy purchased for resale	**40**	(910,612)	(693,124)	(2,169,057)	(2,921,562)
Charges for use of the electricity grid		-	-	(405,495)	(464,617)
Fuel for electricity production		-	-	(419,118)	(299,119)
Construction		-	-	(451,157)	(563,212)
		(910,612)	**(693,124)**	**(3,444,827)**	**(4,248,510)**
GROSS INCOME		**(70,642)**	**110,457**	**3,316,543**	**4,350,372**
OPERATING EXPENSES					
Personnel, material and services	**39**	(165,825)	(120,127)	(1,987,959)	(2,004,428)
Profit-sharing for employees and officers		-	-	-	-
Compensation and reimbursement		-	-	(97,467)	(100,074)
Depreciation		(1,308)	(1,250)	(378,298)	(348,760)
Amortization		-	-	(56,460)	(114,318)
Donations and contributions		(52,894)	(49,412)	(69,695)	(62,437)
Operating provisions/reversals	**41**	(4,327,481)	(553,970)	(3,013,022)	(327,435)
Workforce readjustment plan		-	-	-	-
Other		(38,385)	(161,636)	(371,398)	(515,893)
		(4,585,893)	**(886,395)**	**(5,974,299)**	**(3,473,345)**
OPERATING INCOME BEFORE FINANCIAL INCOME		**(4,656,535)**	**(775,938)**	**(2,657,756)**	**877,027**
FINANCIAL INCOME					
Financial Revenue					
Revenue from interest, commissions and fees		878,946	694,732	192,754	282,847
Income from financial investments		182,471	135,610	308,874	243,027
Interest paid on electricity bills in arrears		13,659	46,612	131,039	126,240
Active indexation		326,617	339,056	799,978	495,013
Foreign exchange gains		2,166,141	3,933,715	2,188,219	4,006,147
Indemnifications – Law 12783/13		-	-	-	495,332
Regulatory asset indexation		-	-	17,535	-
Earnings with derivatives		-	-	25,786	11,528
Other financial income		82,935	15,723	205,598	319,594
Financial Expenses					
Debt charges		(593,404)	(550,324)	(1,507,040)	(1,008,868)
Commercial leasing charges		-	-	(67,109)	(69,066)
Charges on shareholders' funds		(7,139)	(5,466)	(10,837)	(7,535)
Passive indexation		(619,888)	(3,430)	(921,542)	(303,889)
Foreign exchange losses		(2,433,323)	(3,275,021)	(2,372,821)	(3,664,977)
Regulatory liability indexation		-	-	(8,014)	-
Losses with derivatives		-	-	53,144	(54,519)
Other financial expenses		(148,848)	(88,614)	(380,728)	(277,455)
		(151,833)	**1,242,593**	**(1,345,164)**	**593,419**
INCOME BEFORE EQUITY INTEREST		**(4,808,368)**	**466,655**	**(4,002,920)**	**1,470,446**
INCOME FROM EQUITY INTEREST	**38**	861,493	971,927	182,088	40,948
OPERATING INCOME BEFORE TAXES		**(3,946,875)**	**1,438,582**	**(3,820,832)**	**1,511,394**
Current income tax and social contribution	**26**	(218,139)	-	(226,172)	(261,285)
Deferred income tax and social contribution	**26**	267,209	(183,335)	152,591	(136,498)
NET LOSS FOR THE PERIOD		**(3,897,805)**	**1,255,247**	**(3,894,413)**	**1,113,611**
SHARE ATTRIBUTED TO CONTROLLING SHAREHOLDERS		(3,897,805)	1,255,247	(3,897,805)	1,255,247
SHARE ATTRIBUTED TO NON-CONTROLLING SHAREHOLDERS		-	-	3,392	(141,636)
NET LOSS PER SHARE	**36**	(R$2.88164)	R$0.92800	(R$2.88164)	R$0.92800

CENTRAIS ELÉTRICAS BRASILEIRAS S.A - ELETROBRAS
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT MARCH 31, 2016 AND DECEMBER 31, 2015
(thousands of BRL)

	SHARE CAPITAL	CAPITAL RESERVES	REFLEX EQUITY VALUATION ADJUSTMENTS	ACCUMULATED LOSSES	OTHER COMPREHENSIVE INCOME	CONTROLLING SHAREHOLDERS' EQUITY	NON-CONTROLLING SHAREHOLDERS' EQUITY	CONSOLIDATED SHAREHOLDERS' EQUITY
At December 31, 2015	**31,305,331**	**26,048,342**	**39,452**	**(12,181,172)**	**(3,119,939)**	**42,092,014**	**(352,792)**	**41,739,222**
Accumulated conversion adjustments					(17,297)	(17,297)		(17,297)
Fair value of available-for-sale financial instruments					64,313	64,313		64,313
Deferred IR/CS on other comprehensive results					(21,866)	(21,866)		(21,866)
Adjustment of Subsidiaries / Affiliated companies				1,087	(71,074)	(69,987)	1,179	(68,808)
Financial Instruments - Hedge					(4,219)	(4,219)		(4,219)
Net loss for the period				(3,897,805)		(3,897,805)	3,392	(3,894,413)
At March 31, 2016	**31,305,331**	**26,048,342**	**39,452**	**(16,077,890)**	**(3,170,082)**	**38,145,153**	**(348,221)**	**37,796,932**

CENTRAIS ELETRICAS BRASILEIRAS S.A - ELETROBRAS
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT MARCH 31, 2015 AND DECEMBER 31, 2014
(thousands of BRL)

			PROFIT RESERVES							
	SHARE CAPITAL	CAPITAL RESERVES	LEGAL	STATUTORY	REFLEX EQUITY VALUATION ADJUSTMENTS	ACCUMULATED PROFIT/LOSS	OTHER COMPREHENSIVE INCOME	CONTROLLING SHAREHOLDERS' EQUITY	NON-CONTROLLING SHAREHOLDERS' EQUITY	CONSOLIDATED SHAREHOLDERS' EQUITY
At December 31, 2014	**31,305,331**	**26,048,342**	**2,233,017**	**26,022**	**42,947**	**-**	**(3,116,108)**	**56,539,551**	**308,949**	**56,848,500**
Accumulated conversion adjustments							32,640	32,640		32,640
Fair value of available-for-sale financial instruments							(7,265)	(7,265)		(7,265)
Deferred IR/CS on other comprehensive results							2,470	2,470		2,470
Adjustment of Subsidiaries / Affiliated companies							14,713	14,713	795	15,508
Financial Instruments - Hedge							(9,042)	(9,042)		(9,042)
Realization of equity valuation adjustments					(1,225)	1,225		-		-
Net income (loss) for the period						1,255,247		1,255,247	(141,636)	1,113,611
At March 31, 2015	**31,305,331**	**26,048,342**	**2,233,017**	**26,022**	**41,722**	**1,256,472**	**(3,082,592)**	**57,828,314**	**168,108**	**57,996,422**

CENTRAIS ELETRICAS BRASILEIRAS S.A. - ELETROBRAS
ADDED VALUE STATEMENT FOR THE PERIODS ENDED MARCH 31, 2016 AND 2015
(thousands of BRL)

	PARENT COMPANY		CONSOLIDATED	
	2016	**2015**	**2016**	**2015**
1 - INCOME (EXPENSES)				
Sale of goods, products and services	764,744	803,581	8,274,312	10,629,625
	764,744	803,581	8,274,312	10,629,625
2 - SUPPLIES PURCHASED FROM THIRD PARTIES				
Materials, services and others	(90,348)	(186,993)	(1,896,783)	(2,323,033)
Energy sector charges	-	-	(374,529)	(407,340)
Energy purchased for resale	(910,612)	(693,124)	(2,169,057)	(2,921,562)
Fuel for electricity production	-	-	(419,118)	(299,119)
Operating provisions/reversals	(4,327,481)	(553,970)	(3,013,022)	(327,435)
	(5,328,441)	(1,434,087)	(7,872,509)	(6,278,489)
3 - GROSS ADDED VALUE	(4,563,697)	(630,506)	401,803	4,351,136
4 - RETENTIONS				
Depreciation, amortization and exhaustion	(1,308)	(1,250)	(434,758)	(463,078)
5 - NET ADDED VALUE PRODUCED BY THE ORGANIZATION	(4,565,005)	(631,756)	(32,955)	3,888,058
6 - ADDED VALUE RECEIVED IN TRANSFER				
Equity interest	861,493	971,927	182,088	40,948
Financial income	3,650,769	1,886,997	3,869,783	2,010,862
	4,512,262	2,858,924	4,051,871	2,051,810
7 - TOTAL ADDED VALUE TO DISTRIBUTE	(52,743)	2,227,168	4,018,916	5,939,868
DISTRIBUTION OF ADDED VALUE				
PERSONNEL				
. Personnel, charges and fees	93,351	87,000	1,248,117	1,241,861
. Retirement and pension plan	20,511	7,770	168,576	83,330
	113,862	94,770	1,416,693	1,325,191
TAXES				
. Taxes, fees and contributions	(124,296)	183,335	1,211,994	2,021,186
	(124,296)	183,335	1,211,994	2,021,186
THIRD PARTIES				
. Financial charges and leasing	3,802,602	644,404	5,214,947	1,417,443
. Donations and contributions	52,894	49,412	69,695	62,437
	3,855,496	693,816	5,284,642	1,479,880
SHAREHOLDERS				
. Share of non-controlling shareholders	-	-	3,392	(141,636)
. Retained profits/loss for the period	(3,897,805)	1,255,247	(3,897,805)	1,255,247
	(3,897,805)	1,255,247	(3,894,413)	1,113,611
	(52,743)	2,227,168	4,018,916	5,939,868

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED MARCH 31, 2016 AND 2015
(thousands of BRL)

Share in comprehensive income of the subsidiaries	PARENT COMPANY		CONSOLIDATED	
	2016	2015	2016	2015
Net loss for the period	**(3,897,805)**	**1,255,247**	**(3,894,413)**	**1,113,611**
Other components of comprehensive income				
Accumulated conversion adjustments	(17,297)	32,640	(111,665)	63,653
Actuarial gains (losses) adjustment	-	-	-	(62,145)
Cash flow hedge adjustment	(4,219)	(9,042)	9,438	(9,042)
Fair value of available-for-sale financial instruments	64,313	(7,265)	64,313	7,233
Deferred IRPJ / CSLL	(21,866)	2,470	(21,866)	(2,459)
Share in comprehensive income of the subsidiaries, affiliated companies and joint ventures	(71,074)	14,713	3,781	32,142
Deferred IRPJ / CSLL	-	-	7,035	4,929
Other components of comprehensive income for the period	**(50,143)**	**33,516**	**(48,964)**	**34,311**
Total comprehensive income for the period	**(3,947,948)**	**1,288,763**	**(3,943,377)**	**1,147,922**
Share attributed to controlling shareholders			**(3,947,948)**	**1,288,763**
Share attributed to non-controlling shareholders			**4,571**	**(140,841)**
			(3,943,377)	**1,147,922**

CENTRAIS ELÉTRICAS BRASILEIRAS S.A - ELETROBRAS

CASH FLOW STATEMENT FOR THE PERIODS ENDED MARCH 31, 2016 AND 2015

(BRL thousands)

	NOTE	PARENT COMPANY		CONSOLIDATED	
		3/31/2016	3/31/2015	3/31/2016	3/31/2015
OPERATING ACTIVITIES					
Income before income tax and social contribution		**(3,946,875)**	**1,438,582**	**(3,820,832)**	**1,511,394**
Adjustments to reconcile net income to cash generated by the operations:					
Depreciation and amortization		1,308	1,250	434,758	463,078
Net monetary variations		293,270	(335,626)	298,982	(335,960)
Net foreign exchange gains (losses)		86,943	(658,694)	30,283	(659,349)
Financial charges		(340,796)	(212,177)	381,648	35,384
Income from financial assets	**35**	-	-	(177,652)	(195,125)
Equity	**36**	(861,493)	(971,927)	(182,088)	(40,948)
Provision (reversal) for unsecured liabilities	**39**	1,417,962	338,689	-	-
Provision (reversal) for doubtful accounts	**39**	5,064	12,380	147,409	113,977
Provision (reversal) for contingencies	**39**	2,898,358	168,262	2,948,880	252,807
Provision (reversal) for impairment of assets	**39**	-	-	-	(28,396)
Provision (reversal) for onerous contracts	**39**	-	-	(100,551)	(75,151)
Provision (reversal) for investment losses	**39**	(463)	22,254	(463)	22,254
Global reversion reserve charges		55,253	67,768	55,253	67,768
Adjustment to present value / market value		(976)	(5,068)	(957)	15,987
Minority interest share in income		-	-	(5,139)	214,600
Charges on shareholders' funds		7,139	5,466	10,837	7,535
Financial instruments - derivatives		-	-	(78,930)	42,992
Other		73,560	(11,592)	135,107	(74,472)
		3,635,129	(1,579,015)	3,897,377	(173,019)
(Increases)/decreases in operating assets					
Customers		-	-	(8,699)	(410,034)
Bonds and securities		296,260	(1,305,694)	1,405,521	(917,870)
Reimbursement right	**11**	-	-	(292,541)	(1,615,766)
Warehouse		27	273	42,029	(20,729)
Nuclear fuel inventory	**12**	-	-	35,938	37,607
Financial assets - Itaipu and public utility concessions		781,996	(76,791)	781,996	(76,791)
Hydrological risk		-	-	83,822	-
Other		(58,101)	(135,429)	133,784	(143,380)
		1,020,182	(1,517,641)	2,181,850	(3,146,963)
Increases/(decreases) in operating liabilities					
Suppliers		4,237	54,906	744,183	1,551,791
Advance from customers	**20**	-	-	(14,863)	(13,812)
Commercial leasing		-	-	(19,866)	(17,909)
Estimated obligations		7,377	6,619	(44,239)	40,530
Reimbursement obligations	**11**	-	-	82,654	51,823
Energy sector charges	**26**	-	-	82,000	136,410
Other		(21,327)	9,952	72,828	1,002,447
		(9,713)	71,477	902,697	2,751,280
Cash from operating activities		**698,723**	**(1,586,597)**	**3,161,092**	**942,692**
Payment of financial charges		(523,716)	(352,710)	(731,711)	(308,952)
Payment of global reversion reserve charges		(39,274)	(53,414)	(39,274)	(53,414)
Receipt of allowed annual revenue (financial asset)		-	-	153,219	227,822
Receipt of financial asset indemnifications		-	-	-	795,309
Receipt of financial charges		572,847	540,823	317,833	65,412
Payment of income tax and social contribution		(75,765)	(67,147)	(118,100)	(101,585)
Receipt of compensation for investments in equity interests		52,138	-	116,414	20,958
Payment of private pension		(17,483)	(3,010)	(42,215)	(76,479)
Payment of legal contingencies	**28**	(64,411)	(342,220)	(70,525)	(346,599)
Judicial deposits		(50,039)	(27,313)	(218,222)	(98,711)
Net cash from operating activities		**553,020**	**(1,891,588)**	**2,528,511**	**1,066,453**
FINANCING ACTIVITIES					
Loans and financing obtained		305,651	2,179,372	1,423,361	2,375,303
Payment of loans and financing - principal		(660,786)	(785,200)	(1,621,730)	(456,634)
Payment of compensation to shareholders		(30)	(384)	(30)	(384)
Payment of refinancing of taxes and social contributions - principal		-	-	(42,581)	(7,612)
Other		-	-	1,863	13
Net cash generated from financing activities		**(355,165)**	**1,393,788**	**(239,117)**	**1,910,686**
INVESTMENT ACTIVITIES					
Concession of loans and financing		(126,900)	(82,508)	(3,055)	(2,207)
Receipt of loans and financing		919,893	964,601	631,522	183,327
Purchase of fixed assets		(4,450)	(4,837)	(564,492)	(1,020,080)
Purchase of intangible assets		-	-	(14,348)	(84,217)
Purchase of concession assets		-	-	(412,501)	(919,077)
Purchase/capital contribution in equity interests		(255,000)	(109,703)	(1,125,686)	(648,450)
Concession of advance for future capital increase		(165,442)	-	(388,690)	(58,240)
Other		-	-	(4,319)	1,638
Net cash generated from investment activities		**368,101**	**767,553**	**(1,881,569)**	**(2,547,306)**
Increase (decrease) in cash and cash equivalents		**565,956**	**269,753**	**407,825**	**429,833**
Cash and cash equivalents at the beginning of the period	**5**	691,719	88,194	1,393,973	1,407,078
Cash and cash equivalents at the end of the period	**5**	1,257,675	357,947	1,801,798	1,836,911
		565,956	**269,753**	**407,825**	**429,833**

CENTRAIS ELÉTRICAS BRASILEIRAS S.A.
Eletrobras
(Publicly Held Company)
CNPJ 00.001.180/0001-26

Explanatory notes to the quarterly financial statements for the period ended March 31, 2016
(BRL thousands)

NOTE 1 – OPERATIONAL CONTEXT

Centrais Elétricas Brasileiras S.A. (Eletrobras or Company) is a publicly traded company headquartered in Brasília - DF - Setor Comercial Norte, Quadra 4, Bloco B, 100, sala 203 - Asa Norte, listed with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários - CVM) and at the Securities and Exchange Commission (SEC), with shares traded on the stock exchanges of São Paulo (BOVESPA) - Brazil, Madrid (LATIBEX) - Spain and New York (NYSE) - United States of America. Eletrobras is a mixed capital company controlled by the Federal Government. Its corporate purpose is to carry out studies, projects and build and operate power plants and electricity transmission and distribution lines, as well as engage in energy trading transactions arising from these activities. It is also the company's purpose to grant loans and provide guarantees, in the country and abroad, to electric utility companies where it has a controlling interest and for the benefit of technical and scientific research organizations; promote and support research of interest to the electricity sector, especially related to generation, transmission and distribution activities, as well as conduct studies for the use of watersheds for multiple purposes; contribute toward the education of technical personnel needed for the Brazilian electricity sector, as well as the preparation of qualified workers, through specialized courses, apart from providing assistance to schools in the country or granting scholarships abroad and signing agreements with organizations that help train specialized technical personnel; collaborate, in technical and administrative terms, with the companies in which it has an equity interest and with the Ministry of Mines and Energy.

The Company operates as a holding company, and manages investments in equity interests, in addition to holding a controlling interest in six electricity generation and/or transmission companies, listed below:

- Furnas Centrais Elétricas S.A. - FURNAS;
- Centrais Elétricas do Norte do Brasil S.A. - ELETRONORTE;
- Companhia Hidro Elétrica do São Francisco - CHESF;
- ELETROSUL Centrais Elétricas S.A.;
- Eletrobras Termonuclear S.A. – ELETRONUCLEAR; and
- Companhia de Geração Térmica de Energia Elétrica - CGTEE.

Besides controlling the aforementioned electricity generation and/or transmission companies, the Company also has a direct controlling interest in seven electricity distribution companies:

- Boa Vista Energia S.A. – Boa Vista;
- Companhia de Eletricidade do Acre – Eletroacre;
- Centrais Elétricas de Rondônia – Ceron;

- Companhia Energética de Alagoas – Ceal;
- Companhia Energética do Piauí – Cepisa;
- CELG Distribuição S.A. – CELG D; and
- Amazonas Distribuidora de Energia S.A. – Amazonas D.

On March 31, 2016, the Company classified the assets and liabilities of the subsidiary CELG D as assets held for sale, since the Company is committed to disposal of the controlling interest of that company and expects the sale to be concluded by December 31, 2016. More details are presented in Note 42.

The Company also has a controlling interest in Eletrobras Participações S.A (Eletropar). It is a shareholder of Itaipu Binacional – Itaipu (under a joint control arrangement in accordance with the International Treaty signed between the Governments of Brazil and Paraguay), as well as Inambari Geração de Energia S.A., Centrales Hidroelectricas de Centroamerica S.A. (CHC) and Rouar S.A. (under a joint control arrangement with the Uruguayan state-owned company Usinas y Transmissiones Elétricas de Uruguay – UTE).

On July 1, 2015, the subsidiary Amazonas Energia implemented the bundling off process, wherein the electricity generation and transmission activities formerly carried out by Amazonas Distribuidora were separated from its distribution activities. Therefore, this represents a new company within the Eletrobras System, called Amazonas Geração e Transmissão de Energia S.A. ("Amazonas GT"), a direct subsidiary of Amazonas D. The second phase of the bundling off process, currently underway, will complete the corporate reorganization operation, through which Amazonas GT will become a full subsidiary of Eletrobras.

The Company has an indirect controlling interest or a direct or indirect minority interest in several other companies in the electricity generation, transmission and distribution segments. (see Note 15).

The trading of the energy generated is based on two distinct market environments – one which is regulated (energy intended for distribution companies) and another characterized by freely negotiated contracts (free market). Law 10848, of March 15, 2004, differentiates between energy derived from new projects and existing projects, and determines the holding of different auctions for each type.

Eletrobras is authorized, directly or through its subsidiaries or controlled companies, to partner in, with or without contribution of funds, the formation of business consortia or to hold shares in companies, with or without a controlling stake, abroad, directly or indirectly for the purpose of electricity generation, transmission or distribution.

The Company is also responsible for the management of energy sector resources, represented by the Global Reversion Reserve (RGR), Energy Development Account (CDE) and Fuel Consumption Account (CCC). These funds finance Federal Government programs for providing universal access to electricity, efficient public lighting, incentives for alternative energy sources, electricity conservation and the purchase of fossil fuels used in isolated electricity generation systems, whose financial transactions do not affect the Company's income (except for the administration fee of certain Funds).

The Company also acts as an electric power trader for Itaipu Binacional and for agents belonging to the Alternative Energy Sources Incentive Program (PROINFA)[1].

The issuance of these consolidated quarterly financial statements was authorized by the Board of Directors, on May 11, 2016.

NOTE 2 – ELECTRIC UTILITY CONCESSIONS

The Company, through its subsidiaries, holds different electric utility concessions in the generation, transmission and distribution segments, whose breakdown, installed capacity and expiry dates have not changed in relation to the position disclosed in the financial statements for 2015.

Concession Agreement No. 067/2000 for the Presidente Médici (Phases A and B), São Jerônimo and Nutepa Thermoelectric Power Plants ended on July 7, 2015.

As established in the concession agreement and legislation related to the matter, the subsidiary CGTEE formally expressed, within the proper time frame, its interest in renewing the concession of the power plants.

Until the present, the Granting Authority has not issued its final position on the subsidiary's request. Therefore, until the process is completed, the subsidiary CGTEE is continuing to operate these units on the current bases of the aforementioned concession. The Granting Authority has not given an estimated date for completion of the process.

There are no indications in the legislation regarding the bases for renewal of the aforementioned concession, and it is therefore not possible to define the effects it will have on the revenue or assets of the subsidiary CGTEE. Nevertheless, CGTEE calculated the amount of possible indemnification, based on Replacement Cost New (RCN) and maintains an allowance which reduces to zero the book balance of the assets of the São Jerônimo, Nutepa and Presidente Médici (Phase A) Thermoelectric Power Plants, reflecting its expectation that these assets will not be indemnified due to their obsolescence.

The decision to renew the concession will be analyzed by the subsidiary CGTEE, after the Granting Authority presents its position.

- Energy Distribution

On October 15, 2012, the distribution companies of Eletrobras whose concessions expired in 2015 had the right to express their interest in extending the concession for an additional 30 years, which they did within the required time frame.

Decree No. 8461, of June 2, 2015, regulated the extension of the electricity distribution concessions under Article 7 of Law No. 12783, of January 11, 2013, for thirty years. The goal of the extension is to meet the criteria established by the Granting Authority to improve the service provided to users. According to the Decree, the following criteria must be achieved:

[1] Translator's Note: In relation to certain terms and names (whether agencies, programs or other items), they are often accompanied by the respective acronym. In cases where the acronym does not match the individual words of the term or name in English, this is because the original acronym in Portuguese was maintained. There are also some Portuguese acronyms in the tables or text (i.e.: Proinfa, IRPJ/CSLL/IPRF and FINAM and FINOR), without an English translation.

Efficiency related to the quality of service provided, efficiency in terms of economic and financial management, operational and economic rationality and reasonable rates. These criteria will need to be achieved through continuous improvement measures established by the Granting Authority, to be set forth in detail in the Concession Agreements that will be signed by the distribution companies. The time frame for meeting these criteria is a maximum of 5 (five) years, as of the year following the date the agreement is signed. These conditions will need to be accepted by the distribution companies for the extension to occur.

If any of the annual goals are not achieved for two consecutive years or if there are any unfulfilled goals at the end of the five year period, the process to terminate the concession will be started. However, the distribution company will be able to submit a plan to transfer the controlling interest as an alternative to this termination.

ANEEL has been discussing in public hearings the Concession Agreement model that will include the concession extension conditions, which will define in detail the measures for each one of the conditions listed in Decree No. 8641.

On July 13, 2015, the distribution companies of the Eletrobras Group submitted their contribution toward improving the preparation of the draft of the amendment to the agreement.

Once Public Hearing No. 038/2105 is closed, ANEEL will be responsible to finalize the processes to extend the concessions and will forward them to the Ministry of Mines and Energy to decide on the extension.

After the decision by the Ministry of Mines and Energy to renew the concession, Eletrobras' distribution companies will have thirty days to sign the amendment, as of the date of convocation to do so.

Since the measures for the conditions listed in Decree No. 8461 are still pending, the Company does not have enough information and elements to assess whether the terms for extending the Distribution Concession are acceptable. In addition, since the possible extension of the concession agreement will be subject to financial, regulatory and legal terms and conditions that are not yet known, it was not possible to estimate the accounting impacts of the extension of the Distribution Concession.

The distribution concession agreements of the Eletrobras companies expired in June 2015. However, in light of Law No. 8987, of February 13, 1995, Article 42, "the concessions will remain valid for the time needed to perform the fundamental surveys and assessments to organize the tenders that will precede the awarding of the concessions that will replace them, which will not be less than 24 months (see Note 17).

2.1. Extension of the electric utility concessions

Indemnification related to certain assets of renewed concessions has still not been approved by the Granting Authority, for the following amounts:

Description	3/31/2016					
	Chesf	Eletronorte	Eletrosul	Furnas	CGTEE	Total
Generation						
Modernization and improvements	704,867	-	-	995,718	-	1,700,585
Thermal generation	-	-	-	496,613	356,937	853,550
	704,867	-	-	1,492,331	356,937	2,554,135
Transmission						
Basic network – Existing services (RBSE)	1,588,752	1,732,910	513,455	4,530,060	-	8,365,177
Total	2,293,619	1,732,910	513,455	6,022,391	356,937	10,919,312

Description	12/31/2015					
	Chesf	Eletronorte	Eletrosul	Furnas	CGTEE	Total
Generation						
Modernization and improvements	697,124	-	-	995,718	-	1,692,842
Thermal generation	-	-	-	557,409	356,937	914,346
	697,124	-	-	1,553,127	356,937	2,607,188
Transmission						
Basic network – Existing services (RBSE)	1,588,752	1,732,910	513,455	4,530,060	-	8,365,177
Total	2,285,876	1,732,910	513,455	6,083,187	356,937	10,972,365

Until the approval, including definition of the format, deadline for receipt and applicable compensation, of the amounts of these indemnifications by the Granting Authority, they will not be subject to indexation, but will be maintained at historical cost.

Through Normative Resolutions 589 and 596, the Brazilian Electricity Regulatory Agency (ANEEL), for indemnification purposes, established the criteria for calculating Replacement Cost New for still non-depreciated transmission assets existing at May 31, 2000, as well as the criteria and procedures for calculating the share of investments linked to still non-amortized or non-depreciated reversible assets from hydroelectric developments, whose concessions were extended or not, under Law No. 12783.

The subsidiary Eletrosul, in accordance with ANEEL Normative Resolution No. 589, of December 10, 2013, submitted to ANEEL their valuation reports for the electricity transmission assets existing at May 30, 2000 ("Valuation Report"), for the compensation process installations from the Existing Basic Grid (RBSE), pursuant to Article 15, §2 of Law 12783/13, for the amount of R$ 1,061,000. On July 14, 2015, the Board of Directors of ANEEL, through Ruling No. 2296, approved R$ 1,007,043 in reference to these assets, whose book value is R$ 513,455.

On September 3, 2015, the subsidiary Eletronorte resubmitted to ANEEL the valuation reports for the electricity transmission assets existing at May 31, 2000, for the compensation process of the installations from the Existing Basic Grid (RBSE), pursuant to Article 15, §2 of Law 12783/13. The new amount requested is R$ 2,926 million, whereas the current entered amount is R$ 1,733 million.

The net book value of the assets of the subsidiary CGTEE affected by the changes enacted in the regulatory environment corresponds to R$ 418,392, at September 30, 2015. The

estimated amount of compensation using Replacement Cost New (RCN) is approximately R$ 442,948, determined by management based on its best estimates and interpretations of Decree No. 7805/2012. This estimate may change by the time final approval is given to these assets eligible for compensation.

On March 6, 2015 the subsidiary Chesf submitted to ANEEL the valuation report for the electricity transmission assets existing at May 31, 2000 for the compensation process of the installations from the Existing Basic Grid (RBSE) and other transmission installations (RPC), pursuant to Article 15, §2 of Law 12783/13, totaling R$ 5,627,200, with a book value of R$ 1,588,752.

On May 21, 2015 the subsidiary Furnas submitted to ANEEL the valuation report for the electricity transmission assets existing at May 31, 2000 for the compensation process of the installations from the Existing Basic Grid (RBSE) and other transmission installations (RPC), pursuant to Article 15, §2 of Law 12783/13, totaling R$ 10,699,200. On December 15, 2015, ANEEL through Ruling No. 4042 approved, via its Board, the amount of R$ 8,999,520 in reference to these assets, at a book value of 4,530,060.

On October 2, 2015, the subsidiary Furnas submitted supporting documents for the investments related to the still non-amortized or non-depreciated reversible assets from the Corumbá, Funil, Furnas, Luiz Carlos de Barreto de Carvalho, Maribondo and Porto Colombia hydroelectric power plants, with an installed capacity of 4,617 MW*, whose concessions were renewed on the basis of Law 12783/2013, for the application process for additional generation compensation. The document presented an amount of R$ 1,311,900 as the base value for additional compensation, whereas the book value of these assets, on that same date, was R$ 995,718.

On April 20, 2016, the Ministry of Mines and Energy issued Ordinance No. 120 which provides part of the information on the format, receipt periods and compensation to be applied to those valuation reports that have already been approved by ANEEL. More details on this subject can be found in Note 47. Below are the amounts booked at historical value and the amounts approved by ANEEL based on the valuation reports.

(*)Information not reviewed by the independent auditors (KPMG).

	RBSE Profits x Approved Opinions		
	Book Value	Approved Amount	Variation
Eletrosul	513,455	1,007,043	493,588
Furnas	4,530,060	8,999,520	4,469,460
Total	5,043,515	10,006,563	4,963,048

Below are the book values at historical cost and the amounts requested in reports that are subject to approval by ANEEL:

	RBSE Profits x Opinions Requested		
	Book Value	Amount Requested	Variation
Chesf	1,588,752	5,627,200	4,038,448
Eletronorte	1,732,910	2,926,000	1,193,090
Total	3,321,662	8,553,200	5,231,538

NOTE 3 – MAIN ACCOUNTING POLICIES

The accounting principles used for preparing these quarterly financial statements are the same as those used for the financial statements for the year ended December 31, 2015. These polices have been consistently applied in all the years presented, unless otherwise stated.

This quarterly information should read together with the financial statements of December 31, 2015.

3.1. Preparation basis

The preparation of financial statements and information requires the use of certain critical accounting estimates as well as the exercise of judgment by the Company's management in the process of applying the accounting policies of the Eletrobras System. Those transactions, disclosures or balances that require a higher level of judgment, that are more complex and for which premises and estimates are significant, are contained in Note 4.

The financial statements are prepared based on historical cost, except for some financial instruments measured using their fair values and some assets linked to concessions that were measured using replacement cost new – VNR (generation and transmission companies) or the Regulatory Remuneration Basis – BRR (distribution companies). Historical cost is usually based on the fair value of the considerations paid on the date of the transactions.

These quarterly financial statements are presented in Brazilian reals (R$), which is the functional currency of the Company and its subsidiaries, affiliated companies and joint ventures. All financial information presented in Brazilian reals was rounded to thousands, unless otherwise indicated.

3.1.1 - Individual and consolidated quarterly financial statements

The Company's quarterly financial statements include the separate quarterly financial statements of the parent company, identified as "Parent Company", and the consolidated quarterly financial statements, identified as "Consolidated", prepared in accordance with CPC 21 (R1) and IAS 34 Interim Financial Reporting, applicable to the preparation of Quarterly Financial Statements (ITR). The accounting practices adopted in Brazil encompass those included in Brazilian corporate law and are presented in line with the standards issued by the Brazilian Accounting Pronouncements Committee (CPC) and approved by the Federal Accounting Council (CFC) and the Brazilian Securities and Exchange Commission (CVM).

The presentation of the separate and consolidated Added Value Statement is required by Brazilian corporate law and accounting practices adopted in Brazil applicable to publicly held companies. The IRFSs do not require this statement to be presented. Consequently, by the IFRS, this statement is presented as supplementary information, without prejudice to the set of quarterly financial statements.

In the individual quarterly financial statements, the equity method is used for accounting in the subsidiaries.

Since there is no difference between consolidated shareholders' equity and consolidated profit or loss attributable to the parent company's shareholders, contained in the

consolidated and shareholders' equity and profit or loss of the parent company, contained in the individual quarterly financial statements, the Company chose to present these individual and consolidated quarterly financial statements side-by-side in one single set.

This consolidated quarterly information includes information from Eletrobras and the following subsidiaries:

	03/31/16		12/31/15	
	Share		Share	
Subsidiaries	Direct	Indirect	Direct	Indirect
Amazonas Energia	100%	-	100%	-
Boa Vista Energia	100%	-	100%	-
Ceal	100%	-	100%	-
CELG- D (1)	51%	-	51%	-
Cepisa	100%	-	100%	-
Ceron	100%	-	100%	-
CGTEE	100%	-	100%	-
Chesf	100%	-	100%	-
Eletroacre	94%	-	94%	-
Eletronorte	99%	-	99%	-
Eletronuclear	100%	-	100%	-
Eletropar	84%	-	84%	-
Eletrosul	100%	-	100%	-
Furnas	100%	-	100%	-
Chuí IX	-	99.99%	-	99.99%
Coxilha Seca	-	99.99%	-	99.99%
Hermenegildo I	-	99.99%	-	99.99%
Hermenegildo II	-	99.99%	-	99.99%
Hermenegildo III	-	99.99%	-	99.99%
Linha Verde Transmissor.	-	100%	-	100%
Uirapuru	-	75%	-	75%
Energia dos Ventos V	-	99.99%	-	99.99%
Energia dos Ventos VI	-	99.99%	-	99.99%
Energia dos Ventos VII	-	99.99%	-	99.99%
Energia dos Ventos VIII	-	99.99%	-	99.99%
Energia dos Ventos IX	-	99.99%	-	99.99%
Extremoz Transmissora c	-	100%	-	100%
Transenergia Goiás S.A	-	98.73%	-	98.35%
Complexo Eólico Pindaí I				
Acauã Energia S.A.	-	99.93%	-	99.93%
Angical 2 Energia S.A.	-	99.96%	-	99.96%
Arapapá Energia S.A.	-	99.90%	-	99.90%
Caititu 2 Energia S.A.	-	99.96%	-	99.96%
Caititu 3 Energia S.A.	-	99.96%	-	99.96%
Carcará Energia S.A.	-	99.96%	-	99.96%
Corrupião 3 Energia S.A.	-	99.96%	-	99.96%
Teiú 2 Energia S.A.	-	99.95%	-	99.95%
Complexo Eólico Pindaí II				
Coqueirinho 2 Energia S.	-	99.98%	-	99.98%
Papagaio Energia S.A.	-	99.96%	-	99.96%
Complexo Eólico Pindaí III				
Tamanduá Mirim 2 Energ	-	83.01%	-	83.01%

(1) *Subsidiary classified as a noncurrent asset held for sale*

NOTE 4 – ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of accounting policies, the Company's Management must make judgments and formulate estimates in relation to the accounting values of incomes, expenses, assets and liabilities, as well as disclosures in the explanatory notes, at the base date of the financial statements, when these are not easily obtained from other sources. The estimates and respective premises are based on historical experience and other factors considered relevant. The estimates and underlying premises are continuously revised. The effects resulting from the revisions of the accounting estimates are recognized in the period in which they are revised, if the revision only affects the current period, or also in subsequent periods, if the revision affects current and future periods.

Even if these estimates and premises are permanently monitored and revised by the Company's Management and its subsidiaries, their effect on the accounting value of incomes, expenses, assets and liabilities is inherently uncertain, since they stem from the use of judgment. Consequently, the Company could suffer substantial effects in the future due to the imprecision of these estimates and judgements which could have an adverse material effect on its financial condition, on the results of its activities and/or cash flows.

The main accounting estimate premises deemed the most critical by the Company's Management and its subsidiaries, are the same as those disclosed in Note 4 in the annual financial statements of December 31, 2015, except for the items below with respect to the future and other key sources of uncertainty that could lead to significant adjustments in the book values of assets and liabilities in upcoming periods.

4.1 Risks related to compliance with laws and regulations

4.1.1 Car Wash Operation

In 2014 the so-called "Car Wash Operation" was initiated, which according to public information, is investigating the existence, of a supposed corruption scheme involving companies responsible especially for projects in Brazil's infrastructure sector.

Due to the news in the press about this Operation, involving companies that also provide services to Eletrobras Termonuclear S.A. – Eletronuclear ("Eletronuclear") (UTN Angra 3), a subsidiary of Eletrobras, and to certain special purpose entities in which Eletrobras or its subsidiaries have a stake, three inspection committees were opened to review the processes for the contracting of construction firms by the companies in question. Due to the limitations of the working methods of these committees, the Board of Directors of Eletrobras decided to hire a firm with the necessary expertise to conduct an independent investigation to assess the possible existence of irregularities that would be in violatation of the Foreign Corrupt Practice Act (FCPA), the Brazilian anti-corruption law and/or the code of ethics of Eletrobras in certain enterprises. On June 10, 2015, the law firm Hogan Lovells was hired for this purpose.

This independent investigation is being supervised by an Independent Committee for Investigation Management, whose creation was approved by the Board of Directors of

Eletrobras on July 31, 2015, to ensure the independence of the work performed by the firm Hogan Lovells. This Committee is composed by Dr. Ellen Gracie Northfleet, a retired Supreme Court judge, Dr. Durval José Soledade Santos, a former director of the Brazilian Securities and Exchange Commission, and Dr. Manoel Jeremias Leite Caldas, the representative of the minority shareholders.

Also in relation to the Car Wash Operation, it is important to mention that on April 29, 2015, as a result of the news about the alleged corruption scheme, the then CEO of Eletronuclear, Sr. Othon Luiz Pinheiro da Silva, requested a leave of absence and then on August 4, 2015 resigned from his position. Othon Luiz Pinheiro da Silva is currently a defendant in the criminal case in which Eletrobras is involved as an assistant to the prosecution.

As far as the construction of the Angra 3 Plant, it is important to mention that Eletronuclear has suspended all the electromechanical assembly and construction contractswork, and the ANGRAMON consortium proposed an action that would require its contract to be terminated. Injuntive relief was not granted and neither has any ruling been made.

Furthermore, due to the news stories citing the alleged involvement of Adhemar Palocci, director from Eletrobras Eletronorte, a subsidiary of Eletrobras, Valter Luiz Cardeal, a director from Eletrobras, in illegal practices in connection with Operation Lava Jato, on July 31, 2015 both requested a leave from their positions as directors of Eletronorte and Eletrobras, respectively, and on August 5, 2015 Valter Luiz Cardeal also requested a leave from the Board of Directors of the companies CGTEE, Amazonas GT and Eletrosul, all subsidiaries of Eletrobras. Adhemar Palocci and Valter Luiz Cardeal continue to be on leave. Also in accordance with the aforementiond investigation process, four employees are on leave from their respective positions in the Group.

As the investigation being conducted by the firm Hogan Lovells unfolds, if it leads to findings and produces sufficient information and data for the Company to evaluate, according to Brazilian and U.S. laws, the possible occurrence of impacts on the Financial Statements, the appropriate legal and regulatory treatment will be applied to these Statements.

Since the activities related to the investigation are still underway, it was not possible to identify and reflect possible impacts, if any, related to this subject, on these Financial Statements.

Filing 20-F Forms

Eletrobras has remained in contact with the Securities and Exchange Commission (SEC) and the New York Stock Exchange ("NYSE") to discuss the necessary procedures to file 20-F Forms for the fiscal years 2014 and 2015 and avoid the delisting of the ADRs (American Depositary Receipts) issued by the Company on the NYSE.

The ongoing investigation led by Hogan Lovells, is still not substantially complete, so the information available is not sufficient for the Company to assess, according to Brazilian and U.S. laws, the possible occurrence of impacts on the Financial Statements. Despite the Company's efforts and the allocation of full financial resources, staff and third parties, the investigation schedule was strongly impacted by difficulties

encountered in the investigation of certain Special Purpose Entities in which Eletrobras holds a minority interest, due to limitations of Brazilian corporate law, as well as difficulties in being able to access testimonies and plea bargains, kept confidential under Operation "Lava Jato".

The Company is making every effort to develop procedures and methodologies in order to address the issue satisfactorily. However, it cannot affirm, at this time, that it will be able to file 20-F Forms in time.

Failure to file with the SEC the 20-F Forms for the fiscal years 2014 and 2015 exposes the Company, albeit unintentionally, to noncompliance with the requirements to continue being listed on the NYSE. If this occurs, the NYSE may take measures to initiate a process of suspension or cancellation of the authorization for Eletrobras securities to be traded on the NYSE, in which case the Company will file the appropriate appeals.

In the event the authorization is cancelled by the NYSE, Eletrobras may change its ADR Program so that the aforementioned ADRs can continue being traded on the Over the Counter (OTC) market. In such a case, Eletrobras will continue working to finish the ongoing investigation independently and present its 20-F Forms, in the manner required by the relevant legislation.

NOTE 5 – CASH, CASH EQUIVALENTS AND RESTRICTED CASH

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
I - Cash and Cash Equivalents:				
Cash and Banks	88,187	343,613	359,726	656,505
Financial Investments	1,169,488	348,106	1,442,072	737,468
	1,257,675	691,719	1,801,798	1,393,973
II - Restricted Cash:				
CCC Funds	369,011	346,874	369,011	346,874
Tradinq - Itaipu	525,258	47,082	525,258	47,082
Tradinq - PROINFA	457,301	232,785	457,301	232,785
RGR Funds	22,795	20,692	22,795	20,692
	1,374,365	647,433	1,374,365	647,433
	2,632,040	1,339,152	3,176,163	2,041,406

Cash and cash equivalents are held with Banco do Brasil S.A., according to the specific laws for mixed capital corporations under federal government control, found in Decree-Law No. 1290, of December 3, 1973, and the amendments contained in Resolution No. 4034, of November 30, 2011, of the Brazilian Central Bank, which established new mechanisms for investments of companies belonging to the Indirect Federal Administration.

The financial investments have immediate liquidity and are in off-market financial investment funds, whose projected rate of return is based on the average SELIC (Special System for Settlement and Custody) rate.

The balances considered as cash equivalents are short-term financial investments, with immediate liquidity, readily convertible into a known amount of cash, subject to an insignificant risk of change in value and maintained for the purpose of meeting short-term cash commitments and are those whose resources are used to meet the Company's cash management.

Restricted cash – These are resources collected by the respective funds that are used exclusively to meet the regulatory provisions thereof, and are not available to the Company.

NOTE 6 – BONDS AND SECURITIES

By means of Resolution No. 3284 of the Central Bank of Brazil, of May 25, 2005, it was established that investments of cash derived from revenues of public and mixed capital companies, belonging to the Indirect Federal Administration, can only be made in off-market investment funds managed by Caixa Econômica Federal and Banco do Brasil S.A. The Company and its subsidiaries may invest their resources in off-market funds backed by government securities with substantially long-term maturity, whose use includes the short-term corporate investment program as well as maintenance of the Company's operating cash.

In relation to participation certificates, adjustments are made at present value. The investment certificates resulting from tax incentives of the Northeast Investment Fund (FINOR) and Amazon Investment Fund (FINAM) are adjusted by provisions for losses in their realization and are, therefore, stated as net.

Following is the breakdown of the bonds and securities:

PARENT COMPANY					
CURRENT					
Securities	Custodial Financial Agent	Maturity	Index	3/31/16	12/31/15
LFT	Banco do Brasil	After 90 days	Prefixed	212,361	-
LTN	Banco do Brasil	After 90 days	Prefixed	2,063,357	2,740,281
LTN	CEF	After 90 days	Prefixed	121,576	214,210
NTN- B	Banco do Brasil	After 90 days	IPCA	-	275,094
NTN- F	CEF	After 90 days	Prefixed	41,655	-
NTN- F	Banco do Brasil	After 90 days	Prefixed	706,811	188,273
CFT-E1	Banco do Brasil	01/08/12	IGP-M	-	-
Commitment Transactions	CEF	-	-	12,506	36,668
TOTAL CURRENT				3,158,266	3,454,526

NONCURRENT		
Securities	3/31/16	12/31/15
FINOR/FINAM	778	916
PARTICIPATION CERTIFICATES	194,425	190,847
TOTAL NONCURRENT	195,203	191,763

CONSOLIDATED					
CURRENT					
Securities	Custodial Financial Agent	Maturity	Index	03/31/16	12/31/15
LFT	Banco do Brasil	After 90 days	SELIC	212,361	195,368
LTN	Banco do Brasil	After 90 days	Prefixed	3,471,539	4,691,729
LTN	CEF	After 90 days	Prefixed	121,576	214,210
NTN- B	Banco do Brasil	After 90 days	IPCA	12,252	467,735
NTN- F	CEF	After 90 days	Prefixed	41,655	-
NTN- F	Banco do Brasil	After 90 days	Prefixed	773,493	191,693
Commitment Transactions	CEF	-	-	805,722	1,082,039
TOTAL CURRENT				5,438,598	6,842,774

NONCURRENT					
Securities	Custodial Financial Agent	Maturity	Index	03/31/16	12/31/15
LTN	Banco do Brasil	After 90 days	Prefixed	42	-
NTN- B	Banco do Brasil	After 90 days	IPCA	249	405
FINOR/FINAM	-	-	-	778	916
PARTICIPATION CERTIFICATES	-	-	-	194,425	190,847
OTHER	-	-	-	1,591	2,822
TOTAL NONCURRENT				197,085	194,990

6.1 - PARTICIPATION CERTIFICATES – Securities acquired from the restructuring of the Company's investment in the subsidiary INVESTCO S.A. These assets ensure an annual yield equal to 10% of the profit of the companies mentioned below, paid together with the dividends, and will be redeemed at maturity in October 2032, by converting them into preferred shares of the aforementioned companies' capital stock, as shown below:

	PARENT COMPANY	CONSOLIDATED
	03/31/16	12/31/15
Lajeado Energia	451,375	451,375
Paulista Lajeado	49,975	49,975
Ceb Lajeado	151,225	151,225
Face value	652,575	652,575
Adjust. present value	(458,150)	(461,728)
Present value	194,425	190,847

NOTE 7 – CUSTOMERS

	CONSOLIDATED					
	03/31/16					12/31/15
CURRENT	Falling due	Overdue by up to 90 days	+ 90 days	Renegotiated Credits (b)	Total	Total
AES ELETROPAULO	26,577	4,642	2	-	31,221	18,072
AES SUL	28,024	-	-	-	28,024	24,294
AMPLA	23,766	1,173	-	-	24,939	26,661
CEA	8,009	12,276	-	239,033	259,318	244,567
CEB	4,416	-	-	-	4,416	5,820
CEEE	24,947	-	-	-	24,947	29,908
CELESC	41,424	-	-	-	41,424	44,085
CELPA	40,902	-	963	18,806	60,671	66,292
CELPE	18,138	-	56	-	18,194	22,568
CEMAR	19,062	-	-	-	19,062	23,803
CEMIG	32,064	-	-	-	32,064	37,797
CESP	6,328	-	-	-	6,328	6,428
COELBA	25,541	-	58	-	25,599	36,067
COELCE	27,833	-	-	-	27,833	30,935
COPEL	80,817	-	-	-	80,817	67,248
CPFL	16,444	-	165	-	16,609	14,247
EBE	9,023	-	-	-	9,023	7,968
ELEKTRO	43,349	10	-	-	43,359	42,180
ENERGISA	25,727	3,813	64,647	-	94,187	87,498
ENERSUL	10,644	-	-	-	10,644	16,368
ESCELSA	19,563	-	60	-	19,623	17,517
LIGHT	50,004	-	123	-	50,127	55,978
PIRATININGA	2,288	-	54	-	2,342	3,269
RGE	28,664	-	-	-	28,664	27,096
Rollover of debt	-	-	-	23,079	23,079	22,840
Trading on the CCEE	267,787	36,845	99,846	-	404,478	439,478
Use of the electricity grid	214,585	10,885	28,372	-	253,842	251,341
PROINFA (a)	304,580	76,911	-	-	381,491	379,214
Residential Consumer	276,922	321,885	123,042	95,677	817,526	814,377
Industrial Consumer	271,852	41,666	197,968	90,439	601,925	638,646
Rural Consumer	23,002	23,211	17,102	8,617	71,932	104,625
Trade, services, other activities	211,992	81,139	66,890	77,777	437,798	414,529
Government	129,674	87,088	313,016	63,094	592,872	495,686
Other	650,797	55,125	143,219	153,472	1,002,613	909,544
(-) Allow. Doubtful Accounts (c)	(359,820)	(91,253)	(820,832)	(121,954)	(1,393,859)	(1,289,445)
	2,604,925	665,416	234,751	648,040	4,153,132	4,137,501
NONCURRENT						
CEB	-	-	14,111	-	14,111	14,111
CELPA	-	-	-	14,588	14,588	19,317
Trading in CCEE	-	-	293,560	-	293,560	293,560
Use of the electricity grid	-	-	6,276	-	6,276	6,276
PROINFA (a)	-	-	113,147	-	113,147	125,383
Rollover of debt	-	-	-	514,264	514,264	489,556
Government	-	-	-	367,225	367,225	290,965
Residential Consumer	-	-	-	55,421	55,421	50,220
Industrial Consumer	-	-	-	48,988	48,988	49,584
Rural Consumer	-	-	-	63,295	63,295	65,673
Trade, services and other activities	-	-	-	32,976	32,976	175,812
Others	-	-	-	715,661	715,661	683,203
(-) Allow. Doubtful Accounts (c)	-	-	(313,947)	(108,998)	(422,945)	(430,203)
	-	-	113,147	1,703,420	1,816,567	1,833,457
	2,604,925	665,416	347,898	2,351,460	5,969,699	5,970,958

(a) Electric power trading - PROINFA

The electric power trading operations within the scope of the Alternative Energy Sources Incentive Program (PROINFA) generated a net gain in the quarter ended March 31, 2016 of R$ 200,513 (March 31, 2015 – net gain of R$ 29,485). This did not affect the Company's net income for the period, since this sum was included under Reimbursement Obligations. The sum of R$ 494,638 from PROINFA, in reference to the parent company (December 31, 2015

– R$ 504,597), is recorded in the consumer reseller balance.

(b) Renegotiated credits

These represent the amounts resulting from the consolidation of debt payment installments on overdue energy supply accounts from consumers in default, or which are coming due, charged in electricity bills.

The renegotiated credits from debt rollover are in reference to a credit assignment contract between the federal government and the subsidiaries FURNAS and Eletrosul, in accordance with the Public Sector Finance Consolidation Program (Law no. 8727, of November 5, 1993). The federal government assumed, refinanced and divided the debt into 240 installments, due in April 1994. If any balance is still due when the 20-year term expires, once the federal government transfers only the resources received from the states which, in turn, are limited to their revenue commitment levels, the refinancing will be extended for another 120 months. They represent R$ 537,343 on March 31, 2016 (R$ 512,396 on December 31, 2015).

(c) Allowance for doubtful accounts

The subsidiaries establish and maintain allowances, based on an analysis of overdue accounts receivable and the history of losses, where the amount is considered by Management to be sufficient to cover possible losses in the recovery of these assets.

The subsidiary Furnas maintains an allowance, set aside in 2007, of R$ 293,560. This provision represents historical amounts related to energy trading in the formerly extinguished Wholesale Energy Market (MAE) for the period from September 2000 to September 2002, whose financial settlement is pending due to the issuance of injunctions in lawsuits filed by electricity distribution utilities against ANEEL and MAE, currently the CCEE.

The movements (consolidated) in allowance for doubtful accounts of electricity consumers are as follows:

	CONSOLIDATED
Balance at December 31, 2014	1,659,763
(+) Set aside	177,728
(-) Reversal	(76,131)
(-) Write-off	(123,910)
Balance at March 31, 2015	1,637,450
Balance at December 31, 2015	1,719,648
(+) Set aside	166,048
(-) Reversal	(23,704)
(-) Write-off	(45,188)
Balance at March 31, 2016	1,816,804

The setting aside and reversal of Allowance for Doubtful Accounts were recorded in profit or loss of the fiscal year as "Operating Provisions" (see Note 41). The amounts recognized as Allowance for Doubtful Accounts are reported as a permanent loss when there is no longer any expectation that these funds will be recovered.
For tax purposes, any calculated surplus allowance, in relation to the provisions of Articles 9

and 10 of Law No. 9430/1996, is being added to Taxable Income, as well as to the calculation basis for Social Contribution on Net Income (CSLL).

NOTE 8 – LOANS AND FINANCING

	03/31/16							
	PARENT COMPANY				CONSOLIDATED			
	CHARGES		PRINCIPAL		CHARGES		PRINCIPAL	
	CURRENT				CURRENT			
	Avg. Rate	Amount	CURRENT	NONCURRENT	Avg. Rate	Amount	CURRENT	NONCURRENT
FURNAS	8.06	31,436	470,550	3,545,095	-	-	-	-
CHESF	5.02	-	12,265	14,327	-	-	-	-
ELETROSUL	10.69	2,566	203,763	1,990,198	-	-	-	-
ELETRONORTE	6.13	23,276	356,371	2,499,363	-	-	-	-
ELETRONUCLEAR	9.43	85	186,676	1,371,202	-	-	-	-
CGTEE	12.34	6,279	237,126	2,246,849	-	-	-	-
CEAL	14.11	696	338,662	859,949	-	-	-	-
CERON	13.51	10	143,542	597,696	-	-	-	-
CEPISA	12.89	42,960	591,424	649,292	-	-	-	-
ELETROACRE	13.73	419	93,883	193,959	-	-	-	-
BOA VISTA	12.66	13	16,538	38,876	-	-	-	-
AMAZONAS D	14.28	7	185,277	1,161,819	-	-	-	-
AMAZONAS GT	16.60	3,518	974,072	512,675	-	-	-	-
		111,265	3,810,149	15,681,300		-	-	-
ITAIPU	7.11	-	1,754,349	11,314,300	7.11	-	1,754,349	11,314,300
CEMIG	5.09	51	47,511	123,965	5.09	51	47,511	123,965
COPEL	6.39	52	22,283	47,158	6.39	52	22,283	47,158
CEEE	5.00	-	6,202	22,854	5.00	-	6,202	22,854
AES ELETROPAULO	10.00	338,367	10,561	-	10.00	338,367	10,561	-
CELPE	5.00	-	6,592	3,896	5.00	-	6,592	3,896
CELG	16.18	-	-	-	16.18	18,696	187,200	47,142
ENERGISA - MT	9.19	2	60,434	233,405	9.19	2	60,434	233,405
ENERGISA - TO	10.58	-	20,473	80,295	10.58	-	20,473	80,295
ENERGISA - MS	5.21	27	11,067	26,353	5.21	27	11,067	26,353
CELPA	5.00	70,479	258,828	283,098	5.00	70,479	258,828	283,098
CEMAR	2.12	-	49,330	193,967	2.12	-	49,330	193,967
CESP	5.09	6	5,152	13,768	5.09	6	5,152	13,768
COELCE	5.00	-	9,710	34,593	5.00	-	9,710	34,593
COSERN	5.00	0	1,874	2,067	5.00	-	1,874	2,067
COELBA	5.00	0	21,676	77,439	5.00	-	21,676	77,439
ESCELSA	5.00	0	10,915	26,113	5.00	-	10,915	26,113
GLOBAL	5.00	97,285	44,100	-	5.00	97,285	44,100	-
CELESC DISTRIB.	5.00	-	27,418	50,228	5.00	-	27,418	50,228
OTHERS		90,254	270,451	188,770		71,560	88,950	145,353
(-) Allowance Doubtful Accounts		(168,672)	(77,440)	-		(168,672)	(77,440)	-
		427,851	2,561,486	12,722,268		427,854	2,567,184	12,725,993
		539,116	6,371,635	28,403,568		427,854	2,567,184	12,725,993

	12/31/15							
	PARENT COMPANY				CONSOLIDATED			
		CHARGES CURRENT	PRINCIPAL			CHARGES CURRENT	PRINCIPAL	
	Avg. Rate	Amount	CURRENT	NONCURRENT	Avg. Rate	Amount	CURRENT	NONCURRENT
FURNAS	7.76	29,346	428,005	3,590,369	-	-	-	-
CHESF	5.02	174	13,602	17,188	-	-	-	-
ELETROSUL	9.53	35,971	147,653	1,957,886	-	-	-	-
ELETRONORTE	6.02	26,260	373,823	2,619,958	-	-	-	-
ELETRONUCLEAR	9.21	11,317	165,647	1,423,301	-	-	-	-
CGTEE	11.67	24,473	319,222	2,074,115	-	-	-	-
CEAL	13.78	2,622	307,221	856,905	-	-	-	-
CERON	13.09	1,092	131,367	607,023	-	-	-	-
CEPISA	12.28	26,855	543,082	654,379	-	-	-	-
ELETROACRE	12.97	-	80,467	202,548	-	-	-	-
BOA VISTA	12.11	177	17,194	37,048	-	-	-	-
AMAZONAS D	13.29	-	141,777	1,185,390	-	-	-	-
AMAZONAS GT	15.20	-	812,873	656,214	-	-	-	-
		158,287	3,481,933	15,882,324		-	-	-
ITAIPU	7.11	-	1,894,766	12,907,368	7.11	-	1,894,766	12,907,368
CEMIG	5.09	973	54,104	134,907	5.09	973	54,104	134,907
COPEL	6.39	471	35,102	50,744	6.39	471	35,102	50,744
CEEE	5.00	199	9,320	23,884	5.00	199	9,320	23,884
AES ELETROPAULO	10.00	338,017	10,561	-	10.00	338,017	10,561	-
CELPE	5.00	69	8,395	5,199	5.00	69	8,395	5,199
CELG	8.12	1,249	188,502	51,048	8.12	1,249	188,502	51,048
ENERGISA - MT	9.19	2,549	52,942	255,206	9.19	2,549	52,942	255,206
ENERGISA - TO	10.58	998	20,031	87,231	10.58	998	20,031	87,231
ENERGISA - MS	5.21	222	12,426	28,968	5.21	222	12,426	28,968
CELPA	5.00	70,479	248,059	274,415	5.00	70,479	248,059	274,415
CEMAR	2.12	1,080	69,842	205,017	2.12	1,080	69,842	205,017
CESP	5.09	123	5,569	15,056	5.09	123	5,569	15,056
COELCE	5.00	237	10,769	36,678	5.00	237	10,769	36,678
COSERN	5.00	23	2,161	2,499	5.00	23	2,161	2,499
COELBA	5.00	533	23,833	82,762	5.00	533	23,833	82,762
ESCELSA	5.00	206	12,593	28,609	5.00	206	12,593	28,609
GLOBAL	5.00	94,327	44,100	-	5.00	94,327	44,100	-
CELESC DISTRIB.	5.00	593	36,529	56,696	5.00	593	36,529	56,696
OTHERS		70,840	98,983	149,186		70,852	105,470	154,108
(-) Allowance Doubtful Accounts		(163,607)	(77,440)	-		(163,607)	(77,440)	-
		419,581	2,761,147	14,395,473		419,593	2,767,633	14,400,394
		577,868	6,243,080	30,277,797		419,593	2,767,633	14,400,394

Financing and loans are made with the Company's own resources, in addition to energy sector resources and external resources obtained through international development agencies, financial institutions and from offering securities on the international financial market.

All the financing and loans granted are backed by formal agreements signed with the borrowers. The amounts owed are, in most cases, repaid in monthly installments, amortized over an average period of 10 years, and the average interest rate, weighted by the portfolio balance, is 9.09% per annum.

The financing and loans granted, with an exchange rate indexation clause, represent around 40% of the total portfolio (42% on December 31, 2015). In turn, those that are indexed based on domestic price levels in Brazil account for 60% of the portfolio balance (58% on December 31, 2015).

The market values of these assets are close to their book values, since they are specific transactions in the sector and partly comprised of energy sector resources where there are no similar conditions to serve as valuation parameters at market value.

The increase in the loans receivable balance in the quarter is primarily due to the exchange rate variation calculated on loans granted to Itaipu, resulting from the appreciation of the dollar against the real, when comparing the closing rates for March 2016 and December 2015. The dollar varied negatively at around 9%.

The long-term installments of the financing and loans granted, based on contractually expected cash flows, fall due in varying amounts, as shown below:

	2017	2018	2019	2020	2021	After 2021	Total
Parent Company	4,351,690	4,753,320	4,667,015	4,611,803	4,534,380	5,485,361	28,403,568
Consolidated	1,345,512	2,516,948	2,665,598	2,737,167	2,777,488	683,280	12,725,993

8.1 – AES Eletropaulo/CTEEP – Lawsuit

The Company has receivables from Eletropaulo Eletricidade de São Paulo S.A. linked to a court case underway between AES Eletropaulo and CTEEP.

On September 18, 2015, a partial report was published about the lawsuit which moves against the company Eletropaulo, stating that Eletropaulo is responsible to pay the amounts owing in relation to financing payments not paid on their respective due dates to Eletrobras and not to Companhia de Transmissão de Energia Elétrica Paulista ("CTEEP").

Consequently, the Company now has a credit of R$ 2,478,217 (R$ 2,382,255 on December 31, 2015), where R$ 348,928 (R$ 348,578 on December 31, 2015) has already been recognized in its assets under loans and financing, corresponding to the portion considered undisputed by the Company. Final recognition of the entire credit will occur when it achieves the status of virtually certain.

8.2 - Allowance for Doubtful Accounts

The Company has an allowance for doubtful accounts of R$ 246,112 (December 31, 2015 - R$ 241,047) corresponding to the principal and debt service of companies in default.

This allowance is considered sufficient by the Company's Management to cover possible losses on these assets, based on an analysis of the portfolio's behavior.

In the breakdown of the allowance there are credits with Celpa, controlled by Equatorial Energia, of R$ 13,372 (R$ 17,194 on December 31, 2015). This allowance was deemed necessary in light of Celpa's court-supervised reorganization.

The movements in Allowance for Doubtful Accounts for financing and loans granted by the Company are as follows:

	Parent Company
Balance at December 31, 2014	225.293
(+) Complement	4,890
(-) Reversals / write-offs	(881)
Balance at March 31, 2015	229,302
Balance at December 31, 2015	241,047
(+) Complement	5,901
(-) Reversals	(837)
Balance at March 31, 2016	246,112

The establishment and reversal of Allowance for Doubtful Accounts were recorded in the income statement for the period of March 31, 2016 as Operating Provisions (see Note 41). The amounts recognized as Allowance for Doubtful Accounts are reported as permanent losses (written-off) when these funds are no longer expected to be recovered.

NOTE 9 - REMUNERATION OF EQUITY INTEREST

The figures presented below refer to dividends and interest on capital receivable, net of withholding tax, when applicable, arising from permanent investments held by the Company.

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
CURRENT				
Eletronorte	10,342	10,016	-	-
Lajeado Energia	58,725	76,325	58,725	76,325
CGTEE	75,412	73,035	-	-
CEMAR	22,910	22,911	22,910	22,911
Eletrosul	38,229	37,024	-	-
Eletropar	1,080	1,046	-	-
CTEEP	20	20	20	20
CEB Lajeado	23,260	16,767	23,260	16,767
Enerpeixe	-	-	6,450	34,686
Goiás Transmissão	-	-	23,857	23,857
Chapecoense	-	-	22,288	22,288
Transenergia Renovável	-	-	13,979	13,979
IE Madeira	-	-	1,077	27,589
Manaus Construtora	-	-	9,178	9,178
Transenergia São Paulo	-	-	5,828	4,275
MGE Transmissão	-	-	11,446	11,447
Serra do Facão	-	-	9,154	9,154
Baguari	-	-	2,553	2,462
Uirapuru	-	-	2,288	2,288
EAPSA	-	-	3,680	2,181
Transudeste	-	-	1,881	1,033
Transirape	-	-	1,542	678
ETAU	-	-	257	257
Other	49,603	18,325	55,929	27,985
	279,581	255,468	276,302	309,360

NOTE 10 – TAX RECOVERABLE, INCOME TAX AND SOCIAL CONTRIBUTION – ASSETS

10.1 - Tax recoverable

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
Current assets:				
Income taxes - source	146,074	373,962	372,893	574,083
PIS/PASEP/COFINS compensatable	521	-	56,441	58,349
ICMS recoverable	-	-	33,002	40,538
Other	-	-	37,269	43,681
	146,595	373,962	499,605	716,651
Noncurrent assets:				
ICMS recoverable (a)	-	-	1,726,183	1,724,692
PIS/COFINS recoverable (a)	-	-	955,175	877,386
Other	-	-	23,407	21,108
	-	-	2,704,765	2,623,186

(a) ICMS, PIS/PASEP AND COFINS recoverable

The Company has R$ 2,681,358 (R$ 2,602,078 on December 31, 2015) for PIS, COFINS and ICMS recoverable recorded under noncurrent assets. Of this sum, R$ 2,442,356 (R$ 2,150,827 on December 31, 2015) refer to taxes and contributions on fuel purchases from the subsidiary Amazonas.

According to § 8 of Law 12111/2009, these taxes and contributions shall be reimbursed to the CCC when realized. Therefore, a liability corresponding to the same amount is maintained under Reimbursement Obligations (see Note 11).

(b) Unconstitutionality of PIS/PASEP and COFINS

The Supreme Court (STF) declared paragraph 1 of Article 3 of Law 9718/98 unconstitutional, which had broadened the calculation basis for PIS/ PASEP and COFINS and provided, at that time, a new concept for billing. This concept encompassed all revenue earned by companies, regardless of the type of activity performed and the accounting classification adopted. This provision had no constitutional foundation and had been subject to a subsequent constitutional amendment.

Based on the National Tax Code (CTN), the Eletrobras System companies are seeking recognition of their right to credit and a reimbursement of the amount paid in excess due to the unconstitutionality of broadening the tax base for these contributions. Up until the completion of these Financial Statements, no final decision had been rendered on the issue.

Therefore, the Eletrobras System companies have potential PIS/PASEP and COFINS tax credits, which are in the stage of being settled and, as a result, have not been recognized in these Financial Statements, since the declaration of unconstitutionality only benefits plaintiff companies in the extraordinary appeals that were judged.

10.2- Income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
Current assets:				
Advance/Negative Balance - IRPJ and CSLL	855,851	928,743	1,241,804	1,475,598
Noncurrent assets:				
Negative Balance - IRPJ and CSLL	1,645,382	1,645,382	1,645,382	1,645,382
Deferred IRPJ/CSLL	-	-	1,322,672	1,422,209
	1,645,382	1,645,382	2,968,054	3,067,591
Noncurrent liabilities:				
Deferred IRPJ/CSLL	487,947	733,289	750,950	1,003,796

10.3 - Breakdown of deferred income tax and social contribution

	03/31/16			12/31/15		
	Assets	Liabilities	Net effect assets (liabilities)	Assets	Liabilities	Net effect assets (liabilities)
Eletronorte	1,443,183	(237,761)	1,205,422	1,529,640	(219,692)	1,309,948
	1,443,183	(237,761)	1,205,422	1,529,640	(219,692)	1,309,948
Eletrobras	-	(487,947)	(487,947)	-	(733,289)	(733,289)
Eletrosul	483,462	(366,209)	117,253	457,629	(345,368)	112,261
Furnas	260,156	(453,084)	(192,928)	258,709	(453,084)	(194,375)
Chesf	(3)	(55,808)	(55,811)	-	(65,070)	(65,070)
Eletropar	-	(14,267)	(14,267)	-	(11,062)	(11,062)
Celg-D	-	-	-	-	-	-
Ceal	-	-	-	-	-	-
	743,615	(1,377,315)	(633,700)	716,338	(1,607,873)	(891,535)

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
Deferred tax assets:				
Allowance for contingencies	-	-	68,879	68,066
Allowance for doubtful accounts	-	-	56,089	56,047
Operating provisions	-	-	321,740	407,319
Provision for non-realization of tax credits	-	-	-	74,700
Tax credits w/o tax loss and negative base	-	-	1,632,358	1,532,766
Other	-	-	107,732	107,080
Total assets	-	-	2,186,798	2,245,978
Deferred tax liabilities:				
Exchange variances on liabilities	149,600	416,810	149,600	416,810
Available-for-sale financial assets	338,347	316,479	338,347	316,479
Accelerated depreciation	-	-	89,047	81,255
Revenue from indexed renegotiated energy credits	-	-	233,306	221,871
Study and project expenditures / AVP	-	-	496,249	488,425
Provision for non-realization of credits	-	-	-	-
Tax debt	-	-	258,709	258,709
Other	-	-	49,818	44,016
Total liabilities	487,947	733,289	1,615,076	1,827,565

10.4 - Income tax and social contribution recognized in other comprehensive income

	Parent Company		Consolidated	
	03/31/16	03/31/15	03/31/16	03/31/15
Deferred taxes				
Arising from revenues and expenses recognized in other comprehensive income:				
Actuarial gains (losses) adjustment	-	-	-	-
Remeasurement of fair value of hedging instruments contracted for cash flow hedges	-	-	-	-
Remeasurement of fair value of available-for-sale financial instruments	(21,866)	2,470	(21,866)	(2,459)
Share in the comprehensive income of the subsidiaries, affiliated companies and joint ventures	-	-	7,035	4,929
Total income tax and social contribution recognized in other comprehensive results	(21,866)	2,470	(14,831)	2,470

NOTE 11 – REIMBURSEMENT RIGHTS AND OBLIGATIONS

	CONSOLIDATED	
	03/31/16	12/31/15
Reimbursement rights		
CURRENT ASSETS		
CCC for Isolated Systems (a)	2,491,777	2,118,184
CDE refund (b)	143,713	147,058
	2,635,490	2,265,242
NONCURRENT ASSETS		
CCC for Isolated Systems (a)	8,160,433	8,238,140
	8,160,433	8,238,140
Reimbursement obligations		
CURRENT LIABILITY		
CCC for Isolated Systems (a)	16,254	19,423
PROINFA	500,145	299,632
CDE refund (b)	74,460	77,153
	590,859	396,208
NONCURRENT LIABILITIES		
CCC for Isolated Systems (a)	2,571,894	2,483,378
	2,571,894	2,483,378

a) Fuel consumption account (CCC) for isolated systems

With the enactment of Law No. 12111/2009 and Decree No. 7246/2010, the energy generation subsidy system for the isolated systems was changed. The CCC, which up until then only subsidized fuel costs, started to reimburse the difference between the total cost of electricity generation and the valuation of the corresponding amount of electricity by the

average price of power and energy traded in the Regulated Contracting Environment (ACR) of the National Interconnected System (SIN).
The total cost of electricity generation in isolated systems includes the costs related to:

- contracting of energy and associated power;
- own generation to meet electricity distribution;
- charges and taxes;
- investments made; and
- fuel purchases.

Also included in total generation cost are the other expenses related to providing electricity in remote regions of the Isolated Systems, characterized by a large dispersion of consumers and lack of economies of scale.

The fuel consumption account for isolated systems refers to receivables and amounts received from the CCC in the respective periods. The Company has an amount receivable of R$ 10,652,210 (R$ 10,356,324 at December 31, 2015) and a liability of R$ 2,588,148 (R$ 2,502,801 at December 31, 2015) corresponding to reimbursement obligations.

After the enactment of Law No. 12783, Eletrobras has no further obligation to make contributions to the CCC Account. Nevertheless, the CCC Account has not been abolished. The available balances will continue to be distributed to generation and distribution companies that incur additional costs due to the use of thermoelectric power plants in case of unfavorable hydrological conditions. To ensure the continued viability of the CCC Account, Law No. 12783 allows transfers to be made between the Energy Development Account (CDE) and the CCC Account.

b) CDE (Energy Development Account) reimbursement

Law No. 12783/13, Decree No. 7945/13 as amended by Decree No. 8203/14 and subsequent Decree No. 8221/14, promoted certain changes in energy contracting and the objectives of the energy sector charge – Energy Development Account (CDE). It also instituted (i) the transfer of funds from the Energy Development Account to distribution utilities for costs related to hydrological risk, involuntary exposure, ESS (Energy Safety Charges) and CVA ESS and Energy for the period of 2013 and January 2014, and (ii) transfers through the Electric Power Trade Chamber (CCEE) to distribution companies for costs related to involuntary exposure and dispatch of thermoelectric power plants starting February 2014.

The effects of these items were recorded as a cost reduction in electricity purchased for resale (Note 40) in return for reimbursement rights – CDE/CCEE Reimbursement, in accordance with CPC 07 / IAS 20 - Government Grants and Assistance.

NOTE 12 – NUCLEAR FUEL INVENTORY

The composition of the long-term nuclear fuel inventory for the Angra I and Angra II thermonuclear power plant operations is presented below:

	CONSOLIDATED	
	03/31/16	12/31/15
CURRENT		
Ready-to-use elements	402,453	402,453
	402,453	402,453
NONCURRENT		
Ready-to-use elements	344,305	441,223
Uranium concentrate	7,723	7,723
Underway - nuclear fuel	190,459	129,479
	542,487	578,425
	944,940	980,878

The inventories are stated at cost or net realizable value, whichever is lower, separated as follows:

a) Current uranium concentrate and services (for transforming uranium concentrate into nuclear fuel elements) are recorded at their acquisition costs;

b) Nuclear fuel elements – are available in the reactor core and in the Spent Fuel Pool inventory, and are included on the income statement due to their use in the electricity generation process.

NOTE 13 – ADVANCES FOR FUTURE CAPITAL INCREASE

The Company and its subsidiaries recorded under noncurrent assets advances for future capital increase in the following investees:

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/2015	03/31/16	12/31/2015
Subsidiaries				
Furnas	45,069	43,649	67,516	44,099
Chesf	-	-	436,705	348,887
Eletrosul	-	-	856,991	781,467
Eletronorte	-	-	61,649	37,079
CGTEE	342,876	120,505	-	-
Ceal	-	8,307	-	-
Ceron	-	-	-	-
Cepisa	-	-	-	-
Eletroacre	12,787	12,787	-	-
	400,732	185,248	1,422,861	1,211,532
Other investments	-	4,245	-	4,000
	400,732	189,493	1,422,861	1,215,532

The amounts presented in the consolidated section refer to advances for future capital made by the subsidiaries in SPEs, particularly Transmissora Sul Litorânea de Energia S.A., for R$

87,394; Chuí Holding S.A. for R$ 431,913; Livramento Holding S.A. for R$ 177,783 and TDG – Transmissora Delmiro Gouveia S.A., for R$ 101,000. The intent of these advances for future capital is to make the enterprises feasible.

On March 2, 2016, Eletrobras approved the concession of an advance for future capital for R$ 251,000 for the subsidiary CGTEE in order to cover cash needs.

NOTE 14 – HYDROLOGICAL RISK

In 2014 and 2015 the country was faced with adverse hydrological conditions, which unleashed a series of consequences for the electricity sector. Specifically for generation companies participating in the Energy Reallocation Mechanism (MRE), the low power generation of hydroelectric plants at levels below the Guaranteed Ouput of the MRE caused a reduction in the adjustment factor of the MRE or Generation Scaling Factor (GSF).

This reduction directly affected the delivery of energy to fulfill supply contracts because, due to insufficient energy, the generation companies were suject to the Differences Settlement Price (PLD) in the Short-Term Market in order to honor their contracts, and in so doing incurred negative economic and financial effects.

Law No. 13203, of December 8, 2015, among other issues, establishes the conditions for renegotiation of electricity generation hydrological risk with agents participating in the Energy Reallocation Mechanism (MRE). According to the provisions of Article 1 of the standard, hydrological risk can be renegotiated, provided ANEEL approves, with retroactive effect from January 1, 2015, through compensation of electricity generation agents.

ANEEL, according to the provisions of this law, through Normative Resolution No. 684, of December 11, 2015, established the criteria and other conditions for renegotiation.

In complying with the criteria and conditions set forth in the standard, the SFF (Financial Inspection Department of ANEEL) understands that companies interested in renegotiation have the full means to quantify the eligible amounts of energy, for both the ACR (Regulated Contracting Environment) and ACL (Unregulated Contracting Environment). Not only is the company privy to the information regarding the amounts, but since the decision to renegotiate is by its officers, the Regulatory Agency is only responsible to approve the amounts. Provided the information provided by the companies involved in the renegotiation is consistent with the premises set forth in the legislation, there would be no discretion by the regulatory agency as to approval of the renegotiation. The GSF corresponding to 2015 was recalculated, resulting in an amount that will be offset by the risk premium calculated by the subsidiaries that have chosen to join the renegotiation – Eletronorte, Eletrosul, Furnas and Amazonas GT.

The breakdown of the book values resulting from the hydrological risk renegotiation, in regard to contracts signed in the Regulated Contracted Environment (ACR), is as follows:

	CONSOLIDATED 03/31/16	CONSOLIDATED 12/31/15
UHE Tucuruí	255,491	312,414
UHE Serra da Mesa	180,638	189,367
UHE Mascarenhas de Moraes	75,103	79,076
UHE Itumbiara	61,285	67,487
UHE Simplício	51,351	54,371
UHE Batalha	13,046	13,813
UHE Balbina	22,664	24,928
UHE Mauá	14,686	14,968
UHE Manso	24,498	25,939
UHE Passo São João	5,806	5,918
UHE São Domingos	5,600	5,708
	710,169	793,990
Total current assets	143,833	195,830
Total noncurrent assets	566,336	598,160
TOTAL	710,169	793,990

NOTE 15 – INVESTMENTS

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/2015	03/31/16	12/31/2015
Valuated using the equity method				
a) Subsidiaries				
Furnas	10,258,148	10,171,122	-	-
Chesf	8,755,247	8,811,169	-	-
Eletrosul	4,360,276	4,385,308	-	-
Eletronorte	12,565,342	11,912,412	-	-
Eletropar	127,316	120,338	-	-
	36,066,329	35,400,349	-	-
b) Affiliated companies				
CEEE-GT	464,772	448,274	464,772	448,274
EMAE	296,828	296,828	307,195	307,195
CTEEP	942,229	924,185	961,141	942,732
CEMAR	653,419	653,419	653,419	653,419
Lajeado Energia	228,829	219,173	228,829	219,173
CEB Lajeado	76,173	80,353	76,173	80,353
Paulista Lajeado	23,556	23,507	23,556	23,507
Energisa MT	385,318	385,318	385,318	385,318
Energética Águas da Pedra S.A.	-	-	228,773	208,795
	3,071,124	3,031,057	3,329,176	3,268,766
c) Joint ventures				
Inambari	115	115	185	115
Mangue Seco II	16,696	16,889	16,696	16,889
CHC	87,832	98,514	87,832	98,514
Norte Energia (Belo Monte)	1,293,032	1,039,632	4,220,273	3,469,789
Rouar	101,947	111,775	101,947	111,775
Madeira Energia S.A. (MESA)	-	-	2,991,679	2,896,068
ESBR Participações S.A.	-	-	2,782,988	2,807,625
Interligação Elétrica do Madeira S.A. (IE Madeira)	-	-	919,734	912,098
Norte Brasil Transmissora de Energia S.A.	-	-	885,730	887,528
Manaus Transmissora de Energia S.A.	-	-	612,207	621,873
Enerpeixe S.A.	-	-	577,231	561,282
Teles Pires Participações	-	-	710,151	662,564
Chapecoense Geração S.A. (Chapecoense)	-	-	432,950	415,501
Belo Monte Transmissora de Energia	-	-	394,267	391,058
Interligação Elétrica Garanhuns S.A.	-	-	325,897	318,972
Transmissora Sul Brasileira de Energia S.A.	-	-	270,454	270,252
STN - SistemadeTransmissãoNordesteS.A.	-	-	206,804	176,941
Empresa de Energia São Manoel	-	-	241,994	103,314
Goiás Transmissão S.A.	-	-	188,252	190,245
Integração Transmissora de Energia S.A.	-	-	185,041	175,572
Companhia Energética Sinop	-	-	178,352	179,052
Transnorte Energia S.A.	-	-	148,307	148,373
Transmissora Sul Litorânea de Energia S.A.	-	-	135,641	134,739
MGE Transmissão S.A.	-	-	135,519	136,755
Transenergia Renovável S.A. (Transenergia)	-	-	124,786	128,418
Chapada do Piauí II Holding S.A.	-	-	124,526	142,187
Brasnorte Transmissora de Energia S.A.	-	-	123,085	120,873
Retiro Baixo Energética S.A. (Retiro Baixo)	-	-	122,850	121,774
Paranaíba	-	-	109,805	100,726
Chapada do Piauí I Holding S.A.	-	-	102,978	109,497
Eólica Serra das Vacas Holding S.A.	-	-	99,256	97,374
Triângulo Mineiro Transmissora	-	-	94,140	82,555
Transmissora Matogrossense de Energia S.A.	-	-	92,553	97,154
Transenergia São Paulo S.A.	-	-	91,794	91,141
Other	177,945	195,241	1,232,893	1,219,777
	1,677,567	1,462,166	19,068,797	17,998,370
SUBTOTAL	40,815,020	39,893,572	22,397,973	21,267,136
Provision for investment losses	(87,947)	(98,628)	(501,902)	(489,866)
TOTAL	40,727,073	39,794,944	21,896,071	20,777,270

Investments held at fair value	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/2015	03/31/16	12/31/2015
AES Tietê	467,792	437,532	467,792	437,532
Coelce	207,499	196,429	207,499	196,429
Energisa S.A.	114,417	124,104	114,417	124,104
Cesp	103,725	87,023	103,725	87,023
Celpa	42,586	42,379	42,586	42,379
Celesc	53,146	41,513	53,146	41,513
CELPE	27,528	28,859	27,528	28,859
COPEL	28,227	24,492	28,227	24,492
CGEEP	18,545	17,662	18,545	17,662
CEB	6,972	6,130	6,972	6,130
Tangara	-	-	-	-
AES Eletropaulo	-	-	16,891	17,603
Energias do Brasil	-	-	18,720	17,888
CPFL Energia	-	-	34,457	25,861
Other	12,019	12,020	106,052	109,785
	1,082,456	1,018,143	1,246,557	1,177,260

15.1 – Provisions for investment losses

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
INAMBARI	115	115	194	115
CHC	87,832	98,513	87,832	98,513
ESBR Participações S.A.	-	-	15,500	15,500
Madeira Energia S.A.	-	-	97,010	97,010
Teles Pires Participações	-	-	230,823	230,823
Empresa de Energia São Manoel	-	-	47,905	47,905
Other			22,638	-
	87,947	98,628	501,902	489,866

15.2 – Accounting policy adjustments in affiliated companies

	PARENT CO.	CONSOLIDATED
	03/31/16	12/31/15
CTEEP	978,344	962,995
CEEE-GT	34,695	34,695
	1,013,039	997,690

The Company made adjustments to the results of investee companies, in order to align the accounting policies of these companies with those used by Company for the preparation of their consolidated financial statements. The adjustments primarily deal with the accounting policy for recognition of allowance for doubtful accounts and recognition of obligations related to post-employment benefits.

15.3 - Change in investments

Following are the changes in the Company's most relevant investments:

Subsidiaries and affiliated companies	Balance at 12/31/2015	Paying in of capital/Write-offs	Other comprehensive income	AFAC capitalization	Capital gain/loss	Dividends and interest on capital	Equity	Balance at 3/31/2016
INVESTMENT CHANGES - PARENT COMPANY								
Furnas	10,171,122	-	(13,314)	-	-	-	100,341	10,258,148
Chesf	8,811,169	-	(48,315)	-	-	-	(7,607)	8,755,247
Eletrosul	4,385,308	-	-	-	-	-	(25,032)	4,360,276
Eletronorte	11,912,412	-	-	-	-	-	652,930	12,565,342
Eletropar	120,338	-	5,570	-	-	-	1,408	127,316
Mangue Seco II	16,889	-	-	-	-	-	(193)	16,696
CHC	98,514		(8,713)		-	-	(1,969)	87,832
Norte Energia (Belo Monte)	1,039,632	-	-	255,000	-	-	(1,600)	1,293,032
Inambari	115	-	-	-	-	-	-	115
CEEE-GT	448,274	-	4,629	-	-	-	11,869	464,772
EMAE	296,828	-	-	-	-	-	-	296,828
CTEEP	924,185	-	-	-	-	-	18,044	942,229
CEMAR	653,419	-	-	-	-	-	-	653,419
Lajeado Energia	219,173	-	-	-	-	-	9,656	228,829
CEB Lajeado	80,353	-	-	-	-	(4,393)	213	76,173
Paulista Lajeado	23,507	-	-	-	-	-	49	23,556
Rouar	111,775	-	(9,908)	-	-	-	81	101,947
Energisa MT	385,318	-	-	-	-	-	-	385,318
Other	195,241	-	(17,296)	-	-	-	-	177,945
TOTAL INVESTMENTS	39,893,572	-	(87,347)	255,000	-	(4,393)	758,191	40,815,020
CHANGES IN UNSECURED LIABILITIES - PARENT COMPANY								
ED Piaui	(701,148)	-	-	-	-	-	(147,549)	(848,697)
ED Roraima	(337,643)	-	-	-	-	-	(66,150)	(403,793)
Amazonas	(4,363,597)	-	-	-	-	-	(817,416)	(5,181,013)
ED Acre	(125,416)	-	-	-	-	-	(54,409)	(179,825)
ED Rondonia	(456,558)	-	-	245	-	-	(25,013)	(481,326)
CGTEE	(1,210,508)	-	-	-	-	-	(279,619)	(1,490,127)
Eletronuclear	(351,271)	-	64	-	-	-	28,820	(322,387)
ED Alagoas	(247,656)	-	-	8,307	-	-	(56,627)	(295,976)
TOTAL UNSECURED LIABILITIES	(7,793,798)	-	64	8,552	-	-	(1,417,963)	(9,203,144)
NET	32,099,774	-	(87,283)	263,552	-	(4,393)	(659,772)	31,611,876

Subsidiaries and affiliated companies	Balance at 12/31/2014	Paying in of capital/Write-offs	Other comprehensive income	Capital gain/loss	Restatement adjustment	Dividends and interest on capital	Equity	Balance at 3/31/2015
CHANGES IN INVESTMENTS - PARENT COMPANY								
FURNAS	10,327,900	-	(12,443)	-	-	-	408,850	10,724,307
CHESF	9,483,869	-	(25,402)	-	-	-	384,796	9,843,263
ELETROSUL	5,262,369	-	-	-	-	-	68,974	5,331,343
ELETRONORTE	13,158,185	-	-	-	-	-	130,087	13,288,272
ELETRONUCLEAR	4,792,158	-	(202)	-	-	-	122,957	4,914,913
ELETROPAR	117,951	-	4,852	-	-	-	1,197	124,000
ED ACRE	53,100	-	-	-	-	-	(38,522)	14,578
ED RONDONIA	104,066	-	-	-	-	-	(45,300)	58,766
CELG D	108,872	-	-	-	-	-	(108,872)	-
ITAIPU BINACIONAL	132,810	-	27,590	-	-	-	-	160,400
EÓLICA MANGUE SECO	16,726	-	-	-	-	-	(283)	16,443
CHC	79,081	-	15,756	-	-	-	(4,902)	89,935
NORTE ENERGIA (BELO MONTE)	802,964	50,249	-	-	-	-	(3,095)	850,118
INAMBARI	164	-	-	-	-	-	(10)	154
CEEE-GT	449,336	-	(2,241)	-	-	-	357	447,452
EMAE	265,552	-	(2,109)	-	-	-	10,507	273,950
CTEEP	927,814	-	-	-	-	-	17,019	944,833
CEMAR	554,817	-	-	-	-	-	19,491	574,308
REDE LAJEADO	206,282	-	-	-	-	-	5,188	211,470
CEB LAJEADO	71,723	-	-	-	-	-	591	72,314
CEEE-D	7,476	-	21,245	-	-	-	(28,721)	-
PAULISTA LAJEADO	18,119	-	-	-	-	-	(281)	17,838
ROUAR	70,044	-	15,257	-	-	-	5,995	91,296
CEMAT	376,031	-	-	-	-	-	(650)	375,381
TOTAL INVESTMENTS	47,387,409	50,249	42,303	-	-	-	945,373	48,425,334
CHANGES IN UNSECURED LIABILITIES - PARENT COMPANY								
ED PIAUI	(141,056)	-	-	-	-	-	(17,707)	(158,763)
ED RORAIMA	(69,726)	-	-	-	-	-	(35,296)	(105,022)
AMAZONAS	(2,019,381)	-	-	-	-	-	(87,264)	(2,106,645)
CELG D	-	-	-	-	-	-	(42,337)	(42,337)
CGTEE	(552,998)	-	-	-	-	-	(166,969)	(719,967)
ED ALAGOAS	(11,075)	-	-	-	-	-	10,885	(190)
TOTAL UNSECURED LIABILITIES	(2,794,236)	-	-	-	-	-	(338,668)	(3,132,929)
NET	44,593,173	50,249	42,303	-	-	-	606,685	45,292,410

The amount for unsecured liabilities is recorded under Allowance for unsecured liabilities.

Eletrobras

Subsidiaries and affiliated companies	Balance at 12/31/2015	Paying in of capital/Write-offs	Other comprehensive income	AFAC capitalization	Capital gain/loss	Dividends and interest on capital	Equity	Balance at 3/31/2016
CHANGES IN INVESTMENTS - CONSOLIDATED								
Mangue Seco II	16,889	-	-	-	-	-	(193)	16,696
CHC	98,514	-	(8,713)	-	-	-	(1,969)	87,832
Norte Energia (Belo Monte)	3,469,789	165,000	-	594,654	-	-	(9,170)	4,220,273
Inambari	115	-	-	-	-	-	(9)	185
CEEE-GT	448,274	-	4,629	-	-	-	11,869	464,772
EMAE	307,195	-	-	-	-	-	-	307,195
CTEEP	942,732	-	-	-	-	-	18,409	961,141
CEMAR	653,419	-	-	-	-	-	-	653,419
Lajeado Energia	219,173	-	-	-	-	-	9,656	228,829
CEB Lajeado	80,353	-	-	-	-	(4,393)	213	76,173
Paulista Lajeado	23,507	-	-	-	-	-	49	23,556
Rouar	111,775	-	(9,908)	-	-	-	81	101,947
Energisa MT	385,318	-	-	-	-	-	-	385,318
Madeira Energia S.A. (MESA)	2,896,068	152,100	-	-	-	-	(56,489)	2,991,679
ESBR Participações S.A.	2,807,625	-	-	-	-	-	(24,637)	2,782,988
Interligação Elétrica do Madeira S.A. (IE Madeira)	912,098	-	-	-	-	(439)	8,075	919,734
Norte Brasil Transmissora de Energia S.A.	887,528	-	-	-	-	-	(1,798)	885,730
Manaus Transmissora de Energia S.A.	621,873	-	-	-	-	50	(9,716)	612,207
Enerpeixe S.A.	561,282	-	-	-	-	-	15,949	577,231
Teles Pires Participações	662,564	48,009	-	-	-	-	(422)	710,151
Chapecoense Geração S.A. (Chapecoense)	415,501	-	-	-	-	-	17,449	432,950
Belo Monte Transmissora de Energia	391,058	-	-	-	-	-	3,209	394,267
Interligação Elétrica Garanhuns S.A.	318,972	736	-	-	-	5,780	410	325,897
Transmissora Sul Brasileira de Energia S.A.	270,252	-	-	-	-	-	202	270,454
Energética Águas da Pedra S.A.	208,795	-	-	-	-	(1,499)	21,477	228,773
STN - Sistema de Transmissão Nordeste S.A.	176,941	-	-	-	-	(7,577)	37,440	206,804
Empresa de Energia São Manoel	103,314	139,332	-	-	-	-	(652)	241,994
Goiás Transmissão S.A.	190,245	-	-	-	-	-	(1,993)	188,252
Integração Transmissora de Energia S.A.	175,572	-	-	-	-	(334)	9,803	185,041
Companhia Energética Sinop	179,052	-	-	-	-	-	(700)	178,352
Transnorte Energia S.A.	148,373	-	-	-	-	-	(66)	148,307
Transmissora Sul Litorânea de Energia S.A.	134,739	-	-	-	-	-	902	135,641
MGE Transmissão S.A.	136,755	-	-	-	-	-	(1,236)	135,519
Transenergia Renovável S.A. (Transenergia)	128,418	-	-	-	-	-	(3,632)	124,786
Chapada do Piauí II Holding S.A.	142,187	-	-	-	-	-	(17,661)	124,526
Brasnorte Transmissora de Energia S.A.	120,873	-	-	-	-	-	2,212	123,085
Retiro Baixo Energética S.A. (Retiro Baixo)	121,774	-	-	-	-	-	1,076	122,850
Paranaíba	100,726	7,291	-	-	-	-	1,788	109,805
Chapada do Piauí I Holding S.A.	109,497	-	-	-	-	-	(6,519)	102,978
Eólica Serra das Vacas Holding S.A.	97,374	-	-	-	-	-	1,882	99,256
Triângulo Mineiro Transmissora	82,555	-	-	-	-	-	11,585	94,140
Transmissora Matogrossense de Energia S.A.	97,154	-	-	-	-	-	(4,601)	92,553
Transenergia São Paulo S.A.	91,141	-	-	-	-	(1,553)	2,206	91,794
Other	1,242,415	10,521	(13,349)	7,943	-	(4,324)	10,312	1,232,894
TOTAL INVESTMENTS	21,289,853	522,988	(27,341)	602,597	-	(14,289)	24,168	22,397,974

Subsidiaries and affiliated companies	Balance at 12/31/2014	Paying in of capital/Write-offs	Other comprehensive income	Capital gain/loss	Capital reduction	Dividends and interest on capital	Equity	Balance at 3/31/2015
CHANGES IN INVESTMENTS - CONSOLIDATED								
ITAIPU BINACIONAL	132,810	-	27,590	-	-	-	-	160,400
EÓLICA MANGUE SECO	16,726	-	-	-	-	-	(283)	16,443
CHC	79,081	-	15,756	-	-	-	(4,902)	89,935
NORTE ENERGIA (BELO MONTE)	2,676,578	167,428	-	-	-	-	(7,297)	2,836,709
INAMBARI	164	-	-	-	-	-	(10)	154
CEEE-GT	449,336	-	(2,241)	-	-	-	357	447,452
EMAE	275,214	-	(2,186)	-	-	-	10,889	283,917
CTEEP	946,187	-	-	-	-	-	17,349	963,536
CEMAR	554,817	-	-	-	-	-	19,491	574,308
REDE LAJEADO	206,282	-	-	-	-	-	5,188	211,470
CEB LAJEADO	71,723	-	-	-	-	-	591	72,314
CEEE-D	7,476	-	21,245	-	-	-	(28,721)	-
PAULISTA LAJEADO	18,119	-	-	-	-	-	(281)	17,838
ROUAR	70,044	-	15,257	-	-	-	5,995	91,296
CEMAT	376,031	-	-	-	-	-	(650)	375,381
ESBR PARTICIPAÇÕES S.A.	2,907,364	118,801	-	-	-	-	(26,155)	3,000,010
MADEIRA ENERGIA S.A.	2,724,068	126,750	-	-	-	-	(55,084)	2,795,734
NORTE BRASIL TRANSMISSORA DE ENERGIA S.A.	842,103	-	-	-	-	-	(1,366)	840,737
INTERLIGAÇÃO ELÉTRICA DO MADEIRA S.A.	822,342	-	-	-	-	(402)	8,203	830,143
ENERPEIXE S.A.	555,860	-	-	-	-	-	14,805	570,665
MANAUS TRANSMISSORA DE ENERGIA S.A.	547,784	-	-	-	-	-	(32,638)	515,146
TELES PIRES PARTICIPAÇÕES S.A.	496,425	100,696	-	-	-	-	1,052	598,173
CHAPECOENSE GERAÇÃO S.A.	364,522	-	-	-	-	-	12,995	377,517
TRANSMISSORA SUL BRASILEIRA DE ENERGIA S.A.	275,960	-	-	-	-	-	2,818	278,778
ENERGÉTICA ÁGUAS DA PEDRA S.A.	184,632	4,900	-	-	-	(75)	5,903	195,360
INTERLIGAÇÃO ELÉTRICA GARANHUNS S.A.	181,526	5,880	-	-	-	-	5,915	193,321
COMPANHIA ENERGÉTICA SINOP S.A.	177,772	-	-	-	-	-	3,488	181,260
INTEGRAÇÃO TRANSMISSORA DE ENERGIA S.A.	169,460	-	-	-	-	(854)	6,430	175,036
STN - SISTEMA DE TRANSMISSÃO NORDESTE S.A.	163,434	-	-	-	-	(5,891)	10,013	167,556
SANTA VITÓRIA DO PALMAR HOLDING S.A.	157,627	-	-	-	-	-	4,660	162,287
TRANSMISSORA SUL LITORÂNEA DE ENERGIA S.A.	139,719	-	-	-	-	-	8,145	147,864
GOIÁS TRANSMISSÃO S.A.	138,436	-	-	-	-	-	13,141	151,577
MGE TRANSMISSÃO S.A.	118,953	-	-	-	-	-	907	119,860
BRASNORTE TRANSMISSORA DE ENERGIA S.A.	115,568	-	-	-	-	-	1,437	117,005
RETIRO BAIXO ENERGIA S.A.	111,906	-	2,695	-	-	-	(1,997)	112,604
TRANSENERGIA RENOVÁVEL S.A.	96,813	-	-	-	-	-	852	97,665
VAMCRUZ PARTICIPAÇÕES S.A.	-	-	-	-	-	-	73,347	73,347
BAGUARI ENERGIA S.A.	85,815	-	-	-	-	(1,610)	2,081	86,286
TRANSMISSORA MATOGROSSENSE DE ENERGIA S.A.	85,368	-	-	-	-	(1,531)	1,964	85,801
TRANSENERGIA SÃO PAULO S.A.	83,116	-	1,960	-	-	-	583	85,659
OTHER	1,273,159	60,486	3,921	(33,530)	-	(6,084)	(91,059)	1,206,893
TOTAL INVESTMENTS	18,700,310	584,931	83,997	(33,530)	-	(16,447)	(11,834)	19,307,427

15.4 Information about the market value of the investees

Publicly held companies	Valuation Method	Share	Market Value (*) 3/31/016	Market Value (*) 12/31/15
CTEEP	Equity Method	36.03%	2,794,443	2,589,826
CEMAR	Equity Method	33.55%	991,539	989,887
AES Tietê	Market Value	7.94%	467,792	437,532
ENERGISA MT	Equity Method	27.52%	328,100	335,109
COELCE	Market Value	7.06%	207,499	196,429
ENERGISA S.A	Market Value	2.99%	114,417	116,497
CESP	Market Value	2.05%	103,725	87,023
CEEE-GT	Equity Method	32.59%	89,207	76,904
CEEE-D	Equity Method	32.59%	75,887	65,302
EMAE	Equity Method	40.44%	65,890	60,404
CELPA	Market Value	1.15%	42,586	42,379
CELESC	Market Value	10.75%	53,146	41,513
AES Eletropaulo	Market Value	1.25%	35,489	32,098
CPFL Energia	Market Value	0.18%	34,457	25,861
CELPE	Market Value	1.56%	27,528	28,859
COPEL	Market Value	0.56%	28,227	24,492
Energias do Brasil	Market Value	0.31%	23,214	20,357
CGEEP - DUKE	Market Value	0.47%	18,545	17,662
CEB	Market Value	3.29%	6,973	6,130
CELGPAR	Market Value	0.07%	92	92

(*) Based on share price on the base date.

15.5 Information summary related to joint ventures and affiliated companies

I – Assets and Liabilities

03/31/16

Joint ventures and affiliated companies	Share	ASSETS Current: Cash and cash equivalents	ASSETS Current: Other assets	ASSETS Noncurrent: Financial, intangible and fixed assets	ASSETS Noncurrent: Other assets	Total assets	LIABILITIES Current: Loans and financing	LIABILITIES Current: Other liabilities	LIABILITIES Noncurrent: Loans and financing	LIABILITIES Noncurrent: Other liabilities	Shareholder's' equity	Total liabilities
Norte Energia S.A.	49.98%	266,829	224,985	32,080,986	-	32,572,590	-	489,550	23,786,200	361,212	8,025,618	32,572,580
Madeira Energia S.A.	39.00%	142,501	1,337,872	22,314,245	1,261,422	25,056,040	474,449	1,548,753	14,263,023	1,270,564	7,496,251	25,056,040
ESBR Participações	40.00%	133,630	873,591	23,477,048	-	24,484,268	305,337	1,091,985	11,002,261	5,165,365	6,918,720	24,484,268
Interligação Elétrica do Madeira S.A.	49.00%	127,488	492,903	4,621,382	-	5,241,781	171,456	112,530	1,752,539	1,199,817	2,015,339	5,241,781
Norte Brasil Transmissora de Energia S.A.	49.00%	80,108	266,414	3,280,875	167,532	3,794,929	93,713	296,685	1,155,667	433,136	1,815,748	3,794,929
Energisa S.A.	40.00%	80,083	61,808	1,387,644	50,664	1,780,196	-	102,521	-	234,097	1,443,078	1,780,196
Teles Pires Participações	49.44%	163,662	132,493	5,060,077	186,097	5,532,329	251,430	247,160	3,395,491	213,195	1,425,035	5,532,329
Manaus Transmissora de Energia S.A.	49.50%	28,587	143,598	2,309,398	-	2,481,583	69,429	85,985	777,342	312,063	1,236,764	2,481,583
Chapecoense Geração S.A.	40.00%	129,498	198,480	3,063,493	154,919	3,541,390	136,683	225,099	1,376,749	722,486	1,080,375	3,541,390
Belo Monte Transmissora de Energia	49.00%	136,991	7,646	1,189,486	-	1,336,123	471,083	42,336	-	18,060	804,624	1,336,123
Interligação Elétrica Garanhuns S.A.	49.00%	6,098	95,826	1,078,131	-	1,180,045	33,062	17,697	304,903	159,287	665,096	1,180,045
Empresa de Energia São Manoel	33.33%	24,074	560	1,663,807	85,929	1,764,370	1,017,323	83,640	-	72,418	590,989	1,764,370
Energética Águas da Pedra S.A.	24.50%	78,778	42,697	737,692	44,683	903,850	34,744	85,602	331,487	12,556	409,271	903,850
Paranaíba Transmissora de Energia S.A.	24.50%	47,018	4,441	966,252	33,325	1,070,036	179,732	2,860	-	39,260	448,184	1,070,036
STN - Sistema de Transmissão Nordeste S.A.	49.00%	25,219	194,126	551,670	-	771,014	19,541	33,602	137,603	167,935	422,051	771,014
Goiás Transmissão	49.00%	15,827	5,910	689,098	10,871	721,706	11,767	55,267	209,664	60,921	384,187	721,706
Intesa - Integração Transmissora de Energia S.A.	49.00%	15,609	119,479	485,506	-	620,593	31,294	31,315	112,049	87,211	367,924	620,593
Companhia Energética Sinop	49.00%	32,285	4,096	968,797	-	1,005,178	-	298,710	-	242,464	363,984	1,005,178
Transmissora Sul Brasileira de Energia S.A. - TSBE	80.00%	29,540	29,252	636,131	10,406	704,329	21,980	22,235	316,566	5,459	338,087	704,329
Transnorte Energia S.A.	49.00%	7,330	8,513	180,279	112,119	308,243	-	3,682	-	1,849	302,712	308,243
Baguari Energia S.A.	30.61%	74,301	9,772	217,757	-	301,881	-	15,842	-	8,688	279,351	301,881
MGE Transmissão	49.00%	15,099	3,484	412,076	12,473	443,132	9,030	16,126	89,974	41,382	276,570	443,102
Transmissora Sul Litorânea de Energia S.A. - TSLE	51.00%	1,320	35,917	898,639	20,638	956,514	30,727	44,471	448,296	166,559	265,962	956,514
Transenergia Renovável S.A.	49.00%	14,626	6,017	415,181	9	435,837	13,071	15,991	112,680	31,441	264,664	435,837
Retiro Baixo Energia S.A.	49.00%	6,981	24,558	371,438	12,612	415,589	13,542	17,952	117,068	16,282	250,715	415,589
Brasnorte Transmissora de Energia S.A.	49.71%	1,678	27,367	283,387	2,425	314,857	-	19,213	-	15,080	280,564	314,857
Complexo Eólico Chapada do Piauí II	49.00%	20,050	20,285	894,100	-	934,435	25,300	223,806	472,344	-	212,985	934,435
Santa Vitória do Palmar	49.00%	9,062	14,335	995,791	30,441	1,049,633	25,004	116,852	725,924	49,612	92,161	1,049,633
Serra do Facão Energia S.A.	49.47%	1,336	64,400	2,010,161	114,740	2,190,647	42,586	169,399	391,586	1,326,186	60,720	2,190,647
Lajeado Energia	40.07%	97,506	166,596	1,272,339	102,381	1,638,826	22,669	142,999	446,370	2,421	1,022,447	1,638,826
CTEEP	36.03%	3,306	835,720	70,032	6,469,629	7,370,688	272,538	174,115	832,148	864,864	5,227,023	7,370,688
CEEE-GT	32.59%	6,965	463,869	994,412	1,599,689	3,064,931	26,348	886,181	259,119	854,564	1,038,729	3,064,931
CEEE-D	32.59%	86,551	902,089	2,102,400	270,254	3,451,274	5,011	1,387,714	433,977	1,899,020	(271,448)	3,451,274
Other		770,076	897,525	7,912,376	102,508	9,482,483	924,127	962,004	2,715,524	1,966,060	2,914,766	9,482,483

Eletrobras

I – Assets and Liabilities

12/31/15

Joint ventures and affiliated companies	Share	ASSETS					LIABILITIES					
		Current		Noncurrent			Current		Noncurrent			
		Cash and cash equivalents	Other assets	Financial, intangible and fixed assets	Other assets	Total assets	Loans and financing	Other liabilities	Loans and financing	Other liabilities	Shareholder s' equity	Total liabilities
Belo Monte Transmissora de Energia	49.00%	332,694	4,199	920,165	-	1,256,968	463,882	46,277	-	8,733	748,076	1,256,968
Brasnorte Transmissora de Energia S.A.	49.71%	18,467	24,149	279,599	-	320,215	11,285	13,038	-	81,941	243,156	320,215
Chapecoense Geração S.A.	40.00%	176,338	180,185	3,075,967	162,724	3,595,184	136,322	311,290	1,404,553	704,268	1,038,751	3,595,184
Companhia Energética Sinop	49.00%	53,393	3,445	844,733	2,491	904,054	328,022	56,012	-	19,609	500,411	904,054
Energética Águas da Pedra S.A.	49.00%	61,765	39,300	753,113	17,363	871,533	24,917	64,031	339,643	12,178	430,564	871,533
Enerpeixe S.A.	40.00%	82,946	76,736	1,586,186	50,194	1,806,062	-	172,744	-	230,114	1,403,204	1,806,062
ESBR Participações	40.00%	-	908,370	21,885,558	1,653,056	24,246,984	-	1,422,013	11,299,857	4,309,251	7,019,863	24,246,984
Interligação Elétrica do Madeira S.A.	49.00%	41,833	646,081	4,149,365	-	4,837,279	197,250	131,399	2,215,679	546,746	1,726,805	4,837,279
Interligação Elétrica Garanhuns S.A.	49.00%	-	33,485	1,114,685	16,723	1,164,893	-	-	339,848	174,081	650,964	1,164,893
Intesa - Integração Transmissora de Energia S.A.	49.00%	38,235	112,742	498,085	-	645,062	31,182	9,001	120,166	93,573	391,140	645,062
Madeira Energia S.A.	39.00%	299,983	1,308,256	22,180,387	1,182,376	24,970,982	450,779	1,703,678	14,061,238	1,507,190	7,251,097	24,970,982
Manaus Transmissora de Energia S.A.	49.00%	32,198	188,813	2,376,236	9,351	2,606,598	68,767	272,606	786,943	310,270	1,167,072	2,606,598
Norte Brasil Transmissora de Energia S.A.	49.00%	51,937	265,098	3,425,883	-	3,742,918	78,941	263,100	1,171,197	426,938	1,802,602	3,742,918
Norte Energia S.A.	49.98%	489,804	442,450	29,964,727	271,620	31,168,601	-	719,033	23,200,595	229,708	6,939,165	31,168,601
Santa Vitória do Palmar	49.00%	-	31,227	1,004,762	22,957	1,058,946	-	182,126	749,633	24,692	102,495	1,058,946
Serra do Facão Energia S.A.	49.47%	31	52,441	2,044,386	99,362	2,196,220	41,126	163,051	401,137	1,499,884	91,022	2,196,220
STN - Sistema de Transmissão Nordeste S.A.	49.00%	-	93,313	699,181	3,866	763,360	-	-	160,093	240,162	361,105	763,360
Teles Pires Participações	49.40%	135,877	98,059	4,886,124	230,137	5,351,196	191,893	293,229	3,392,921	80,097	1,393,056	5,351,196
TSBE	80.00%	-	46,675	659,575	-	706,250	-	30,639	207,786	-	307,815	706,250
TSLE	51.00%	-	49,433	914,407	-	963,840	-	91,522	495,271	112,850	264,197	963,840
Chapada do Piauí I Holding S.A.	49.00%	-	51,418	809,359	132	860,909	-	-	523,242	160,933	176,734	860,909
Chapada do Piauí II Holding S.A.	49.00%	-	85,298	864,913	-	950,211	-	-	510,068	189,113	249,030	950,211
Chuí Holding S.A.	49.00%	-	65,150	609,779	12,747	687,675	-	57,409	373,979	413,628	(157,361)	687,675
Companhia Energética do Maranhão (CEMAR)	33.55%	328,893	1,963,280	2,573,627	271,539	5,119,339	253,910	711,799	1,997,641	207,713	1,948,274	5,119,339
Lajeado Energia	40.07%	261,062	92,153	48	1,445,794	1,699,057	6,483	243,394	448,216	2,616	998,348	1,699,057
CTEEP	35.37%	3,120	580,539	45,812	6,217,757	6,847,228	213,312	155,268	665,649	476,794	5,336,205	6,847,228
CEEE-GT	32.59%	38,171	454,210	555,108	1,871,335	2,918,824	29,247	299,881	282,253	826,469	1,481,954	2,918,824
Energisa MT	27.52%	192,754	1,199,769	1,999,436	1,363,792	4,666,751	170,545	918,090	1,297,618	930,884	1,349,626	4,666,751
CEEE-D	32.59%	72,981	801,912	2,165,618	274,473	3,315,984	4,954	1,346,254	474,965	1,973,287	(483,596)	3,315,984
Other		1,137,934	934,618	10,606,468	1,661,900	14,400,498	1,126,125	1,838,403	3,176,337	1,836,613	6,421,018	14,400,498

II - Result

03/31/16

Joint ventures and affiliated companies	Net operating revenue	Financial revenue	Financial expenses	Taxes on income	Net profit (loss)	Depreciation and amortization
Norte Energia S.A.	16,039	12,987	3,635	24,007	(21,647)	970
Madeira Energia S.A.	662,998	49,379	(415,097)	31,159	(144,846)	(156,881)
ESBR Participações	452,983	5,033	(170,213)	31,445	(61,593)	(90,079)
Interligação Elétrica do Madeira S.A.	103,084	7,347	(73,285)	(2,939)	21,084	(114)
Norte Brasil Transmissora de Energia S.A.	33,323	1,690	(25,011)	-	3,146	(193)
Enerpeixe S.A.	75,954	1,269	(8,211)	(7,641)	39,874	(8,249)
Teles Pires Participações	49,724	3,145	(9,084)	(5,529)	588	(11,759)
Manaus Transmissora de Energia S.A.	38,589	2,219	(26,133)	6,207	(19,653)	-
Chapecoense Geração S.A.	193,633	9,967	(43,854)	(30,926)	43,623	(15,795)
Belo Monte Transmissora de Energia	-	91,240	(71,063)	(17,946)	(11,712)	(91)
Interligação Elétrica Garanhuns S.A.	70,598	1,274	(7,221)	(4,820)	837	(2)
Empresa de Energia São Manoel	-	6,578	(6,447)	683	(1,326)	-
Energética Águas da Pedra S.A.	35,248	1,849	(5,347)	(3,251)	18,073	(3,395)
Paranaíba Transmissora de Energia S.A.	20,368	569	(9,288)	(3,759)	7,298	(3)
STN - Sistema de Transmissão Nordeste S.A.	37,421	812	(7,129)	52,639	76,408	(27)
Goiás Transmissão	2,501	328	(3,595)	(194)	(4,069)	(12)
Intesa - Integração Transmissora de Energia S.A.	23,349	823	(3,816)	4,034	20,006	-
Companhia Energética Sinop	-	470	(19)	748	(1,428)	(84)
Transmissora Sul Brasileira de Energia S.A. - TSBE	7,539	773	(6,987)	(143)	252	(2)
Transnorte Energia S.A.	(21)	3	(7)	53	(91)	-
Baguari Energia S.A.	11,676	1,387	(135)	(846)	9,525	(1,468)
MGE Transmissão	3,697	367	(1,515)	(243)	(2,523)	(3)
Transmissora Sul Litorânea de Energia S.A. - TSLE	14,280	530	(10,014)	(909)	1,765	-
Transenergia Renovável S.A.	2,437	421	(3,016)	(331)	(7,412)	(11)
Retiro Baixo Energia S.A.	10,016	158	(3,880)	(387)	2,228	(1,714)
Brasnorte Transmissora de Energia S.A.	8,200	176	(143)	(2,198)	5,324	-
Complexo Eólico Chapada do Piauí II	14,325	5,528	(33,582)	(531)	(36,044)	(2,461)
Santa Vitória do Palmar	15,259	533	(13,718)	(628)	(10,334)	(9,011)
Serra do Facão Energia S.A.	75,725	784	(72,651)	12,898	(30,303)	(11,045)
Lajeado Energia	110,020	6,930	(26,066)	(6,348)	24,099	(7,191)
CTEEP	269,512	15,975	(41,132)	(25,350)	98,239	(2,124)
CEEE-GT	192,626	28,509	(10,763)	34,770	36,676	(6,648)
CEEE-D	1,675,598	95,649	(68,182)	7,914	212,148	(749)
Other	1,986,089	207,730	(1,029,499)	80,241	(104,930)	(316,123)

I - Result

Joint ventures and affiliated companies	03/31/15					
	Net Operating Revenue	Financial Revenue	Financial Expenses	Taxes on Income	Net Profit (Loss)	Depreciation and amortization
Amapari Energia S.A.	6,526	450	(1,699)	-	964	(3,931)
Amazônia Eletronorte Transm. de Energia S.A.	5,800	104	(615)	(262)	4,001	(41)
Belo Monte Transmissora de Energia S.A.	50,904	452	(2)	(103)	(733)	(5)
Brasnorte Transmissora de Energia S.A.	7,356	188	(453)	(1,972)	4,129	-
Brasventos Eolo Geradora de Energia S.A.	6,569	610	(1,764)	-	463	(2,084)
Brasventos Miassaba 3 Geradora de Energia S.A.	-	364	(2)	-	(535)	-
Companhia Energética Sinop	-	1,964	15,127	-	14,625	-
Construtora Integração Ltda	-	-	(5)	-	(247)	-
Energética Águas da Pedra S.A.	-	564	(411)	-	(1,359)	-
Integração Transmissora de Energia S.A.	27,430	610	(3,661)	(3,436)	16,739	-
Linha Verde Transmissora de Energia S.A.	39,129	1,509	(10,983)	-	446	-
Manaus Construtora Ltda	-	17	(743)	256	(1,308)	-
Manaus Transmissora de Energia S.A.	59,939	(45)	(19,392)	(2,744)	(178,608)	-
Norte Brasil Transmissora de Energia S.A.	686,770	1,504	(116,087)	1,135	(3,655)	-
Norte Energia S.A	71	21,443	(17,204)	94,112	(16,206)	(1,095)
Rei dos Ventos 3 Geradora de Energia S.A.	5,944	407	27	-	655	-
Transmissora Matogrossense de Energia S.A.	6,072	340	(1,993)	621	4,010	(14)
Transnorte Energia S.A.	210,839	-	(25)	(8,533)	16,533	(38)
CEEE-D	1,052,806	11,776	(89,369)	1,776	(88,126)	(631)
CEEE-GT	144,162	32,626	(30,194)	(292)	(2,751)	(6,648)
CEMAR	655,551	105,378	(128,381)	(16,077)	58,919	(30,978)
Chapecoense Geração S.A.	150,723	4,952	(32,516)	(23,720)	41,368	(14,358)
Cia Hidrelétrica Teles Pires	-	23	(99)	-	(3,098)	-
CTEEP	221,435	37,690	(29,641)	(20,418)	84,390	(1,849)
Enerpeixe S.A.	123,892	1,841	(12,719)	(5,160)	37,015	(12,349)
ESBR Participações S.A.	379,308	695	(67,796)	33,656	(65,389)	(33,490)
Inambari Geração de Energia	-	6	-	-	(28)	(3)
Interligação Elétrica do Madeira S.A	85,502	4,136	(78,934)	(10,461)	3,640	369
Itaipu	2,958,002	36,541	(352,963)	-	1,541,111	-
Livramento Holding S.A.	6,231	137	(2,439)	-	(9,046)	-
Madeira Energia S.A	708,770	25,237	(278,676)	(9,609)	(141,242)	(114,397)
Serra do Facão Energia S.A	72,929	746	(10,894)	2,885	(54,606)	(10,867)
Sistema de Transmissão Nordeste S.A	36,125	698	(7,587)	33,656	57,694	(32)
Other	1,458,776	131,266	(197,321)	(22,425)	133,415	14,730

15.5.1 - Distribution Companies:

a) Distribuição Alagoas - holds the electricity distribution concession for all the municipalities of the State of Alagoas through Concession Agreement 07/2001-ANEEL. Its main purpose is to design, build and provide public utility distribution services to final consumers. The investee has a negative net working capital of R$ 259,821 (December 31, 2015 – R$ 269,740), accumulated losses of R$ 987,923 (December 31, 2015 – R$ 931,295), unsecured liabilities of R$ 295,977 (December 31, 2015 – R$ 247,656) and relies on the Company's financial support.

b) Distribuição Rondônia - holds the electricity distribution concession for all the municipalities of the State of Rondônia through Concession Agreement 05/2001-ANEEL. Its main purpose is to design, build and provide public utility distribution services to final consumers. The investee has a negative net working capital of R$ 986,742 (December 31, 2015 – R$ 1,010,468), accumulated losses of R$ 1,806,908 (December 31, 2015 – R$ 1,781,895), usecured liabilities of R$ 481,326 (December 31, 2015 – R$ 456,558) and relies on the Company's financial support.

c) Distribuição Piauí - holds the electricity distribution concession for all the municipalities of the State of Piauí through Concession Agreement 04/2001, of February 12, 2001, with ANEEL, effective until July 7, 2015. Its main activity is electricity distribution. The investee has a negative net working capital of R$ 925,926 (December 31, 2015 – R$ 754,935), accumulated losses of R$ 2,114,080 (December 31, 2015 – R$ 1,966,531), unsecured liabilities of R$ 848,699 (December 31, 2015 – R$ 701,150) and relies on the Company's financial support.

d) Amazonas D. – its main activities are electricity generation, distribution and trading in the State of Amazonas. Amazonas Energia has its own generation capacity (2,203.9 MW*) and supplements its supply needs for customers by buying energy from independent producers. The investee has a negative net working capital of R$ 2,987,983 (December 31, 2015 – R$ 2,447,607), accumulated losses of R$ 9,788,764 (December 31, 2015 – R$ 8,971,348) and unsecured liabilities of R$ 5,181,014 (December 31, 2015 – R$ 4,363,598). On July 1, 2015, the subsidiary performed the bundling off process, in which the electricity generation and transmission activities were separated from distribution (see Note 1).

e) Distribuição Roraima - holds a concession through Contract 21/2001 – ANEEL, of March 21, 2001, and Amendment dated October 14, 2005, for electricity distribution in the city of Boa Vista (State of Roraima), effective until 2015. The investee has a negative net working capital of R$ 448,146 (December 31, 2015 – R$ 432,232), accumulated losses of R$ 1,086,691 (December 31, 2015 – R$ 1,020,541), unsecured liabilities of R$ 403,793 (shareholder's equity of R$ 337,643 at December 31, 2015) and relies on the Company's financial support.

f) Distribuição Acre – holds the concession for electricity distribution and trading for the entire State of Acre through Concession Agreement 06/2001, signed with ANEEL on February 12, 2001, effective until July 7, 2015. The supply of electricity to the capital, Rio Branco, as well as the six locations interconnected with the Rio Branco System, is provided by Eletronorte. The other regions of the State have been supplied through a Loan Agreement, since 1999, by GUASCOR do Brasil Ltda., in its capacity as an Independent Electricity Producer, through the Isolated Generation Systems. It's worth noting that the supply of electricity to the whole state is done through diesel-run thermoelectric power plants (100%). The investee has a negative net working capital of R$ 220,399 (net working capital at December 31, 2015 – R$ 139,542), accumulated losses of R$ 661,491 (December 31, 2015 – R$ 605,232) and unsecured liabilities of R$ 185,942 (December 31, 2015 – 129,683).

g) Celg Distribuição (CELG D) - On September 26, 2014, the Company acquired 51% of the common shares representing the share capital of CELG D, thereby becoming the parent company of CELG D (see Note 42). CELG D, a privately held company, is an electric utility company in the distribution segment, founded on March 23, 2007. Eletrobras holds 51% of the capital and CELGPAR, 49%. On December 31, 2015, the Company classified this subsidiary as a held for sale asset, since it met the accounting criteria for this classification. More details can be seen in Note 42.

The subsidiary has a negative net working capital of R$ 1,361,110 (December 31, 2015 – R$ 951,224) and accumulated losses of R$ 4,616,364 (December 31, 2015 – R$ 4,597,498).

Celg-D holds the concession to distribute electricity in 237 cities, 391 districts and towns in the state of Goiás, with 2,688,902 consumers, covering an area of 336,871 km²*, regulated by Concession Agreement No. 63, of August 25, 2000, signed between ANEEL, CELG D and the controlling shareholder at the time.

The concession for Celg-D was renewed and signed on December 29, according to the fifth amendment to Concession Agreement No. 63/2000 – ANEEL. (see Note 2.1)

(*) Information not reviewed by the independent auditors

15.5.2 – Generation and Transmission Companies

(a) Eletrobras Termonuclear S.A. - the main activity of this subsidiary, wholly-owned by the Company, is the construction and operation of nuclear power plants and the provision of related engineering services. These activities are regulated and monitored by ANEEL. The Company has basically been involved in operating the Angra 1 and Angra 2 plants, with a nominal power of 1,990 MW*, as well as the construction of the Angra 3 plant. On January 1, 2013, the electricity generated by the subsidiary was divided among all the distribution public utilities, licensed companies or authorized companies in the National Interconnected System (SIN), in accordance with the methodology established in Normative Resolution No. 530, issued on December 21, 2012, by ANEEL, for calculating the annual quota shares in reference to the energy from the Angra 1 and Angra 2 generating stations, as well as the conditions for the trading of this energy according to Article 11, of Law No. 12111/2009. The subsidiary reported a negative net working capital of R$ 56,898 (December 31, 2015 – 241,869), accumulated losses of R$ 6,848,341 (December 31, 2015 – R$ 6,877,187) and unsecured liabilities of 322,678 (December 31, 2015 – 351,588) and relies on the Company's financial support.

(b) Eletrosul Centrais Elétricas S.A. - its main purpose is electricity transmission and generation, either directly or through its participation in Special Purpose Entities. The Company carries out studies, prepares designs, constructs, operates and maintains the facilities of electric power transmission and generation systems. All these activities are regulated.

(c) Companhia Hidro Elétrica do São Francisco (Chesf) – electric utility for the purpose of generating, transmitting and trading electricity. Its generation system is hydrothermal, comprised predominantly of hydroelectric plants, which are responsible for over 97% of total production. Chesf's electricity generation operations consist of 14 hydroelectric power plants and one thermoelectric power plant, amounting to an installed capacity of 10,615 MW*. In its transmission operations, the system has 115 substations and 19,669 km of high-voltage lines.

On December 31, 2015, the necessary procedures for the effective removal of CTEEP from the shareholding structure of the SPE Extremoz Transmissora do Nordeste (ETN S.A.) were completed with the regulatory agency – ANEEL. As a result, the subsididary Chesf now has a 100% stake in Extremoz.

At the end of 2015, Chesf acquired control over the SPE Tamanduá Mirim 2 Energia S.A., belonging to Complexo Eólico Pindaí III, through permanent dilution of the shareholdings of the partner Sequoia Capital Ltda. in that enterprise. Thus, the subsidiary Chesf now has a controlling interest with 83.01% of the shareholdings in this enterprise.

(d) Centrais Elétricas do Norte do Brasil S.A. (Eletronorte) - electric utility controlled by the Company, which operates mainly in the States of Acre, Amapá, Amazonas, Maranhão, Mato Grosso, Pará, Rondônia, Roraima and Tocantins. The Company's electricity generation operations rely on four hydroelectric plants with an installed capacity of 8,860.05 MW* and six thermoelectric plants with a capacity of 479.97 MW*, amounting to a total installed capacity of 9,340.02 MW*. Electric power transmission is through a system comprised of 9,287.13 km* of transmission lines, 45 substations in the National Interconnected System (SIN), 695.89 km* of transmission lines and 10 substations in the isolated system, amounting to 9,983.02 km* of transmission lines and 55 substations.

(e) Furnas Centrais Elétricas S.A. (FURNAS) – controlled by the Company, Furnas operates in electricity generation, transmission and trading, mainly in the region encompassing the Federal District and the States of São Paulo, Minas Gerais, Rio de Janeiro, Paraná, Espírito Santo, Goiás, Mato Grosso, Pará, Tocantins, Rondônia, Rio Grande do Sul, Santa Catarina, Rio Grande do Norte, Ceará and Bahia, besides holding shares in Special Purpose Entities. The electricity generation system operated by Furnas is composed of ten exclusively owned hydroelectric plants, two of which are joint ventures with the private sector, with an installed capacity of 8,327 M* and two thermoelectric plants with a capacity of 962 MW*, for a total of 9,289 MW*.

(f) Companhia de Geração Térmica de Energia Elétrica (CGTEE) – its main corporate purpose is to carry out studies and projects and build and operate electricity transmission and generation systems, and these activities are regulated. The Company holds generation concessions for the following thermoelectric power plants: Usina Presidente Médici, Stages A and B, located in the municipality of Candiota; Usina de São Jerônimo, located in the municipality of São Jerônimo; and Usina NUTEPA, located in the municipality of Porto Alegre, all in the State of Rio Grande do Sul. The investee reported a negative net working capital of R$ 465,900 (December 31, 2015 – R$ 599,918).

On March 31, 2016, CGTEE reported an accumulated loss of R$ 2,297,355, compared to an accumulated loss of R$ 2,017,708 on December 31, 2015. The results gave rise to an unsecured liability of R$ 1,490, 275 (R$ 1,210,628 on December 31, 2015).

In light of the current situation, the CGTE is in talks with Eletrobras to authorize actions that would enable its technical and financial recovery. It also receives financial support from Eletrobras for its operational maintenance, as well as for the realization of necessary future investments.

On March 2, 2016, Eletrobras approved an advance for future capital increase totaling R$ 251,000 for the subsidiary CGTEE in order to cover cash needs, as mentioned in Note 13.

(g) Amazonas GT. – its main activities are electricity generation and transmission in the State of Amazonas. The investee has a negative net working capital of R$ 766,173 (December 31, 2015 – R$ 517,988), shareholders' equity of R$ 58,372, (R$ 192,667 on December 31, 2015), accumulated losses of R$ 377,501 (R$ 243,206 on December 31, 2015) and relies on the Company's financial support. On July 1, 2015, the investee was incorporated as a subsidiary of Amazonas D, as a result of the bundling off process from Amazonas Energia (see Note 1).

(*) Information not reviewed by the independent auditors

15.5.3 - Other Companies

a) Companhia Energética do Maranhão (CEMAR) – electric utility for the purpose of designing, building and operating electricity sub-transmission, transformation and distribution systems, as well as energy trading.

The Company holds the concession to distribute electricity in 217 municipalities in the State of Maranhão, regulated by Concession Agreement No. 60, dated and signed with ANEEL on August 28, 2000. It expires in August 2030 and may be renewed for another 30-year period.

b) Eletrobras Participações S.A. (Eletropar) - controlled by the Company and its corporate purpose is to hold equity interests in other companies. On December 15, 2015, the Creditors' Meeting of Eletronet S.A., in which Eletropar is a shareholder, decided to settle Eletronet's obligations, having requested the judicial declaration of discharge from bankruptcy, through resumption of its normal activities and production of the pertinent effects.

c) Companhia Estadual de Geração e Transmissão de Energia Elétrica (CEEE-GT) – publicly traded company whose controlling shareholder is the State of Rio Grande do Sul, through Companhia Estadual de Energia Elétrica Participações (CEEE-Par), a company that holds 65.92% of the capital. The purpose of this public utility is to operate electricity generation and transmission systems.

d) Companhia Estadual de Distribuição de Energia Elétrica (CEEE-D) – publicly traded company, whose controlling shareholder is the State of Rio Grande do Sul, through Companhia Estadual de Energia Elétrica Participações - (CEEE-Par), a company that holds 65.92% of the capital. The purpose of this public utility is electricity distribution in 72 municipalities in Rio Grande do Sul, servicing approximately 4 million consumers. The investee reported a net working capital of R$ 404,105 on March 31, 2016 (December 31, 2015 – R$ 475,335), unsecured liabilities of R$ 271,448 (December 31, 2015 – R$ 483,596) and accumulated losses of R$ 1,676,962 (December 31, 2015 – R$ 1,889,110).

e) Companhia Transmissão de Energia Elétrica Paulista (CTEEP) – publicly traded company, authorized to operate as an electric utility, whose main activities are planning, construction and operation of electricity transmission systems.

f) Centrais Elétricas do Pará S.A. (CELPA) – publicly traded company, under the corporate control of Equatorial Energia S.A. (Equatorial), which operates in electricity distribution and generation in the State of Pará, servicing consumers in 143 municipalities, in accordance with Concession Agreement 182/1998, signed on July 28, 1998. The length of the concession is 30 years, expiring on July 28, 2028. Besides the distribution agreement, CELPA signed Generation Concession Agreement 181/98 for 34 thermoelectric plants, 11 of which belong to CELPA and 23 of which are outsourced, for the purpose of engaging in electricity generation, for a 30-year period. The concession expires on July 28, 2028 and is renewable for a similar length of time. The investee reported a net working capital of R$ 350,275 on December 31, 2015, shareholders' equity of R$ 1,844,970 and accumulated profits of R$ 392,340.

All the existing credits against the investee up until the date the court-supervised reorganization was filed, even those not yet due, with the exception of legal exemptions, must be paid according to the terms of the court-supervised reorganization plan, approved on September 1, 2012, in a general meeting with creditors.

g) Empresa Metropolitana de Águas e Energia S.A. (EMAE) – public utility for a hydroelectric complex located in Alto Tietê, centered on the Henry Borden Hydroelectric Power Plant. EMAE also owns UHE Rasgão and UHE Porto Góes (hydroelectric plants), both on the Tietê River. UHE Isabel (hydroelectric plant), installed in Vale do Paraíba, municipality of Pindamonhangaba, is currently out of operation. On December 31, 2015, the investee reported a net working capital of R$ 112,812.

h) Centrais Elétricas Matogrossenses S.A. (CEMAT) – publicly held company, under the corporate control of Rede Energia S.A., operating in the area of electricity distribution, in addition to its own generation by means of thermal power plants to service isolated systems in its concession area, which encompasses the State of Mato Grosso and provides energy for consumers in 141 municipalities. According to the Concession Agreement of March/1997, signed on December 11, 1997, the concession expires in 30 years, on December 11, 2027, and is renewable for a similar length of time. Besides the distribution contract, the Company signed Generation Concession Agreement 04/1997, for three Thermoelectric Plants with their respective associated substations, which will expire on December 10, 2027.

i) Norte Energia S.A. – privately held Special Purpose Entity for the purpose of conducting the activities for the deployment, operation, maintenance and production of the Belo Monte Hydroelectric Plant (UHE Belo Monte), on the Xingu River, located in the State of Pará, as well as the transmission facilities of exclusive interest to the generating station. The Company holds 49.98% of Norte Energia's capital stock. The investee has been incurring significant costs in terms of organization, development and pre-operation, which, according to estimates and projections, should be absorbed by the revenue generated from future operations. The investee will need significant financial resources from its shareholders and third parties to complete the Hydroelectric Power Plant. On March 31, 2016, the investee reported net working capital of R$ 115,376 (December 31, 2015 – negative net working capital of R$ 359,526).

j) Madeira Energia S.A. – privately held company, founded on August 27, 2007, for the purpose of constructing and operating the Santo Antônio Hydroelectric Power Plant, located on a stretch of the Madeira River, in the municipality of Porto Velho, in the State of Rondônia, in addition to its Associated Transmission System. The Company holds 39% of Madeira Energia's capital stock. The investee is incurring incorporation expenses related to the development of the project for building the Santo Antônio Hydroelectric Power Plant, which, according to the financial projections prepared by its management, should be absorbed by the revenues generated from future operations.

On March 31, 2016, the investee Madeira Energia S.A. (MESA), of which Furnas holds a 39% share, reported an excess of liabilities over current assets of R$ 543,829. To offset the negative working capital situation, the investee counts on contributions of funds from its shareholders. The financial situation of MESA is partly affected by the recognition of the provision for losses on part of the amount expected for reimbursable expenditures from Consórcio Construtor Santo Antônio (CCSA).

This receivable stems from the signing of the 2nd amendment to the Concession Agreement with ANEEL, based on the presentation of a commercial startup schedule by CCSA, moving forward, for the second time, the startup of the generation units of the enterprise. The aforementioned commitment was then signed in the Implementation Agreement of the Santo Antônio Hydroelectric Power Plant and in the "Terms and Conditions". However, this timeline was not fully met, meaning that the net result of this calculation generates for MESA a right to compensation with CCSA.

In order to calculate this reimbursable expenditure, CCSA requested the application of Clause 31.1.2.1.1 from the EPC Contract, which has a contractual cap of R$ 122/MWh* for transfer of the cost for purchase of energy in volume. Given this consideration, the management of MESA performed additional analyses, which included legal aspects, during the year ended December 31, 2014, and changed its estimate of the asset's realizable value (the aforementioned right to reimbursement from CCSA). Thus, on the total reimbursable expenditure of R$ 1,533,927, a provision for loss was recognized, which was R$ 678,551 on December 31, 2015 and reflects the expected net receivable value of R$ 855,376 in March 2016 (R$ 830,890 on December 31, 2015).

To settle certain questions regarding the use of the contractual limiter in the calculation of part of the net income from moving up the commercial startup of the plant, set forth in the 2nd Amendment to the Concession Agreement signed with the Brazilian Electricity Regulatory Agency (ANEEL), which gave rise to this impairment, the subsidiary requested, before the International Chamber of Commerce (ICC), the initiation of arbitration against CCSA, which is considered confidential under the Arbitration Rules of the ICC. On December 31, 2015, the case is waiting for the ruling of the arbitral tribunal.

MESA and CCSA are in negotiations to come to an agreement on the form and settlement period of the claim.

The Board of Directors of Furnas, in Meeting No. 002/452, recommended Furnas to take the necessary measures within the appropriate governance spheres, to preserve the credits of SAESA against CCSA, in order to correct the loss in the SPE and, consequently, its effect upon Furnas, due to its participation in the SPE.

(*) Information not reviewed by the independent auditors (KPMG).

k) ESBR Participações S.A. (ESBRP) – a privately company whose exclusive corporate purpose is to hold a share of the capital stock of the Special Purpose Entity by the name of Energia Sustentável do Brasil S.A ("ESBR"), holder of the concession to use public assets to operate the Jirau Hydroelectric Power Plant, currently under construction in Rio Madeira, in the State of Rondônia. The Company holds 40% of ESBRP's capital. On March 31, 2016, the investee reported a negative net working capital of R$ 312,697 (December 31, 2015 – R$ 513,443), accumulated losses of R$ 2,159,718 (December 31, 2015 – R$ 2,112,648) and shareholders' equity of R$ 6,971,993 (December 31, 2015 – R$ 7,019,063).

l) Interligação Elétrica do Madeira S.A. (IEMadeira) - A IEMadeira created on December 18, 2008 to operate the electricity transmission public utility, particularly the transmission lines and substations purchased in Lots D and F of Auction No. 007/2008 of ANEEL. The Porto Velho – Araraquara transmission line started up commercially on August 1, 2013. The inverter and rectifier substations started up commercially on May 12, 2014. The Company holds 49% of IEMadeira's capital.

m) Manaus Transmissora de Energia S.A. - privately held company, created on April 22, 2008 for the specific purpose of operating electricity transmission public utility concessions, through the deployment, operation, maintenance and construction of transmission facilities in the basic grid of the National Interconnected System, in accordance with standards established by law and regulations in force.

The SPE holds the concession to construct, operate and maintain transmission facilities for Transmission Line 500 kV* Oriximiná/Cariri CD, SE Itacoatiara 500/138 kV* and SE Cariri 500/230kV*.

The concession agreement was signed on October 16, 2008, for a thirty year period, with operational activities commencing in 2013.

The Company holds 49.5% of the capital of Manaus Transmissora de Energia S.A.

(*) Information not reviewed by the independent auditors.

15.5.4 – Companies under Management

a) Companhia de Eletricidade do Amapá (CEA) - On November 12, 2012, the Company signed a letter of intent to participate in the financial restructuring process of Companhia de Eletricidade do Amapá (CEA). Through this process it is expected that the Company will assume a controlling interest in CEA.

On September 12, 2013, the Company and the State Government of Amapá signed a Shareholders' Agreement and a Management Agreement, aimed at the economic and financial recovery of CEA. After implementation of all the terms, the Company has the option to purchase a controlling interest in the company. Therefore, the Company is assuming executive management of CEA, through its majority representation on the Board of Directors and appointment of members to CEA's Board of Executive Officers, who will later be replaced by professionals hired in the market.

In this process, the State Government of Amapá received funding from the Federal Government to settle CEA's debts with the Eletrobras System and other suppliers. It also prepared a Contingency Plan that will be submitted to ANEEL for approval.

b) Companhia Energética de Roraima (CERR) - On November 26, 2012, the Company signed a letter of intent to participate in the financial restructuring process of the company Companhia Energética de Roraima (CERR). This process will enable the Company to take control of CERR through purchasing a controlling interest in the company.

The Company and the State Government of Roraima initially signed a Shareholders' Agreement and a Management Agreement, subject to the necessary authorizations, aimed at the economic and financial recovery of CERR. After implementation of all the terms, the Company has the option to purchase a controlling interest in the company. Therefore, the Company is assuming executive management of CERR, through its majority representation on the Board of Directors and appointment of members to CERR's Board of Executive Officers, who will later be replaced by professionals hired in the market

In this process, the State Government of Roraima received funding from the Federal Government to settle CERR's debts with the Eletrobras System and other suppliers. It also prepared a Contingency Plan that will be submitted to ANEEL for approval.

15.5.5 – Special Purpose Entities

Over the last few years, the Eletrobras System Companies have invested in joint ventures with the private sector, in which the Company is a non-controlling shareholder, holding preferred shares. The purpose of these joint ventures is electricity generation and transmission, and the amounts of these investments are listed under Assets – Investments.

In like manner, given the need to expand investments in the Electricity Sector, the Company's subsidiaries also have minority shareholdings, in the form of common shares, in several public electric utilities, listed under Assets – Investments. The most relevant investments in which the Company and its subsidiaries have a share in special purpose entities do not differ from those presented in the financial statements ended December 31, 2015.

15.6 – Guaranteed shares

Since the Company has different lawsuits underway in the courts, in which it is the defendant (see Note 30), assets representing 8.82% (8.6% at December 31, 2015) of the total investment portfolio have been set aside as a guarantee for the appeals in these lawsuits, as described below:

	PARENT COMPANY		
	03/31/16		
EQUITY INTEREST	AMOUNT OF BLOCKED	PERCENTAGE INVESTMENT	INVESTMENT BLOCKED
CTEEP	942,229	97.09%	914,810
EMAE	296,828	100.00%	296,828
CESP	103,725	98.32%	101,982
AES TIETE	467,792	100.00%	467,792
COELCE	207,499	96.28%	199,780
CGEEP	18,545	100.00%	18,545
ENERGISA MT	385,318	92.41%	356,072
CELPA	42,586	100.00%	42,586
CELPE	27,528	100.00%	27,528
CEEE - GT	464,772	100.00%	464,772
ENERGISA S.A.	114,417	90.29%	103,307
CELESC	53,146	95.73%	50,877
CEMAR	653,419	98.58%	644,140
SUBTOTAL	3,777,804		3,689,019

NOTE 16 – FIXED ASSETS

Items listed under fixed assets mainly refer to infrastructure for electricity generation from non-extended concessions as per the provisions of Law No. 12783/13.

The assets comprising the Company's fixed assets, which are associated with and identified as assets of a public service utility, cannot be sold or used as guarantees for third parties.

Special Obligations (obligations related to the concessions) refer to funds received from consumers to help implement expansion projects needed to meet electricity supply requests and are allocated to the corresponding enterprises. The assets acquired with the corresponding funds are recorded under the Company's fixed assets, according to the provisions established by ANEEL. Due to their nature, these contributions do not represent actual financial obligations, since they will not be returned to consumers.

	CONSOLIDATED				
	03/31/16				
	Gross value	Accumulated depreciation	Obligations related to concessions	Impairment	Net value
In service					
Generation	47,175,705	(21,470,631)	(633,079)	(8,708,539)	16,363,456
Administration	2,724,489	(2,284,090)	(25,504)	-	414,895
Distribution	1,398,468	(456,071)	-	-	942,397
	51,298,662	(24,210,792)	(658,583)	(8,708,539)	17,720,748
In progress					
Generation	11,302,860	-	-	-	11,302,860
Administration	839,024	-	-	-	839,024
	12,141,884	-	-	-	12,141,884
	63,440,546	(24,210,792)	(658,583)	(8,708,539)	29,862,632

	CONSOLIDATED				
	12/31/15				
	Gross value	Accumulated depreciation	Obligations related to concessions	Impairment	Net value
In service					
Generation	46,003,180	(21,740,065)	(633,602)	(8,684,088)	14,945,425
Administration	2,444,828	(1,445,137)	(25,518)	-	974,173
Distribution	1,398,468	(441,647)	-	-	956,821
	49,846,476	(23,626,849)	(659,120)	(8,684,088)	16,876,419
In progress					
Generation	11,870,318	-	-	-	11,870,318
Administration	799,908	-	-	-	799,908
	12,670,226	-	-	-	12,670,226
	62,516,702	(23,626,849)	(659,120)	(8,684,088)	29,546,645

Eletrobras

Movements in Fixed Assets

	CONSOLIDATED				
	Balance at 12/31/2015	Additions	Transfer	Write-offs	Balance at 3/31/2016
Generation / Trading					
In service	46,003,180	588	1,203,554	(31,617)	47,175,705
Accumulated depreciation	(21,740,065)	(331,092)	(25,846)	626,372	(21,470,631)
In progress	11,870,318	622,602	(1,182,081)	(7,979)	11,302,860
Impairment	(8,684,088)	(26,448)	-	1,997	(8,708,539)
Special obligations related to concessions	(633,602)	(280)	-	803	(633,079)
	26,815,743	265,370	(4,373)	589,576	27,666,316
Distribution					
Commercial leasing	1,398,468	-	-	-	1,398,468
Accumulated depreciation	(441,647)	(14,424)	-	-	(456,071)
	956,821	(14,424)	-	-	942,397
Administration					
In service	2,444,828	162,338	120,671	(3,348)	2,724,489
Accumulated depreciation	(1,445,137)	(34,419)	(807,524)	2,990	(2,284,090)
In progress	799,908	57,613	(10,027)	(8,470)	839,024
Special obligations related to concessions	(25,518)	-	-	14	(25,504)
	1,774,081	185,532	(696,880)	(8,814)	1,253,919
TOTAL	29,546,645	436,478	(701,253)	580,762	29,862,632

	CONSOLIDATED				
	Balance at 12/31/2014	Additions	Transfer	Write-offs	Balance at 3/31/2015
Generation / Trading					
In service	43,466,066	8	43,402	(767)	43,508,709
Accumulated depreciation	(19,548,410)	(298,431)	(7,862)	162	(19,854,541)
In progress	7,742,886	984,194	(45,724)	(2,295)	8,679,061
Impairment	(3,087,676)	-	-	20,347	(3,067,329)
Special obligations related to concessions	(455,808)	-	-	1,124	(454,684)
	28,117,058	685,771	(10,184)	18,571	28,811,216
	1,270,123			(14,424)	1,255,699
Distribution					
Commercial leasing	1,327,763	-	-	-	1,327,763
Accumulated depreciation	(57,640)	(14,424)	-	-	(72,064)
	1,270,123	(14,424)	-	-	1,255,699
Administration					
In service	2,396,288	17,844	(27,925)	(13,341)	2,372,866
Accumulated depreciation	(1,302,020)	(35,843)	8,274	1,632	(1,327,957)
In progress	713,710	18,032	(15,703)	(9,367)	706,672
Special obligations related to concessions	(26,927)	-	-	876	(26,051)
	1,781,051	33	(35,354)	(20,200)	1,725,530
TOTAL	31,168,232	671,380	(45,538)	(1,629)	31,792,445

Average rate of depreciation and accumulated depreciation:

	CONSOLIDATED			
	03/31/16		12/31/15	
Generation	Average depreciation rate	Accumulated depreciation	Average depreciation rate	Accumulated depreciation
Hydroelectric	2.47%	14,512,800	2.30%	15,191,209
Nuclear	3.33%	4,147,807	3.33%	4,048,041
Thermal	1.84%	2,714,063	3.80%	2,418,294
Wind	6.84%	95,246	6.88%	81,935
Trading	6.88%	715	3.15%	586
		21,470,631		21,740,065
Distribution	3.00%	456,071	3.00%	441,647
		456,071		441,647
Administration	6.77%	2,284,090	6.73%	1,445,137
		2,284,090		1,445,137
Total		24,210,792		23,626,849

NOTE 17 – FINANCIAL ASSETS (LIABILITIES) – CONCESSIONS AND ITAIPU

	CONSOLIDATED	
	03/31/16	12/31/15
Transmission concessions		
Financial assets – allowed annual revenue	11,116,066	10,807,585
Financial assets – indemnifiable concessions (*)	8,365,177	8,365,177
	19,481,243	19,172,762
Distribution concessions		
Financial assets – indemnifiable concessions (*)	4,275,060	4,119,004
items III	102,986	86,102
	4,378,046	4,205,106
Generation concessions		
Financial assets – indemnifiable concessions (*)	2,536,481	2,554,211
	2,536,481	2,554,211
	26,395,770	25,932,079
Itaipu financial assets (item 1)	1,954,937	3,449,566
	1,954,937	3,449,566
Total financial assets (liabilities)	28,350,707	29,381,645
Financial assets (liabilities) – Current	(99,405)	965,212
Financial assets – Noncurrent	28,450,112	28,416,433
Total financial assets (liabilities)	28,350,707	29,381,645

(*)The amounts related to the assets of the concessions renewed under the terms of Law No. 12783/2013, which have still not been approved by the Granting Authority, are presented in Note 2.1.

17.1 – Itaipu Financial Assets (Liabilities)

	PARENT COMPANY	
	03/31/16	12/31/15
Accounts receivable	3,454,169	4,797,458
Reimbursement right	1,054,449	1,513,373
Energy suppliers - Itaipu	(2,365,818)	(2,368,925)
Reimbursement obligations	(2,855,433)	(3,570,899)
Total current assets (liabilities)	(712,633)	371,007
Accounts receivable	960,842	1,043,873
Reimbursement right	5,012,418	5,975,584
Reimbursement obligations	(3,305,690)	(3,940,898)
Total noncurrent assets	2,667,570	3,078,559
Total assets	1,954,937	3,449,566

The effects of the creation of the Itaipu financial assets are listed above and outlined below:

17.1.1 - Amounts resulting from Itaipu Binacional Electricity Trading

a) Adjustment factor

Under Law No. 11480/2007, the adjustment factor was removed from the financing agreements signed with Itaipu Binacional and from the credit assignment agreements with the National Treasury, as of 2007, thereby fully ensuring the Company's flow of receivables.

As a result, Decree No. 6265 was issued on November 22, 2007, which regulated Itaipu Binacional electricity trading, established the difference to be applied in the transfer rate and created an asset in reference to part of the annual difference calculated, equal to the annual adjustment factor removed from financing, to be included annually, as of 2008, in the transfer rate charged by the Company, thus preserving the originally established flow of resources.

Thus, the difference arising from the removal of the annual adjustment factor, whose values are set annually via an Interministerial Ordinance from the Ministries of Finance and Mines and Energy, started being included in 2008 in the transfer rate for energy generated by Itaipu Binacional. An amount of US$ 386,085 is included in the transfer rate in effect in 2015, which will be received by the Company through charges to distributors, approved by MME/MF Ordinance No. MME/MF 598/2014.

The balance resulting from the Itaipu Binacional adjustment factor, included under Financial Assets and presented in Non-Current Assets, amounts to R$ 5,012,418 at March 31, 2016, equivalent to US$ 1,408,418 (December 31, 2015 – R$ 5,975,584, equivalent to US$ 1,530,318), of which R$ 3,964,417, equivalent to US$ 1,113,944, will be transferred to the

National Treasury by 2023, as a result of the credit assignment realized between the Company and the Treasury, in 1999.

These amounts will be realized through their inclusion in the transfer rate to be charged until 2023.

b) Electric power trading

Law No. 10438, of April 26, 2002, assigned to the Company the responsibility to purchase all the electricity generated by Itaipu Binacional that will be consumed in Brazil, thereby making the Company the trader of this electricity.

Thus, the equivalent of 22,389 GWh* was traded in the quarter ended March 31, 2016 (131,218 GWh* in 2015), and the energy supply rate (purchase), charged by Itaipu Binacional was US$ 22.60/kW* and the transfer rate (sale) was US$ 25.78/kW* (US$ 22.60k/W* - supply; US$ 38.07/kW* - transfer rate in 2014).

The income from Itaipu Binacional electricity trading, pursuant to Decree No. 4550, of December 27, 2002, subject to the amendments introduced by Decree No. 6265, of November 22, 2007, is allocated as follows:

1) If positive, it will be allocated, in proportion to individual consumption, as bonus credits on the energy bills of consumers from the National Interconnected System, belonging to residential and rural categories, with monthly consumption below 350 kWh*.

2) If negative, it will be incorporated by ANEEL in the calculation of the transfer rate for electricity contracted the year following these financial results.

This trading operation does not affect the Company's results, since under the current regulations a positive result represents an unconditional right to receive and, if negative, an effective obligation.

In the period ended March 31, 2016, there was a deficit of R$ 384,207 (R$ 1,316,129 deficit at March 31, 2015), and the resulting obligation was included under financial assets.

(*) Information not reviewed by the independent auditors

17.2 - Financial Assets – Electric utility concessions

The financial asset heading "concession", for the amount of R$ 26,395,770 (December 31, 2015 - R$ 25,845,977) refers to realizable financial assets, held by the Eletrobras System companies, where in distribution concessions it is calculated by applying the mixed model, and in generation and transmission concessions by applying the financial model, both of which are provided for in ICPC 01 (IFRIC 12).

17.3 - Amounts receivable from Parcel A and other financial items

On November 25, 2014, ANEEL decided to add the concession and permission agreements of the Brazilian electricity distribution companies, incorporating the balances of the receivables from Parcel A and other financial items into the calculation of indemnification, when the

concession expires. This requires that the balance be recorded of any differences from Parcel A and other financial components not yet recovered or settled.

17.3.1 - Compensation Account for Variation in Values of Items from Parcel A (CVA)

Interministerial Ordinance of the Ministers of Finance and Mines and Energy No. 25, of January 24, 2002, established the Compensation Account for Variation in Values of Items from "Parcel A" (CVA), in order to record negative or positive variations in costs occurring in the period between annual rate adjustments, with respect to the items established in the electricity distribution concession agreements.

These variations are calculated based on the difference between the expenses effectively incurred and the expenses estimated at the time the rate is established in the annual rate adjustments. The values considered in the CVA are indexed based on the SELIC rate.

The totals recorded under current assets and liabilities refer to values already approved by ANEEL when the rate adjustment was completed in 2015, and the totals recorded under noncurrent assets and liabilities represent an estimate of the CVA to be approved at the next rate adjustment in 2016.

	CONSOLIDATED	
	03/31/16	12/31/15
Parcel "A"		
CVA		
CCC	1,219	1,219
CDE	158,259	208,466
Basic network	9,378	7,537
Electricity purchase cost	111,162	169,591
Itaipu transport	(23,158)	-
PROINFA	1,746	(2,907)
ESS and EER	(9,173)	(55,683)
Neutrality of energy sector charges	1,063	(658)
Overcontracting	(115,020)	(169,615)
Other financial components	(32,490)	(71,848)
Amounts receivable from Parcel A and other financial items	102,986	86,102
Current assets	471,911	578,654
Noncurrent assets	54,239	38,252
Current liabilities	(392,525)	(514,424)
Noncurrent liabilities	(30,639)	(16,380)
Total	102,986	86,102

17.3.2- Other financial items

- Distribution System Usage Agreement (CUSD) financial adjustment – in accordance with the provisions contained in Article 7 of Interministerial Ordinance No. 25/2002;
- Neutrality of Energy Sector Charges - refers to the calculation of the monthly differences between each item from the energy sector charges during the reference period and the respective amounts included in the previous process;

- Exposure to Price Differences between Submarkets - this refers to the proportional allocation of financial risks resulting from price differences between submarkets, pursuant to Article 28 of Decree No. 5163/2004.
- Energy Overcontracting Transfer/Short-term Market Exposure - pursuant to REN No. 255/2007, as amended by REN No. 305/2008 and 609/2014, and in accordance with the criteria established in Ruling No. 4225/2013;
- Eletronuclear Difference - corresponds to the difference between the rate charged and the reference rate between Furnas and Eletronuclear, as established by Law No. 12111/2009.
- Other - corresponds to the sum of all other amounts recognized by ANEEL as financial guarantees in regulated energy contracting (CCEAR), DIC/FIC compensation transfer, and others.

17.4 – Rate Adjustment

The concession agreements signed between the electricity distribution companies and the Federal Government, through ANEEL, establish that the price of energy paid by consumers must be adjusted annually. This adjustment, based on the methodology defined by ANEEL, may be positive or negative and occurs annually, on the anniversary of the distribution company.

According to the concession agreement, the revenue of the electric utility is divided into two portions: A and B. In Parcel A, accounting for around 70% of the tariff, the costs considered non-manageable by the distribution company are reported, i.e., costs that are outside the direct control of the company, such as energy purchased for resale to consumers and legally set charges and taxes.

In Parcel B, which corresponds to around 30% of the tariff, manageable costs are tabulated. These are those which the electric utility has direct control over and full capacity to manage, such as personnel costs, cost of material and other activities directly linked to the operation and maintenance of the distribution services, depreciation costs and compensation for investments made by the company to provide the service.

17.5 – Rate Flags

Since 2015, light bills have been operating under the Rate Flag System. Green, yellow and red flags indicate whether the energy will cost more or less, based on electricity generation conditions.

In Brazil, electricity is mainly generated by hydroelectric power plants. In order to work, these power plants depend on rainfall and water levels of reservoirs. When there is not enough water stored, thermoelectric power plants can be activated to save water from the hydroelectric power plant reservoirs. In this manner, generation costs increase, since thermoelectric power plants use fuels such as natural gas, coal, fuel oil and diesel. On the other hand, when there is much water stored, it is not necessary to activate the thermoelectric plants and generation costs will be less.

Ratifying Resolution No. 1826, of November 25, 2014, published by ANEEL and which determines the rates of the Company established the rate structure pricing. The use of these flags became a requirement in January, 2015.

The flags, which will be green, yellow and red, will be applied according to the conditions for meeting the load, derived from the sum of the Difference Settlement Price (PLD), Marginal Operating Costs (CMO) and Energy Security System Services Charges (ESS_SE).

The flags are adopted taking into account the following criteria: The green flag will be applied whenever power costs less than R$ 200/MWh*, which means that conditions are favorable for power generation and the rate will not be increased. The yellow flag will be applied whenever the operating cost of the system ranges from R$ 200/MWh* to R$ 350/MWh*: indicating less favorable conditions and that the rate will be increased by R$ 2.50 for every 100Wh* consumed The red flag will be applied whenever operating costs exceed R$ 350/MWh*: indicating that generation conditions are more expensive, also resulting in a rate increase of R$ 4.50 for every 100kW/h* consumed.

In short, the flag system, which went into effect in January 2015, reflects generation conditions and informs consumers of the option to decrease their consumption and lessen the final cost of power generation. The system does not represent an actual rate increase. It is only a different way of presenting costs that would be included in the rate, without consumers noticing, which they would have to pay when the annual rate repositioning occurs.

During the period from January 1, 2015 until February 29, 2016, the red flag was charged due to the more costly conditions. In March 2016, the generation costs were more favorable and the flag was changed to yellow.

(*) Information not reviewed by the independent auditors (KPMG).

NOTE 18 – INTANGIBLE ASSETS

	CONSOLIDATED				
	Balance at 12/31/2015	ADDITIONS	WRITE-OFFS	TRANSFERS COST/SERVICE	BALANCE AT 3/31/2016
Linked to concessions - Generation	146,173	(693)	(42)	42,395	187,833
In service	90,720	(1,268)	(42)	80,099	169,509
Intangible assets	188,433	4,367	(484)	80,060	272,376
Accumulated amortization	(97,287)	(5,682)	442	39	(102,488)
Special obligations	(298)	47	-	-	(251)
Impairment	(128)	-	-	-	(128)
In progress	55,453	575	-	(37,704)	18,324
Intangible assets	69,602	575	-	(37,704)	32,473
Special obligations	(8,959)	-	-	-	(8,959)
Impairment	(5,190)	-	-	-	(5,190)
Linked to concessions - Distribution	248,518	(39,681)	6,350	70	215,257
In service	136,482	(48,259)	6,175	8,680	103,078
Intangible assets	1,859,648	(11,870)	-	8,249	1,856,027
Accumulated amortization	(1,660,646)	(41,327)	290	384	(1,701,299)
Special obligations	(62,520)	3,306	5,885	47	(53,282)
Impairment	-	1,632	-	-	1,632
In progress	112,036	8,578	175	(8,610)	112,179
Intangible assets	131,709	8,101	-	(8,179)	131,631
Special obligations	(19,673)	477	175	(431)	(19,452)
Impairment	-	-	-	-	-
Linked to concessions - Transmission	88,392	(937)	-	4	87,459
In service	87,091	(937)	-	4	86,158
Intangible assets	91,151	-	-	(1,983)	89,168
Accumulated amortization	(4,060)	(937)	-	1,987	(3,010)
In progress	1,301	-	-	-	1,301
Intangible assets	1,301	-	-	-	1,301
Not linked to concessions (Other intangible assets)	452,068	337	(891)	40,430	491,944
Administration					
In service	831,315	14,707	-	46,171	892,193
Accumulated amortization	(478,484)	(18,792)	-	1,503	(495,773)
Impairment	(40,743)	-	463	-	(40,280)
In progress	160,150	4,422	(1,354)	(7,244)	155,974
Other	(20,170)	-	-	-	(20,170)
Total	935,151	(40,974)	5,417	82,899	982,493

	CONSOLIDATED				
	Balance at 12/31/2014	ADDITIONS	WRITE-OFFS	TRANSFERS COST/SERVICE	BALANCE AT 3/31/2015
Linked to concessions - Generation	500,285	(14,433)	(4,890)	4,321	485,283
In service	424,526	(15,896)	(2,964)	4,303	409,969
Intangible assets	902,720	152	(2,964)	-	899,908
Accumulated amortization	(434,599)	(16,048)	-	978	(449,669)
Special obligations	(15,033)	-	-	3,325	(11,708)
Impairment	(28,562)	-	-	-	(28,562)
In progress	75,759	1,463	(1,926)	18	75,314
Intangible assets	96,261	1,463	(1,926)	18	95,816
Special obligations	(14,695)	-	-	-	(14,695)
Impairment	(5,807)	-	-	-	(5,807)
Linked to concessions - Distribution	357,791	(85,923)	11,399	3,064	286,331
In service	210,979	(105,094)	26,589	4,866	137,340
Intangible assets	1,764,919	3,414	(9,433)	17,108	1,776,008
Accumulated amortization	(1,469,338)	(108,408)	86	(12,240)	(1,589,900)
Special obligations	(83,592)	(100)	35,936	(2)	(47,758)
Onerous concession contract	-	-	-	-	-
Impairment	(1,010)	-	-	-	(1,010)
In progress	146,812	19,171	(15,190)	(1,802)	148,991
Intangible assets	165,156	19,171	(15,190)	(1,804)	167,333
Special obligations	(19,354)	-	-	2	(19,352)
Impairment	1,010	-	-	-	1,010
Linked to concessions - Transmission	4,558	(54)	-	-	4,504
In service	3,233	(54)	-	-	3,179
Intangible assets	3,565	-	-	-	3,565
Accumulated amortization	(332)	(54)	-	-	(386)
Impairment	-	-	-	-	-
In progress	1,325	-	-	-	1,325
Intangible assets	1,325	-	-	-	1,325
Special obligations	-	-	-	-	-
Impairment	-	-	-	-	-
	-				-
Not linked to concessions (Other intangible assets)	502,737	44,798	(9,251)	2,175	540,459
Administration					
In service	765,557	13	-	107,147	872,717
Accumulated amortization	(420,336)	(15,219)	-	(340)	(435,895)
Impairment	(42,595)	-	463	-	(42,132)
In progress	141,483	60,004	-	(102,263)	99,224
Other	58,628	-	(9,714)	(2,369)	46,545
Total	1,365,371	(55,612)	(2,742)	9,560	1,316,577

Intangible assets are amortized primarily during the concession period.

The final term of the concessions of the distribution companies of Eletrobras expired on July 7, 2015. As mentioned in Note 2, ANEEL explained that despite the end of the contractual term, "the Concessions will remain valid for the time needed to gather essential information and perform assessments for organizing the tenders that would precede the granting of the concessions that would replace them. This period will not be less than 24 months." Under this definition, in 2015 the distribution companies of the Eletrobras Group proceeded to reclassify the financial asset to an intanglible asset in a proportion corresponding to twenty-four months.

NOTE 19 – IMPAIRMENT OF LONG-TERM ASSETS

The Company estimated the impairment of its long-term assets based on value in use taking into account that there is no asset market for the infrastructure associated with the concessions. Value in use is appraised based on the present value of estimated future cash flows.

The values assigned to the premises represent the assessment of the Company's Management of future trends in the electricity sector and are based on both external information sources and historical data. Cash flow was projected based on the operating results and projections of the Company until the end of the concession. When a need is identified to establish a provision to reduce for impairment of long-term assets is noted, this provision is recorded in the income statement under Operating Provisions.

The Company did not identify any evidence of asset devaluation in the three months ended March 31, 2016, and continued to record the amount of R$ 8,708,539 (R$ 8,684,088 at December 31, 2015), under Intangible (R$ 17,292) and Financial (R$ 1,824,822) Assets for impairment. Of this amount, R$ 6,063,454 (R$ 6,063,454 at December 31, 2015) corresponds to impairment for the Angra 3 Nuclear Power Plant. The assumptions used to measure the estimate are presented in the financial statements of December 31, 2015.

The Company is continuing to monitor the estimates and risks associated with determining the impairment for the Angra 3 enterprise and did not identify any new event in the first quarter of 2016 that would have required modifications to the measurement of the already recorded provision.

NOTE 20 – SUPPLIERS

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
CURRENT				
Goods, material and services	62,531	58,252	8,543,861	8,369,303
Energy purchased for resale	335,104	357,874	1,708,683	1,514,499
CCEE - Short-term energy	-	-	318,255	244,705
	397,635	416,126	10,570,799	10,128,507
NONCURRENT				
Goods, material and services	-	-	134,436	134,436
Energy purchased for resale	-	-	9,379,652	9,314,985
	-	-	9,514,088	9,449,421
	397,635	416,126	20,084,887	19,577,928

The suppliers balance refers mainly to the three main Particular Debt Acknowledgement Instruments and respective installments agreed upon by Petrobras Distribuidora S/A. and the sudsidiary Amazonas Energia, related to the supply of oil-based products, signed on December 31, 2014, for the respective amounts i) R$ 3,257,366; ii) R$ 2,925,921 and iii) R$ 1,018,441. The instruments will be amortized in 120 (one hundred twenty) consecutive monthly installments at the daily prorata variation, from the date of signing the contract until the date of its maturation, where the first portion will be amortized 2/20/2015 and the last on 1/30/2025.

NOTE 21 – ADVANCE FROM CUSTOMERS

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
CURRENT				
Advance energy sales - ALBRAS	-	-	54,682	54,832
Advance from customers - PROINFA	607,187	593,404	607,187	593,404
	607,187	593,404	661,869	648,236
NONCURRENT				
Advance energy sales - ALBRAS	-	-	644,370	659,082
	-	-	644,370	659,082
TOTAL	607,187	593,404	1,306,239	1,307,318

21.1 – ALBRAS

The subsidiary Eletronorte entered into an electricity sales agreement with Albras, in 2004, to supply electricity for a period of 20 years, corresponding to 750 MW average/month until December 2006 and 800 MW average/month from January 2007 to December 2024, using the break-even rate of UHE Tucuruí as a parameter, plus a premium, calculated based on the price of aluminum on the London Metal Exchange (LME) - England. This price establishment constitutes an embedded derivative (see Note 43).

Based on these conditions, Albras made an advance purchase of electricity credits, with advance payment of R$ 1,200,000, which was established as a credit, in MW, of an average 43 MW/month* from June 2004 to December 2006 and an average 46 MW/month from January 2007 to December 2024, to be amortized over the supply period, in monthly installments expressed in average MW, according to the rate in effect during the billing month, as detailed below:

CUSTOMER	Date of contract		Volume in Average Megawatts (MW)
	Start	End	
Albrás	7/1/2004	12/31/2024	750 until 12/31/2006 and 800 as of 1/1/2007
BHP	7/1/2004	12/31/2024	from 353.08 to 492

The position and movement of this liability are shown below:

Year	Amounts released	Amortizations done	Earnings	Balances	Current	Noncurrent
03/31/16	1,200,000	(475,938)	(25,010)	699,052	54,682	644,370
12/31/15	1,200,000	(462,305)	(23,781)	713,914	54,832	659,082

*Information not reviewed by the independent auditors (KPMG).

21.2 - PROINFA

The purpose of PROINFA, established by Law No. 10438/2002 and amendments thereto, is to diversify the Brazilian energy matrix by using renewable energy sources, through the economic leveraging of available resources and applicable technologies.
The Company ensures that it will purchase the electricity produced, for a period of 20 years,

beginning in 2006, and transfers this energy to distribution utilities, free consumers and independent producers, excluding low-income consumers, in proportion to their consumption.

The distribution and transmission utilities pay the Company the cost of the energy in quotas, equivalent to the cost corresponding to the share of captive consumers, free consumers and independent producers connected to their installations, in twelve monthly installments, in the month prior to energy consumption.

The transactions related to energy purchases and sales under PROINFA do not affect the Company's revenue.

NOTE 22 – LOANS AND FINANCING

22.1 - Global Reversion Reserve (RGR)

The Company is authorized to withdraw funds from the RGR to provide financing for expansion of the electricity sector, improvement of services and implementation of Federal Government programs.

Therefore, the Company withdraws funds from the RGR, in the form of a debt to the Fund, and uses them to finance specific investment projects, for the following purposes:

a) expansion of electricity distribution services;

b) promotion of alternative energy sources;

c) inventory and feasibility studies to harness hydroelectric potential;

d) installation of generating stations with up to 5,000 kW of power, intended solely to supply communities serviced by the isolated electricity system;

e) efficient public lighting;

f) electricity conservation through improving the quality of products and services;

g) universal access to electricity.

Eletrobras repays the funds withdrawn from the RGR used to finance companies in the Brazilian electricity sector, with interest at 5% per annum. On March 31, 2016, the balance of funds withdrawn from the RGR totaled R$ 6,211,366 (December 31, 2015 - R$ 6,439,374), included under Financing and Loans payable, where the amount of R$ 3,077,105 (December 31, 2015 – R$ 3,052,786) corresponds to funds which Eletrobras recognizes as subject to return to the RGR, pursuant to ANEEL Ruling No. 63, of January 13, 2014.

The resources that make up the RGR Fund are not part of these financial statements, since they belong to a distinct entity from the Company.

22.2 - Breakdown of loans and financing:

	03/31/16							
	PARENT COMPANY				CONSOLIDATED			
	CHARGES CURRENT		PRINCIPAL		CHARGES CURRENT		PRINCIPAL	
	Avg. Rate	Amount	CURRENT	NONCURRENT	Avg. Rate	Amount	CURRENT	NONCURRENT
Financial Institutions								
Foreign Currency								
Inter-American Development Bank (IDB)	4.54%	3,726	66,217	99,326	4.40%	6,007	93,083	502,319
Corporación Andino de Fomento - CAF	2.31%	11,294	511,267	874,887	2.31%	11,294	511,267	874,887
Kreditanstalt fur Wiederaufbau - KFW	2.73%	1,676	-	240,159	2.73%	1,676	-	240,160
Eximbank	2.00%	1,685	69,496	104,234	2.00%	1,685	69,497	104,234
BNP Paribas	1.17%	3,343	124,127	625,032	1.17%	3,343	124,127	625,032
Other		620	112,728	620,318		620	112,728	620,318
		22,344	883,835	2,563,956		24,625	910,702	2,966,950
Bonds								
Maturity 7/30/2019	6.88%	47,383	-	3,558,900	6.87%	47,383	-	3,558,900
Maturity 10/27/2021	5.75%	177,352	-	6,228,075	5.75%	177,352	-	6,228,075
		224,735	-	9,786,975		224,735	-	9,786,975
Other								
MORGAN		-	-	-		-	-	11,927
LLOYDS		-	-	-		-	-	1,692
		-	-	-		-	-	13,619
		247,079	883,835	12,350,931		249,360	910,702	12,767,544
Local Currency								
Global Reversion Reserve		-	-	6,211,366		-	-	6,211,366
Banco do Brasil		9,919	290,413	3,709,588		77,903	550,835	5,638,855
Caixa Econômica Federal		6,199	181,508	2,318,492		153,862	317,917	7,100,007
BNDES		522,080	750,000	750,000		545,910	1,275,206	7,199,107
Promissory Notes		-	-	-		0	252,172	5,569
Other Financial Institutions		-	-	-		14,171	273,917	1,859,790
		538,198	1,221,921	12,989,446		791,846	2,670,047	28,014,694
		785,277	2,105,756	25,340,377		1,041,206	3,580,749	40,782,238

	12/31/15							
	PARENT COMPANY				CONSOLIDATED			
	CHARGES CURRENT		PRINCIPAL		CHARGES CURRENT		PRINCIPAL	
	Avg. Rate	Amount	CURRENT	NONCURRENT	Avg. Rate	Amount	CURRENT	NONCURRENT
Financial Institutions								
Foreign Currency								
Inter-American Development Bank (IDB)	4.54%	1,943	72,653	108,979	4.40%	2,197	102,130	551,140
Corporación Andino de Fomento - CAF	2.73%	6,462	562,372	994,374	2.73%	6,462	562,372	994,374
Kreditanstalt fur Wiederaufbau - KFW	2.73%	19	-	251,800	2.73%	19	-	251,801
Dresdner Bank	6.25%	-	-	-	6.25%	-	-	-
Eximbank	2.00%	839	71,186	106,769	2.00%	839	71,187	106,769
BNP Paribas	1.57%	396	136,192	685,780	1.57%	396	136,192	685,780
Other		4,243	126,161	742,451		4,243	126,161	757,302
		13,902	968,564	2,890,153		14,156	998,042	3,347,166
Bonds								
Maturity 7/30/2019	6.88%	114,839	-	3,904,800	6.87%	114,839	-	3,904,800
Maturity 10/27/2021	5.75%	70,944	-	6,833,400	5.75%	70,944	-	6,833,400
		185,783	-	10,738,200		185,783	-	10,738,200
Other								
National Treasury - ITAIPU		-	-	-		-	-	-
MORGAN		-	-	-		-	-	-
LLOYDS		-	-	-		-	-	-
		-	-	-		-	-	-
		199,685	968,564	13,628,353		199,939	998,042	14,085,366
Local Currency								
Global Reversion Reserve		-	-	6,439,374		-	-	6,439,373
Banco do Brasil		9,925	140,935	3,859,065		76,226	402,598	5,861,368
Caixa Econômica Federal		6,203	88,085	2,411,915		97,404	196,538	6,759,638
BNDES		534,348	625,000	1,125,000		564,986	1,230,372	7,332,179
Promissory Notes		-	-	-		9,135	200,000	-
Other Financial Institutions		-	-	-		-	249,208	1,695,888
		550,476	854,020	13,835,354		747,751	2,278,716	28,088,446
		750,161	1,822,584	27,463,707		947,690	3,276,758	42,173,812

On June 28, 2013, a contract was signed between the subsidiary Eletronuclear and Caixa Econômica Federal (CEF) for a total of R$ 3,800,000, to finance part of the Angra 3 project. The term of the contract is 25 years, as of the signing date, with interest rates of 6.5% p.a. On March 21, 2016, a second disbursement request was submitted to CEF for R$ 478,000.

Eletrobras signed a credit agreement totaling R$ 6,500,000 with Caixa Econômica Federal and Banco do Brasil, at a remuneration of 119.5% of the accumulated variation of the DI (interbank deposit) rate, to meet its working capital needs and investment plan. By December 31, 2014, the Company received the first two installments of the funds, totaling R$ 4,500,000, with R$ 2,769,231 dispursed by Banco do Brasil and R$ 1,730,769 by Caixa Econômica Federal. The first and second installment of the funds will have a grace period for payment of the principle until August 24, 2016 and November 25, 2016, respectively. The third installment of the funds, taken out on January 30, 2015, totaling R$ 2,000,000, with R$ 1,230,769 disbursed by Banco do Brasil and R$ 769,231 by Caixa Econômica Federal, has a grace period for payment of the principle until February 25, 2016.

The debts, guaranteed by the Federal Government and/or Eletrobras, are subject to charges whose average rate in 2016 is 9.6% p.a. (9.4% p.a. in 2015), and have the following profile:

	PARENT COMPANY				CONSOLIDATED			
	03/31/16		12/31/15		03/31/16		12/31/15	
	Balance in BRL thousands	%	Balance in BRL thousands	%	Balance in BRL thousands	%	Balance in BRL thousands	%
Foreign currency								
indexed	10,180,979	36%	11,108,635	37%	10,192,906	22%	11,121,630	24%
USD with LIBOR	2,885,027	10%	3,257,353	11%	3,317,167	7%	3,729,245	8%
EURO	241,836	1%	251,820	1%	241,836	1%	251,820	1%
IENE	174,003	1%	178,794	1%	174,004	0%	178,794	-
Other	-	-	-	-	1,693	-	1,858	-
Subtotal	13,481,845	48%	14,796,602	49%	13,927,606	31%	15,283,347	33%
Local currency								
CDI	6,516,118	23%	6,516,128	22%	11,142,159	25%	11,410,983	25%
IPCA	-	-	-	-	72,395	0%	532,754	0
TJLP	-	-	-	-	6,944,362	15%	6,594,316	14%
SELIC	2,022,080	7%	2,284,348	8%	2,214,721	5%	2,636,254	6%
Other	-	-	-	-	4,066,466	9%	3,287,732	7%
Subtotal	8,538,198	30%	8,800,476	29%	24,440,103	54%	24,462,039	53%
Non-indexed	6,211,367	22%	6,439,374	21%	7,036,484	15%	6,652,874	14%
Total	28,231,409	100%	30,036,452	100%	45,404,192	100%	46,398,260	100%

The maturity of the long-term portion of loans and financing is scheduled as follows:

	2017	2018	2019	2020	2021	After 2021	Total
Parent Company	2,223,590	2,483,298	5,352,542	1,795,951	7,767,160	5,717,837	25,340,377
Consolidated	3,609,168	4,939,008	6,719,996	2,950,713	8,688,406	13,874,948	40,782,238

22.3 – Commercial leasing operations:

The nominal value, used to calculate the assets and liabilities arising from these contracts, was obtained by taking as a reference the price established for contracting monthly power multiplied by installed capacity (60 to 65 MW*) and the number of months of the contract.

The reconciliation between the total of future minimum payments on the Company's financial leases and its present value is shown in the table below:

	CONSOLIDATED	
	03/31/16	12/31/15
Less than 1 year	209,226	209,226
More than 1 year and less than 5 years	836,903	836,902
More than 5 years	871,773	924,081
Future financial changes on financial leasing	(685,613)	(718,054)
Total minimum financial leasing payments	1,232,289	1,252,155
Less than 1 year	143,965	132,972
More than 1 year and less than 5 years	442,695	431,363
More than 5 years	645,629	687,820
Present value of the payments	1,232,289	1,252,155

*Information not reviewed by the independent auditors (KPMG).

22.4 – Guarantees

The Company acts as a guarantor in a number of enterprises whose guaranteed amounts, projections and already paid amounts are presented in the following tables:

Company	Enterprise	Financing Bank	Type	Subsidiary Share	Amount of Financing	Outstanding balance at 3/31/2016	Guarantor Balance Eletrobras	End of Guarantee
Eletrobras	Norte Energia	BNDES	SPE	15.00%	2,025,000	2,138,995	21,390	01/15/42
Eletrobras	Norte Energia	CEF	SPE	15.00%	1,050,000	1,133,126	11,331	01/15/42
Eletrobras	Norte Energia	BTG Pactual	SPE	15.00%	300,000	323,750	3,238	01/15/42
Eletrobras	Norte Energia	Contract Performance Bond	SPE	15.00%	156,889	94,140	941	04/30/19
Eletrobras	Rouar	CAF	SPE	50.00%	34,761	34,761	348	09/30/17
Eletrobras	Mangue Seco 2	BNB	SPE	49.00%	40,951	37,418	374	10/14/31
Eletrosul	ESBR	BNDES	SPE	20.00%	727,000	894,491	8,945	08/15/34
Eletrosul	ESBR	BNDES	SPE	20.00%	232,500	239,016	2,390	01/15/35
Eletrosul	ESBR	BNDES REPASSE	SPE	20.00%	717,000	903,182	9,032	08/15/34
Eletrosul	ESBR	BNDES REPASSE	SPE	20.00%	232,500	240,651	2,407	01/15/35
Eletrosul	Cerro Chato I, II and III	Banco do Brasil	SPE	100.00%	223,419	121,309	1,213	07/15/20
Eletrosul	RS Energia	BNDES	SPE	100.00%	126,221	62,573	626	06/15/21
Eletrosul	Artemis Transmissora de Energia	BNDES	SPE	100.00%	170,029	40,428	404	10/15/18
Eletrosul	Porto Velho Transmissora de Energia	BNDES	SPE	100.00%	283,411	246,662	2,467	08/15/28
Eletrosul	UHE Mauá	BNDES	SPE	100.00%	182,417	146,308	1,463	01/15/28
Eletrosul	UHE Mauá	BNDES/Banco do Brasil	SPE	100.00%	182,417	146,322	1,463	01/15/28
Eletrosul	UHE Passo de São João	BNDES	Corporate	100.00%	183,330	136,372	1,364	07/15/26
Eletrosul	SC Energia	BNDES/Banco do Brasil	Corporate	100.00%	50,000	15,706	157	05/15/19
Eletrosul	SC Energia	BNDES/BDRE	Corporate	100.00%	50,000	15,663	157	05/15/19
Eletrosul	SC Energia	BNDES	Corporate	100.00%	103,180	31,431	314	05/15/19
Eletrosul	SC Energia	BNDES	Corporate	100.00%	67,017	28,621	286	03/15/21
Eletrosul	UHE São Domingos	BNDES	Corporate	100.00%	207,000	182,667	1,827	06/15/28
Eletrosul	RS Energia	BNDES	SPE	100.00%	41,898	30,663	307	03/15/27
Eletrosul	RS Energia	BNDES	SPE	100.00%	9,413	8,121	81	08/15/27
Eletrosul	RS Energia	BNDES	SPE	100.00%	12,000	6,677	67	08/15/27
Eletrosul	UHE Passo de São João	BNDES	Corporate	100.00%	14,750	11,270	113	07/15/26
Eletrosul	Eletrosul Corporate Projects	Banco do Brasil	Corporate	100.00%	250,000	223,701	2,237	11/15/23
Eletrosul	Teles Pires	BNDES	SPE	24.50%	296,940	341,641	3,416	02/15/36
Eletrosul	Teles Pires	BNDES/Banco do Brasil	SPE	24.50%	294,000	340,180	3,402	02/15/36
Eletrosul	Teles Pires	Issuance of Debentures	SPE	24.50%	160,680	218,268	2,183	05/30/32
Eletrosul	Livramento Holding	BNDES	SPE	49.00%	91,943	59,001	590	06/15/30
Eletrosul	Chuí Holding	BNDES	SPE	49.00%	186,082	186,983	1,870	12/15/31
Eletrosul	Transmissora Sul Brasileira de Energia S.A.	BNDES	SPE	80.00%	209,974	191,095	1,911	07/15/28
Eletrosul	Transmissora Sul Brasileira de Energia S.A.	Issuance of Debentures	SPE	80.00%	62,040	63,807	638	09/15/26
Eletrosul	Costa Oeste Transmissora de Energia S.A.	BNDES	SPE	49.00%	17,046	16,023	160	11/01/22
Eletrosul	Santa Vitória do Palmar Holding S.A.	BNDES	SPE	49.00%	197,950	211,051	2,111	06/16/31
Eletrosul	Santa Vitória do Palmar Holding S.A.	BRDE	SPE	49.00%	98,000	105,993	1,060	06/16/31
Eletrosul	Transmissora Sul Litorânea do Brasil	BNDES	SPE	51.00%	252,108	243,646	2,436	02/15/29
Eletrosul	Complexo São Bernardo	KfW	Corporate	100.00%	29,854	54,202	542	12/30/38
Eletrosul	Complexo São Bernardo	KfW	Corporate	100.00%	136,064	187,845	1,878	12/30/42
Eletrosul	Complexo Eólico Livramento - Entorno II	CEF	Corporate	100.00%	200,000	221,472	2,215	08/07/17
Eletrosul	Eletrosul Corporate Projects 2	BTG Pactual	Corporate	100.00%	250,000	246,359	2,464	03/02/17
Eletrosul	Eólica Hermenegildo I S/A	BNDES	SPE	99.99%	109,566	111,611	1,116	06/15/32
Eletrosul	Eólica Hermenegildo I S/A	BRDE	SPE	99.99%	47,764	47,902	479	06/15/32
Eletrosul	Eólica Hermenegildo II S/A	BNDES	SPE	99.99%	109,590	111,636	1,116	06/15/32
Eletrosul	Eólica Hermenegildo II S/A	BRDE	SPE	99.99%	47,775	47,913	479	06/15/32
Eletrosul	Eólica Hermenegildo III S/A	BNDES	SPE	99.99%	93,367	95,110	951	06/15/32
Eletrosul	Eólica Hermenegildo III S/A	BRDE	SPE	99.99%	40,703	40,821	408	06/15/32
Eletrosul	Eólica Chuí IX S/A	BNDES	SPE	99.99%	31,561	32,150	322	06/15/32
Eletrosul	Eólica Chuí IX S/A	BRDE	SPE	99.99%	13,758	13,798	138	06/15/32
Eletronorte	São Luis II and III	BNDES	Corporate	100.00%	13,653	8,512	85	11/15/24
Eletronorte	Miranda II	BNDES	Corporate	100.00%	47,531	22,703	227	11/15/24
Eletronorte	Ribeiro Gonç./Balsas	BNB	Corporate	100.00%	70,000	59,306	593	06/03/31
Eletronorte	Lechuga/J. Teixeira	BASA	Corporate	100.00%	25,720	20,774	208	01/10/29
Eletronorte	UHE Tucuruí	BNDES	Corporate	100.00%	931,000	51,234	512	09/15/16
Eletronorte	Nobres Substation	BNDES	Corporate	100.00%	10,000	7,080	71	03/15/28
Eletronorte	Miramar/Tucuruí Substation	BNDES	Corporate	100.00%	31,000	23,192	232	08/15/28

Company	Enterprise	Financing Bank	Type	Subsidiary Share	Amount of Financing	Outstanding Balance at 3/31/2016	Guarantor Balance Eletrobras	End of Guarantee
Eletronorte	Expansion of the Lexuga Substation	BNDES	Corporate	100.00%	35,011	26,498	265	10/15/28
Eletronorte	Norte Brasil Transmissora	BNDES	SPE	49.00%	514,500	479,791	4,798	12/15/29
Eletronorte	Norte Brasil Transmissora	Issuance of Debentures	SPE	49.00%	98,000	133,070	1,331	09/15/26
Eletronorte	Linha Verde Transmissora	BASA	SPE	100.00%	185,000	198,023	1,980	11/10/32
Eletronorte	Manaus Transmissora	BNDES	SPE	30.00%	120,300	101,895	1,019	12/15/26
Eletronorte	Estação Transmissora de Energia	BNDES	Corporate	100.00%	505,477	409,742	4,097	11/15/28
Eletronorte	Estação Transmissora de Energia	BASA	Corporate	100.00%	221,789	224,765	2,248	07/10/31
Eletronorte	Estação Transmissora de Energia	BASA	Corporate	100.00%	221,789	221,611	2,216	10/15/30
Eletronorte	Rio Branco Transmissora	BNDES	Corporate	100.00%	138,000	116,134	1,161	03/15/27
Eletronorte	Transmissora Matogrossense Energia	BASA	SPE	49.00%	39,200	39,254	393	02/01/29
Eletronorte	Transmissora Matogrossense Energia	BNDES	SPE	49.00%	42,777	31,414	314	05/15/26
Eletronorte	Rei dos Ventos 1 Eolo	BNDES	SPE	24.50%	30,851	27,817	278	12/31/16
Eletronorte	Brasventos Miassaba 3	BNDES	SPE	24.50%	30,984	28,005	280	12/31/16
Eletronorte	Rei dos Ventos 3	BNDES	SPE	24.50%	32,533	29,316	293	12/31/16
Eletronorte	Belo Monte Transmissora de Energia S. A.	Itau BBA	SPE	24.50%	49,735	59,312	593	06/18/16
Eletronorte	Belo Monte Transmissora de Energia S. A.	Santander	SPE	24.50%	49,000	57,760	578	06/18/16
Eletronorte	Norte Energia	BNDES	SPE	19.98%	2,697,300	2,849,141	28,491	01/15/42
Eletronorte	Norte Energia	CEF	SPE	19.98%	1,398,600	1,509,324	15,093	01/15/42
Eletronorte	Norte Energia	BTG Pactual	SPE	19.98%	399,600	431,236	4,312	01/15/42
Eletronorte	Belo Monte Transmissora de Energia S. A.	State Grid Brazil S.A.	Corporate	100.00%	294,700	140,364	1,404	07/28/29
Eletronorte	Implementation of PAR and PMIS	BNDES	Corporate	100.00%	743,382	347,629	3,476	12/15/23
Eletronuclear	Angra III	BNDES	Corporate	100.00%	6,146,256	3,275,663	32,757	06/15/36
Chesf	ESBR	BNDES	SPE	20.00%	727,000	894,491	8,945	08/15/34
Chesf	ESBR	BNDES	SPE	20.00%	232,500	239,016	2,390	01/15/35
Chesf	ESBR	BNDES TRANSFER	SPE	20.00%	717,000	903,182	9,032	08/15/34
Chesf	ESBR	BNDES TRANSFER	SPE	20.00%	232,500	240,651	2,407	01/15/35
Chesf	Manaus Transmissora	BNDES	SPE	19.50%	78,195	66,232	662	12/15/26
Chesf	Norte Energia	BNDES	SPE	15.00%	2,025,000	2,138,995	21,390	01/15/42
Chesf	Norte Energia	CEF	SPE	15.00%	1,050,000	1,133,126	11,331	01/15/42
Chesf	Norte Energia	BTG Pactual	SPE	15.00%	300,000	323,750	3,238	01/15/42
Chesf	IE Madeira	BASA	SPE	24.50%	65,415	77,247	772	07/10/32
Chesf	IE Madeira	BNDES	SPE	24.50%	455,504	397,281	3,973	02/15/30
Chesf	IE Madeira	Issuance of Debentures	SPE	24.50%	85,750	113,874	1,139	03/18/25
Chesf	Chesf Corporate Projects 1	Banco do Brasil	Corporate	100.00%	500,000	322,734	3,227	09/28/18
Chesf	Chesf Corporate Projects 2	CEF	Corporate	100.00%	400,000	304,191	3,042	02/27/19
Chesf	IE Garanhuns S/A	BNDES	SPE	49.00%	175,146	164,756	1,648	12/15/28
Chesf	Chesf Corporate Projects 3	BNDES	Corporate	100.00%	727,560	275,795	2,758	11/15/23
Chesf	Chesf Corporate Projects 4	BNDES	Corporate	100.00%	475,454	209,571	2,096	11/15/23
Furnas	UHE Batalha	BNDES	Corporate	100.00%	224,000	161,651	1,617	12/15/25
Furnas	UHE Simplicio	BNDES	Corporate	100.00%	1,034,410	690,457	6,905	07/15/26
Furnas	UHE Baguari	BNDES	Corporate	100.00%	60,153	38,868	389	07/15/26
Furnas	MISCELLANEOUS	Banco do Brasil	Corporate	100.00%	750,000	785,430	7,854	10/31/18
Furnas	BASA 2008 Rollover	Banco do Brasil	Corporate	100.00%	208,312	212,561	2,126	02/07/18
Furnas	Innovation projects	FINEP	Corporate	100.00%	268,503	164,115	1,641	11/15/23
Furnas	Corporate financing	Banco do Brasil	Corporate	100.00%	400,000	414,242	4,142	12/06/23
Furnas	UHE Santo Antônio	BNDES	SPE	39.00%	1,594,159	1,979,898	19,799	03/15/34
Furnas	UHE Santo Antônio	BNDES	SPE	39.00%	1,574,659	2,045,250	20,452	03/15/34
Furnas	UHE Santo Antônio	BASA	SPE	39.00%	196,334	245,069	2,451	12/15/30
Furnas	UHE Santo Antônio	Issuance of Debentures	SPE	39.00%	163,800	213,788	2,138	01/24/23
Furnas	UHE Santo Antônio	Issuance of Debentures	SPE	39.00%	273,000	332,586	3,326	03/01/24
Furnas	UHE Foz do Chapecó	BNDES	SPE	40.00%	435,508	398,467	3,985	09/15/27
Furnas	UHE Foz do Chapecó	BNDES	SPE	40.00%	217,754	201,652	2,017	09/15/27
Furnas	UHE Foz do Chapecó	BNDES	SPE	40.00%	4,009	3,028	30	09/15/27
Furnas	Centroeste de Minas	BNDES	SPE	49.00%	13,827	10,206	102	04/15/23
Furnas	Serra do Facão	BNDES	SPE	49.47%	257,263	214,801	2,148	06/15/27
Furnas	Rei dos Ventos 1 Eolo	BNDES	SPE	24.50%	30,851	27,817	278	10/15/29
Furnas	Brasventos Miassaba 3	BNDES	SPE	24.50%	30,984	28,005	280	10/15/29
Furnas	Rei dos Ventos 3	BNDES	SPE	24.50%	32,533	29,316	293	10/15/29
Furnas	IE Madeira	BASA	SPE	24.50%	65,415	77,247	772	07/10/32
Furnas	IE Madeira	BNDES	SPE	24.50%	455,504	397,281	3,973	02/15/30
Furnas	IE Madeira	Issuance of Debentures	SPE	24.50%	85,750	113,874	1,139	03/18/25
Furnas	Teles Pires	BNDES	SPE	24.50%	296,940	341,675	3,417	02/15/36
Furnas	Teles Pires	BNDES/Banco do Brasil	SPE	24.50%	294,000	340,215	3,402	02/15/36
Furnas	Teles Pires	Issuance of Debentures	SPE	24.50%	160,680	218,268	2,183	05/31/32
Furnas	Caldas Novas Transmissão	BNDES	SPE	49.90%	2,418	1,965	20	05/15/23
Furnas	Caldas Novas Transmissão	BNDES	SPE	49.90%	5,536	4,912	49	03/15/28
Furnas	Belo Monte Transmissora de Energia S. A.	State Grid Brazil S.A.	Corporate	100.00%	294,700	142,670	1,427	07/28/29
Furnas	Mata de Santa Genebra	Issuance of Debentures	SPE	49.90%	234,031	237,741	2,377	03/12/16
Amazonas	Amazonas	Debt Recognition - Petrobras/BR	Corporate	100.00%	2,405,979	2,669,317	26,693	01/30/25
Eletroacre	Eletroacre	Debt Recognition - Petrobras/BR	Corporate	100.00%	91,774	57,510	575	01/30/25
Boa Vista	Boa Vista	Debt Recognition - Petrobras/BR	Corporate	100.00%	19,320	17,004	170	12/31/24
Cepisa	Corporate Project	CEF	Corporate	100.00%	94,906	50,146	501	11/27/23
Total					**43,149,729**	**39,103,754**	**422,850**	

Detailed information about the investments related to these guarantees is disclosed in the financial statements of December 31, 2015.

NOTE 23 – DEBENTURES

			CONSOLIDATED				
Subsidiary	Issuer	Date issued	Main characteristics	Interest rate	Maturity	Balance at 3/31/2016	Balance at 12/31/2015
Eletronorte	Issued by the ETE (incorporated by Eletronorte in March 2014)	June 2011	Private subscription of first issue of the subsidiary recorded under Fundo de Desenvolvimento da Amazônia (FDA), held in custody of the operating agent of the contract, Banco da Amazônia S.A., with collateral guarantee and surety, in four series, all convertible into shares of the SPE, with or without voting rights.	TJLP + 1.65% p.a.	07/10/31	224,765	219,803
Eletrosul	SPE Chui IX - 1st Issue	10/20/14	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 1.90% p.a.	01/18/16	-	25,807
Eletrosul	SPE Chui IX - 2nd Issue	05/20/15	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 3.45% p.a.	01/18/16	-	11,355
Eletrosul	SPE Hermenegildo I - 1st Issue	10/20/14	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 1.90% p.a.	01/18/16	-	81,751
Eletrosul	SPE Hermenegildo I - 2nd Issue	05/20/15	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 3.45% p.a.	01/18/16	-	33,073
Eletrosul	SPE Hermenegildo II - 1st Issue	10/20/14	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 1.90% p.a.	01/18/16	-	81,751
Eletrosul	SPE Hermenegildo II - 2nd Issue	05/20/15	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 3.45% p.a.	01/18/16	-	17,673
Eletrosul	SPE Hermenegildo III - 1st Issue	10/20/14	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 1.90% p.a.	01/18/16	-	69,039
Eletrosul	SPE Hermenegildo III - 2nd Issue	05/20/15	Simple debentures, non-convertible into shares, in a single series, unsecured type, with collateral guarantee and surety, for public distribution with restricted distribution efforts.	100% CDI + spread of 3.45% p.a.	01/18/16	-	22,222
						224,765	562,474

NOTE 24 - COMPULSORY LOAN

The Compulsory Loan on electricity consumption, established by Law No. 4156/1962, to generate funds for the expansion of the Brazilian electricity sector, was eliminated by Law No. 7181, of December 20, 1983, which extended the final collection date until December 31, 1993.

In the first phase of this Compulsory Loan, which ended with the enactment of Decree-Law No. 1512/1976, the collection of the tax encompassed various classes of energy consumers, and taxpayers' credits were represented by bearer bonds issued by the Company.

In the second phase, based on the provisions of the Decree-Law, the Compulsory Loan in question started being collected only from industries whose monthly energy consumption was greater than 2,000 kWh*, and taxpayers' credits were no longer represented by securities, but simply carried by the Company.

*Information not reviewed by the independent auditors (KPMG).

The remaining Compulsory Loan balance, after the fourth conversion into shares, which occurred on April 30, 2008, for credits from 1988 to 2004, are recorded under current and noncurrent liabilities, maturing as of 2008, accruing interest of 6% per year, plus indexation based on the IPCA-E variation, and at March 31, 2016 correspond to R$ 524,385 (December 31, 2015 - R$ 523,635), of which R$ 470,348 is recorded under noncurrent (December 31, 2015 - R$ 466,005).

Bearer bonds, issued as a result of the Compulsory Loan, are not securities, cannot be traded on the stock market, are not priced and are unenforceable. The Company's Management states that it has no outstanding debentures.

The issuance of these bonds was due to a legal obligation and not a corporate decision of the Company. Likewise, neither did bondholders willingly accept them, but as a legal obligation, pursuant to Law No. 4156/1962.

The CVM (Brazilian Securities Commission), in the decision made by its Board in Administrative Proceeding CVM RJ 2005/7230, filed by the holders of these bonds, states that "the bonds issued by the Company pursuant to Law No. 4156/1962 cannot be considered as securities".

The CVM also judged that there were no irregularities in the procedures adopted by the Company in its Financial Statements, with respect to these bonds, or in its disclosure of the existence of lawsuits.

The unenforceability of these Bearer Bonds was backed by rulings from the Supreme Court, which corroborates the view that these bonds are prescribed and cannot be used as collateral for tax enforcement.

Therefore, the bearer bonds issued in the first phase of this Compulsory Loan, according to the CVM, cannot be considered as debentures. Furthermore, pursuant to Article 4, § 11 of Law No. 4156/1962 and Article 1 of Decree No. 20910/1932, they are unenforceable, as confirmed in Bulletin 344 of the Supreme Court (STJ), where it states that these bonds

cannot be used as collateral for tax collections, since they are not liquid, nor are they debentures.

Thus, the liability related to the Compulsory Loan refers to residual credits from 1988 to 1994 of industrial consumers, whose consumption exceeded 2,000 kW/h*, corresponding to the second stage of this Compulsory Loan, as well as the unclaimed interest in relation to these credits, as follows:

	PARENT COMPANY AND CONSOLIDATED	
	03/31/16	12/31/15
CURRENT		
Interest payable	54,037	57,630
NONCURRENT		
Credits collected	470,348	466,005
TOTAL	524,385	523,635

*Information not reviewed by the independent auditors (KPMG).

NOTE 25 - FUEL CONSUMPTION ACCOUNT (CCC)

The purpose of the Fuel Consumption Account (CCC), established by Decree No. 73102, of November 7, 1973, is to combine the prorating of fuel consumption costs for thermoelectric power generation, especially in the country's North Region.

Under Law No. 8631, of March 4, 1993, the Company manages the sums collected by the electric utilities and credits them to the Fuel Consumption Account (CCC), corresponding to the annual quotas allocated to fuel expenditures for generating electricity. The sums recorded in current assets, offsetting current liabilities, correspond to available funds, held in restricted cash, and to quotas not paid off by the electric utilities.

	PARENT COMPANY	CONSOLIDATED
	03/31/16	12/31/15
Current Assets	195,966	195,966
Noncurrent Assets	10,774	13,331
Total	206,740	209,297
Noncurrent Liabilities	467,355	452,948
Total	467,355	452,948

The enactment of Law No. 12783/2013 abolished the obligatory contribution of this charge to public electric utilities.

NOTE 26 – TAX PAYABLE, INCOME TAX AND SOCIAL CONTRIBUTION – LIABILITIES

26.1- Tax payable

	PARENT COMPANY		CONSOLIDATED	
Current liabilities:	03/31/16	12/31/15	03/31/16	12/31/15
Taxes withheld at source (IRRF)	27,759	30,364	205,525	239,721
PASEP and COFINS	51,215	250,273	421,257	577,998
ICMS	-	-	207,459	211,659
PAES/REFIS	-	-	183,702	185,441
INSS/FGTS	-	-	174,598	139,792
Other	-	-	195,547	201,967
Total	78,974	280,637	1,388,088	1,556,578

	PARENT COMPANY		CONSOLIDATED	
Noncurrent liabilities:	03/31/16	12/31/15	03/31/16	12/31/15
PASEP and COFINS	-	-	72,265	75,323
Deferred IRPJ/CSLL	100,785	181,991	140,660	181,991
PAES/REFIS	-	-	561,273	595,691
INSS/FGTS	-	-	32,093	31,884
Other	-	-	82,400	15,420
Total	100,785	181,991	888,691	900,309

26.2- Income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
Current liabilities:				
Current income tax	160,364	150,749	282,240	431,712
Current social contribution	57,775	45,251	103,038	149,632
	218,139	196,000	385,278	581,344
Noncurrent liabilities:				
Deferred IRPJ/CSLL	487,947	733,289	750,950	1,003,796

26.3- Reconciliation of expenses with income tax and social contribution

	PARENT COMPANY			
	03/31/16		03/31/15	
	IRPJ	CSLL	IRPJ	CSLL
Loss before IRPJ and CSLL	(3,946,875)	(3,946,875)	1,438,582	1,438,582
Total IRPJ and CSLL calculated at tax rates of 25% and 9% respectively	986,719	355,219	(359,646)	(129,472)
Effects of additions and exclusions:				
Income from dividends	4,614	1,661	1,034	372
Equity	215,373	77,534	242,982	87,473
Operating provision	-	-		
Tax loss compensation	68,780	24,761	-	-
Provision for reduction to market value				
Non-recognized/written off deferred taxes	(1,197,483)	(431,094)	(6,354)	(2,288)
Donations	(11,613)	(4,181)	(7,301)	(2,628)
Exchange rate variation	-	-		
Other additions and exclusions	(30,308)	(10,912)	(5,519)	(1,987)
Total income (expenses) from IRPJ and CSLL	36,082	12,988	(134,805)	(48,530)
Effective rate	-0.91%	-0.33%	-9.37%	-3.37%

	CONSOLIDATED			
	03/31/16		03/31/15	
	IRPJ	CSLL	IRPJ	CSLL
Loss before IRPJ and CSLL	(3,820,832)	(3,820,832)	1,511,394	1,511,394
Total IRPJ and CSLL calculated at tax rates of 25% and 9% respectively	955,208	343,875	(377,849)	(136,025)
Effects of additions and exclusions:				
Income from dividends	4,614	1,661	1,083	390
Equity	(45,522)	(16,388)	10,237	3,685
Tax loss compensation	127,754	45,991	88,011	28,615
Provision for reduction to market value				
Non-recognized/written off deferred taxes	(277,471)	(99,889)	(47,362)	(14,659)
Operating provision	(823,873)	(296,594)	(1,556)	(2,019)
Exchange rate variation	-	-	-	-
Tax incentives	73,802	26,569	28,875	-
Donations	(13,655)	(4,916)	(12,576)	(4,373)
Other additions and exclusions	(61,525)	(13,222)	31,118	6,622
Total income (expenses) from IRPJ and CSLL	(60,668)	(12,913)	(280,018)	(117,765)
Effective rate	1.59%	0.34%	-18.53%	-7.79%

26.4 - Tax Incentives - SUDENE

Provisional Measure No, 2199-14, of August 24, 2001, amended by Law No. 11196, of November 21, 2005, enables companies located in the Northeast, which have projects in the infrastructure sector deemed by the government as a priority for regional development, to reduce the amount of income tax owed for investment in projects involving installation, expansion, modernization or diversification.

With respect to concession contracts No. 006/2004 for generation and No. 061/2001 for transmission (both signed by CHESF), the right to the 75% income tax reduction incentive covers the years from 2008 to 2017. For transmission contracts No. 008/2005 and No. 007/2005, the right to the reduction incentive was granted for the period from 2011 to 2020. For contracts with a tax incentive, the income tax rate dropped from 25% to 6.25%.

26.5- Special Installment Payments (PAES)

The subsidiaries Furnas, Eletrosul, Eletronorte and Distribuição Alagoas opted to refinance their tax debts. The financing term is limited to 180 months and the outstanding balance is adjusted by the Long-Term Interest Rate (TJLP) and SELIC.

25.6- Tax Recovery Program (REFIS) – Law No. 12865/2013

Furnas, on December 30, 2013, opted for REFIS, in reference to the processes for PASEP, COFINS and PASEP/COFINS.

The financing term is limited to 180 months and the outstanding balance is adjusted by the SELIC rate.

26.7- Deferred PASEP and COFINS on Foreign Exchange Gains

On April 1, 2015, Decree No. 8426 was enacted, which reestablished the rates of 0.65% and 4%, respectively, for PIS/PASEP and COFINS levied on financial income earned by corporations subject to the non-cumulative tax regime, in effect as of July 1, 2015.

However, with the advent of Decree No. 8451, enacted on May 19, 2015, the Federal Government reset the rate to zero for PIS/PASEP and COFINS levied on financial income resulting from foreign exchange gains, due to the exchange rate, for: (i) export operations of goods and services abroad; and (ii) obligations assumed by corporations, including loans and financing.

Since Decree No. 8451 maintained the rate at zero only for the aforementioned transactions, the subsidiary started to collect, when settling the corresponding transaction, the PIS/PASEP and COFINS contributions levied upon foreign exchange gains resulting from fluctuations in the foreign currency used in contracts for loans granted by the Company.

In this regard, due to the tax deferral on foreign exchange gains at the time of settling the operation, the subsidiary recognized under noncurrent liabilities deferred PIS/PASEP and COFINS totaling R$ 14,088 (R$ 25,440 on December 31, 2015) and R$ 86,697 (R$ 156,551 on December 31, 2015), respectively.

NOTE 27 – ENERGY SECTOR CHARGES

The explanations regarding the nature of the main energy sector charges are disclosed in the financial statements of December 31, 2015.

	CONSOLIDATED	
	03/31/16	12/31/15
CURRENT LIABILITIES		
RGR quota	160,625	154,753
CDE quota	41,063	38,979
PROINFA quota	20,110	45,819
Compensation for use of water resources	90,441	56,932
Electricity services inspection fee	5,381	5,223
Research and Development (R&D)	371,932	356,920
Energy Efficiency Program (PEE)	28,556	24,397
Other	16,285	12,377
	734,393	695,400
NONCURRENT LIABILITIES		
RGR quota	8,184	8,184
Research and Development (R&D)	446,184	404,623
Energy Efficiency Program (PEE)	50,834	49,388
	505,202	462,195
TOTAL	1,239,595	1,157,595

NOTE 28 – COMPENSATION TO SHAREHOLDERS

	PARENT COMPANY	
	03/31/16	12/31/15
Current		
Unclaimed dividends	40,487	40,518
Retained dividends previous years	1,960	1,960
	42,447	42,478

28.1 – Retained Dividends from Previous Fiscal Years

The Company's Board of Directors decided, in January 2010, to pay the balance of the Special Undistributed Dividend Reserve in four annual installments, starting from 2010.

28.2 – Unclaimed Dividends

The balance of compensation to shareholders, shown in current liabilities, contains the amount of R$ 40,487 (R$ 40,518 on December 31, 2015), referring to unclaimed compensation for the fiscal years 2012, 2013 and 2014. Compensation for 2011 and earlier fiscal years has expired, according to the Company's Bylaws.

NOTE 29 – EMPLOYEE BENEFITS

29.1 Post-employment benefits

The Eletrobras System companies sponsor private pension plans for their employees, as well as post-employment health care plans and life insurance in certain cases. These benefits are classified as defined benefits (DB) and defined contributions (DC).

Due to the decentralized structure of the Eletrobras System, each segment sponsors its own package of employee benefits. In general, the Group provides its current and future retirees and their dependents with benefits such as pension plans, health care and post-employment life insurance, as shown in the following table:

Types of post-employment benefits sponsored by the companies from the Eletrobras System

Company	Pension benefit plans			Other post-benefits	
	DB Plan	Paid-up Plan	DC Plan	Life Insurance	Health Plan
Eletrobras	X		X	X	
Amazonas	X		X		
Boa Vista	X		X		X
Ceal	X		X		X
Celg D	X		X		X
Cepisa	X		X		
Ceron			X		
CGTEE	X				
Chesf	X	X	X	X	
Eletroacre			X		
Eletronorte	X		X	X	X
Eletronuclear	X				X
Eletrosul	X		X		X
Furnas	X		X	X	X

The Company and its subsidiaries calculate their actuarial liabilities annually and, consequently, the amounts presented on the balance sheet may undergo changes resulting from the calculation that will be performed on the base date of December 31, 2016.

More information on the post-employment benefits plan is disclosed on the financial statement of December 31, 2015.

NOTE 30 - PROVISIONS FOR CONTINGENCIES

Eletrobras and its subsidiaries are involved in different lawsuits currently in the courts, particularly in the labor and civil spheres, which are in various stages in the courts.

The Company's Management classifies lawsuits filed against it according to risk of loss and the occurrence of present obligation due to a past event, based on the opinion of its attorneys, as follows:

- In the case of lawsuits where a negative outcome for the Company is considered probable, in addition to meeting the condition of present obligation linked to the past event, provisions are established;

- In the case of lawsuits where a negative outcome for the Company is considered possible, no provision is established and the corresponding information is disclosed in the Explanatory Notes, when relevant, and

- In the case of lawsuits where a negative outcome for the Company is considered remote, no provision is established and only important information is disclosed in the Explanatory Notes, which Management deems relevant in order to fully understand the financial statements.

Therefore, to deal with any possible losses, a provision for contingencies is established, deemed sufficient by the Company's Management and its subsidiaries to cover possible losses in lawsuits, based on the opinion of its legal advisors.

At the closing date of these quarterly financial statements, the Company maintains the following provisions for legal obligations related to lawsuits which, in nature, are classified by the Company's Management as having a probable risk of loss

a) Probable contingencies:

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
CURRENT				
Labor	440	492	25,339	21,100
Civil	490,046	542,853	545,882	569,625
	490,487	543,345	571,522	590,725
NONCURRENT				
Labor	185,644	165,712	991,503	984,066
Tax	-	-	347,194	644,466
Civil	12,220,355	8,736,188	15,461,672	11,927,597
	12,405,998	8,901,900	16,800,368	13,556,129
	12,896,485	9,445,245	17,371,890	14,146,854

On March 31, 2016, the Company recorded R$ 490,487 under current liabilities, based on the history of lawsuit payments from over the last three years.

a.1) Civil lawsuits

In the Parent Company

In the first quarter of 2015, the Supreme Court issued decisions setting parameters for the methodology to calculate these contingencies, observing certain allegations by Eletrobras, but not in their entirety, which enabled adjustments in Eletrobras' calculation methodology and the risk classification of these lawsuits.

In the first quarter of 2016, the Company revised its measurement estimates for probability of loss of certain lawsuits related to the compulsory loan. This resulted in an increase of R$ 3,431,361 in the provision for contingencies in the period ended March 31, 2016.

The Company maintains a provision for these civil contingencies of R$ 12,710,402 (December 31, 2015 – R$ 9,279,041) for these lawsuits.

Following are the changes in these provisions during this period:

	PARENT COMPANY	CONSOLIDATED
Balance at 12/31/2015	9,445,245	14,146,854
Setting aside of provisions	2,905,653	3,837,440
Reversal of provisions	(7,296)	(888,745)
Indexation	617,294	346,867
Payments	(64,412)	(70,527)
Balance at 3/31/2016	12,896,485	17,371,890

c) Possible contingencies:

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	12/31/15	03/31/16	12/31/15
Labor	409,687	447,656	1,330,782	1,228,770
Tax	779,455	752,654	7,853,008	6,253,906
Civil	15,965,821	14,329,202	22,328,274	23,715,573
	17,154,962	15,529,512	31,512,063	31,198,249

a.1) Civil

In the Parent Company

i. The civil lawsuits in the Parent Company are for the purpose of applying indexation criteria to the credits from the Compulsory Loan created in 1978.

The lawsuits challenge the system for calculating indexation established by the law that governs the Compulsory Loan and is applied by the Company. The credits were paid in full by the Company through conversion into shares, using the current law as the indexation base.

ii. Between July 22 and August 15, 2015, two class action suits related to securities were filed against Eletrobras, some of its officers and a former officer in the U.S. District Court for the South District of New York (SDNY). On October 2, 2015, these lawsuits were consolidated and

the court named the leaders of the claimants, Dominique Lavoie and the city of Providence. The claimants filed an additional claim consolidated on December 8, 2015, supposedly on behalf of investors who bought Eletrobras securities traded on the New York Stock Exchange, between August 17, 2010 and June 24, 2015 and then, on February 26, 2016, filed a second consolidated additional claim. The second additional claim alleges that, among other things, Eletrobras and the individual defendants knew or should have known about the supposed fraud commited against the Company by a cartel of construction firms, as well as bribes supposedly requested and received by Eletrobras employees; that Eletrobras and its individual defendants made relevant distorted statements and were omissive in relation to the alleged fraud; and that the price of the Company's shares fell when the alleged fraud was disclosed. The claimants did not specify the sum of the damages they are requesting, although, once specified, they may be relevant for the Company. Eletrobras has hired legal counsel and intends to vigorously defend itself against the allegations contained in the lawsuit.

Due to numerous uncertainties related to all the issues that could have a bearing on the reasonable determination of an amount for the lawsuit, the Company is not presenting an estimated value for it. The Company is unable to make any reasonable estimate of the potential loss of this litigation. In the event of a negative ruling or a settlement, the Company may need to pay substantial amounts, which could have a material effect on its financial position, cash flows and future income. Eletrobras has hired U.S. legal counsel and is defending itself against the allegations made in the lawsuits.

Information in regard to other possible contingencies and a description of the relevant lawsuits of the Company and its subsidiaries can be found in the annual financial statements of December 31, 2015. No signficant changes occurred during this period.

ii. In terms of lawsuits where the risk is deemed as possible, there is the administrative proceedings filed by the Brazilian Electricity Regulatory Agency (ANEEL), through Ruling No. 63, of January 13, 2014, requiring Eletrobras to reimburse the RGR (Global Reversion Reserve) for the historic amounts of R$ 1,924,188 and R$ 113,577 respectively, in relation to amortization of the outstanding balance of financing not repaid to the RGR and appropriation of the financial charges from that fund during the period 1998-2011.

The ruling also determines that the amounts must be indexed at the extra-market fund rate of Banco do Brasil from the date they should have been repaid to the RGR until they are effectively returned to the fund. Eletrobras, in opposition to ANEEL's opposing position, filed an administrative appeal on January 24, 2014, alleging the expiration of the prescription period for reimbursement of the aforementioned sums, lack of any unlawful act on the part of the Company and objective good faith in the management of the resources. On March 31, 2016, the amount of the lawsuit is R$ 8,741,999 (R$ 8,031,500 on December 31, 2015), with R$ 3,077,105 already recognized by the Company under liabilities for the RGR, as seen in Note 22, (R$ 3,052,786 on December 31, 2015).

NOTE 31 – ASSET RETIREMENT OBLIGATION

The Company recognizes liabilities for the decommissioning of thermonuclear power plants, which consists of a program of activities required by the National Nuclear Energy Commission (CNEN), which enables these nuclear facilities to be safely dismantled, with minimal impact to the environment, at the end of the operating cycle.

Due to the specific operating and maintenance characteristics of thermonuclear power plants, whenever changes occur in estimated decommissioning costs, due to new studies in light of technological advances, the decommissioning quotas have to be changed in order to adjust the balance of the obligation to the new reality.

The asset retirement obligation balance, recorded at present value, on March 31, 2016, is R$ 1,221,677 (December 31, 2015 – R$ 1,201,186).

	CONSOLIDATED
Balance of Liabilities, at Present Value, at 12/31/2015	1,201,186
Adjustment to Present Value / Exchange Variation in the period	20,491
Balance of Liabilities, at Present Value, at 3/31/2016	1,221,677

NOTE 32 – ADVANCE FOR FUTURE CAPITAL INCREASE

The funds originate from the National Treasury and are allocated for the projects below:

	PARENT COMPANY	CONSOLIDATED
	03/31/16	12/31/15
Acquisition of stake CEEE / CGTEE	202,943	196,544
Banabuí – Fortaleza transmission line	3,426	3,318
Xingó Hydroelectric Power Plant	9,626	9,322
Transmission line in the State of Bahia	1,507	1,459
Federal Electrification Fund - Law 5073/66	8,932	8,650
	226,433	219,294

NOTE 33 – ONEROUS CONTRACTS

	CONSOLIDATED		
	BALANCE AT 12/31/2015	REVERSALS	BALANCE AT 3/31/2016
Transmission			
Contract 062/2001	729,478	(57,567)	671,911
LT Recife II - Suape II	51,024	(11,840)	39,184
LT Camaçari IV - Sapeaçu	99,080	(5,745)	93,335
Other	16,467	(11,993)	4,474
	896,049	(87,145)	808,904
Generation			
Camaçari	80,441	(3,636)	76,805
Funil	83,788	(2,134)	81,654
Coaracy Nunes	228,091	-	228,091
Marimbondo	79,924	(4,446)	75,478
Other	130,072	(3,190)	126,882
	602,316	(13,406)	588,910
	1,498,365	(100,551)	1,397,814
Total Current Liabilities*	9,073	-	9,073
Total Noncurrent Liabilities	1,489,292	(100,551)	1,388,741
TOTAL	1,498,365	(100,551)	1,397,814

(*) Amount recorded under Other current liabilities

Of the provision held for onerous contracts at March 31, 2016, R$ 1,169,723 (R$ 1,270,274 at December 31, 2015) corresponded to concession agreements extended under Law No. 12783/13, due to an imbalance in the established rate in relation to the actual operating and maintenance costs. In light of this, the present obligation of each contract was recognized and measured as a provision, and may be reversed due to adjustments in the cost reduction and/or tariff review program.

NOTE 34 – LONG-TERM OPERATING COMMITMENTS

The Company's long-term commitments, mainly related to electricity and fuel purchase contracts, are:

34.1- Energy purchases

Companies	2017	2018	2019	2020	2021	After 2021
Amazonas D	635,888	662,606	716,042	750,154	785,509	3,093,977
CGTEE	210,360	210,360	210,360	175,244	175,244	350,490
Chesf	293,220	267,690	267,690	268,420	177,700	2,488,150
Distribuidora Alagoas	725,918	828,484	902,263	881,572	922,480	1,844,960
Distribuidora Piauí	803,686	854,142	836,801	602,960	773,796	281,575,369
Distribuidora Roraima	-	711,449	803,550	-	-	-
Eletrosul	284,500	262,450	272,650	262,270	261,240	2,792,530
Furnas	551,187	542,988	552,359	544,462	541,816	3,126,539
Total	3,504,760	4,340,169	4,561,715	3,485,082	3,637,785	295,272,015

34.2- Fuel suppliers

Companies	2017	2018	2019	2020	2021	After 2021
Amazonas D	2,703,545	2,703,545	2,703,545	2,703,545	2,703,545	26,805,832
CGTEE	115,345	115,345	115,345	115,345	115,345	346,035
Eletronuclear	162,238	162,238	34,447	-	-	8,797,574
Total	2,981,128	2,981,128	2,853,337	2,818,890	2,818,890	35,949,441

The main fuel purchases are at the subsidiary Eletronuclear, which has contracts with Indústrias Nucleares Brasileiras (INB - "Brazilian Nuclear Industries") to purchase nuclear fuel for electricity production, for refueling the Angra I and Angra II nuclear power plants, as well as for the initial fueling and future refueling of the Angra III nuclear power plant.

The subsidiary Amazonas has a long-term commitment to purchase natural gas for thermoelectric power generation from Companhia de Gás Natural do Amazonas (CIGÁS). The agreement ends on November 30, 2030.

34.3- Energy Purchases from Independent Producers - PROINFA

The Company supports the development of projects to diversify the Brazilian energy matrix. The program which promotes alternative sources of energy, established by Law No. 10438, of April 2002, seeks regional solutions for the use of renewable energy sources and encourages the growth of domestic industry.

PROINFA is involved with the operation of 144 plants, totaling 3,299.4 MW* of installed capacity. The plants from the program will be responsible for generating approximately 12,000 GWh/year*, equivalent to 3.2% of the country's total consumption. The 3,299.4 MW of contracted energy correspond to: 1,191.24 MW* from small hydroelectric plants (SHPs), 1,422.92 MW* from 54 wind farms, and 685.24 MW* from 27 biomass-based power plants. In 2006, the Company agreed to purchase electricity produced by PROINFA for a period of 20 years and transfer that power to the transmission and distribution utilities, which in turn transfer the electricity to free consumers and self-producers, excluding low income consumers, in proportion to their consumption. Each transmission and distribution utility pays the Company the annual cost of electricity supplied to the captive consumers, free consumers and self-producers connected to its facilities, in twelve monthly payments, each payment one month prior to when the energy will be consumed.

*Information not reviewed by the independent auditors (KPMG).

34.4- Energy Sales

Companies	2017	2018	2019	2020	2021	After 2021
CGTEE	508,896	508,896	508,896	508,896	508,896	1,526,688
Chesf	864,090	614,240	608,000	607,720	606,560	8,357,150
Eletrosul	612,000	605,620	505,080	465,810	464,540	7,436,690
Eletronuclear	2,862,070	2,862,070	2,862,070	2,862,070	2,862,070	-
Furnas	3,753,652	3,081,669	3,081,669	1,753,569	2,112,247	35,036,859
Distribuidora Roraima	-	190,069	114,947	-	-	-
Total	8,600,708	7,672,495	7,565,715	6,198,065	6,554,313	52,357,387

34.5- Socio-environmental commitments

Companies	2017	2018	2019	2020	2021	After 2021
Eletronuclear	104,241	104,241	-	-	-	-
Eletronorte	20,000	20,000	20,000	20,000	20,000	36,000
Total	124,241	124,241	20,000	20,000	20,000	36,000

Angra III

Commitments toward the cities of Angra dos Reis, Rio Claro and Paraty, in which Eletronuclear undertakes to sign specific socio-environmental agreements linked to the Angra III Nuclear Power Plant, to carry out programs and projects in accordance with the terms established by IBAMA.

Tucurí

Due to legal requirements related to the expansion of the Tucuruí Hydroelectric Power Plant and raising the level of its reservoir from 72 to 74 meters, it was necessary to license this venture with the State Environment Department (SEMA), in the state of Pará, which had already ruled that Eletronorte must implement various socio-environmental mitigation and compensation programs as a condition for obtaining the Installation Permit (LI).

Environmental Permits

Actions of a socio-environmental nature which serve as provisions for environmental risk contingencies in the business units of Eletrosul are performed to obtain Environmental Permits and authorization to cut down vegetation, with the support of the Public Prosecutor's Office, which inspects the development of these investments.

34.6- Purchase of Fixed and Intangible Assets

Companies	2017	2018	2019	2020
Chesf	110,862	-	-	-
Eletronuclear	3,675,226	1,164,476	49,126	-
Eletrosul	450,834	195,696	69,141	65,168
Total	4,236,922	1,360,172	118,267	65,168

Contracts signed with different suppliers for equipment purchases to replace fixed assets mainly from the Angra I, Angra II and Angra III nuclear power plants, necessary for the operational maintenance of these assets.

The Company is continuing to assess the continuation of the Angra III Nuclear Power Plant project, which could have an impact on commitments to purchase fixed and intangible assets.

34.7- Purchase of inputs

Companies	2017	2018	2019	2020
CGTEE	29,352	29,352	29,352	29,352
Total	29,352	29,352	29,352	29,352

The subsidiary CGTEE purchases lime to control waste emissions from its plants.

34.8- Construction cost

Companies	2017
Eletronorte	148,843
Total	148,843

34.9- Commitments – Joint venture

The commitments toward the joint ventures are presented below according to the proportion of the shares of the companies.

34.9.1 - Purchase of fixed assets

The Company has procurement contracts for fixed assets with suppliers related to its stake in Special Purpose Entities (SPE), as presented below:

Companies	2017	2018	2019	2020	2021
Norte Energia	161,518	26,799	-	-	-
ELM	79,090	14,578	2,078	2,078	8,907
IMPSA	55,764	35,376	3,741	-	-
Votorantim	433	-	-	-	-
Other	13,870	4,061	-	-	-
Total	310,675	80,814	5,819	2,078	8,907

34.9.2 - Use of public goods

Companies	2017	2018	2019	2020	2021	After 2021
Norte Energia	3,871	3,568	3,288	3,031	3,031	32,207
Energética Águas da Pedra	370	370	370	370	370	1,424
Total	4,241	3,938	3,658	3,401	3,401	33,631

34.9.3 - Capital contribution

The Company has signed future commitments related to its stake in Special Purpose Entities (SPE), in the form of advance for future capital, as presented below:

Companies	2017	2018	2019
Mata de Santa Genebra Transmissora S.A.	6,546	-	-
Belo Monte Transmissora de Energia SPE S.A.	232,000	14,000	-
Complexo Fortim	111,000	356,000	-
Complexo Famosa	139,000	38,000	-
Complexo Eólico Punaú & Baleia	320,000	84,000	-
Holding Brasil Ventos	369,829	383,000	-
Complexo Eólico Itaguaçú Da Bahia	401,364	416,000	-
Madeira Energia S.A.	303,480	-	-
Teles Pires Participações S.A.	32,710	30,097	28,492
Empresa de Energia São Manoel S.A.	134,080	48,868	-
Companhia Energética SINOP S.A.	10,738,000	-	-
Paraíso	23,271	15,255	-
Total	12,811,280	1,385,220	28,492

NOTE 35 – SHAREHOLDERS' EQUITY

35.1 – Share Capital

The Company's share capital, on March 31, 2016, is R$ 31,305,331 (December 31, 2015 - R$ 31,305,331) and its shares have no nominal value. Preferred shares do not have voting rights and are not convertible into common shares. However, they do have priority in terms of repayment of capital and distribution of dividends, at annual rates of 8% for Class "A" shares (subscribed up until June 23,1969) and 6% for class "B" shares (subscribed as of June 24, 1969), calculated on the capital corresponding to each class of shares.

The share capital is represented by 1,352,634,100 shares and is distributed according to major shareholders and type of shares, on March 31, 2016, as follows:

03/31/16								
SHAREHOLDER	COMMON		PREFERRED				TOTAL CAPITAL	
	QUANTITY	%	Series A	%	Series B	%	QUANTITY	%
Government	554,395,652	51.00	-	-	1,544	0.00	554,397,196	40.99
BNDESPAR	141,757,951	13.04	-	-	18,691,102	7.04	160,449,053	11.86
BNDES	74,545,264	6.86	-	-	18,262,671	6.88	92,807,935	6.86
FND	45,621,589	4.20	-	-	-	-	45,621,589	3.37
FGHAB	1,000,000	0.09	-	-	-	-	1,000,000	0.07
CEF	8,701,564	0.80	-	-	-	-	8,701,564	0.64
FGI	-	-	-	-	7,069,400	2.66	7,069,400	0.52
Other	261,028,277	24.01	146,920	100.00	221,412,166	83.41	482,587,363	35.68
	1,087,050,297	100.00	146,920	100.00	265,436,883	100.00	1,352,634,100	100.00

12/31/2015								
SHAREHOLDER	COMMON		PREFERRED				TOTAL CAPITAL	
	QUANTITY	%	Series A	%	Series B	%	QUANTITY	%
Government	554,395,652	51.00	-	-	1,544	0.00	554,397,196	40.99
BNDESPAR	141,757,951	13.04	-	-	18,691,102	7.04	160,449,053	11.86
BNDES	74,545,264	6.86	-	-	18,262,671	6.88	92,807,935	6.86
FND	45,621,589	4.20	-	-	-	-	45,621,589	3.37
FGHAB	1,000,000	0.09	-	-	-	-	1,000,000	0.07
CEF	8,701,564	0.80	-	-	-	-	8,701,564	0.64
FGI	-	-	-	-	8,750,000	3.30	8,750,000	0.65
Other	261,028,277	24.01	146,920	100.00	219,731,566	82.78	480,906,763	35.55
	1,087,050,297	100.00	146,920	100.00	265,436,883	100.00	1,352,634,100	100.00

Of the total 482,587,149 shares (already deducting the 214 common shares corresponding to the Officers and Members of the Board of Directors of Eletrobras) held by minority shareholders, 264,513,647 shares, or 54.8%, are owned by non-resident investors, of which 134,736,132 are common shares, 28 are class "A" preferred shares and 129,777,487 are class "B" preferred shares.

Of the total participation of shareholders domiciled abroad, 79,328,686 common shares and 20,582,973 class "B" preferred shares are custodied, tied to the American Depositary Receipts (ADR) Program.

35.2 - Capital Reserves

	PARENT COMPANY	CONSOLIDATED
	03/31/16	12/31/15
Compensation for insufficient remuneration - CRC	18,961,102	18,961,102
Premium on issuance of shares	3,384,310	3,384,310
Special - Decree Law No. 54936/1964	387,418	387,418
Indexation of the opening balance of 1978	309,655	309,655
Indexation of the Compulsory Loan of 1987	2,708,432	2,708,432
Donations and subsidies - FINOR, FINAM and others	297,425	297,424
	26,048,342	26,048,342

NOTE 36 – EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the earnings (loss) attributable to shareholders by the weighted average number of common shares issued during the year, excluding common shares purchased by the Company and held as treasury shares. On March 31, 2016, the 12,018,738 potential dilutive common shares (Compulsory Loan – Note 24) were not included in the calculation of the weighted average of the number of preferred shares due to the anti-dilutive effect. Thus, in the period ended March 31, 2016, there is no difference between basic and diluted loss per share.

	03/31/16			
Numerator	Common	Preferred A	Preferred B	Total
Loss attributable to each class of shares	(2,108,297)	(1,187)	(1,788,322)	(3,897,805)
Denominator	Common	Preferred A	Preferred B	Total
Weighted average of amount of shares	261,028	147	221,412	482,587
% of shares in relation to the total	54.09%	0.03%	45.88%	100.00%
Basic earnings per share (R$)	(8.08)	(8.08)	(8.08)	

	03/31/15			
Numerator	Common	Preferred A	Preferred B	Total
Earnings attributable to each class of shares	1,008,786	136	246,326	1,255,247
Denominator	Common	Preferred A	Preferred B	Total
Weighted average of amount of shares	1,087,050	147	265,437	1,352,634
% of shares in relation to the total	80.37%	0.01%	19.62%	100.00%
Basic earnings per share (R$)	0.93	0.93	0.93	

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding, to presume the conversion of all dilutive potential common shares. The Company only has one category of dilutive potential common shares: convertible debt (compulsory loan) It is assumed that the convertible debt was converted into common shares and that net profit is adjusted to eliminate the interest expense minus the tax effect.

	03/31/15				
Numerator	Common	Preferred A	Preferred B - Converted	Preferred B	Total
Earnings attributable to each class of shares	999,836	135	11,134	244,141	1,255,247
Denominator	Common	Preferred A	Preferred B - Converted	Preferred B	Total
Weighted average of amount of shares	1,087,050	147	12,106	265,437	1,364,740
% of shares in relation to the total	79.65%	0.01%	0.89%	19.45%	100.00%
Basic earnings per share (R$)	0.92	-	0.92	0.92	

NOTE 37 - NET OPERATING REVENUE

	PARENT COMPANY		CONSOLIDATED	
	3/31/2016	03/31/15	3/31/2016	03/31/15
OPERATING REVENUE				
Generation				
Electricity Supply (sale)	908,144	670,086	3,054,904	3,117,486
Electricity Supply	-	-	641,232	921,760
Short-term Electricity	-	-	255,712	886,519
Operating and Maintenance Revenue from Renewed Lines	-	-	510,043	455,107
Construction Revenue from Renewed Lines	-	-	- 17,730	93,820
Financial Effect of Itaipu	- 147,590	121,201	- 147,590	121,201
	760,554	791,287	4,296,571	5,595,893
Transmission				
Operating and Maintenance Revenue from Renewed Lines	-	-	672,527	347,818
Operating and Maintenance Revenue	-	-	47,343	273,767
Construction Revenue	-	-	311,909	293,700
Financial - Investment Return	-	-	177,652	203,754
	-	-	1,209,431	1,119,039
Distribution				
Electricity Supply	-	-	2,287,395	3,117,179
Construction Revenue	-	-	156,978	175,692
CVA and other financial items	-	-	69,872	282,448
	-	-	2,514,245	3,575,319
Other income	4,190	12,294	254,065	339,374
	764,744	803,581	8,274,312	10,629,625
(-) Operating Revenue Deductions				
(-) ICMS	-	-	- 495,089	- 813,232
(-) PASEP and COFINS	75,226	-	- 606,997	- 804,550
(-) Energy sector charges	-	-	- 374,529	- 407,340
(-) Other Deductions (including ISS)	-	-	- 36,327	- 5,621
	75,226	-	- 1,512,942	- 2,030,743
Net Operating Revenue	839,970	803,581	6,761,370	8,598,882

NOTE 38 - INCOME FROM EQUITY INTERESTS

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	03/31/15	03/31/16	03/31/15
Investments in subsidiaries				
Equity	722,038	924,167	-	-
Investments in affiliated companies				
Interest on own capital	-	-	-	-
Equity	51,498	34,281	94,131	27,469
	51,498	34,281	94,131	27,469
Other investments				
Interest on own capital	-	-	-	-
Dividends	18,457	4,134	18,457	4,134
Remuneration from investments in partnerships	-	6,636	-	6,636
Income from capital - ITAIPU	69,500	2,709	69,500	2,709
	87,957	13,479	87,957	13,479
	861,493	971,927	182,088	40,948

NOTE 39 - PERSONNEL, MATERIAL AND SERVICES

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	03/31/15	03/31/16	03/31/15
Personnel	113,862	94,770	1,416,693	1,325,191
Material	596	700	59,783	61,302
Services	51,367	24,657	511,483	617,935
	165,825	120,127	1,987,959	2,004,428

NOTE 40 - ENERGY PURCHASED FOR RESALE

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	03/31/15	03/31/16	03/31/15
Energy purchased for resale				
Supply	707,123	633,398	1,562,689	2,357,505
Trading in the CCEE	200,513	55,402	593,129	556,021
PROINFA	-	-	5,372	3,712
Other	2,976	4,324	7,868	4,324
	910,612	693,124	2,169,058	2,921,562

NOTE 41 - OPERATING PROVISIONS (REVERSALS)

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	03/31/15	03/31/16	03/31/15
Guarantees	4,625	(861)	4,625	(861)
Contingencies [1]	2,898,358	168,262	2,948,880	252,807
Allowance Doubtful Acct. - Consumers & Resellers	-	-	142,345	101,597
Allowance Doubtful Acct. - Financing and Loans [2]	5,064	12,380	5,064	12,380
Unsecured Liabilities in Subsidiaries [3]	1,417,962	338,689	-	-
Onerous Contracts	-	-	(100,551)	(75,151)
Provision (Reversal) for Investment Losses	(463)	22,254	(463)	22,254
Adjustment to Market Value	138	181	138	181
Other	1,797	13,065	12,984	14,228
	4,327,481	553,970	3,013,022	327,435

[1] See Note 30
[2] See Note 8
[3] See Note 15

NOTE 42 - BUSINESS COMBINATIONS

42.1 – Acquisition of the controlling interest of CELG D

On September 26, 2014, at an Extraordinary Shareholders' Meeting, Eletrobras approved the Company's acquisition of the controlling interest of CELG Distribuição S.A. (CELG D).

The Company completed the purchasing process of Celg Distribuição S.A. ("Celg-D") through the payment and transfer, on January 27, 2015, of 76,761,267 common shares issued by CelgD, corresponding to 50.93% of the social capital of the distribution company, for R$ 59,454.

On December 28, 2015, in an Extraordinary Shareholders' Meeting, Eletrobras approved the disposal of the controlling interest of CELG D in a privatization auction to be conducted by BM&FBOVESPA, according to the minimum price and conditions established in Resolution

11/2015 of the National Privatization Council (CND). The Management has committed to a plan to sell the subsidiary and expects the sale to be completed by December 31, 2016.

This disposal is not considered a discontinued operation, since the Company will continue operating in the distribution segment with the distribution companies belonging to the Eletrobras Group.

The main assets and liabilities of the subsidiary CELG D classified as held for sale on March 31, 2016 are shown below:

	3/31/2016 and 12/31/2015
Cash and cash equivalents	82,182
Customers	1,112,469
Taxes and social contributions	170,440
Judicial deposits	136,761
Financial assets	199,497
Fixed assets	43,328
Intangible assets	1,908,127
Reimbursable assets - FUNAC	672,615
Other assets	298,366
Total assets of the subsidiary CELG D classified as held for sale	4,623,785
Suppliers	1,983,890
Loans and financing	1,304,503
Taxes and social contributions	360,553
Energy sector charges	428,332
Post-employment benefit	146,800
Contingency provisions	568,100
Other liabilities	782,831
Liabilities of the subsidiary CELG D associated with assets classified as held for sale	5,575,009

NOTE 43- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

43.1 – Capital Risk Management

Eletrobras' objectives when managing its capital is to safeguard the Company's ability to continue providing returns for its shareholders and benefits for other stakeholders, as well as achieve an optimal capital structure to reduce this cost. The purchase and sale of financial assets are recognized on the trade date.

To maintain or adjust its capital structure, the Company may review the dividend payment policy, return capital to shareholders or, also, issue new shares or sell assets to reduce, for example, debt levels.

Like other companies in the sector, the Company monitors its capital based on the gearing ratio. This ratio corresponds to net debt divided by total capital. Net debt, in turn, corresponds to total loans (including short and long-term loans, as stated on the consolidated balance sheet), minus cash and cash equivalents and bonds and securities. Total capital is determined by adding up shareholders' equity, as stated on the consolidated balance sheet, and net debt.

	CONSOLIDATED	
	03/31/16	12/31/15
Total financing and loans	45,404,193	46,398,260
(-) Cash and cash equivalents + Bonds and securities	7,437,481	8,431,737
Net Debt	37,966,712	37,966,523
(+) Total Shareholders' Equity	37,796,932	41,739,222
Total Capital	75,763,644	79,705,745
Gearing Ratio	50%	48%

43.2 – Classification of financial instruments by category

The book balances of financial assets and liabilities are reasonably close to fair value. The Company uses a hierarchy to measure the fair value of its financial instruments:

	PARENT COMPANY		
FINANCIAL ASSETS (Current / Noncurrent)	Measurement	03/31/16	12/31/15
Cash and Cash Equivalents		1,257,675	691,719
Loans and Receivables		38,476,527	41,052,908
Customers	Amortized Cost	494,638	504,597
Loans and Financing	Amortized Cost	35,314,319	37,098,745
Financial Assets – Generation and Transmission	Amortized Cost	2,667,570	3,449,566
Held-to-Maturity		195,203	191,763
Bonds and Securities	Amortized Cost	195,203	191,763
Measured at Fair Value through Profit/Loss		3,158,266	3,454,526
Bonds and Securities	Fair Value	3,158,266	3,454,526
Available for Sale		1,082,456	1,018,143
Investments (Equity Interests)	Fair Value	1,082,456	1,018,143
FINANCIAL LIABILITIES (Current / Noncurrent)			
Measured at Amortized Cost		29,129,190	30,752,210
Suppliers	Amortized Cost	397,635	416,126
Loans and Financing	Amortized Cost	28,231,410	30,036,452
Reimbursement Obligations	Amortized Cost	500,145	299,632
Measured at Fair Value through Profit/Loss		22,326	18,860
Financial Derivative Instruments – Hedge	Fair Value	22,326	18,860

		CONSOLIDATED	
	Measurement	03/31/16	12/31/15
FINANCIAL ASSETS (Current / Noncurrent)			
Cash and Cash Equivalents		1,801,798	1,393,973
Loans and Receivables		56,459,314	59,238,499
Customers	Amortized Cost	5,969,699	5,970,958
Loans and Financing	Amortized Cost	15,721,031	17,587,620
Reimbursement Rights	Amortized Cost	10,795,923	10,503,382
Financial Assets – Generation and Transmission	Amortized Cost	23,972,661	25,176,539
Held-to-Maturity		196,794	193,669
Bonds and Securities	Amortized Cost	196,794	193,669
Measured at Fair Value through Profit/Loss		5,538,344	6,890,406
Bonds and Securities	Fair Value	5,438,889	6,844,095
Financial Derivative Instruments	Fair Value	99,455	46,311
Available for Sale		5,624,603	5,382,366
Investments (Equity Interests)	Fair Value	1,246,557	1,177,260
Financial Assets – Distribution	Fair Value	4,378,046	4,205,106
FINANCIAL LIABILITIES (Current / Noncurrent)			
Measured at Amortized Cost		70,173,154	70,733,967
Suppliers	Amortized Cost	20,084,887	19,577,928
Loans and Financing	Amortized Cost	45,404,193	46,398,260
Debentures	Amortized Cost	224,765	562,474
Reimbursement Obligations	Amortized Cost	3,162,753	2,879,586
Commercial Leasing	Amortized Cost	1,232,289	1,252,155
Concessions Payable – Use of public property	Amortized Cost	64,267	63,564
Measured at Fair Value through Profit/Loss		54,484	80,269
Financial Derivative Instruments	Fair Value	54,484	80,269
Measured at Fair Value through Profit/Loss		22,326	18,860
Financial Derivative Instruments – Hedge	Fair Value	22,326	18,860

43.2.1 – Fair value estimate:

Assets and liabilities recorded at fair value have been classified and disclosed according to the following levels:

	PARENT COMPANY 03/31/16			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
FINANCIAL ASSETS (Current / Noncurrent)				
Available for Sale	1,082,456	-	-	1,082,456
Investments (Equity Interests)	1,082,456	-	-	1,082,456
Measured at Fair Value through Profit/Loss	3,158,266	-	-	3,158,266
Bonds and Securities	3,158,266	-	-	3,158,266
FINANCIAL LIABILITIES (Current / Noncurrent)				
Measured at Fair Value through Profit/Loss	-	22,326	-	22,326
Financial Derivative Instruments	-	22,326	-	22,326

	PARENT COMPANY 12/31/15			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
FINANCIAL ASSETS (Current / Noncurrent)				
Available for Sale	1,018,143	-	-	1,018,143
Investments (Equity Interests)	1,018,143	-	-	1,018,143
Measured at Fair Value through Profit/Loss	3,454,526	-	-	3,454,526
Bonds and Securities	3,454,526	-	-	3,454,526
FINANCIAL LIABILITIES (Current / Noncurrent)				
Measured at Fair Value through Profit/Loss	-	18,860	-	18,860
Financial Derivative Instruments	-	18,860	-	18,860

	CONSOLIDATED 03/31/16			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
FINANCIAL ASSETS (Current / Noncurrent)				
Available for Sale	1,246,557	4,378,046	-	5,624,603
Investments (Equity Interests)	1,246,557	-	-	1,246,557
Financial Assets – Distribution Concessions	-	4,378,046	-	4,378,046
Measured at Fair Value through Profit/Loss	5,438,889	99,455	-	5,538,344
Bonds and Securities	5,438,889	-	-	5,438,889
Financial Derivative Instruments	-	99,455	-	99,455
FINANCIAL LIABILITIES (Current / Noncurrent)				
Measured at Fair Value through Profit/Loss	-	54,484	-	54,484
Financial Derivative Instruments	-	54,484	-	54,484

	CONSOLIDATED 12/31/15			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
FINANCIAL ASSETS (Current / Noncurrent)				
Available for Sale	1,177,260	4,205,106	-	5,382,366
Investments (Equity Interests)	1,177,260	-	-	1,177,260
Financial Assets – Distribution Concessions	-	4,205,106	-	4,205,106
Measured at Fair Value through Profit/Loss	6,844,095	46,311	-	6,890,406
Bonds and Securities	6,844,095	-	-	6,844,095
Financial Derivative Instruments	-	46,311	-	46,311
FINANCIAL LIABILITIES (Current / Noncurrent)				
Measured at Fair Value through Profit/Loss	-	99,129	-	99,129
Financial Derivative Instruments	-	99,129	-	99,129

Level 1 – quoted prices (unadjusted) in active, liquid and visible markets for identical assets and liabilities that are accessible at the measurement date;

Level 2 – quoted prices (which may be adjusted or not) for similar assets or liabilities in active markets, other entries not observable in Level 1, directly or indirectly, in the terms of the asset or liability; and

Level 3 – assets and liabilities whose prices do not exist or where such prices or valuation techniques are based on a small or inexistent market, that is unobservable or liquid. In this level, estimated fair value becomes highly subjective.

The fair value of financial instruments traded in active markets (such as securities held for trading and available for sale) is based on market prices, quoted on the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from a stock exchange, distributor, broker, industry group, pricing service or regulatory agency, and if those prices represent real market transactions which occur regularly on a purely commercial basis.

The quoted market price used for the financial assets held by the Company is the current competitive price. These instruments are included in Level 1. The instruments included in Level 1 primarily include equity investments from the FTSE 100 classified as securities for trading or available for sale.

The fair value of financial instruments not traded in active markets (for example, OTC derivatives) is determined through the use of valuation techniques. These valuation techniques maximize the use of data adopted by market where it is available and rely as little as possible on the entity's specific estimates. If all the relevant information required for the fair value of an instrument is adopted by the market, the instrument will be included in Level 2.

If one or more relevant pieces of information are not based on data adopted by the market, the instrument will be included in Level 3.

Specific valuation techniques used to determine the value of financial instruments include:

- Quoted market prices or quotations of financial institutions or brokers for similar instruments.
- The fair value of interest rate swaps is calculated by the present value of estimated future cash flows based on yield curves adopted by the market.
- The fair value of forward exchange rate contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted at present value.

Other techniques, such as discounted cash flow analysis, are used to determine the fair value of the remaining financial instruments and counterparty credit risk in swap transactions.

43.3 - Financial Risk Management:

In performing its activities, the Company is affected by risk events that can undermine its strategic objectives. The main goal of risk management is to anticipate and minimize the adverse effects of such events on the Company's business activities and financial results.

The Company has defined operational and financial policies and strategies for financial risk management, approved by internal committees and Management, aimed at conferring liquidity, safety and profitability to its assets, in addition to maintaining established debt levels and debt profile for economic and financial flows.

The main financial risks identified in the risk management process are:

43.3.1 - Exchange rate risk

This risk ensues from the possibility that the Company's financial statements may be affected by fluctuations in exchange rates. The Company is exposed to financial risks that can cause volatility in its income as well as its cash flow. It is also liable to substantial risk among its assets and liabilities indexed to foreign currencies, particularly the U.S. dollar, resulting mainly from Itaipu Binacional financing agreements.

Within this context, the Company's Financial Hedge Policy was approved. The goal of this policy is to monitor and mitigate exposure to market variables that affect the assets and liabilities of the Company and its subsidiaries, in order to reduce the effects of undesirable fluctuations in these variables on their financial statements.

Thus, the intent of this policy is that the Company's results will faithfully reflect its actual operating performance and that its projected cash flow will be less volatile.

Along with the policy, the creation of the Financial Hedge Committee was approved, under the

auspices of the Financial Director. Its main function is to define the strategies and hedging instruments to be presented to the Company's Board of Executive Officers.

Taking into consideration the different ways to perform a hedge for mismatches occurring in the Company, the approved policy lists a scale of priorities. First, a structural solution, and then, only in residual cases, transactions with derivative financial instruments would be adopted.

Transactions with financial derivatives, when performed, adhere to the Company's hedge policy and may not constitute financial leverage or concession of credit to third parties.

(a) Breakdown of the balances in foreign currency and sensitivity analysis:

Scenarios for indexes and rates were considered in the tables below, with their respective impact on the Company's financial results. For the sensitivity analysis, predictions and/or estimates were used as the probable scenario for the end of 2014, based primarily on macroeconomic premises obtained from the Focus Report, issued by the Brazilian Central Bank, and Economic Outlook 86, published by the OECD (The Organisation Economic Co-operation and Development).

Sensitivity analyses were performed on financial instruments, assets and liabilities that are exposed to exchange rates and could cause material losses to the Company, using four different scenarios, based on the probable scenario mentioned above: two considering appreciation of the currencies and another two considering depreciation of these currencies.

The sensitivity analyses were prepared according to CVM Instruction 475/2008, in order to measure the impact of changes in market variables on each financial instrument of the Company. They are, therefore, projections based on assessments of macroeconomic scenarios, which does not mean that transactions will have their values presented in the analysis period under consideration.

(a.1) Risk of exchange rate appreciation:

		PARENT COMPANY				
		Balance at 3/31/2016		Effect on income - revenue (expenses)		
		Foreign Currency	BRL	Scenario I - Probable 2015 [1]	Scenario II (25%)[1]	Scenario III (50%)[1]
USD	Loans obtained	3,671,980	13,066,006	(1,621,913)	(5,293,893)	(8,965,873)
	Loans granted	3,818,272	13,588,848	1,684,240	5,502,512	9,320,784
	Financial asset - ITAIPU	549,309	1,954,937	242,300	791,610	1,340,919
	Impact on income - USD			304,627	1,000,228	1,695,830
EURO	Loans obtained	59,670	241,836	(24,541)	(91,136)	(157,730)
	Loans granted	28,294	114,699	11,608	43,185	74,762
	Impact on income - EURO			(12,933)	(47,950)	(82,968)
IENE	Loans obtained	5,447,809	174,003	(8,061)	(53,577)	(99,093)
	Loans granted	12,964,621	414,220	19,054	127,372	235,690
	Impact on income - IENE			10,993	73,795	136,597
IMPACT ON INCOME IN CASE OF APPRECIATION OF EXCHANGE RATES				302,686	1,026,073	1,749,459

		CONSOLIDATED				
		Balance at 3/31/2016		Effect on income - revenue (expenses)		
		Foreign Currency	BRL	Scenario I - Probable 2015 [1]	Scenario II (25%)[1]	Scenario III (50%)[1]
USD	Loans obtained	3,796,777	13,510,073	(1,677,037)	(5,473,814)	(9,270,591)
	Loans granted	3,672,103	13,068,649	1,619,765	5,291,868	8,963,972
	Financial asset - ITAIPU	549,309	1,954,937	242,300	791,610	1,340,919
	Impact on income - USD			185,029	609,664	1,034,300
EURO	Loans obtained	59,670	241,836	(24,541)	(91,136)	(157,730)
	Loans granted	-	-	-	-	-
	Impact on income - EURO			(24,541)	(91,136)	(157,730)
IENE	Loans obtained	5,447,840	174,004	(8,061)	(53,577)	(99,094)
	Loans granted	-	-	-	-	-
	Impact on income - IENE			(8,061)	(53,577)	(99,094)
IMPACT ON INCOME IN CASE OF APPRECIATION OF EXCHANGE RATES				152,426	464,951	777,476

(1) Assumptions adopted:	Probable	25%	50%
USD	4.000	5.000	6.000
EURO	4.464	5.580	6.696
IENE	0.033	0.042	0.050

(a.2) Risk of depreciation of the exchange rates:

		PARENT COMPANY				
		Balance at 3/31/2016		Effect on income - revenue (expenses)		
		Foreign Currency	BRL	Scenario I - Probable 2015 [2]	Scenario II (25%) [2]	Scenario III (50%) [2]
USD	Loans obtained	3,671,980	13,066,006	(1,621,913)	2,050,066	5,722,046
	Loans granted	3,818,272	13,588,848	1,684,240	(2,134,032)	(5,952,304)
	Financial asset - ITAIPU	549,309	1,954,937	242,300	(307,009)	(856,318)
	Impact on income - USD			304,627	(390,975)	(1,086,576)
EURO	Loans obtained	59,670	241,836	(24,541)	42,053	108,647
	Loans granted	28,294	114,699	11,608	(19,968)	(51,545)
	Impact on income - EURO			(12,933)	22,084	57,102
IENE	Loans obtained	5,447,809	174,003	(8,061)	37,455	82,971
	Loans granted	12,964,621	414,220	19,054	(89,265)	(197,583)
	Impact on income - IENE			10,993	(51,810)	(114,612)
IMPACT ON INCOME IN CASE OF DEPRECIATION OF EXCHANGE RATES				302,686	(420,700)	(1,144,086)

		CONSOLIDATED				
		Balance at 3/31/2016		Effect on income - revenue (expenses)		
		Foreign Currency	BRL	Scenario I - Probable 2015 [2]	Scenario II (25%) [2]	Scenario III (50%) [2]
USD	Loans obtained	3,796,777	13,510,073	(1,677,037)	2,119,741	5,916,518
	Loans granted	3,672,103	13,068,649	1,619,765	(2,052,339)	(5,724,442)
	Financial asset - ITAIPU	549,309	1,954,937	242,300	(307,009)	(856,318)
	Impact on income - USD			185,029	(239,607)	(664,242)
EURO	Loans obtained	59,670	241,836	(24,541)	42,053	108,647
	Loans granted	-	-	-	-	-
	Impact on income - EURO			(24,541)	42,053	108,647
IENE	Loans obtained	5,447,840	174,004	(8,061)	37,455	82,972
	Loans granted	-	-	-	-	-
	Impact on income - EURO			(8,061)	37,455	82,972
IMPACT ON INCOME IN CASE OF DEPRECIATION OF EXCHANGE RATES				152,426	(160,099)	(472,623)

([2]) Assumptions adopted:	Probable	-25%	-50%
USD	4.000	3.000	2.000
EURO	4.464	3.348	2.232
IENE	0.033	0.025	0.017

43.3.2 - Interest rate risk

This risk is associated with the possibility that the Company could suffer accounting losses due to fluctuations in market interest rates, affecting its financial statements through higher financial expenses, related to foreign funding contracts, tied to the Libor rate.

The Company monitors its exposure to Libor and uses derivatives to minimize this exposure, in accordance with the Financial Hedge Policy.

(a) Composition of balances by indexer and sensitivity analysis

The composition of the debt by indexer, whether in national or foreign currency, is broken down in Note 22, Subsection a.

Scenarios for indexes and rates were considered in the tables below, with their respective impact on the Company's financial results. For the sensitivity analysis, predictions and/or estimates were used as the probable scenario for the end of 2016, based primarily on macroeconomic assumptions obtained from the Focus Report, issued by the Brazilian Central Bank, and Economic Outlook 86, published by the OECD (The Organisation Economic Co-operation and Development).

Sensitivity analyses were performed on financial instruments, assets and liabilities that could cause material losses to the Company, using four different scenarios, based on the probable scenario mentioned above: two considering appreciation of the indexers and another two considering depreciation of these indexers.

The sensitivity analyses were prepared according to CVM Instruction 475/2008, in order to measure the impact of changes in market variables on each financial instrument of the Company. They are, therefore, projections based on assessments of macroeconomic scenarios, which does not mean that transactions will have their values presented in the analysis period under consideration.

In all the scenarios, the probable price of the U.S. dollar was used for converting into Brazilian reals the effect on income of risks related to fluctuations in the Libor rate. In this sensitivity analysis, any exchange rate effect due to appreciation or depreciation in the probable scenario of the dollar exchange rate was disregarded. The impact of appreciation and depreciation of the probable scenario of the dollar exchange rate are presented in Subsection 43.3.1 (a) of this note.

(a.1) LIBOR

- Risk of appreciation of interest rates:

		PARENT COMPANY				
		Balance of Debt/Notional Value		Effect on income - revenue (expenses)		
		In USD	In BRL	Scenario I - Probable 2015 [1]	Scenario II (+25%)[1]	Scenario III (+50%)[1]
LIBOR	Loans obtained	810,788	2,885,027	(29,179)	(36,473)	(43,768)
	Derivative	650,000	2,312,895	23,392	29,240	35,088
	Total			(5,786)	(7,233)	(8,680)

		CONSOLIDATED				
		Balance of Debt/Notional Value		Effect on income - revenue (expenses)		
		In USD	In BRL	Scenario I - Probable 2015 [1]	Scenario II (+25%)[1]	Scenario III (+50%)[1]
LIBOR	Loans obtained	932,234	3,317,167	(33,549)	(41,937)	(50,324)
	Derivative	650,000	2,312,895	23,392	29,240	35,088
	Total			(10,157)	(12,696)	(15,236)

(1) Assumptions adopted:	09/30/15	Probable	25%	50%
USD	3.5583	4.0000	5.00	6.00
LIBOR	N/A	0.90%	1.12%	1.35%

(a.2) Domestic indexers

- Risk of appreciation of interest rates:

		PARENT COMPANY			
		Balance at 3/31/2016	Effect on income - revenue (expenses)		
			Scenario I - Probable 2015 [1]	Scenario II (+25%)[1]	Scenario III (+50%)[1]
CDI	Loans obtained	6,516,118	(895,966)	(1,119,958)	(1,343,949)
	Loans granted	-	-	-	-
	Impact on income - CDI		(895,966)	(1,119,958)	(1,343,949)
IGPM	Commercial Leasing	-	-	-	-
	Loans granted	240,164	10,987	13,733	16,480
	Impact on income - IGPM		10,987	13,733	16,480
IPCA	Loans granted	6,846,251	310,890	388,612	466,335
	Impact on income - IPCA		310,890	388,612	466,335
SELIC	Loans obtained	2,022,080	(278,036)	(347,545)	(417,054)
	Loans granted	-	-	-	-
	Impact on income - SELIC		(278,036)	(347,545)	(417,054)
IMPACT ON INCOME -APPRECIATION OF RATES			(1,163,016)	(1,453,770)	(1,744,523)

		CONSOLIDATED			
		Balance at 3/31/2016	Effect on income - revenue (expenses)		
			Scenario I - Probable 2015 [1]	Scenario II (+25%)[1]	Scenario III (+50%)[1]
CDI	Loans obtained	11,142,159	(1,532,047)	(1,915,059)	(2,298,070)
	Debentures issued	-	-	-	-
	Loans granted	-	-	-	-
	Impact on income - CDI		(1,532,047)	(1,915,059)	(2,298,070)
TJLP	Loans obtained	6,944,362	(520,827)	(651,034)	(781,241)
	Debentures issued	224,765	(16,857)	(21,072)	(25,286)
	Impact on income - TJLP		(537,443)	(671,804)	(806,165)
IGPM	Commercial Leasing	1,232,289	(56,372)	(70,465)	(84,558)
	Loans granted	238,604	10,915	13,644	16,373
	Impact on income - IGPM		(45,457)	(56,821)	(68,186)
SELIC	Loans obtained	2,214,721	(304,524)	(380,655)	(456,786)
	Impact on income - SELIC		(303,670)	(379,588)	(455,505)
IPCA	Loans obtained	72,395	3,287	4,109	4,931
	Impact on income - IPCA		3,287	4,109	4,931
IMPACT ON INCOME -APPRECIATION OF RATES			(2,415,330)	(3,019,162)	(3,622,995)

(1) Assumptions adopted:	Probable	25%	50%
CDI	13.75%	17.19%	20.63%
IPCA	4.54%	5.68%	6.81%
TJLP	7.50%	9.38%	11.25%
IGPM	4.57%	5.72%	6.86%
SELIC	13.75%	17.19%	20.63%

- Risk of depreciation of interest rates:

		PARENT COMPANY			
		Balance at 3/31/2016	Effect on income - revenue (expenses)		
			Scenario I - Probable 2015 ²	Scenario II (-25%) ²	Scenario III (-50%) ²
CDI	Loans obtained	6,516,118	(895,966)	(671,975)	(447,983)
	Loans granted	-	-	-	-
	Impact on income - CDI		(895,966)	(671,975)	(447,983)
IPCA	Loans obtained	-	-	-	-
	Loans granted	6,846,251	310,890	233,167	155,445
	Impact on income - IPCA		310,890	233,167	155,445
IGPM	Commercial Leasing	-	-	-	-
	Loans granted	240,164	10,987	8,240	5,493
	Impact on income - IGPM		10,987	8,240	5,493
SELIC	Loans obtained	2,022,080	(278,036)	(208,527)	(139,018)
	Loans granted	-	-	-	-
	Impact on income - SELIC		(278,036)	(208,527)	(139,018)
IMPACT ON INCOME -DEPRECIATION OF RATES			(852,126)	(639,094)	(426,063)

		CONSOLIDATED			
		Balance at 3/31/2016	Effect on income - revenue (expenses)		
			Scenario I - Probable 2015 ²	Scenario II (-25%) ²	Scenario III (-50%) ²
CDI	Loans obtained	11,142,159	(1,532,047)	(1,149,035)	(766,023)
	Debentures issued	-	-	-	-
	Loans granted	-	-	-	-
	Impact on income - CDI		(1,532,047)	(1,149,035)	(766,023)
TJLP	Loans obtained	6,944,362	(520,827)	(390,620)	(260,414)
	Debentures issued	224,765	(16,857)	(12,643)	(8,429)
	Impact on income - TJLP		(537,443)	(403,082)	(268,722)
IGPM	Commercial Leasing	1,232,289	(56,372)	(42,279)	(28,186)
	Loans granted	238,604	10,915	8,186	5,458
	Impact on income - IGPM		(45,457)	(34,093)	(22,729)
SELIC	Loans obtained	2,214,721	(304,524)	(228,393)	(152,262)
	Impact on income - SELIC		(303,670)	(227,753)	(151,835)
IPCA	Loans obtained	72,395	3,287	2,466	1,644
	Impact on income - IPCA		3,287	2,466	1,644
IMPACT ON INCOME -DEPRECIATION OF RATES			(2,415,330)	(1,811,497)	(1,207,665)

(²) Assumptions adopted:	Probable	-25%	-50%
CDI	13.75%	10.31%	6.88%
IPCA	4.54%	3.41%	2.27%
TJLP	7.50%	5.63%	3.75%
IGPM	4.57%	3.43%	2.29%
SELIC	13.75%	10.31%	6.88%

According to the interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating interest rate values, calculated based on the agreed notional value. Such contracts enable the Company to mitigate the risk of changes in interest rates on the fair value of debt issued at fixed interest rates and in cash flow exposures of debt issued at floating rates. The fair value of interest rate swaps at the end of the fiscal year is determined by discounting future cash flows, using the curves at the end of the year and the credit risk inherent to this type of contract, as shown below. The average interest rate is based on outstanding balances payable at the close of the year.

The following table shows the amount of principal and remaining maturity dates for the outstanding interest rate swap contracts at the end of the reporting period:

					Fair Values	
Type	Transaction	Amount contracted (notional)	Rates used	Maturity	03/31/16	12/31/15
Libor X Pre-tax	03/2011	50,000	3.2780%	08/10/20	(4,766)	(5,497)
Libor X Pre-tax	04/2011	100,000	3.3240%	08/10/20	(9,737)	(11,266)
Libor X Pre-tax	09/2012	25,000	1.6795%	11/27/20	(1,031)	(226)
Libor X Pre-tax	10/2012	25,000	1.6295%	11/27/20	(945)	(133)
Libor X Pre-tax	11/2012	75,000	1.6285%	11/27/20	(2,829)	(394)
Libor X Pre-tax	12/2012	75,000	1.2195%	11/29/17	(639)	(307)
Libor X Pre-tax	13/2012	75,000	1.2090%	11/29/17	(619)	(286)
Libor X Pre-tax	14/2012	50,000	1.2245%	11/29/17	(432)	(211)
Libor X Pre-tax	15/2012	50,000	1.1670%	11/29/17	(361)	(134)
Libor X Pre-tax	16/2012	50,000	1.1910%	11/29/17	(390)	(166)
Libor X Pre-tax	17/2012	50,000	1.2105%	11/29/17	(415)	(192)
Libor X Pre-tax	18/2012	25,000	1.1380%	11/29/17	(162)	(47)
	TOTAL	650,000			(22,326)	(18,860)

The transactions classified as cash flow hedges generated a negative comprehensive income of R$ 4,219 in the quarter.

Through the use of swaps for hedge accounting, the Company, in the period ended March 31, 2016, recognized R$ 2,816 as financial expenses from swaps.

43.3.3 - Price risk – commodities

In 2004, the subsidiary Eletronorte signed long-term contracts to supply electricity to three of its main customers. Part of the income from these long-term contracts is associated with the payment of a premium linked to the international price of aluminum, quoted on the London Metal Exchange (LME), as the basic asset for defining monthly premiums.

The premium can be considered as a component of a hybrid (combined) contract, which includes a non-derivative contract that harbors it, so that the cash flow of the combined instrument, in certain circumstances, varies as though it were a separate derivative.

The details of the contracts are as follows:

CUSTOMER	Date of contract		Volume in Average Megawatts (MW)
	Start	End	
Albrás	07/01/2004	12/31/2024	750 until 12/31/2006 and 800 as of 1/1/2007
BHP	07/01/2004	12/31/2024	from 353.08 to 492

These contracts include the concept of a cap and floor band related to the price of aluminum quoted on the LME. The maximum and minimum price on the LME is limited to US$ 2,773.21/ton and US$ 1,450.00/ton, respectively.

To assign the fair value of the hybrid part of the contract, it is necessary to identify the main components that quantify the amount billed monthly. The main variables of the contract are: the amount of energy sold (MWh), the price on the LME and the exchange rate in the billing period.

Since the premium is associated with the price of the commodity on the LME, it is possible to assign the fair value of these contracts. At the end of March 2016, the price quoted on the LME was US$ 1,536.83/ton, representing an increase of 2.77% compared to December 2015, when the price of the commodity was US$ 1,495.35/ton.

In the same analysis period, the Brazilian real appreciated against the U.S. dollar, with the rate dropping from R$ 3.90 to R$ 3.56. The negative variation in the price of aluminum reduced the expected fair value of the derivatives, combined with the depreciation of the dollar during the period.

The loss from the operation with derivatives in March 2016 is R$ 53,144 (March 31, 2015 – earnings of R$ 54,519) and is presented in the income statement.

(a) Sensitivity analysis of embedded derivatives indexed to the price of aluminum

Sensitivity analyses were performed on energy supply contracts for electricity intensive consumers Albras and BHP, since they have a contractual clause linking the premium to variations in the price of aluminum on the international market.

This way, a variation on the price of the premium earned was estimated for such hybrid contracts, as shown in the table below. The volatile components of the premium are basically: price of primary aluminum on the LME, exchange rates and CDI (Interbank Deposit Rate). Presented below is the effect of each scenario on the Company's financial results.

For scenario II (50% reduction), the expected price for a ton of aluminum offered on the LME is below the minimum price for measuring the contract premium (US$ 1,450), so the value tends toward zero, impacting the mark-to-market of the embedded derivative.

As far as the variation between scenarios III and IV (increase of 25% and 50%), the large variation refers to the application of these percentages to the exchange rate, aluminum price and CDI (Interbank Deposit Rate).

The sensitivity analyses were prepared according to CVM Instruction 475/2008, in order to measure the impact of changes in market variables on each financial instrument of the

Company. They are, therefore, projections based on assessments of macroeconomic scenarios, which does not mean that transactions will have their values presented in the analysis period under consideration.

Balance at 03/31/16	Scenario I (+25%) Indexes and prices	Scenario II (+50%) Indexes and prices
99,455	561,303	787,170

43.3.4 - Credit risk

This risk arises from the possibility that the Company and its subsidiaries could incur losses resulting from difficulties in collecting receivables from customers, as well as defaults on the part of counterparty financial institutions in operations.

The Company, through its subsidiaries, operates in the electricity generation and transmission markets, supported by contracts signed in regulated environments. The Company seeks to minimize its credit risk through guarantees mechanisms involving receivables from its customers and, where applicable, through bank guarantees. In the distribution segment, the Company, through its subsidiaries, monitors default levels through analyzing the specificities of its customers.

The credit risk related to receivables from customers (see Note 7) is concentrated in distribution activities, totaling R$ 2,252,110 or 38% (R$ 2,178,241 or 35% on December 31, 2015) of the outstanding balance for the period ending March 31, 2016, and its main characteristic is the high level of diffusion since it includes a significant volume of sales to residential consumers.

Regarding loans granted receivable (see Note 8), except for the financial operation with the jointly controlled Itaipu, whose credit risk is low due to the inclusion of the cost of the loans in the energy sales tariff of the jointly controlled subsidiary, as defined in the terms of the international treaty signed between the governments of Brazil and Paraguay, the concentration of credit risk with any other counterparty did not individually exceed 2% of the outstanding balance in any period during the year.

Cash and cash equivalents are invested in an exclusive extra-market fund, in accordance with specific regulations from the Brazilian Central Bank. This fund consists entirely of government securities held in custody at Selic, with no exposure to counterparty risk.

In any relationships with financial institutions, the Company's practice is to perform operations only with institutions assessed as low risk by rating agencies and that meet the previously defined and formalized equity requirements. Credit limits are also established that are periodically reviewed.

Derivative transactions, when carried out in the OTC market, contain counterparty risks which, in light of the problems experienced by financial institutions in 2008 and 2009, are relevant. To mitigate this risk, the Company instituted a standard for the accreditation of financial institutions for derivative transactions. This standard defines criteria in relation to size, rating and expertise in the derivatives market, in order to select those institutions which

can perform transactions with the Company. It currently selects on a semiannual basis the top 20 financial institutions based on the above-mentioned criteria, and certifies them to perform derivative transactions with the Company. Furthermore, the Company developed a methodology to control exposure to these accredited institutions, which places limits on the volume of transactions that can be carried out with each one.

The Company monitors the credit risk of its swap transactions, in accordance with CPC 46 (IFRS 13), but does not account for this non-performance risk in the fair value balance of each derivative because, based on net exposure to credit risk, the Company may account for its swap portfolio through an unforced transaction between the parties at the valuation date. The Company takes into account non-performance risk only in the backtesting analysis of each relationship designated for Hedge Accounting.

In addition, the Company is exposed to credit risk in relation to financial guarantees given by the parent company to banks. The Company's maximum exposure corresponds to the maximum amount the Company would have to pay if the guarantee is enforced.

43.3.5 - Liquidity risk

The liquidity needs of the Company and its subsidiaries are the responsibility of the treasury and fund-raising departments, which operate jointly to continuously monitor short, medium and long-term cash flows, both estimated and actual, in an effort to avoid possible mismatches and consequent financial losses, as well as ensure liquidity requirements for operating needs.

The table below analyzes the non-derivative financial liabilities of the Eletrobras System according to maturity range, for the period remaining on the balance sheet until the contractual maturity date. Contractual maturity is based on the most recent date that the Eletrobras System must settle its respective obligations.

	PARENT COMPANY 03/31/16				
	Payment flow				
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Noncurrent)					
Measured at Amortized Cost	5,514,996	9,350,880	11,601,020	11,220,468	37,687,364
Suppliers	397,635	-	-	-	397,635
Loans and Financing	4,617,216	9,350,880	11,601,020	11,220,468	36,789,584
Reimbursement Obligations	500,145	-	-	-	500,145
Measured at Fair Value through Profit/Loss	22,326	-	-	-	22,326
Financial Derivative Instruments	22,326	-	-	-	22,326

	PARENT COMPANY 12/31/15				
	Payment flow				
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Noncurrent)					
Measured at Amortized Cost	5,497,634	11,400,270	12,496,676	10,797,657	40,192,237
Suppliers	416,126	-	-	-	416,126
Loans and Financing	4,781,876	11,400,270	12,496,676	10,797,657	39,476,479
Reimbursement Obligations	299,632	-	-	-	299,632
Measured at Fair Value through Profit/Loss	18,860	-	-	-	18,860
Financial Derivative Instruments	18,860	-	-	-	18,860

	CONSOLIDATED 03/31/16				
	Payment flow				
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Noncurrent)					
Measured at Amortized Cost	18,649,859	17,380,319	31,459,886	22,409,752	89,899,816
Suppliers	10,570,799	3,318,955	3,216,367	2,978,766	20,084,887
Loans and Financing	7,325,013	13,806,019	27,673,107	16,326,716	65,130,855
Debentures	15,583	10,300	41,200	157,682	224,765
Reimbursement Obligations	590,859	147,591	141,154	2,283,149	3,162,753
Commercial Leasing	143,965	94,093	348,603	645,628	1,232,289
Concessions Payable – Use of public property	3,640	3,361	39,455	17,811	64,267
Measured at Fair Value through Profit/Loss	22,514	54,296	-	-	76,810
Financial Derivative Instruments	22,514	54,296	-	-	76,810

	CONSOLIDATED 12/31/15				
	Payment flow				
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Noncurrent)					
Measured at Amortized Cost	18,331,212	19,570,442	28,492,678	23,999,600	90,393,931
Suppliers	10,128,507	3,163,442	3,195,654	3,090,325	19,577,928
Loans and Financing	7,312,379	16,138,249	24,723,419	17,884,178	66,058,224
Debentures	357,226	31,668	57,202	116,378	562,474
Reimbursement Obligations	396,208	145,399	137,252	2,200,727	2,879,586
Commercial Leasing	132,972	91,684	339,679	687,820	1,252,155
Concessions Payable – Use of public property	3,920	-	39,472	20,172	63,564
Measured at Fair Value through Profit/Loss	20,608	78,521	-	-	99,129
Financial Derivative Instruments	20,608	78,521	-	-	99,129

43.4 – Embedded derivatives related to debentures convertible into shares

Estação controlled by Eletronorte signed a contract for the issuance of debentures, in June 2011, and the release of resources in 2013 from Banco da Amazônia S.A. (BASA), which manages the resources of Fundo de Desenvolvimento da Amazônia (Amazon Development Fund or FDA), in order to raise funds to implement projects.

Since that contract has a clause regarding the option to convert these debentures into Company shares, at the discretion of Sudam, limited to 50% of the debentures issued, it is possible assign a value to the amount that would be attributed to Sudam if such a conversion were made.

To determine the value, a valuation was made of the former investee, by calculating the value of its stock and the present value of the agreement, using parameters for determining the value of the derivative.

The estimated earnings calculated for the period ending March 31, 2016 is R$ 25,786, and is presented in the income statement for the quarter.

43.4.1 – Sensitivity analysis

Sensitivity analyses of the debentures agreement were performed, since there is a contractual clause referring to the option of converting these debentures into shares of the subsidiary Eletronorte.

The following analysis considered the scenarios for TJLP (long-term interest rate) with the respective impacts on the Company's financial results. For the sensitivity analysis, predictions and/or estimates were used as the probable scenario for 2015 and 2016, based primarily on macroeconomic assumptions obtained from the Focus Report, issued by the Brazilian Central Bank.

Sensitivity analyses were carried out for the payment curve of the debt service contracted with Fundo de Desenvolvimento da Amazônia (Amazon Development Fund or FDA), since it has a contractual clause with an option to convert 50% into Company stock on the date of actual settlement of the security.

According to CPC 38 (IAS 39), hybrid contracts with associated volatile elements, whether price indexes and/or commodities, must be marked to market. Consequently, the financial statements reflect the fair value of the operation at each valuation date.

Therefore, a variation on the expectation for realization of the long-term interest rate was estimated for the contract.

The impact of each scenario on the financial results of the Company can be seen below.

	Balance at march, 31	**Scenario I (-25%) Indexes and prices**	**Scenario II (-50%) Indexes and prices**	**ScenarioI (+25%) Indexes and prices**	**Scenario II (+50%) Indexes and prices**
2016	50,484	37,071	46,291	61,427	67,180

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding, to presume the conversion of all dilutive potential common shares. The Company only has one category of dilutive potential common shares: convertible debt (compulsory loan) It is assumed that the convertible debt was converted into common

shares and that net profit is adjusted to eliminate the interest expense minus the tax effect.

NOTE 44 - INFORMATION ACCORDING TO BUSINESS SEGMENT

Operating segments are defined as business activities which generate income and incur expenses, based upon which operational decisions are made. The main operational decision-making body, responsible for allocating resources and assessing the performance of the operating segments, is the Board of Directors, which is also responsible for making strategic decisions in the Company. The operating segments of the Company are Management, Generation, Transmission and Distribution, with no aggregation of segments.

The Board of Directors assesses the performance of the operating segments based on the measurement of net income.

Information by business segment, corresponding to March 31, 2016 and March 31, 2015, is as follows:

	03/31/16							
		Generation		Transmission				
	Administration	Usage Regime	O&M Regime	Usage Regime	O&M Regime	Distribution	Eliminations	Total
Net Operating Revenue	41,230	3,636,080	429,822	299,516	868,083	1,952,373	(465,734)	6,761,370
Operating Costs and Expenses	(4,849,281)	(3,789,532)	(338,174)	(340,997)	(661,971)	(1,479,598)	2,040,427	(9,419,126)
Operating Income before Financial Income	(4,808,051)	(153,452)	91,648	(41,481)	206,112	472,775	1,574,693	(2,657,756)
Financial Income	(259,495)	(646,526)	(174,798)	(9,383)	160,797	(259,028)	(156,731)	(1,345,164)
Income from Equity Interests	768,953	-	-	-	-	-	(586,865)	182,088
Income Tax and Social Contribution	14,605	(9,184)	(62,243)	(10,298)	(6,461)	-	-	(73,581)
Net Income (Loss) for the Period	(4,283,988)	(809,162)	(145,393)	(61,162)	360,448	213,747	831,097	(3,894,413)

	03/31/15							
		Generation		Transmission				
	Administration	Usage Regime	O&M Regime	Usage Regime	O&M Regime	Distribution	Eliminations	Total
Net Operating Revenue	23,401	4,766,462	477,423	556,215	607,817	2,531,987	(364,423)	8,598,882
Operating Costs and Expenses	(973,225)	(3,238,611)	(393,154)	(387,854)	(679,196)	(2,716,068)	666,253	(7,721,855)
Operating Income before Financial Income	(949,824)	1,527,851	84,269	168,361	(71,379)	(184,081)	301,830	877,027
Financial Income	1,346,575	(319,180)	193,569	(185,268)	(44,686)	(434,451)	36,859	593,418
Income from Equity Interests	979,373	-	-	-	-	-	(938,425)	40,948
Income Tax and Social Contribution	(189,325)	(84,222)	(4,417)	87,214	(165,467)	(41,566)	-	(397,783)
Net Income (Loss) for the Period	1,186,799	1,124,449	273,421	70,307	(281,532)	(660,098)	(599,736)	1,113,610

	03/31/16				
Assets by Segment	Administration	Generation	Transmission	Distribution	Total
Noncurrent assets					
Fixed assets	1,253,919	27,666,316	-	942,397	29,862,632
Intangible assets	491,944	187,833	87,459	215,257	982,493

	12/31/15				
	Administration	Generation	Transmission	Distribution	Total
Noncurrent assets					
Fixed assets	1,774,081	26,815,743	-	956,821	29,546,645
Intangible assets	452,068	146,173	88,392	248,518	935,151

Non-cash Items	03/31/16				
	Administration	Generation	Transmission	Distribution	Total
Depreciation and Amortization	46,891	331,179	937	55,751	434,758
Setting aside (Reversal) for Onerous Contracts	-	13,406	87,145	-	100,551

	03/31/15				
	Administration	Generation	Transmission	Distribution	Total
Depreciation and Amortization	51,062	314,541	54	97,421	463,078
Impairment	-	(18,746)	(56,405)	-	(75,151)

	03/31/16			
	Generation	Transmission	Distribution	Total
Electricity supply (sale)	3,054,904	-	-	3,054,904
Electricity supply	641,232	-	2,287,395	2,928,627
Short-term electricity	255,712	-	-	255,712
CVA and other financial items	-	-	69,872	69,872
Itaipu financial effect	(147,590)	-	-	(147,590)
Operating and maintenance revenue	510,043	719,870	-	1,229,913
Construction revenue	(17,730)	311,909	156,978	451,157
Financial - Return on investment	-	177,652	-	177,652
Total Gross Revenue	4,296,571	1,209,431	2,514,245	8,020,247

	03/31/15			
	Generation	Transmission	Distribution	Total
Electricity supply (sale)	3,117,486	-	-	3,117,486
Electricity supply	921,760	-	3,117,179	4,038,939
Short-term electricity	886,519	-	-	886,519
CVA and other financial items	-	-	282,448	282,448
Itaipu financial effect	121,201	-	-	121,201
Operating and maintenance revenue	455,107	621,585	-	1,076,692
Construction revenue	93,820	293,700	175,692	563,212
Financial - Return on investment	-	203,754	-	203,754
Total Gross Revenue	5,595,893	1,119,039	3,575,319	10,290,251

NOTE 45 - RELATED PARTY TRANSACTIONS

The ultimate controlling party of the Company is the Federal Government which holds 51% of the common shares of the Company (see Note 35).

The transactions of the Company with its subsidiaries, affiliated companies and special purpose entities are carried out at prices and terms consistent with those that would be used in the market. Among the main transactions with related parties are loans and financing, granted under the same conditions existing in the market and/or in accordance with specific legislation on the subject. The other operations were also established under normal market conditions.

		PARENT COMPANY					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
FURNAS	Financing and loans	4,047,081	-	-	4,047,720	-	-
	Advance for future capital increase	45,070	-	-	43,649	-	-
	Dividends receivable	-	-	-	153	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	154,686	-	-	80,266
		4,092,150	-	154,686	4,091,522	-	80,266
CHESF	Financing and loans	26,588	-	-	30,964	-	-
	Dividends receivable	-	-	-	78	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	505	-	-	726
		26,588	-	505	31,042	-	726
ELETRONORTE	Financing and loans	2,879,009	-	-	3,020,041	-	-
	Dividends receivable	-	-	-	10,017	-	-
	Other assets	-	-	-	4,474	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	50,395	-	-	57,268
		2,879,009	-	50,395	3,034,532	-	57,268
ELETROSUL	Financing and loans	2,196,527	-	-	2,141,510	-	-
	Dividends receivable	-	-	-	37,024	-	-
	Other assets	-	-	-	2,469	-	-
	Other liabilities	-	13,984	-	-	14,303	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	72,144	-	-	47,921
		2,196,527	13,984	72,144	2,181,004	14,303	47,921
CGTEE	Financing and loans	2,490,255	-	-	2,417,810	-	-
	Advance for future capital increase	342,876	-	-	120,505	-	-
	Dividends receivable	-	-	-	73,035	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	85,645	-	-	52,030
		2,833,130	-	85,645	2,611,350	-	52,030
ELETRONUCLEAR	Financing and loans	1,557,963	-	-	1,600,265	-	-
	Other assets	-	-	-	46	-	-
	Other liabilities	-	508,226	-	-	523,984	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	70,416	-	-	31,181
		1,557,963	508,226	70,416	1,600,311	523,984	31,181
ED ALAGOAS	Financing and loans	1,199,306	-	-	1,166,748	-	-
	Advance for future capital increase	-	-	-	8,307	-	-
	Other assets	-	-	-	1,652	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	45,529	-	-	27,075
		1,199,306	-	45,529	1,176,707	-	27,075
ED PIAUÍ	Financing and loans	1,283,676	-	-	1,224,315	-	-
	Other assets	-	-	-	37	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	49,374	-	-	30,452
		1,283,676	-	49,374	1,224,352	-	30,452
Amazonas Energia - D	Financing and loans	1,347,103	-	-	1,327,167	-	-
	Other assets	140,045	-	-	138,713	-	-
	Revenue from interest, commissions and fees	-	-	88,412	-	-	68,073
		1,487,148	-	88,412	1,465,879	-	68,073
Amazonas Energia - GT	Financing and loans	1,510,681	-	-	1,469,087	-	-
	Other assets	-	-	-	493,511	-	-
	Revenue from interest, commissions and fees	-	-	26,844	-	-	-
		1,510,681	-	-	1,962,598	-	-
						-	-
ED RONDÔNIA	Financing and loans	741,249	-	-	739,481	-	-
	Advance for future capital increase	-	-	-	245	-	-
	Other assets	-	-	-	1,611	-	-
	Revenue from interest, commissions, fees and exchange variatk	-	-	27,663	-	-	19,978
		741,249	-	27,663	741,337	-	19,978

		PARENT COMPANY					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
ELETROPAR	Dividends receivable	-	-	-	1,046	-	-
	Other assets	-	-	34	380	-	-
		-	-	34	1,426	-	-
ELETROACRE	Financing and loans	288,262	-	-	283,014	-	-
	Advance for future capital increase	12,787	-	-	12,787	-	-
	Other assets	-	-	-	809	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	11,871	-	-	7,283
		301,049	-	11,871	296,610	-	7,283
ED RORAIMA	Financing and loans	55,427	-	-	54,419	-	-
	Other assets	-	-	-	7	-	
	Revenue from interest, commissions, fees and exchange variatic	-	-	2,225	-	-	2,269
		55,427	-	2,225	54,426	-	2,269
ITAIPU	Financing and loans	13,068,649	-	-	14,802,134	-	-
	Dividends receivable	-	-	-	1,952	-	-
	Revenue (expenses) from interest, commissions, fees and exch	-	-	(911,441)	-	-	2,575,787
		13,068,649	-	(911,441)	14,804,087	-	2,575,787
NATIONAL TREASURY	Obligations	-	6,161,123	-	-	7,511,797	-
		-	6,161,123	-	-	7,511,797	-
ELETROS	Contributions payable - sponsor	-	6,498	-	-	23,555	-
	Provisions	-	244,685	-	-	244,685	-
	Contributions - sponsor	-	-	(8,683)	-	-	(7,770)
	Fees	-	-	(661)	-	-	(647)
		-	251,183	(9,344)	-	268,240	(8,417)
CEEE-GT	Financing and loans	2,081	-	-	4,883	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	61	-	-	207
		2,081	-	61	453,157	-	207
ENERGISA MT	Financing and loans	293,841	-	-	310,697	-	-
	Dividends receivable	-	-	-	4,403	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	7,529	-	-	34,608
		293,841	-	7,529	315,100	-	34,608
EMAE	Dividends receivable	-	-	-	1,416	-	-
		-	-	-	1,416	-	-
CTEEP	Financing and loans	185	-	-	196	-	-
	Dividends receivable	-	-	-	20	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	4	-	-	9
		185	-	4	216	-	9
CEMAR	Financing and loans	243,298	-	-	275,939	-	-
	Dividends receivable	-	-	-	22,910	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	6,894	-	-	6,514
		243,298	-	6,894	298,849	-	6,514
LAJEADO ENERGIA	Dividends receivable	-	-	-	86,589	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	-	-	-	6
		-	-	-	86,589	-	6
CEB LAJEADO	Dividends receivable	-	-	-	13,980	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	-	-	-	7
		-	-	-	13,980	-	7
PAULISTA LAJEADO	Dividends receivable	-	-	-	3,077	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	-	-	-	8
		-	-	-	3,077	-	8
CEEE-D	Financing and loans	26,975	-	-	28,520	-	-
	Revenue from interest, commissions, fees and exchange variatic	-	-	526	-	-	706
		26,975	-	526	28,520	-	706

		CONSOLIDATED					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
Federal Government	Customer	19,740	-	-	19,535	-	-
	Other income	-	-	60,766	-	-	8,698
		19,740	-	60,766	19,535	-	8,698
NORTE BRASIL	Suppliers	-	1,459	-	-	1,459	-
	Charges for use of the electricity grid	-	-	-	-	-	(3,884)
		-	1,459	-	-	1,459	(3,884)
ETAU	Other accounts receivable	10	-	-	9	-	-
	Interest on own capital/Dividends receivable	257	-	-	257	-	-
	Suppliers	-	3	-	-	3	-
	Income from services	-	-	215	-	-	26
	Other income	-	-	2	-	-	2
	Charges for use of the electricity grid	-	-	-	-	-	(9)
		267	3	217	266	3	19
ESBR	Customers	5,021	-	-	4,526	-	-
	Advance for future capital increase	249,000	-	-	141,400	-	-
	Suppliers	-	17,206	-	-	27,876	-
	Expense - Energy purchased	-	-	(43,541)	-	-	-
	Charges for use of the electricity grid	-	-	-	-	-	(57,436)
		254,021	17,206	(43,541)	145,926	27,876	(57,436)
COSTA OESTE	Interest on own capital/Dividends receivable	300	-	-	1,713	-	-
	Advance for future capital increase	1,146	-	-	-	-	-
	Suppliers	-	1	-	-	1	-
	Charges for use of the electricity grid	-	-	(3)	-	-	(2)
		1,446	1	(3)	1,713	1	(2)
TSBE - Transmissora Sul Brasileira de Energia S.A.	Other credits	10	-	-	11	-	-
	Suppliers	-	7	-	-	7	-
	Income from services	-	-	315	-	-	2,818
	Other income	-	-	20	-	-	19
	Charges for use of the electricity grid	-	-	(22)	-	-	(14)
		10	7	313	11	7	2,823
LIVRAMENTO	Advance for future capital increase	177,783	-	-	173,860	-	-
	Preferred shares recoverable	64,310	-	-	64,310	-	-
	Other liabilities		182,658	-	-	-	-
	Other income	-	-	-	-	-	72
		242,093	182,658	-	238,170	-	72
SANTA VITÓRIA	Other accounts receivable	15	-	-	-	-	-
	Loans and financing	-	3	-	-	-	-
	Advance for future capital increase	37,946	-	-	36,492	-	-
	Preferred shares recoverable	29,400	-	-	29,400	-	-
	Other financial income	-	-	43	-	-	-
		67,361	3	43	65,892	-	-
MARUMBI	Advance for future capital increase	600	-	-	-	-	-
	Interest on own capital/Dividends receivable	775	-	-	775	-	-
	Suppliers	-	2	-	-	2	-
	Charges for use of the electricity grid	-	-	(5)	-	-	-
		1,375	2	(5)	775	2	-
CHUÍ	Advance for future capital increase	431,913	-	-	-	-	-
	Other liabilities	-	-	-	431,913	-	-
		431,913	-	-	431,913	-	-
FACHESF	Suppliers	-	299	-	-	1,720	-
	Pension contributions (normal)	-	6,117	-	-	11,415	-
	Actuarial expenses	-	-	(34,975)	-	-	(30,884)
	Operating expenses	-	-	(6,051)	-	-	-
	Other expenses	-	-	-	-	-	(4,404)
	Financial expenses	-	-	(46,713)	-	-	(24,751)
		-	6,416	(87,739)	-	13,135	(60,039)
TDG	Accounts receivable	207	-	-	355	-	-
	Advance for future capital increase	101,000	-	-	101,000	-	-
	Suppliers	-	113	-	-	169	-
	Income from services	-	-	770	-	-	1,145
	Charges for use of the electricity grid	-	-	(341)	-	-	(423)
		101,207	113	429	101,355	169	722
MANAUS TRANSMISSÃO	Interest on own capital/Dividends receivable	-	-	-	50	-	-
	Advance for future capital increase	399	-	-	26,800	-	-
	Other assets	1,067	-	-	1,067	-	-
	Suppliers	-	1,821	-	-	1,810	-
	Other liabilities	-	-	-	-	8	-
	Charges for use of the electricity grid	-	-	(2,264)	-	-	(7,252)
		1,466	1,821	(2,264)	27,917	1,818	(7,252)
IE MADEIRA	Interest on own capital/Dividends receivable	1,077	-	-	27,589	-	-
	Suppliers	-	1,480	-	-	1,475	-
	Accounts payable	-	528	-	-	526	-
	Income from services	-	-	69	-	-	-
	Charges for use of the electricity grid	-	-	(11,974)	-	-	(8,876)
		-	528	(11,905)	27,589	2,001	(8,876)

		CONSOLIDATED					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
MANAUS CONSTRUÇÃO	Interest on own capital/Dividends receivable	9,178	-	-	9,178	-	-
		9,178	-	-	9,178	-	-
STN	Accounts receivable	275	-	-	273	-	-
	Suppliers	-	1,039	-	-	1,042	-
	Income from services	-	-	827	-	-	790
	Charges for use of the electricity grid	-	-	(2,321)	-	-	(2,793)
		275	1,039	(1,494)	273	1,042	(2,003)
INTESA - Integração Transmissora de Energia S.A.	Interest on own capital/Dividends receivable	1,543	-	-	1,209	-	-
	Other assets	317	-	-	317	-	-
	Suppliers	-	1,479	-	-	1,482	-
	Other income	-	-	951	-	-	-
	Charges for use of the electricity grid	-	-	(1,856)	-	-	(2,156)
		1,860	1,479	(905)	1,526	1,482	(2,156)
EAPSA -Energética Águas da Pedra S.A.	Customers	343	-	-	352	-	-
	Interest on own capital/Dividends receivable	3,680	-	-	2,181	-	-
	Other income	-	-	374	-	-	-
		4,023	-	374	2,533	-	-
SETE GAMELEIRAS	Customers	8	-	-	8	-	-
	Interest on own capital/Dividends receivable	428	-	-	437	-	-
		436	-	-	445	-	-
S. PEDRO DO LAGO	Customers	39	-	-	36	-	-
	Interest on own capital/Dividends receivable	270	-	-	371	-	-
	Income from services	-	-	62	-	-	-
		309	-	62	407	-	-
PEDRA BRANCA	Customers	8	-	-	8	-	-
	Interest on own capital/Dividends receivable	578	-	-	542	-	-
		586	-	-	550	-	-
BRASVENTOS MIASSABA	Customers	145	-	-	152	-	-
	Other assets	1	-	-	1	-	-
	Income from use of the electricity grid	-	-	186	-	-	-
	Other income	-	-	150	-	-	-
		146	-	336	153	-	-
BRASVENTOS EOLO	Customers	124	-	-	129	-	-
	Advance for future capital increase	316	-	-	316	-	-
	Accounts receivable	60	-	-	-	-	-
	Other assets	-	-	-	1	-	-
	Income from use of the electricity grid	-	-	159	-	-	-
	Other income	-	-	127	-	-	-
		500	-	286	446	-	-
PREVINORTE	Other assets	526	-	-	7,174	-	-
	Other liabilities	-	4,258	-	-	-	-
		526	4,258	-	7,174	-	-
Enerpeixe	Customers	314	-	-	282	-	-
	Interest on own capital/Dividends receivable	6,450	-	-	34,686	-	-
	Income from services	-	-	75	-	-	-
	Income from use of the electricity grid	-	-	584	-	-	-
		6,764	-	659	34,968	-	-
TRANSLESTE	Suppliers	-	163	-	-	164	-
	Charges for use of the electricity grid	-	-	(366)	-	-	-
		-	163	(366)	-	164	-
TRANSUDESTE	Customers	14	-	-	14	-	-
	Other accounts receivable	13	-	-	13	-	-
	Interest on own capital/Dividends receivable	1,881	-	-	1,033	-	-
	Suppliers	-	102	-	-	102	-
	Income from services	-	-	40	-	-	-
	Charges for use of the electricity grid	-	-	(229)	-	-	-
		1,908	102	(189)	1,060	102	-
TRANSIRAPE	Interest on own capital/Dividends receivable	1,542	-	-	678	-	-
	Suppliers	-	87	-	-	90	-
	Charges for use of the electricity grid	-	-	(194)	-	-	-
		1,542	87	(194)	678	90	-
CENTROESTE	Customers	65	-	-	63	-	-
	Interest on own capital/Dividends receivable	545	-	-	59	-	-
	Suppliers	-	54	-	-	54	-
	Income from services	-	-	214	-	-	-
	Other income	-	-	22	-	-	-
	Charges for use of the electricity grid	-	-	(157)	-	-	-
		610	54	79	122	54	-
BAGUARI	Customers	21	-	-	22	-	-
	Interest on own capital/Dividends receivable	2,553	-	-	2,462	-	-
	Advance for future capital increase	315	-	-	315	-	-
	Income from use of the electricity grid	-	-	50	-	-	-
		2,889	-	50	2,799	-	-
RETIRO BAIXO	Advance for future capital increase	1,225	-	-	1,225	-	-
		1,225	-	-	1,225	-	-

		CONSOLIDATED					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
SERRA FACÃO ENERGIA	Interest on own capital/Dividends receivable	9,154	-	-	9,154	-	-
		9,154	-	-	9,154	-	-
Chapecoense	Customers	740	-	-	740	-	-
	Interest on own capital/Dividends receivable	22,288	-	-	22,288	-	-
		23,028	-	-	23,028	-	-
INAMBARI	Other income	-	-	9	-	-	-
		-	-	9	-	-	-
TRANSENERGIA RENOVÁVEL	Interest on own capital/Dividends receivable	13,979	-	-	13,979	-	-
	Suppliers	-	56	-	-	57	-
	Charges for use of the electricity grid	-	-	(166)	-	-	-
		13,979	56	(166)	13,979	57	-
MGE TRANSMISSÃO	Customers	15	-	-	15	-	-
	Other accounts receivable	148	-	-	148	-	-
	Interest on own capital/Dividends receivable	11,446	-	-	11,447	-	-
	Suppliers	-	119	-	-	119	-
	Income from services	-	-	444	-	-	-
	Other income	-	-	44	-	-	-
	Charges for use of the electricity grid	-	-	(350)	-	-	-
	Financial expenses	-	-	(3)	-	-	-
		11,609	119	135	11,610	119	-
GOIÁS TRANSMISSÃO	Other accounts receivable	210	-	-	229	-	-
	Interest on own capital/Dividends receivable	23,857	-	-	23,857	-	-
	Suppliers	-	203	-	-	204	-
	Income from services	-	-	630	-	-	-
	Charges for use of the electricity grid	-	-	(589)	-	-	-
		24,067	203	41	24,086	204	-
TRANS. SÃO PAULO	Customers	6	-	-	18	-	-
	Other accounts receivable	83	-	-	83	-	-
	Interest on own capital/Dividends receivable	5,828	-	-	4,275	-	-
	Suppliers	-	26	-	-	13	-
	Income from services	-	-	253	-	-	-
	Other income	-	-	19	-	-	-
	Charges for use of the electricity grid	-	-	(93)	-	-	-
		5,917	26	179	4,376	13	-
CALDAS NOVAS	Other accounts receivable	149	-	-	73	-	-
	Interest on own capital/Dividends receivable	1,038	-	-	452	-	-
	Suppliers	-	3	-	-	3	-
	Income from services	-	-	184	-	-	-
	Other income	-	-	42	-	-	-
		1,187	3	226	525	3	-
IE GARANHUNS	Interest on own capital/Dividends receivable	-	-	-	5,780	-	-
		-	-	-	5,780	-	-
LUZIÂNIA NIQUELÂNDIA TRANSMISSORA	Customers	6	-	-	6	-	-
	Income from services	-	-	82	-	-	-
	Other income	-	-	19	-	-	-
	Charges for use of the electricity grid	-	-	(45)	-	-	-
		6	-	56	6	-	-
TSLE - Transmissora Sul Litorânea de Energia S.A.	Other accounts receivable	4	-	-	18	-	-
	Advance for future capital increase	87,394	-	-	84,847	-	-
	Accounts payable	-	11	-	-	11	-
	Income from services	-	-	197	-	-	8,145
	Other Revenue	-	-	14	-	-	12
	Charges for use of the electricity grid	-	-	(33)	-	-	-
		87,398	11	178	84,865	11	8,157
EXTREMOZ	Accounts receivable	23	-	-	-	-	-
	Suppliers	-	268	-	-	-	-
	Income from services	-	-	70	-	-	87
	Charges for use of the electricity grid	(614)	-	(614)	-	-	(237)
		(591)	268	(544)	-	-	(150)
NORTE ENERGIA (Belo Monte)	Customers	428	-	-	390	-	-
	Other assets	-	-	-	54	-	-
	Advance for future capital increase	-	-	-	326,671	-	-
	Other income	-	-	12,712	-	-	-
		428	-	12,712	327,115	-	-
AETE	Other assets	24	-	-	24	-	-
	Suppliers	-	160	-	-	160	-
	Other income	-	-	512	-	-	-
	Charges for use of the electricity grid	-	-	-	-	-	(557)
		24	160	512	24	160	(557)
BRASNORTE	Other assets	106	-	-	106	-	-
	Suppliers	-	86	-	-	88	-
	Other income	-	-	516	-	-	1,449
	Charges for use of the electricity grid	-	-	-	-	-	(305)
		106	86	516	106	88	1,144
ÁGUAS DA PEDRA	Income from use of the electricity grid	-	-	-	-	-	383
		-	-	-	-	-	383

		CONSOLIDATED					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
INTEGRAÇÃO TRANS.	Other income	-	-	-	-	-	871
	Charges for use of the electricity grid	-	-	-	-	-	(1,682)
		-	-	-	-	-	(811)
TME - TRANSMISSORA MATOGROSSENSE DE	Suppliers	-	215	-	-	214	-
	Income from use of the electricity grid	-	-	-	-	-	(595)
		-	215	-	-	214	(595)
TRANSNORTE	Other assets	44	-	-	-	-	-
	Suppliers	-	25	-	-	36	-
	Charges for use of the electricity grid	-	-	-	-	-	(186)
		44	25	-	-	36	(186)
CTEEP	Financing and loans	185	-	-	196	-	-
	Dividends receivable	2,206	-	-	2,187	-	-
	Revenue from interest, commissions, fees and exchange var	-	-	4	-	-	9
	Income from Interest on own Capital/Dividends	-	-	2,206	-	-	11,008
		2,206	-	2,209	2,382	-	11,017
EMAE	Interest on own capital/Dividends receivable	-	-	-	1,416	-	-
		-	-	-	1,416	-	-
Triângulo Mineiro Trans. S.A.	Other accounts receivable	11	-	-	11	-	-
		11	-	-	11	-	-
CEPEL	Operating Expenses	-	-	(2,112)	-	-	(2,881)
		-	-	(2,112)	-	-	(2,881)
Paranaíba Transmissora de Energia S.A.	Other accounts receivable	70	-	-	70	-	-
	Income from services	-	-	211	-	-	-
		70	-	211	70	-	-
FRONTEIRA OESTE	Other accounts receivable	1,248	-	-	1,042	-	-
	Advance for future capital increase	14,155	-	-	14,155	-	-
	Income from services	-	-	205	-	-	-
	Charges for use of the electricity grid	-	-	(10)	-	-	-
		15,403	-	205	15,197	-	-
Vale do São Bartolomeu Transmissora de Energia S.A.	Other accounts receivable	10	-	-	220	-	-
	Advance for future capital increase	-	-	-	7,943	-	-
	Income from services	-	-	106	-	-	-
	Other income	-	-	420	-	-	-
		10	-	526	8,163	-	-
SINOP	Advance for future capital increase	115,700	-	-	73,500	-	-
		115,700	-	-	73,500	-	-
MATA DE SANTA	Other accounts receivable	-	-	-	2	-	-
		-	-	-	2	-	-
LAGOA AZUL TRANSMISSORA	Customers	-	-	-	396	-	-
	Other accounts receivable	8	-	-	-	-	-
	Income from services	-	-	194	-	-	-
	Other income	-	-	106	-	-	-
		8	-	300	9,028	-	-
ITAGUAÇU DA BAHIA ENERGIAS RENOVÁVEIS	Advance for future capital increase	65,660	-	-	34,300	-	-
		65,660	-	-	34,300	-	-
BELO MONTE TRANSMISSORA SPE S.A.	Advance for future capital increase	-	-	-	194,040	-	-
		-	-	-	194,040	-	-
ITAIPU	Financing and loans	13,068,649	-	-	14,802,134	-	-
	Dividends receivable	-		1,952	1,952		-
	Revenue from interest, commissions, fees and exchange var	-	-	(911,441)	-	-	2,575,787
		13,068,649	-	(909,488)	14,804,087	-	2,575,787
SANTO ANTONIO ENERGIA	Customers	8,445	-	-	9,501	-	-
	Other accounts receivable	685	-	-	130,253	-	-
	Income from services	-	-	281	-	-	-
	Income from use of the electricity grid	-	-	10,346	-	-	-
	Financial income	-	-	26,747	-	-	-
	Income from electricity sales	-	-	18,896	-	-	-
		9,130	-	56,270	139,754	-	-
ELETROS	Contributions payable - sponsor	-	6,498	-	-	23,555	-
	Provisions	-	244,685	-	-	244,685	-
	Contributions - sponsor	-	-	(8,683)	-	-	(1,239)
	Fees	-	-	(661)	-	-	(6,890)
		-	251,183	(9,344)	-	268,240	(8,129)
CEEE-GT	Financing and loans	2,081	-	-	4,883	-	-
	Revenue from interest, commissions and fees	-	-	61	-	-	207
		2,081	-	61	4,883	-	207

		CONSOLIDATED					
		03/31/16			12/31/15		03/31/15
COMPANIES	NATURE OF THE OPERATION	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
ENERGISA MT	Financing and loans	293,841	-	-	310,697	-	-
	Revenue from interest, commissions and fees	-	-	7,529	-	-	34,608
	Dividends receivable	-	-	-	4,403	-	-
		293,841	-	7,529	315,100	-	34,608
CEMAR	Financing and loans	243,298	-	-	275,939	-	-
	Revenue from interest, commissions and fees	-	-	6,894	-	-	6,514
		243,298	-	6,894	275,939	-	6,514
Lajeado Energia	Revenue from interest, commissions and fees	-	-	-	-	-	6
	Dividends receivable	-	-	-	86,589	-	94,810
		-	-	-	86,589	-	94,816
CEB Lajeado	Dividends receivable	-	-	-	13,980	-	14,606
	Revenue from interest, commissions and fees	-	-	-	-	-	7
		-	-	-	13,980	-	14,613
Paulista Lajeado	Revenue from interest, commissions and fees	-	-	-	-	-	8
	Dividends receivable	-	-	-	3,077	-	-
		-	-	-	3,077	-	8
CEEE-D	Financing and loans	26,975	-	-	28,520	-	-
	Revenue from interest, commissions and fees	-	-	526	-	-	-
		26,975	-	526	28,520	-	-
Companhia Celg de Participações - CELGPAR	Other liabilities - Mutuals	-	-	-	-	117,080	-
		-	-	-	-	117,080	-
CELG Geração e Transmissão - CELG GT	Suppliers	-	-	-	-	1,779	-
	Other liabilities	-	-	-	-	50,355	-
	Charges for use of the electricity grid	-	-	-	-	-	(2,724)
		-	-	-	-	52,134	(2,724)
FOZ DO CHAPECÓ	Customers	429	-	-	434	-	-
	Income from use of the electricity grid	-	-	1,230	-	-	-
		429	-	1,230	434	-	-
TIJOA PARTICIPAÇÕES E INVESTIMENTOS S.A.	Customers	348	-	-	352	-	-
	Income from use of the electricity grid	-	-	997	-	-	-
		348	-	997	352	-	-
CIA HIDREL TELES PIRES	Customers	1,943	-	-	1,954	-	-
	Suppliers	-	4,492	-	-	-	-
	Accounts payable	-	-	-	-	2,218	-
	Income from use of the electricity grid	-	-	4,195	-	-	-
	Electricity purchase	-	-	(13,191)	-	-	-
		1,943	4,492	(8,996)	1,954	2,218	-
PARAÍSO	Advance for future capital increase	5,000	-	-	4,000	-	-
	Other liabilities	-	(95)	-	-	-	-
		5,000	(95)	-	4,000	-	-
VAMCRUZ PARTICIPAÇÕES S.A.	Dividends	856	-	-	523	-	-
	Advance for future capital increase	59,542	-	-	66,892	-	-
		60,398	-	-	67,415	-	-
Rei dos Ventos 3 Geradora de Energia S.A.	Accounts receivable	128	-	-	75	-	-
	Other assets	1	-	-	-	-	-
	Other income	-	-	4	-	-	-
	Income from use of the electricity grid	-	-	163	-	-	-
		129	-	167	75	-	-
CHAPADA DO PIAUÍ I S.A.	Advance for future capital increase	14,040	-	-	14,040	-	-
		14,040	-	-	14,040	-	-
Eólica Serra das Vacas Holding S.A.	Advance for future capital increase	25,660	-	-	25,005	-	-
		25,660	-	-	25,005	-	-
Chapada do Piauí II Holding S.A	Advance for future capital increase	124,526	-	-	-	-	-
		124,526	-	-	-	-	-
BARAÚNAS I	Dividends	26	-	-	-	-	-
		26	-	-	-	-	-
MUSSAMBÊ	Dividends	143	-	-	-	-	-
		143	-	-	-	-	-
MORRO BRANCO I	Dividends	62	-	-	-	-	-
		62	-	-	-	-	-

NOTE 46 - COMPENSATION OF KEY MANAGEMENT PERSONNEL

The compensation of the Company's key personnel (officers and board members) is as follows:

	PARENT COMPANY		CONSOLIDATED	
	03/31/16	03/31/15	03/31/16	03/31/15
Compensation of officers and board members	1,417	1,252	8,119	7,629
Salaries and social charges	433	379	1,295	1,772
Other	141	105	447	572
	1,991	1,736	9,860	9,973

NOTE 47 – SUBSEQUENT EVENTS

47.1 Assets from the Basic Energy System (RBSE)

On April 20, 2016, the Ministry of Mines and Energy (MME) published Ordinance No. 120 which regulates the terms of receipt of indemnifications related to electricity transmission assets existing on May 31, 2000, identified as facilities of the Basic Energy System (RBSE) and other not yet depreciated or amortized Transmission Facilities (RPC), pursuant to the second paragraph of Article 15 of Law No. 12783/2013.

According to this Ordinance, the amounts approved by the Brazilian Electricity Regulatory Agency ("Aneel") will comprise the Regulatory Remuneration Base of the electricity transmission utilities and the capital cost will be added to the respective Annual Allowed Revenues. The capital cost will be composed of remuneration and depreciation installments, plus due taxes (gross up), in accordance with corporate law, and will be recognized in the 2017 tariff process, and be adjusted and reviewed as per the concession agreement.

The Company already has around R$ 9 billion approved by ANEEL for the subsidiary Furnas and R$ 1 billion for the subsidiary Eletrosul (see Note 2).

The Company did not recognize the effects of this Ordinance in these quarterly financial statements since the subsequent information represents a modification of the value of Financial Assets, as a result of the circumstances and information that only came to light when the the ordinance was issued by the Ministry of Mines and Energy. Athuogh it was not possible to determine, with reasonable certainty, the expected amount receivable, the Company used estimates to measure the annual allowed revenue on the basis of this ordinance.

The subsidiaries Eletrosul and Furnas preliminarily calculated the amount to be received, adjusted by IPCA + interest rates (regulatory WACC), coming to a total of R$ 1,771,717 and R$ 16,637,117, respectively, net of depreciation, for March 31, 2016. The amounts represent the best estimate, not taking into account the impact of taxes and other charges and may not reflect the exact amount to be determined by ANEEL, given that the supplementary regulations and payment criteria have not yet been approved.

	Book Value	Approved Amount	Indexation	Amount receivable
Eletrosul	513,455	1,007,043	764,674	1,771,717
Furnas	4,530,060	8,999,520	7,637,597	16,637,117
Total	5,043,515	10,006,563	8,402,271	18,408,834

The Company is also waiting for ANEEL to publish specific regulations on the subject and, thus, there may be alterations to the estimated amounts above.

As mentioned in Note 2.1, the opinions submitted by the subsidiaries Eletronorte and Chesf have still not been approved by ANEEL and, therefore, the companies did not do the estimates to determine the total corresponding financial assets at March 31, 2016, in their understanding that the pending approval by ANEEL represents a substantial event.

47.2 Advance for Future Capital Increase

On April 6, 2016, the Board of Directors approved the inflow of funds to the Company, totaling R$ 1 billion Brazilian reals via Advance for Future Capital Increase to be made by the controlling shareholder – the Federal Government.

These funds will be used to cover capital expenditures for the year 2016, as set forth in the Company's budget. It is forbidden to transfer these funds, on any account, to the distribution subsidiaries of Eletrobras.

The Company clarifies that this Advance for Future Capital Increase is necessary to strengthen the funding sources needed to comply with the 2016 Global Expenditures Program (PDG), approved by Decree No. 8632 of December 30, 2015, as a result of not receiving certain resources originally included in its capital budget, such as: (i) non-receipt of expected dividends from some investees due to losses posted in 2015; (ii) non-receipt, to date, of the sums related to additional indemnifications of generation and transmission concessions renewed in accordance with Law 12783/2013, due to the need to wait for the regulations by the Granting Authority outlining the payment terms; and (iii) difficult access, at this time, to the debt market due to current macroeconomic and energy sector conditions.

47.3 Absorption of accumulated losses

On April 29, 2016, in the 56th Annual General Meeting, it was decided to allocate income from the fiscal year ended December 31, 2015, through using an amount from the capital reserve to cover the account for accumulated losses in the period, which exceeded the profit reserves.

	4/29/2016
Capital reserve before absorption	26,048,342
Absorption of accumulated losses – 12/31/2015	(12,181,172)
Capital reserve after absorption of losses	13,867,170

47.4 ANEEL's conclusion regarding Ruling No. 63/2014

The Brazilian Electricity Regulatory Agency (ANEEL), at a regular meeting held on May 10, 2016, unanimously decided to: (i) consider the Administrative Appeal filed by Centrais Elétricas Brasileiras S.A. (Eletrobras) against ANEEL Ruling No. 63/2014, issued by the Superintendency of Economic and Financial Inspection (SFF) of ANEEL, which, on the merits, dismissed it; and (ii) order Eletrobras: (ii.a) that the outstanding balance amortizations carried out by agents from the sector that entered into financing agreements be made directly to the specific Global Reversion Reserve (RGR) funds account, within 30 days ; (ii.b) return the amount of R$ 1,924,188,432.99 – amount corresponding to the amortization of financing not transferred by Eletrobras to the RGR, calculated from 1998 to 2011, applying indexation based on the Exclusive Extramarket Fund 5 (FIF 5) rate, from the date of receipt in Eletrobras' ordinary account until the date of effective transfer to the RGR account, within 90 days; (ii.c) return the amount of R$ 113,576,621.62 – amount corresponding to the appropriation by Eletrobras of financial charges from the RGR (interest in arrears, penalties and credit reserve commission), calculated from 1998 to 2011 - applying indexation based on the Exclusive Extramarket Fund 5 (FIF 5) rate, from the date of receipt in Eletrobras' ordinary account until the date of effective transfer to the RGR account, within 90 days; (ii.d) incorporate these revenues monthly in the economic flow control of RGR transactions so that they are shown separately; (ii.e) improve the management system of RGR fund resources, through the development of an information system that enables regulatory and social control in a transparent and efficient manner, within 180 days; and (ii.f) send to the Superintendence of Economic and Financial Inspection (SFF) proof of financial execution, after completion of the stipulations within 30 days.

Eletrobras disagrees with the conclusion of the ANEEL Executive Board on the issue and will file an appeal with the courts seeking its annulment.

Despite Eletrobas' position expressed above, the administrative litigation in question was duly informed in Notes 30 and 22 of these quarterly financial statements.

47.5 Change in the dividend payment proposal by the subsidiary Eletronorte

On April 29, 2016, in a meeting of the Annual General Meeting (AGM) of the subsidiary Eletronorte, shareholders rejected the proposal for allocation of income related to the retention of the profit share for the year, and voted for distribution, in the form of dividends, of 100% of the income adjusted in accordance with Law 6404/76, for a total of R$ 80,558.

The accounting effects of this decision were registered on the date of the meeting and are awaiting definition as to the dividend payment date.

José da Costa Carvalho Neto
Chief Executive Officer

Armando Casado de Araujo
Financial and Investor Relations Officer

Renato Soares Sacramento
Generation Officer - Interim

Josias Matos de Araujo
Regulations Officer

Alexandre Vaghi de Arruda Aniz
Administration Officer

Marcos Aurélio Madureira da Silva
Distribution Officer

José Antônio Muniz Lopes
Transmission Officer

Rodrigo Vilella Ruiz
Accountant
CRC-DF 088488/9 O