

(A free translation of the original in Portuguese)

**Centrais Elétricas
Brasileiras S.A. -
Eletrobras**
**Quarterly information (ITR)
at June 30, 2020
and report on review of
quarterly information**



(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Stockholders
Centrais Elétricas Brasileiras S.A. - Eletrobras

Introduction

We have reviewed the accompanying parent company and consolidated interim financial information of Centrais Elétricas Brasileiras S.A. - Eletrobras ("Company" or "Parent company"), included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2020, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and six-month period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, as well as a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim financial information in accordance with the accounting standard CPC 21, Interim Financial Reporting, issued by the Brazilian Accounting Pronouncements Committee (CPC), and the International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.



Centrais Elétricas Brasileiras S.A. - Eletrobras

Emphasis of matter

Operating situation of the subsidiaries and jointly-controlled entities

As mentioned in Note 13.7 to the parent company and consolidated interim financial information, the subsidiaries Eletrobras Termonuclear S.A. (Eletronuclear) and Amazonas Geração e Transmissão de Energia S.A. and the jointly-controlled subsidiaries Madeira Energia S.A., Norte Energia S.A., Energia Sustentável do Brasil S.A., Teles Pires Participações S.A. and Enerpeixe S.A. present negative working capital at June 30, 2020.

The financial position of these subsidiaries and jointly-controlled subsidiaries demonstrate the need for continued funding from third parties and the financial support from the Company and/or other stockholders. Our conclusion is not qualified in respect of these matters.

Other matters

Statements of value added

The Quarterly Information referred to above include the parent company and consolidated statements of value added for the six-month period June 30, 2020. These statements are the responsibility of the Company's management, and are presented as supplementary information for IAS 34 purposes. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim financial information and accounting records, as applicable, and if its form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria defined in this accounting standard, and in a consistent manner in relation to the parent company and consolidated interim financial information taken as a whole.

Rio de Janeiro, August 12, 2020

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Guilherme Naves Valle
Contador CRC 1MG070614/O-5

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS
BALANCE SHEET ON JUNE 30, 2020 AND DECEMBER 31, 2019
(in thousands of Brazilian reais)

ASSETS	NOTE	PARENT COMPANY		CONSOLIDATED	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
CURRENT					
Cash and cash equivalents	5	9,540	18,202	368,373	335,307
Restricted cash	5	2,820,608	3,227,536	2,820,608	3,227,536
Marketable securities	6	8,826,219	6,787,137	14,356,024	10,426,370
Customers	7	277,713	468,429	5,212,269	5,281,333
Contractual Asset of Transmission	16	-	-	1,039,517	1,116,009
Financial assets - Concessions and Itaipu	15	-	-	8,140,823	5,927,964
Financings and loans	8	6,293,585	5,120,734	4,772,313	3,473,393
Remuneration from equity interest	9	2,980,344	3,592,503	229,625	299,899
Taxes recoverable	10	356,913	807,150	812,063	1,474,662
Income tax and social contributions	10	1,064,699	309,033	2,908,739	2,382,899
Reimbursement right	11	-	-	71,895	48,458
Warehouse		328	272	481,477	471,824
Stock of nuclear fuel		-	-	553,097	538,827
Derivative financial instruments	31	-	138	84,514	140,543
Hydrological risk		-	-	3,132	13,590
Others		2,331,351	1,444,837	2,575,414	2,016,330
		24,961,300	21,775,971	44,429,883	37,174,944
Assets Held for Sale	35	1,137,157	1,546,250	3,089,149	3,543,519
		26,098,457	23,322,221	47,519,032	40,718,463
NON-CURRENT					
LONG-TERM RECEIVABLES					
Reimbursement right	11	5,438,086	5,382,834	5,470,799	5,415,547
Financings and loans	8	15,307,902	18,282,460	9,260,354	10,803,423
Customers	7	-	-	242,522	285,351
Marketable securities	6	382,806	374,601	383,151	407,071
Stock of nuclear fuel		-	-	881,714	840,550
Taxes recoverable	10	-	-	460,945	420,370
Deferred income tax and social contributions	10	-	-	322,742	463,451
Guarantees and escrow deposits		4,097,975	4,168,575	6,889,921	6,891,416
Contractual Asset of Transmission	16	-	-	13,907,692	13,744,276
Financial assets - Concessions and Itaipu	15	2,054,596	1,905,607	32,321,167	31,633,512
Derivative financial instruments	31	-	-	100,992	151,315
Advance for Future Capital Increase	12	1,057,536	774,468	1,541	181,257
Hydrological risk		-	-	163,494	179,879
Decommissioning fund		1,675,609	1,222,393	1,675,609	1,222,393
Others		1,256,253	1,350,913	1,464,380	1,024,607
		31,270,763	33,461,851	73,547,023	73,664,418
INVESTMENTS					
Valued using the Equity Method	13	75,840,031	73,667,297	27,696,846	27,055,929
Held at fair value		1,881,861	1,970,479	1,952,504	2,056,990
		77,721,892	75,637,776	29,649,350	29,112,919
FIXED ASSETS	14	249,422	255,947	32,754,780	33,315,874
INTANGIBLE ASSETS		19,513	19,518	630,301	655,041
		109,261,590	109,375,092	136,581,454	136,748,252
TOTAL ASSETS		135,360,047	132,697,313	184,100,486	177,466,715

CENTRAIS ELETRICAS BRASILEIRAS S.A. – ELETROBRAS
BALANCE SHEET ON JUNE 30, 2020 AND DECEMBER 31, 2019
(in thousands of Brazilian reais)

LIABILITIES AND SHAREHOLDERS' EQUITY	NOTE	PARENT COMPANY		CONSOLIDATED	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
CURRENT					
Financings and loans	18	5,515,146	5,759,164	8,729,647	7,636,633
Debentures	19	24,242	33,159	81,710	78,527
Compulsory loan		14,727	15,156	14,727	15,156
Suppliers	17	766,136	494,133	2,867,793	3,095,469
Advances		633,919	614,171	633,919	683,602
Taxes payable	21	202,569	201,516	1,659,352	1,575,658
Income tax and social contributions	21	-	-	2,098,004	2,532,732
Onerous contracts		-	-	3,913	3,913
Compensation to shareholders	22	2,599,386	2,559,429	2,606,013	2,575,216
Financial Liabilities - Concessions and Itaipu	15	645,061	703,114	-	-
Estimated obligations		168,320	147,106	1,471,616	1,331,257
Reimbursement obligations	11	1,997,778	1,796,753	1,997,778	1,796,753
Post-employment Benefit		8,969	14,875	176,734	161,773
Allowances for contingencies	23	1,012,658	1,014,585	1,013,957	1,031,488
Sector charges		-	-	567,836	627,611
Lease	20	7,739	7,574	229,739	219,484
Derivative financial instruments	31	800	683	800	683
Others		89,629	89,553	654,488	579,394
		13,687,079	13,450,971	24,808,026	23,945,349
Liabilities Associated to Assets Held for Sale		-	-	1,650,380	1,692,708
		13,687,079	13,450,971	26,458,406	25,638,057
NON-CURRENT					
Financings and loans	18	21,086,995	22,515,109	35,101,283	34,303,730
Suppliers	17	-	-	17,240	18,143
Debentures	19	5,012,535	5,011,069	6,642,079	5,880,751
Advances		-	-	331,134	369,262
Compulsory loan		470,271	470,600	470,271	470,600
Obligation for demobilization of assets	24	-	-	3,196,871	3,129,379
Allowances for contingencies	23	15,506,182	16,924,171	22,686,734	24,214,938
Post-employment Benefit		822,512	822,512	4,338,592	4,353,406
Allowance for excess of liabilities over assets	13	-	119,223	3,228	-
Onerous contracts		-	-	361,934	361,934
Lease	20	52,032	55,928	864,846	987,705
Concessions payable - Use of public goods		-	-	68,330	68,555
Advance for Future Capital Increase		73,337	50,246	73,337	50,246
Derivative financial instruments	31	-	-	4,422	5,000
Sector charges		-	-	852,923	730,303
Taxes payable	21	-	-	232,439	239,959
Deferred income tax and social contributions	10	598,774	628,904	4,479,717	3,978,754
Others		2,242,063	1,741,779	1,611,318	1,271,847
		45,864,701	48,339,541	81,336,698	80,434,512
EQUITY					
Capital	25	39,057,271	31,305,331	39,057,271	31,305,331
Advance for Future Capital Increase		-	7,751,940	-	7,751,940
Capital reserves		13,867,170	13,867,170	13,867,170	13,867,170
Retained Earnings		23,887,181	23,887,181	23,887,181	23,887,181
Retained Earnings		4,873,532	-	4,873,532	-
Other comprehensive retained income		(5,876,887)	(5,904,821)	(5,876,887)	(5,904,821)
Participation of controlling shareholders		75,808,267	70,906,801	75,808,267	70,906,801
Participation of non-controlling shareholders		-	-	497,115	487,345
TOTAL NET EQUITY		75,808,267	70,906,801	76,305,382	71,394,146
TOTAL LIABILITIES AND EQUITY		135,360,047	132,697,313	184,100,486	177,466,715

CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS
INCOME STATEMENT ON JUNE 30, 2020 AND 2019
(in thousands of Brazilian reais)

	NOTE	PARENT COMPANY				CONSOLIDATED			
		04/01/2020 to 06/30/2020	06/30/2020	01/04/2019 to 06/30/2019	06/30/2019	04/01/2020 to 06/30/2020	06/30/2020	01/04/2019 to 06/30/2019	06/30/2019
CONTINUED OPERATIONS									
Net Operating Revenue	27	(18,833)	(22,401)	95,995	237,567	11,097,590	18,053,226	6,600,576	13,066,233
Operating Costs	28	(899)	(4,558)	(48,600)	(51,483)	(1,439,206)	(3,190,201)	(1,574,933)	(2,864,185)
GROSS INCOME		(19,732)	(26,959)	47,395	186,084	9,658,384	14,863,025	5,025,643	10,202,048
Operational Expenses	29	(315,213)	(633,472)	(1,253,068)	(1,835,993)	(2,698,062)	(5,758,549)	(4,219,182)	(7,216,161)
OPERATING RESULTS BEFORE FINANCIAL RESULT		(334,945)	(660,431)	(1,205,673)	(1,649,909)	6,960,322	9,104,476	806,461	2,985,887
Financial Result	30	67,111	(309,683)	(398,267)	(164,147)	(1,330,590)	(2,839,901)	425,496	89,372
RESULT BEFORE SHAREHOLDINGS		(267,834)	(970,114)	(1,603,940)	(1,814,056)	5,629,732	6,264,575	1,231,957	3,075,259
Income from Equity Interest	13	4,842,192	5,844,629	1,766,388	3,755,390	363,887	528,110	101,906	262,000
Other Revenues & Expenses		-	-	-	-	-	25,042	(16,928)	166,294
OPERATING INCOME BEFORE TAXES		4,574,358	4,874,515	162,448	1,941,334	5,993,619	6,817,727	1,316,935	3,503,553
Current income tax and social contributions	21	-	-	142,465	(16,093)	(473,687)	(1,209,470)	(614,401)	(1,673,769)
Deferred income tax and social contributions	21	-	-	-	-	(922,579)	(704,068)	(401,356)	41,364
NET EARNINGS OF CONTINUED OPERATIONS		4,574,358	4,874,515	304,913	1,925,241	4,597,353	4,904,189	301,178	1,871,148
Installment Attributed to Controlling Shareholders		4,574,358	4,874,515	304,913	1,925,241	4,597,353	4,874,515	304,913	1,925,241
Installment Attributed to Non-Controlling Shareholders		-	-	-	-	-	29,674	(3,735)	(54,093)
DISCONTINUED OPERATION									
NET PROFIT FROM DISCONTINUED OPERATION TAXES		-	-	5,259,756	5,037,140	-	-	5,259,756	5,037,140
Installment Attributed to Controlling Shareholders		-	-	5,259,756	5,037,140	-	-	5,259,756	5,037,140
Installment Attributed to Non-Controlling Shareholders		-	-	-	-	-	-	-	-
NET EARNINGS FOR THE PERIOD		4,574,358	4,874,515	5,564,669	6,962,381	4,597,353	4,904,189	5,560,934	6,908,288
Installment Attributed to Controlling Shareholders		4,574,358	4,874,515	5,564,669	6,962,381	4,574,358	4,874,515	5,564,669	6,962,381
Installment Attributed to Non-Controlling Shareholders		-	-	-	-	22,995	29,674	(3,735)	(54,093)
INCOME PER SHARE	26								
Result per Share - Basic (ON)		R\$2.86	R\$3.05	R\$4.03	R\$5.05	R\$2.86	R\$3.05	R\$4.03	R\$5.05
Result per Share - Basic (PN)		R\$3.15	R\$3.36	R\$4.44	R\$5.55	R\$3.15	R\$3.36	R\$4.44	R\$5.55
Result per Share - Diluted (ON)		R\$2.84	R\$3.03	R\$4.00	R\$5.01	R\$2.84	R\$3.03	R\$4.00	R\$5.01
Result per Share - Diluted (PN)		R\$3.13	R\$3.33	R\$4.40	R\$5.51	R\$3.13	R\$3.33	R\$4.40	R\$5.51
Continuous operation									
Result per Share - Basic (ON)		R\$2.86	R\$3.05	R\$0.22	R\$1.40	R\$2.86	R\$3.05	R\$0.22	R\$1.40
Result per Share - Basic (PN)		R\$3.15	R\$3.36	R\$0.24	R\$1.54	R\$3.15	R\$3.36	R\$0.24	R\$1.54
Result per Share - Diluted (ON)		R\$2.84	R\$3.03	R\$0.22	R\$1.38	R\$2.84	R\$3.03	R\$0.22	R\$1.38
Result per Share - Diluted (PN)		R\$3.13	R\$3.33	R\$0.24	R\$1.52	R\$3.13	R\$3.33	R\$0.24	R\$1.52



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS
STATEMENT OF SHAREHOLDER'S EQUITY ON JUNE 30, 2020 AND DECEMBER 31, 2019

	RETAINED EARNINGS											OWNERS' EQUITY OF NON-CONTROLLING SHAREHOLDER	CONSOLIDATED NET EQUITY
	CAPITAL	AFAC	CAPITAL RESERVES	LEGAL	RETAINED EARNINGS	STATUTORY	SPECIAL RESERVE OF DIVIDENDS	STATUTORY - INVESTMENTS	RETAINED EARNINGS/L OSS	OTHER COMPREHENSIVE INCOME	OWNERS' EQUITY OF PARENT COMPANY		
On December 31, 2019	31,305,331	7,751,940	13,867,170	1,369,270	7,956,294	289,977	2,291,889	11,979,751	-	(5,904,821)	70,906,801	487,345	71,394,146
Capital Increase	7,751,940	(7,751,940)	-	-	-	-	-	-	-	-	-	-	-
Accrued Conversion Adjustments	-	-	-	-	-	-	-	-	-	72,266	72,266	-	72,266
Financial Instruments at Fair Value by means of ORA	-	-	-	-	-	-	-	-	-	(88,617)	(88,617)	-	(88,617)
Tax Income/Social Contribution on Other Comprehensive Inc	-	-	-	-	-	-	-	-	-	30,130	30,130	-	30,130
Adjustment of Subsidiaries/Affiliated Companies	-	-	-	-	-	-	-	-	(983)	10,674	9,691	(19,904)	(10,213)
Financial Instruments - Hedge	-	-	-	-	-	-	-	-	-	3,481	3,481	-	3,481
Net Profit for the Period	-	-	-	-	-	-	-	-	4,874,515	-	4,874,515	29,674	4,904,189
On June 30, 2020	39,057,271	-	13,867,170	1,369,270	7,956,294	289,977	2,291,889	11,979,751	4,873,532	(5,876,887)	75,808,267	497,115	76,305,382



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS
STATEMENT OF SHAREHOLDER'S EQUITY ON JUNE 30, 2019 AND DECEMBER 31, 2018
(in Thousands of Brazilian Reals)

	RETAINED EARNINGS						RETAINED EARNINGS/L OSS	OTHER COMPREHENSIVE INCOME	OWNERS' EQUITY OF PARENT COMPANY	OWNERS' EQUITY NON-CONTROLLING SHAREHOLDER	CONSOLIDATED NET EQUITY	
	CAPITAL	CAPITAL RESERVES	LEGAL	RETAINED EARNINGS	STATUTORY	SPECIAL RESERVE OF DIVIDENDS						STATUTORY - INVESTMENTS
On December 31, 2018	31,305,331	13,867,170	834,414	5,947,331	183,006	2,291,889	6,631,189	-	(5,517,424)	55,542,906	466,042	56,008,948
Accrued Conversion Adjustments	-	-	-	-	-	-	-	-	(2,130)	(2,130)	-	(2,130)
Financial Instruments at Fair Value by means of ORA	-	-	-	-	-	-	-	-	246,119	246,119	-	246,119
Tax Income/Social Contribution on Other Comprehensive Inco	-	-	-	-	-	-	-	-	(83,680)	(83,680)	-	(83,680)
Adjustment of Subsidiaries/Affiliated Companies	-	-	-	-	-	-	-	(292,091)	(58,554)	(350,645)	64,647	(285,998)
Financial Instruments - Hedge	-	-	-	-	-	-	-	-	(1,439)	(1,439)	-	(1,439)
Net Profit for the Period	-	-	-	-	-	-	-	6,962,381	-	6,962,381	(54,093)	6,908,288
On June 30, 2019	31,305,331	13,867,170	834,414	5,947,331	183,006	2,291,889	6,631,189	6,670,290	(5,417,108)	62,313,512	476,596	62,790,108



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS
COMPREHENSIVE INCOME STATEMENT ON JUNE 30, 2020 AND 2019

(in thousands of Brazilian reais)

	PARENT COMPANY				CONSOLIDATED			
	04/01/2020 to 06/30/2020	06/30/2020	01/04/2019 to 06/30/2019	06/30/2019	04/01/2020 to 06/30/2020	06/30/2020	01/04/2019 to 06/30/2019	06/30/2019
Net Profit for the Period	4,574,358	4,874,515	5,564,669	6,962,381	4,597,353	4,904,189	5,560,934	6,908,288
Other Components of the Comprehensive Income								
Items that shall not be Reclassified under Income								
Financial Instruments at Fair Value by means of ORA	263,476	(88,617)	118,213	246,119	279,749	(93,670)	118,213	298,384
Deferred IR/CSLL	(89,582)	30,130	(40,192)	(83,680)	(91,709)	34,219	(40,193)	(101,451)
Share in the comprehensive income of subsidiaries, affiliated companies and shared control companies	(6,560)	(43,092)	-	-	-	-	-	-
Adjustment of Actuarial Earnings and Losses	-	-	-	-	(20,706)	(49,708)	45,056	4,020
Deferred IR/CSLL	-	-	-	-	-	7,580	-	-
	167,334	(101,579)	78,021	162,439	167,334	(101,579)	123,076	200,953
Items that May be Reclassified under Income								
Accrued Conversion Adjustments	13,864	72,266	(3,225)	(2,130)	13,864	103,509	(3,224)	(2,129)
Adjustment of Cash Flow Hedge	2,615	3,481	(857)	(1,439)	2,615	3,481	(857)	(1,439)
Share in the comprehensive income of subsidiaries, affiliated companies and shared control companies	15,617	53,766	(41,353)	(58,554)	15,617	22,523	(86,409)	(114,839)
Deferred IR/CSLL	-	-	-	-	-	-	-	17,770
	32,096	129,513	(45,435)	(62,123)	32,096	129,513	(90,490)	(100,637)
Other Components of the Comprehensive Income for the Period	199,430	27,934	32,586	100,316	199,430	27,934	32,586	100,316
Total Comprehensive Income over the Period	4,773,788	4,902,449	5,597,255	7,062,697	4,796,783	4,932,123	5,593,520	7,008,604
Part Attributed to Subsidiaries					4,773,788	4,902,449	5,597,255	7,062,697
Part Attributed to Non-Controlling Shareholders					22,995	29,674	(3,735)	(54,093)
					4,796,783	4,932,123	5,593,520	7,008,604



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS
STATEMENT OF VALUE ADDED ON JUNE 30, 2020 AND 2019
(in thousands of Brazilian reais)

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
REVENUE (EXPENSES)				
Sale of Goods, Products and Services	(43,768)	282,263	20,688,485	17,883,886
Construction Revenue	-	-	302,356	247,956
PCLD - Consumers and Resellers	-	-	66,539	(100,812)
	<u>(43,768)</u>	<u>282,263</u>	<u>21,057,380</u>	<u>18,031,030</u>
FEEDSTOCK PURCHASED FROM THIRD PARTIES				
Materials, Services and Other	(215,004)	(276,429)	(2,714,281)	(3,051,954)
Sector charges	-	-	(895,893)	(905,233)
Energy purchased for resale	(4,558)	(51,483)	(1,006,544)	(2,349,027)
Fuel for production of electrical energy	-	-	(995,928)	(936,305)
Operating Provisions/Reversals	(190,057)	3,725,366	(1,072,448)	(2,264,042)
	<u>(409,619)</u>	<u>3,397,454</u>	<u>(6,685,094)</u>	<u>(9,506,561)</u>
GROSS ADDED VALUE	<u>(453,387)</u>	<u>3,679,717</u>	<u>14,372,286</u>	<u>8,524,469</u>
WITHHOLDING				
Depreciation, Amortization and Exhaustion	(6,529)	(6,723)	(931,858)	(872,730)
NET VALUE ADDED PRODUCED BY THE ENTITY	<u>(459,916)</u>	<u>3,672,994</u>	<u>13,440,428</u>	<u>7,651,739</u>
VALUE ADDED RECEIVED IN TRANSFER				
Equity Interest	5,844,629	3,755,390	528,110	262,000
Financial Revenues	1,682,311	3,274,666	1,766,224	5,150,666
Sale of Equity Interest	-	-	25,042	6,302,038
	<u>7,526,940</u>	<u>7,030,056</u>	<u>2,319,376</u>	<u>11,714,704</u>
TOTAL VALUE ADDED TO DISTRIBUTE	<u>7,067,024</u>	<u>10,703,050</u>	<u>15,759,804</u>	<u>19,366,443</u>
DISTRIBUTION OF VALUE ADDED				
PERSONNEL				
Personnel, Charges and Fees	162,255	157,639	2,095,600	2,430,293
Retirement and Pension Plan	-	11,953	67,598	201,395
	<u>162,255</u>	<u>169,592</u>	<u>2,163,198</u>	<u>2,631,688</u>
TAXES				
Federal	(21,367)	60,789	3,470,085	3,527,745
State	-	-	480,477	725,183
Municipal	-	-	4,698	5,168
	<u>(21,367)</u>	<u>60,789</u>	<u>3,955,260</u>	<u>4,258,096</u>
THIRD PARTY				
Interest	1,991,994	3,438,813	4,606,125	5,398,695
Rents	10,298	13,146	51,311	66,711
Other	49,329	58,329	79,721	102,965
	<u>2,051,621</u>	<u>3,510,288</u>	<u>4,737,157</u>	<u>5,568,371</u>
SHAREHOLDERS				
Participation of non-controlling shareholders	-	-	29,674	(54,093)
Reserves	4,874,515	6,962,381	4,874,515	6,962,381
	<u>4,874,515</u>	<u>6,962,381</u>	<u>4,904,189</u>	<u>6,908,288</u>
	<u>7,067,024</u>	<u>10,703,050</u>	<u>15,759,804</u>	<u>19,366,443</u>



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS

CASH FLOW STATEMENT ON JUNE 30, 2020 AND 2019

(In Thousands of Reais)

	NOTE	PARENT COMPANY		CONSOLIDATED	
		06/30/2020	06/30/2019	06/30/2020	06/30/2019
OPERATING ACTIVITIES					
Result before Income Tax and Social Contributions		4,874,515	1,941,334	6,817,727	3,503,553
Adjustments to Reconcile Profit with Cash Generated by Operations:					
Depreciation and Amortization	29	6,528	6,723	931,857	872,730
Net Foreign Exchange and Monetary Changes	30	114,309	(307,934)	602,666	(124,373)
Financial Charges	30	297,903	80,649	1,509,982	1,539,700
Result on Equity Method		(5,844,629)	(3,755,390)	(528,110)	(262,000)
Income from the Sale of Equity Interest		-	-	(25,042)	(183,222)
Financial Revenue - Concession Assets	27	-	-	(377,118)	(404,702)
Construction Revenue	27	-	-	(302,356)	(249,218)
RBSE Revenue	27	-	-	(6,016,565)	(3,604,272)
Operational Provisions (Reversals)	29	190,057	1,317,682	1,005,909	2,034,944
Participation of non-controlling shareholders		-	-	(44,982)	81,957
Financial Instruments - Derivatives		-	-	107,451	25,059
Other		435,991	(226,852)	(604,763)	(369,183)
		<u>(4,799,840)</u>	<u>(2,885,122)</u>	<u>(3,741,070)</u>	<u>(642,580)</u>
(Increase)/Decrease of Operating Assets					
Customers		-	20,440	(78,823)	(999,623)
Marketable securities		(2,039,082)	(2,765,164)	(3,897,529)	(3,437,349)
Reimbursement right	11	(55,252)	442,985	(78,689)	(1,745,889)
Warehouse		(56)	(124)	(9,653)	(5,038)
Stock of nuclear fuel		-	-	(55,434)	78,691
Financial Asset - Itaipu	15	(207,042)	28,433	(207,042)	28,433
Assets Held for Sale		391,581	3,490,843	436,858	11,618,261
Hydrological risk		-	-	26,843	47,157
Credits with Subsidiaries - CCD		-	2,406,622	-	-
Others		(586,547)	(1,380,736)	54,280	(1,942,236)
		<u>(2,496,398)</u>	<u>2,243,298</u>	<u>(3,809,188)</u>	<u>3,642,406</u>
Increases/(Decreases) in Operating Liabilities					
Suppliers		237,708	97,989	(262,874)	(453,159)
Advances		-	-	(107,559)	(36,081)
Financial investments	20	2,868	67,246	161,960	217,101
Estimated obligations		21,214	(34,738)	99,217	(84,043)
Sector charges		-	-	62,845	5,871
Liabilities Associated to Assets Held for Sale		-	(1,832,382)	(42,328)	(8,579,161)
Accounts Payable with Subsidiaries		-	(2,866,810)	-	-
Others		409,774	248,814	536,518	871,063
		<u>671,564</u>	<u>(4,319,881)</u>	<u>447,778</u>	<u>(8,058,408)</u>
Payment of Financial Charges		(268,153)	(688,097)	(1,070,533)	(1,663,674)
Receipt of RAP and Indemnifications		-	-	3,916,023	3,589,228
Receipt of Financial Charges		709,837	986,671	445,527	672,329
Payment of Income Tax and Social Contribution		(91,570)	(205,568)	(1,664,013)	(1,470,973)
Receipt of Return on Investments in Equity Interests		1,273,019	1,813,145	306,934	314,831
Payment of Supplemental Social Security		(5,906)	(14,786)	(134,929)	(85,741)
Payment of Judicial Contingencies	23	(1,542,793)	(501,460)	(1,573,991)	(546,385)
Guarantees and escrow deposits		(141,080)	(233,393)	(212,429)	(9,745)
Net Cash from (Used in) Operating Activities from Continued Operations		(1,816,806)	(1,863,858)	(272,164)	(755,158)
Net Cash Used in Operating Activities from Discontinued Operations		-	-	-	(379,997)
Net Cash from (Used in) Operating Activities		(1,816,806)	(1,863,858)	(272,164)	(1,135,155)
FINANCING ACTIVITIES					
Loans and Financing Obtained / Debentures Obtained		5,193,319	5,000,000	7,122,573	5,755,633
Payment of Loans and Financing - Principal		(6,986,073)	(2,125,022)	(8,009,835)	(3,574,750)
Payment of Compensation to Shareholders		-	(476)	(74,225)	(10,368)
Payment of Financial Leases	20	(6,599)	-	(274,564)	-
Others		-	-	(23,374)	2,512
Net Cash from (Used in) Financing Activities from Continued Operations		(1,799,353)	2,874,502	(1,259,426)	2,173,027
Net Cash from Financing Activities from Discontinued Operations		-	-	-	414,724
Net Cash Used in Financing Activities		(1,799,353)	2,874,502	(1,259,426)	2,587,751
INVESTMENT ACTIVITIES					
Grant of Loans and Financings		-	(619,724)	-	(44,658)
Receipt of Loans and Financing		3,871,325	3,739,200	2,153,452	3,256,667
Acquisition of Fixed Assets		-	(153)	(480,563)	(434,931)
Acquisition of Intangible Assets		-	(53)	(24,871)	(14,223)
Purchase/Disbursement of Capital in Equity Interest		-	(6,860)	(45,212)	(348,130)
Grant of Prepayment for Future Capital Increase	12	(281,339)	(197,644)	(6,001)	(60,282)
Sale of Investments in Shareholdings		17,512	-	19,812	16,000
Others		-	-	(51,961)	(2,907)
Net Cash from Investment Activities from Continued Operations		3,607,498	2,914,766	1,564,656	2,367,536
Net Cash from (Used in) Investment Activities from Discontinued Operations		-	-	-	6,337
Net Cash from Investment Activities		3,607,498	2,914,766	1,564,656	2,373,873
Reduction of Cash and Cash Equivalents		(8,662)	3,925,410	33,066	3,826,469
Cash and Cash Equivalents at the Start of the Year from Continued Operations	5	18,202	47,400	335,307	583,352
Cash and Cash Equivalents at Year End from Continued Operations	5	9,540	3,972,810	368,373	4,368,757
Increase (Reduction) of Cash and Cash Equivalents from Discontinued Operations		-	-	-	41,064
		<u>(8,662)</u>	<u>3,925,410</u>	<u>33,066</u>	<u>3,826,469</u>



(A free translation of the original in Portuguese)

CENTRAIS ELÉTRICAS BRASILEIRAS S.A.
Eletrobras

Explanatory Notes for the period ended on June 30th, 2020
(In thousands of Brazilian Reais)

NOTE 1 – OPERATING CONTEXT

Centrais Elétricas Brasileiras S.A. (“Eletrobras,” “Eletrobras Companies” or “Company”) is a publicly-held corporation, with headquarters in Brasília - DF, registered with the Brazilian Securities Commission (CVM) and with the Securities and Exchange Commission (SEC), listed on the following stock exchanges: São Paulo (B3 S.A.), Madrid (LATIBEX) and New York (NYSE). The Company is a semi-public company controlled by the Federal Government (ultimate parent of the Company).

The Company acts as a holding company, managing investments in equity interests, holding direct and indirect controlling interest in electricity generation and transmission companies (see Note 13), and also holding a controlling interest in Eletrobras Participações S.A. – Eletropar and direct shareholdings in Itaipu Binacional – Itaipu (through a system of joint control under the International Treaty entered into by the Governments of Brazil and Paraguay), in Inambari Geração de Energia S.A., and in Rouar S.A. (through a system of joint control with the Uruguayan state-owned company Usina y Transmisiones Eléctricas de Uruguay (UTE), in addition to direct and indirect stakes in 133 Special Purpose Entities (SPEs).

Eletrobras is authorized, either directly or through its subsidiaries or controlled companies, to form associations, with or without contribution of funds, to establish business consortia or interest in companies, with or without controlling power, abroad, intended directly or indirectly to the exploration of electricity production or transmission or distribution.

The Company acts as an electricity-marketing agent for Itaipu Binacional and for agents participating in the Incentive Program for Alternative Electricity Sources – PROINFA.

The issuance of these interim financial statements was authorized by the Board of Directors, on August 12, 2020.

COVID-19 – Impacts for Eletrobras

Operating Activities

Eletrobras has been adhering to the recommendations of the Brazilian Ministry of Health and of the administrations of states and cities where their companies and operating units are located, with regard to the operation, and has been taking every measure to keep the normality of their activities, given the strategic area in which they are included in accordance with the provisions contained in Decree 10282 from March 20th, 2020.

The Company keeps a diligent follow-up of its operations, having improved original protocols of operation and emergency actions to be deployed. The workforce of Eletrobras Companies has successfully performed its activities and, to date, no significant impact on the operating or financial performance caused by the COVID-19 pandemic has been noticed.

Economic and Financial Aspects

The main characteristic of the pandemic so far, from an economic and financial perspective, is uncertainty, something that does not favor probabilistic analyzes for determining scenarios based on the precariousness of macroeconomic information which is essential to this type of exercise. In this context, there is a need to assess the impact on Eletrobras’ activities for the purposes of the financial statements for the second quarter of 2020.

Impacts on the Brazilian electricity sector resulting from the COVID-19 crisis, so far, are likely to result

in reduced demand (impacting GSF and prices in the Short Term Market - STM and Free Contracting Environment - FCE). However, there was no increase in default cases related to the pandemic or significant reduction of planned revenues.

Concerning impacts from market reduction, it is observed that from the social isolation imposed mid-March 2020, consumption in Brazil has reduced if compared to the period observed in the weeks before the isolation order, with a strong decrease in average load by the end of June, of 13 GW on average, and from July there will be a small oscillations caused by variations in temperature and isolation is likely to be slackened in some Brazilian States.

By the optical point-of-view it is possible to conclude that so far the reduction in demand will be partly "stored" in reservoirs that have been at very low levels in recent years, thus having great an opportunity for recovery, either by the reduction of loads or by the improvement of rainfalls during the wet period, improving supply security. The following are the potential commercial impacts which can be felt by the sector:

- i. The reduction of the load/market reduces the need for thermoelectric dispatch, impacting the BLV, affecting the sale of energy and tariffs to consumers;
- ii. It also impacts GSF, increasing hydraulic displacement, which affects sales and tariffs equally;
- iii. It is important to notice that the economic effect from GSF depends on its composition with a low BLV, that is, increase of exposure to short-term market of hydro power plants caused by the higher hydraulic displacement can be compensated by a lower BLV;
- iv. Market reduction affects the financial status of distribution companies caused by potential over-contracting. As the excess of contracting is "sold" at a reduced BLV, there is a potential financial loss. This situation can also affect free consumers.

In view of the current scenario, the Company has been monitoring what was planned for the Generation and Transmission revenues with what has been realized. So far, there has been no evidence of significant losses, either operational or financial, due to any eventual default.

In this context, ANEEL and MME have fostered measures to promote higher liquidity for distribution companies, such as Order 936, of April 7th, 2020, which expanded the limit to process the Surplus Sale Mechanism from 15% to 30% in 2020, with the purpose of reducing over-contracting of distribution companies caused by reduction of demand, and Normative Resolution 881, also of April 7th, 2020, which authorized the transfer to distribution companies of the National Interconnected System (SIN) and to part of the free market agents, of financial resources available in the reserve funds to relief future burdens, with the purpose of contributing to maintain their obligations with the electricity sector. In this context, it is worth mentioning the introduction of the so-called "Conta-COVID" by Provisional Measure 950, April 8th, 2020 regulated by Decree 10350 of May 18th, 2020 and by ANEEL Resolution 885, of June 23rd, 2020. Such normative instruments concern a financial operation whose purpose is to provide liquidity to distribution companies, mitigating effects form default and over-contracting associated with the Covid-19 crises, which is undergoing implementation.

For the transmission segment, we have ANEEL's recent Order 1106/2020, which anticipated and concentrated the effects from the Adjustment Portion (AP-Determination) for the 2020/2021 cycle and for the months of April, May and June 2020 which would originally be due for 12 months from July 2020.

This anticipation represents a monthly reduction of approximately BRL 70 million in cash flow in such months and will be recomposed by not deducting this portion during the RAP 20/21 cycle beginning in July 2020.

- Expected losses from doubtful credits

The international public health emergency caused by COVID-19 will have serious impacts on the global economy and on the Brazilian economy. Furthermore, a drop in revenue for agents in the electricity sector has been expected due to the downturn in economic activity, especially in the commercial and industrial segments.

There is a particular concern with the Energy distribution companies in the event of default by consumers, as well as the potential drop of energy demand and over-contracting of Distribution companies in free and commercially regulated environments.

In the last quarter risk expectation improved due to regulation of the so-called Conta-Covid, which is intended to soften impacts from the pandemics caused by the new Coronavirus on energy bills and inject liquidity into companies of the electricity sector. Conta-Covid addresses issues suffered by distribution companies by providing them with financial resources required to compensate the loss of temporary revenue caused by the pandemic and protects the rest of the sectorial chain by allowing distribution companies to keep fulfilling their contracts.

For the second quarter of 2020 there were new provisions concerning aspects related to change of risks from the pandemic.

- Foreign Exchange Exposure

As a result of the consolidated liability exposure, mainly of USD 665,007 thousand and EUR 50,359 thousand, in the first half of 2020, the Company was negatively impacted in the amount of BRL 799,482, due to the appreciation of foreign currencies against the Brazilian Real. However, when cash flow is observed, especially in the short-term, the consolidated position shows that the disbursement profile of the liabilities is more elongated and concentrated than that of the assets. This may be understood by realizing that a large part of the disbursement of the liabilities that make up the balance sheet concerns the full payment of the remaining portion of the bonus, in amounts corresponding to USD 625 Million, USD 500 Million and USD 750 Million, maturing respectively in the form of "bullets" in 2021, 2025 and 2030. Thus, it may be noticed that, of the total liabilities of USD 2.25 Billion that make up the balance sheet foreign exchange exposure, USD 1.87 Billion, or 83%, are concentrated on three specific dates, all of them long-term.

The Composition of the foreign exchange exposure of assets and liabilities linked to the foreign currency is as follows:

	CONSOLIDATED			
	06/30/2020		12/31/2019	
	Foreign Currency	BRL	Foreign Currency	BRL
Loans obtained	(2,200,734)	(12,051,221)	(2,077,144)	(8,371,098)
USD Loans granted	1,134,308	6,211,468	1,450,154	5,845,135
Financial assets - Itaipu	401,419	2,198,171	451,654	1,820,481
Impact on income - USD	(665,007)	(3,641,582)	(175,336)	(705,482)
EURO Loans obtained	(50,359)	(309,907)	(51,966)	(235,353)
Impact on income - EURO	(50,359)	(309,907)	(51,966)	(235,353)

- Actuarial assessment of post-employment benefit plans

Due to the economic scenario observed on the base date of June 30th, 2020, the Company sensitized two of the main components used to measure the actuarial liabilities of post-employment benefits, notably those related to retirement benefits. The components for which significant changes were observed were the fair value of the assets and the deduction rates used to deduct the post-employment benefits obligations, substantially measured by NTN-B. Accordingly, the sensitivity test performed presented the following scenario, according to the table below:

	06/30/2020	12/31/2019	Variation
Average discount rate	3.67%	3.22%	0.45%
Fair assets of the plans	29,129,518	29,421,280	(291,762)
Post-employment benefit obligations	30,749,342	32,460,173	(1,710,831)
Deficit/budget surplus found	3,934,420	4,391,011	(456,591)

Considering the volatility and the uncertainty inherent to the current scenario, the Company made no untimely accounting record on this date related to pension funds sponsored by Eletrobras Companies.

The Company will keep monitoring post-employment benefits and wait for the execution of a new assessment of actuarial liabilities with reflexes in accounting statements as of December 31st, 2020. Compliance with covenants

Eletrobras' Companies have covenant clauses in some of their loan, financing and debentures agreements. The main covenants refer to: compliance with certain financial indexes (Net Debt on EBITDA, coverage index on debt service, among others), existence of corporate guarantees, requirements for change of corporate control, compliance with the necessary licenses and authorizations and limitation to the significant sale of assets.

It should be emphasized that the Company remains alert and acting diligently to the impacts produced by the pandemic on the current service, and also to the future perspective of compliance with the clauses contained in the agreements, emphasizing that they identified no inadequacy during the current year until the reference base date.

- Long-term assets recoverability analysis – Impairment

According to ASC-01 – Impairment, it is necessary to verify the recoverability of assets after significant changes have occurred during the period (or will occur in the near future) in the market or in the economic environment in which the entity operates, and such changes will have an adverse effect on the entity, or when the book value of the entity's net worth is greater than their market capitalization.

The Company has endured some years with its market value below equity value, a situation that is aggravated in times of crisis, following the renewal of concessions as set out by Act 12783/2013 and the opposite occurring in times of recovery, as seen in the last three years. This situation has caused Eletrobras to test at least annually, in the last decade, all of its corporate UGC's. The recent behavior of Eletrobras' market value has a high correlation with the impacts of COVID-19, therefore, it is not an isolated impact on the Company.

In the current scenario due to the pandemic, indeed a significant change is noticed in the Country's economic environment. However, so far there is little impact on the Eletrobras Companies' revenue and operating projections due to:

1. So far, no impact was noticed in the performance of its operations;
2. The risks noticed in relation to Generation revenue, inherent to the drop of the BLV and default in the Free contracting environment, show there are no relevant impacts for Eletrobras, since Generation revenue consists of 65% in shares or agreements in the Regulated Contracting Environment, 33% in the FCE and only 2% in un-contracted energy which would be the portion most exposed to the reduced BLV.

Concerning the risk of default, so far there has been no substantial increase in default in agreements in the FCE, and it should be emphasized that the sectors of free consumers in which the Eletrobras Companies have greater exposure are sectors which so far have had lower reductions in consumption.

Therefore, by analyzing the Generation portfolio of the Eletrobras Companies, so far there has been no need to update the impairment test performed with the financial information for the fourth quarter of 2019. However, the Company sensitized the tests of their relevant assets, including of SPEs and especially Angra 3, which already have a recorded recoverability provision and there has been no need to increase an untimely provision concerning the provisions recorded herein.

In the Transmission segment, the service is compensated through a rate defined by Aneel, known as Allowed Annual Revenue (AAP), established at the time of the concession auction, with periodic reviews defined in specific regulations, and is not generally impacted by provisional outside factors. There is currently no indication that the COVID-19 outbreak will impact the revenues from Transmission assets, except for the anticipation of the Adjustment Installment which does not affect the Company's long-term cash flow.

NOTE 2 – HIGHLIGHTS OF THE 2st QUARTER OF 2020

2.1. - Wind Power Complex Fortim

On April 16th, 2020, Subsidiary Furnas finished energization of the wind turbines for Wind Power Complex Fortim. Wind Power Complex Fortim, located in Ceará, is formed by 5 SPE's entities created from the New Power Auction (A-5) held by ANEEL in December 2011, aimed at seeking new wind power generation projects for power supply. The completion of this project accounts for an increase of 123 MW in Furnas' installed capacity, corresponding to an annual revenue of approximately BRL 72,000.

2.2. - Approvals to transfer SPE Manaus Transmissora de Energia S.A. and SPE Eólica Mangue Seco 2

On April 17th, 2020 and May 11th, 2020, the Board of Directors approved the offer to fully acquire the equity interest from Eletrobras in SPE Manaus Transmissora de Energia S.A. (MTE) and SPE Eólica Mangue Seco 2, respectively. Further details in Note 35.

2.3. – Incorporation of SPE Transmissora Delmiro Gouveia S.A. (TDG) by Chesf

In May 12th, 2020, Chesf's Shareholders' Meeting approved the incorporation of SPE TDG. This operation is an initiative action entitled "Rationalization of the Equity Interests", which integrates the strategic guideline "Generation and Transmission Efficiency" of the 2020/2024 Master Plan of Business and Management (PDNG).

2.4. – Fund raising – Eletronorte

On May 15th, 2020, Subsidiary Eletronorte raised funds through a short-term Bank Credit Bill entered into with bank Bradesco BBI S.A. in the amount of BRL 1 Billion and with a 12-month maturity, with an interest rate of CDI + 2.62% p.a., semiannual interest payment frequency and amortization at maturity.

The transaction was backed by Eletrobras, intended to discharge debts with a higher cost than the Subsidiary held with Eletrobras and other creditors, thus allowing, through this discharge, a cash reinforcement of approximately BRL 630,000 from the holding company.

2.5. - Advance for future capital increase (AFAC) and capitalization of financing agreements – Eletronuclear

On June 26th, 2020, the Board of Directors approved the conversion of AFAC agreements into new shares of Eletronuclear in the total amount of BRL 850,000 (further details in Note 12) and capitalization of financing agreements in which Eletrobras is a creditor in the amount of BRL 1,035,778. Capitalization to be effected depends on authorization from SEST and approval by a shareholders' meeting.

2.6. - Tariff Revision of ANEEL – Concessions of Transmission

On June 30th, 2020, an ordinary meeting held by ANEEL's Board, tariff revisions were approved for transmission concessions postponed to pursuant Act 12783/2013, RAP was approved for such concessions for the tariff cycle of 2020-2021, further details in Note 15.

NOTE 3 - ELECTRICITY CONCESSIONS AND AUTHORIZATIONS

Eletrobras, through its subsidiaries, jointly-owned subsidiaries and affiliated companies, holds various electricity concessions in the Generation and Transmission segments or stakes in SPE's, which also operate in these same segments. There were no significant changes concerning the position disclosed in the financial statements for 2019, except for concessions that had their equity controls transferred during the first half of 2020, further details in Note 35.

On June 30th, 2020, in an ordinary meeting, ANEEL definitively approved tariff revisions of transmission concessions postponed pursuant Act 12783/2013 concerning subsidiaries Furnas and CGT Eletrosul and provisionally for subsidiaries Eletronorte and Chesf, for further details of such impacts see Note 15.

NOTE 4 – MAIN ACCOUNTING POLICIES

The main accounting policies and estimates applied in the preparation of this interim financial information are the same as those adopted in the financial statements for the financial year ended December 31st, 2019. For this reason, this interim financial information should be read together with the financial statements from December 31st, 2019.

4.1 - Statement of compliance

The interim financial statements of the Company include the individual interim financial information of the parent company, identified as the Parent Company, and the consolidated interim financial information, identified as Consolidated, prepared in accordance with ASC 21 (R1) Interim Statement and IAS 34 Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), applicable to the preparation of the Interim Financial Information - ITR. The accounting practices adopted in Brazil comprise the pronouncements, interpretations and guidelines issued by the Accounting Pronouncements Commission (APC), approved by the Federal Accounting Board (FAB) and by the Brazilian Securities and Exchange Commission (CVM), and the provisions contained in the Brazilian corporate legislation.

As there is no difference between the consolidated net worth and the consolidated income attributable to the parent company's shareholders, contained in the consolidated financial statements and the parent company's net worth and income, contained in the individual interim financial statements, the Company opted to submit these individual and consolidated financial statements as a single set, side by side.

4.2 - Basis of preparation and measurement

The preparation of the interim financial information requires the use of certain critical accounting estimates, and also the exercise of judgment by the Company Management in the process of applying the accounting policies of Eletrobras companies.

The financial information was substantially prepared based on the historical cost, except for some financial instruments measured by their fair values. The historical cost is generally based on the fair value of the considerations paid on the date of the transactions.

This consolidated interim financial information includes information from Eletrobras and the following subsidiaries and investees:

	06/30/2020		12/31/2019	
	Interest		Interest	
	Direct	Indirect	Direct	Indirect
Subsidiaries				
Chuí IX (a)	99.99%	-	99.99%	-
Hermenegildo I (a)	99.99%	-	99.99%	-
Hermenegildo II (a)	99.99%	-	99.99%	-
Hermenegildo III (a)	99.99%	-	99.99%	-
Eletronuclear	99.91%	-	99.91%	-
Chesf	99.58%	-	99.58%	-
Furnas	99.56%	-	99.56%	-
Eletronorte	99.48%	-	99.48%	-
Eletropar	83.71%	-	83.71%	-
Santa Vitoria do Palmar (a)	78.00%	-	78.00%	-
CGT Eletrosul (b)	99.89%	-	99.99%	-
Eletrosul (b)	-	-	99.88%	-
Amazonas GT (c)	-	99.48%	100.00%	-
Geribatu I	-	100.00%	-	100.00%
Geribatu II	-	100.00%	-	100.00%
Geribatu III	-	100.00%	-	100.00%
Geribatu IV	-	100.00%	-	100.00%
Geribatu V	-	100.00%	-	100.00%
Geribatu VI	-	100.00%	-	100.00%
Geribatu VII	-	100.00%	-	100.00%
Geribatu VIII	-	100.00%	-	100.00%
Geribatu IX	-	100.00%	-	100.00%
Geribatu X	-	100.00%	-	100.00%
Paraíso Transmissora de Energia	-	100.00%	-	100.00%
Brasil Ventos Energia S.A.	-	100.00%	-	100.00%
Transenergia Goiás S.A.	-	99.99%	-	99.99%
Transmissora Sul Brasileira de Energia S/A	-	99.88%	-	99.88%
Chuí Holding (a)	-	78.00%	-	78.00%
Livramento Holding	-	78.00%	-	78.00%
Transmissora Delmiro Gouveia S.A. (TDG) (d)	-	-	-	100.00%
Complexo Eólico Pindaí I				
Angical 2 Energia S.A.	-	99.96%	-	99.96%
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%
Acauã Energia S.A.	-	99.93%	-	99.93%
Arapapá Energia S.A.	-	99.90%	-	99.90%
Complexo Eólico Pindaí II				
Coqueirinho 2 Energia S.A.	-	99.98%	-	99.98%
Papagaio Energia S.A.	-	99.96%	-	99.96%
Complexo Eólico Pindaí III				
Tamanduá Mirim 2 Energia S.A.	-	83.01%	-	83.01%
Joint operations (consortia)				
Consórcio Cruzeiro do Sul	-	49.00%	-	49.00%

a) Companies classified as held for sale, see Note 34;

b) On January 02nd, 2020, Eletrosul was merged into CGTEE. The resulting company was renamed CGT Eletrosul - Companhia de Geração e Transmissão de Energia Elétrica do Sul do Brasil;

c) On March 16th, 2020, Amazonas GT's shares were transferred to Eletronorte, by means of liquidation of accounts receivable and payable between related parties, thus becoming Amazonas GT an indirect subsidiary of Eletrobras; and

d) On May 12th, 2020, Chesf's Shareholders' Meeting approved the incorporation of SPE TDG.

Subsidiary CGT Eletrosul has a joint operation, resulting from a 49% stake in the Cruzeiro do Sul Consortium, which operates the Governador Jayme Canet Junior HPP in Telêmaco Borba/Ortigueira (PR), in commercial operation since 2012, for a period of 30 years. CGT Eletrosul (and Eletrobras, in their consolidated statements) is entitled to proportional participation in revenues and assumes a proportional share of the costs of the joint operation.

4.3 - Adoption of new standards and interpretations

The regulations below came into effect on January 01st, 2020, and had no impact or significant changes in the presentation of these interim Financial Statements.

- ASC00(R2) - Conceptual Framework for Financial Reporting:

As of January 01st, 2020, the changes to the ASC00 - Conceptual Framework for Financial Reporting came into effect, which presented substantially new concepts about the presentation, measurement and disclosure of the Financial Statements, and also updated the definition of assets and liabilities, as well as the criteria for their recognition and de-recognition in the financial statements.

- Definition of a business (amendments to IFRS 3 – Combination of businesses):

Changes due to FR 3 came into effective on January 01st, 2020. The most relevant changes were: 1) a “business” must include inputs and relevant processes that contribute for a creation of outputs; 2) it was made available a rate that aids the analysis of a company that acquired a group of assets instead of a business; and 3) definition of outputs focus on the capacity to generate return by means of services rendered to clients.

- Definition of materiality (amendments to IAS 1 and IAS 8):

Definition of materiality became effective as of January 01st, 2020, amendments to IAS 1 and IAS 8, with the purpose of clarifying the definition of “material” and align the definition used in the Conceptual Structure and standards. Changes align the wording of the definition in all standards from IFRS and other publications, include some requirements to support IAS 1 in such definition to provide it more emphasis and clarifies the explication that follows up the definition of material.

4.4 – Re-classification of comparative balances

The Company is restating their income statement and respective explanatory Notes applicable to the half ended June 30th, 2019, stated for comparison purposes according to the table below:

	CONSOLIDATED						
	04/01/2019 to 06/30/2019 Published	Adjustments		04/01/2019 to 06/30/2019 Reclassified	06/30/2019 Published	Adjustments	06/30/2019 Reclassified
Net Operating Revenue	6,643,410	(42,834)	(a)/(b)	6,600,576	13,095,172	(28,939)	(a) 13,066,233
Gross results	5,068,477	(42,834)		5,025,643	10,230,987	(28,939)	10,202,048
Operational Expenses							
Personnel, Material and Services	(1,862,664)	-		(1,862,664)	(3,683,487)	(2,373)	(c) (3,685,860)
Other	(400,939)	45,867	(a)	(355,072)	(573,895)	48,240	(c) (525,655)
Operating results before financial result	803,428	3,033		806,461	2,968,959	16,928	2,985,887
Financial Result	411,601	13,895	(b)	425,496	89,372	-	89,372
Income before equity interests	1,215,029	16,928		1,231,957	3,058,331	16,928	3,075,259
Other Revenues & Expenses	-	(16,928)	(a)	(16,928)	183,222	(16,928)	(a) 166,294
Operating income before taxes	1,316,935	-		1,316,935	3,503,553	-	3,503,553
Net Profit from Continued Operations	301,178	-		301,178	1,871,148	-	1,871,148

- a) For better presentation purposes, the Company reclassified as “other revenues and expenses” what was previously and wrongly composing the entry of “net operating revenue”, as it does not concern the main business of the Company.
- b) For better presentation purposes, the Company reclassified the portion of the RBSE measurement exceeding the amortized cost according to the financial result, and the operating revenue remains the updating portion at amortized cost of the RBSE asset. The Company understands that this updating component, classified under operating revenue, is associated with the Company’s business model, which expects to receive cash flows from this asset until maturity and represents the return on invested capital, not to be confused with investments related to the cash management of the Transmission Companies. This classification is in line with paragraph 23 of ASCO 05.

- c) For better presentation purposes, the Company reclassified expenses with personnel, material and services which were previously mistakenly listed under the line "others" in the opening of the operating expenses.

NOTE 5 – CASH, CASH EQUIVALENTS AND RESTRICTED CASH

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Cash and cash equivalents (a)				
Cash and Banks	9,529	18,185	136,906	183,917
Financial Investments	11	17	231,467	151,390
	<u>9,540</u>	<u>18,202</u>	<u>368,373</u>	<u>335,307</u>
Restricted Cash (b)				
Marketing - Itaipu	885,048	1,356,513	885,048	1,356,513
Marketing - PROINFA	1,648,832	1,553,049	1,648,832	1,553,049
PROCEL	156,118	188,004	156,118	188,004
Escrow Account - SPEs	100,000	100,000	100,000	100,000
Resources of RGR	30,610	29,970	30,610	29,970
	<u>2,820,608</u>	<u>3,227,536</u>	<u>2,820,608</u>	<u>3,227,536</u>
	<u>2,830,148</u>	<u>3,245,738</u>	<u>3,188,981</u>	<u>3,562,843</u>

a) The financial investments are of immediate liquidity, substantially with CDI/SELIC remuneration. The balances considered as cash equivalents are high-liquidity short-term, investments that can promptly be converted to a known cash amount, subject to an insignificant risk of change in value and held with the purpose of meeting short-term cash commitments and are destined for the Company's cash management. No public securities are classified as cash and cash equivalents.

b) Restricted cash - These are resources collected by the respective funds that are used exclusively to observe the regulatory provisions, and are not available to the Company.

NOTE 6 - MARKETABLE SECURITIES

By way of Central Bank of Brazil Resolution 3284, it was established that any investment of resources resulting revenues of public companies or mixed economy companies of the Indirect Federal Administration can only be made in extra-market investment funds administered by the Caixa Econômica Federal (CEF) and Banco do Brasil S.A., so the Company and its subsidiaries invest their resources in extra-market Funds backed by primarily long-term government bonds, use of which considers both the short-term corporate investment program, as well as the maintaining of the Company's operating cash position.

The breakdown of the marketable securities, in the funds in which the Company invests their own funds, is as follows:

Marketable Securities	Financial Custodian	PARENT COMPANY		06/30/2020	12/31/2019
		Due Date	Indexer		
LTN	Banco do Brasil	After 90 days	Fixed	6,919,527	4,658,121
LTN	CEF	After 90 days	Fixed	48,618	72,811
NTN- F	Banco do Brasil	After 90 days	Fixed	1,402,679	435,948
Buyback Transactions	Banco do Brasil	-	-	439,405	1,615,818
Buyback Transactions	CEF	-	-	15,990	4,438
Total Current				<u>8,826,219</u>	<u>6,787,137</u>

NON-CURRENT		
Marketable Securities	06/30/2020	12/31/2019
Beneficiary Parties (a)	381,044	372,841
Others	1,762	1,760
Total Non-Current	382,806	374,601

CONSOLIDATED CURRENT					
Free Marketable Securities	Financial Custodian	Due Date	Indexer	06/30/2020	12/31/2019
LTN	Banco do Brasil	After 90 days	Fixed	8,361,131	5,643,180
LTN	CEF	After 90 days	Fixed	599,654	510,379
NTN- F	Banco do Brasil	After 90 days	Fixed	1,710,220	504,418
LFT	CEF	After 90 days	Fixed	192,031	172,670
Fixed Income Securities	Banco do Brasil	-	-	1,962,749	1,018,235
Fixed Income Securities	CEF	-	-	413,790	490,037
Buyback Transactions	Banco do Brasil	-	-	525,422	1,803,988
Buyback Transactions	CEF	-	-	249,885	37,311
Others	-	-	-	238,289	155,477
Subtotal				14,253,171	10,335,695
Restricted Marketable Securities - FEN (b)	CEF	-	Fixed	102,853	90,675
Total Current				14,356,024	10,426,370

NON-CURRENT		
Marketable Securities	06/30/2020	12/31/2019
Beneficiary Parties (a)	381,044	372,841
Others	2,107	34,230
Total Non-Current	383,151	407,071

a) Beneficiary Parties

Marketable securities purchased as a result of the restructuring of the Company's investment in subsidiary INVESTCO S.A. These assets ensure annual returns equal to 10% of the earnings of companies Lajeado Energia, Paulista Lajeado and CEB Lajeado, paid along with the dividends, and will be redeemed at the maturity scheduled for October 2032, through their conversion to preferred shares of the capital stock of such companies. These marketable securities are adjusted at current value.

b) Fundo de Energia do Nordeste (FEN)

Sectorial fund, created by Provisional Measure 677/2015, converted into Act 13182, dated November 3rd, 2015. The funds reverted to the fund are calculated according to the difference between the price paid by large consumers to Chesf and the cost of power generation, pursuant to the applicable laws, in order to provide funds for the implementation of electricity projects in the Northeast Region of Brazil, through SPE's. Chesf will use the funds of this fund to purchase/form these SPEs and their shareholding may be up to 49% of the equity of these companies.

NOTE 7 – CUSTOMERS

	CONSOLIDATED					12/31/2019
	06/30/2020					
	Coming due	Overdue up to 90 days	Overdue + than 90 days	Renegotiated Credits	Total	Total
Current						
Energy Supply (a)	1,779,412	749,275	688,974	167,846	3,385,507	3,081,032
Short-term Electricity - CCEE (b)	891,235	100,048	419,651	-	1,410,934	1,268,125
Use of the Electricity Grid (c)	763,596	3,812	52,380	-	819,788	891,364
Connection/Availability to the Transmission System PROINFA	310,229	9,809	121,175	-	441,213	449,135
Payment in Installments (-) PECLD (d)	277,713	-	-	-	277,713	453,528
	-	3,647	103,165	-	106,812	-
	(78,700)	(226,027)	(805,628)	(119,343)	(1,229,698)	(861,852)
	<u>3,943,485</u>	<u>640,564</u>	<u>579,717</u>	<u>48,503</u>	<u>5,212,269</u>	<u>5,281,333</u>
Non-Current						
Energy Supply (a)	-	-	9,548	983,088	992,636	1,053,663
Short-term Electricity - CCEE (b)	-	-	293,560	-	293,560	293,560
Use of the Electricity Grid (c)	-	-	4,348	-	4,348	4,348
(-) PECLD (d)	-	-	(307,456)	(740,566)	(1,048,022)	(1,066,220)
	-	-	-	242,522	242,522	285,351
	-	-	-	-	-	-
Total Customers	<u>3,943,485</u>	<u>640,564</u>	<u>579,717</u>	<u>291,025</u>	<u>5,454,791</u>	<u>5,566,684</u>

a) Energy Supply

Credits receivable from the sale of energy in the Regulated Contracting Environment (RCE) and in the Free Contracting Environment.

b) Short-term Electricity – CCEE

Credits receivable from the liquidation of the differences between the amounts of electricity contracted and the amounts of generation or consumption actually verified and attributed to the respective CCEE agents.

c) Use of the Electricity Grid

Credits receivable from the use of the transmission grid by users connected to the grid.

d) Provision for Estimated Loss on Doubtful Credits – PECLD Customers

The subsidiaries establish and maintain provisions based on the analysis of the amounts included in accounts receivable overdue and due, analyzing the Company's history of losses and their expectations concerning expected losses on the credits, the amount of which is considered by Management to be enough to cover any expected losses on the realization of these assets overdue and due.

The changes in the provision in the 6-month periods ended June 30th, 2020 and 2019 are as follows:

	CONSOLIDATED	
	06/30/2020	06/30/2019
Opening Balance	1,928,072	1,701,729
(+) Constitution	431,753	290,002
(-) Reversal	(52,510)	(113,748)
(-) Write-off	(29,595)	(111,662)
Closing balance	<u>2,277,720</u>	<u>1,766,321</u>

The constitution and reversal of the provision was recorded in the income for the period as Operating Provisions (see Note 29.1). The values are written-off from the provision and recognized as definitive losses when there is no longer any expectation to recover the funds.

NOTE 8 – FINANCING AND LOANS

	Average Rate		PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Itaipu	7.00	7.04	6,211,469	5,843,724	6,211,469	5,843,724
CGT Eletrosul (a)	4.54	4.79	1,240,329	411,054	-	-
Furnas	5.92	6.14	1,545,259	2,510,010	-	-
Amazonas GT (b)	4.62	6.50	2,406,805	2,470,505	-	-
Eletronuclear	6.12	7.01	1,789,521	1,822,991	-	-
Eletronorte (b)	5.54	5.81	586,906	1,133,212	-	-
CEAL	5.78	7.28	1,517,619	1,564,724	1,517,619	1,564,724
Eletrosul (a)	-	5.00	-	778,691	-	-
Eletropaulo	2.78	6.96	993,151	1,314,107	993,151	1,314,107
Amazonas D	5.75	7.38	4,000,296	3,949,748	4,000,296	3,949,748
CEPISA	3.86	5.42	655,768	746,427	655,768	746,427
Boa Vista	4.07	5.49	154,215	160,309	154,215	160,309
CELPA	5.97	5.96	6,213	6,236	6,213	6,236
Equatorial Maranhão D	0.21	0.25	84,873	92,986	84,873	92,986
GRR Transfer	5.00	5.00	1,062,955	1,101,161	1,062,955	1,101,161
Other	-	-	138,646	129,952	138,646	130,037
(-) PECLD	-	-	(792,538)	(632,643)	(792,538)	(632,643)
Total			21,601,487	23,403,194	14,032,667	14,276,816

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.
b) Eletronorte acquired shares from Amazonas GT, see Note 4.

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current	6,293,585	5,120,734	4,772,313	3,473,393
Charges	284,404	293,481	222,897	215,929
Principal	6,009,181	4,827,253	4,549,416	3,257,464
Non-Current	15,307,902	18,282,460	9,260,354	10,803,423
Total	21,601,487	23,403,194	14,032,667	14,276,816

Financing and loans granted are made with the Company's own funds and outside funds collected through international development agencies, financial institutions, and resulting from the entry of marketable securities in the domestic and international financial market.

All financing and loans granted are backed by formal contracts signed with the borrowers. The receipt of these amounts, for the most part, is established in monthly installments, payable over an average period of 10 years, with an average interest rate of 6.27% per annum, weighted by the balance of the portfolio.

The parent company is the creditor of a loan with Itaipu with a currency update clause representing 42% of the total of the consolidated portfolio (41% on December 31st, 2019). As for all other financing and loans, they include updates based on indexes representing the level of domestic prices in Brazil and reach 58% of the balance of the consolidated portfolio (59% on December 31st, 2019).

The parent company has a loan with Amazonas Distribuidora de Energia in the amount of BRL 4 billion, which substantially represents the non-capitalized receivables in the process of disposal of corporate control. These agreements were renegotiated with a grace period of up to 3 years to amortize the principal. During this grace period, interest is received. In addition, the renegotiation considered the term ended January 2021 for the presentation of security interests that must be previously assessed and approved by Eletrobras' Management.

In addition to the aforementioned financing, Eletrobras, until April 30th, 2017, was responsible for the management of the Global Reversal Reserve (GRR), a sectorial fund, after having been responsible for granting financing, with the use of these funds, for the implementation of several sectorial programs. As of May 2017, with the enactment of Act 13360/2016, the CCEE took over this activity. However, there still is financing made before this date, due by third parties, managed by Eletrobras.

According to Decree 9022/2017, which regulates the aforementioned law, Eletrobras is not a guarantor of these operations taken by third parties, but they are responsible for the contractual management of

financing agreements with GRR funds entered into until November 17th, 2016, which must be transferred to the GRR, within five days from the date of the actual payment by the debtor.

On July 26th, 2020, the Board of Directors approved the conversion of AFAC agreements into new shares of Eletronuclear in the total amount of BRL 850,000 (further details in Note 12) and capitalization of financing agreements in which Eletrobras is a creditor in the amount of BRL 1,035,778.

8.1 – GRR Transfer

With the process of sale of the distribution companies completed, the transfer of the management of GRR funds to CCEE in accordance with Act 13360/2016 and in line with the provisions contained in Decree 9022/2017, as of June 2019, the Company reviewed the way they presented the amounts raised and transferred to third parties, with GRR funds, in order to more adequately present the funds under Eletrobras' responsibility for those loans and financing which are not owed by Eletrobras and must be paid off by third parties to the GRR, with Eletrobras being responsible only for the contractual management of these loans. Accordingly, the amounts from June 30th, 2020, referring to the receivables from loans and financing granted with GRR funds to third parties were segregated from all other Eletrobras receivables and have equivalent liabilities (see Note 18).

PARENT COMPANY AND CONSOLIDATED					
GRR Transfer	06/30/2020			12/31/2019	
	Charges	Current	Non-Current	Total	Total
Amazonas D	20,006	63,259	11,089	94,354	97,931
ELMA	11,110	3,143	-	14,253	13,791
Enerleste	1,579	1,424	-	3,003	2,953
Global	142,904	44,100	-	187,004	180,647
CELPA	15,800	6,795	658,451	681,046	685,072
CEMIG	-	6,111	6,883	12,994	19,100
COELCE	-	6,340	4,926	11,266	14,298
RGE-Sul	-	-	-	-	5,882
Others	-	20,222	38,813	59,035	81,487
	191,399	151,394	720,162	1,062,955	1,101,161
Liabilities					
CCEE GRR	191,399	151,394	720,162	1,062,955	1,101,161

8.2 - Provision for Estimated Loss in Doubtful Credits – PECLD Loans receivable

The Company recognized, until June 30th, 2020, provisions for doubtful credits amounting to BRL 792,538 (BRL 538,245 as of June 30th, 2019). This provision volume is deemed sufficient by Company management to cover expected losses in these assets, based on an analysis of the portfolio behavior.

The changes in the provision of financing and loans granted by the Company for the periods ended June 30th, 2020 and 2019 are as follows:

PARENT COMPANY AND CONSOLIDATED		
	06/30/2020	06/30/2019
Opening balance	632,643	307,655
(+) Complement	216,294	361,453
(-) Reversals	(56,399)	(130,863)
Closing balance	792,538	538,245

The constitution and reversal of the PECLD was recorded in the income for the period as Operating Provisions (see Note 29.1).

NOTE 9 – REMUNERATION FROM EQUITY INTERESTS

The amounts shown refer to dividends and interest on equity receivable, net of Withholding Tax, when applicable, arising from permanent investments held by the Company.

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current				
Subsidiaries				
Eletronorte	669,353	1,344,233	-	-
Chesf	944,164	1,170,627	-	-
Furnas	1,155,502	759,926	-	-
CGT Eletrosul (a)	113,426	110,775	-	-
Eletrosul (a)	-	40,664	-	-
Affiliated Companies				
CTEEP	-	32,324	-	32,928
CEE Generation	33,964	30,040	33,964	30,040
Chapecoense	-	-	29,090	29,090
Lajeado Energia	23,975	23,975	23,975	23,975
CEB Lajeado	8,495	18,707	8,495	18,707
Transenergia São Paulo	-	-	15,066	17,271
Paulista Lajeado	17,050	16,221	17,050	16,221
Belo Monte Transmissora	-	-	13,810	13,810
Enerpeixe	-	-	21,769	12,236
Goiás Transmissão	-	-	10,198	11,668
EMAE	-	10,999	-	11,175
Manaus Construtora	-	-	9,178	9,178
TSLE	-	-	5,482	8,065
EAPSA	-	-	6,675	6,675
Retiro Baixo Energético	-	-	6,357	6,357
Paranaíba Transmissora de Energia	-	-	5,986	5,985
MGE Transmissão	-	-	5,616	5,616
Transenergia Renovável	-	-	-	4,492
Sete Gameleiras	4,176	4,176	4,176	4,176
Caldas Novas Transmissão	-	-	1,231	1,231
Others	10,239	29,836	11,507	31,003
	<u>2,980,344</u>	<u>3,592,503</u>	<u>229,625</u>	<u>299,899</u>

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

NOTE 10 - RECOVERABLE TAXES AND INCOME TAX AND SOCIAL CONTRIBUTIONS

10.1 - Recoverable Taxes

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current Assets				
IRRF	309,576	767,055	597,956	1,083,278
PIS/PASEP/COFINS to offset	47,337	40,095	140,679	203,541
ICMS recoverable	-	-	5,801	128,329
Others	-	-	67,627	59,514
	<u>356,913</u>	<u>807,150</u>	<u>812,063</u>	<u>1,474,662</u>
Non-current Assets				
ICMS recoverable	-	-	38,596	38,231
PIS/COFINS recoverable	-	-	180,113	178,655
IT/SC	-	-	192,977	154,389
Others	-	-	49,259	49,095
	<u>-</u>	<u>-</u>	<u>460,945</u>	<u>420,370</u>

10.2 - Income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current Assets				
Advance Payments/Negative Balance of IRPJ and CSLL	1,064,699	309,033	2,908,739	2,382,899
Non-current Assets				
Deferred IRPJ and CSLL	-	-	322,742	463,451
Non-current Liabilities				
Deferred IRPJ and CSLL	598,774	628,904	4,479,717	3,978,754

In the second quarter of 2020, there were no pre-payments of IRPJ and CSLL, since there was no tax due on the taxable result at the parent company. In addition, due to the 2019 financial year having ended with a tax loss, the pre-payments of IRPJ and CSLL made and the accrued IRPJ balance in 2019 were transferred to entry "negative IRPJ and CSLL balance" (tax credit), which can be used to pay taxes managed by the Brazilian Federal Internal Revenue Services over the next five years.

10.3 - Formation of the deferred income tax and social contribution

a) Deferred taxes by subsidiaries

	06/30/2020			12/31/2019		
	Assets	Liabilities	Net Effect assets (liabilities)	Assets	Liabilities	Net Effect assets (liabilities)
Deferred assets						
Eletronorte	1,993,052	(1,670,310)	322,742	2,039,253	(1,596,809)	442,445
Amazonas GT	-	-	-	21,006	-	21,006
Total	1,993,052	(1,670,310)	322,742	2,060,259	(1,596,809)	463,451
Deferred liabilities						
CGT Eletrosul (a)	944,981	(1,060,272)	(115,291)	-	-	-
Eletrosul (a)	-	-	-	546,089	(895,263)	(349,174)
Eletrobras	-	(598,774)	(598,774)	-	(628,904)	(628,904)
Furnas	2,490,132	(5,690,398)	(3,200,266)	2,541,558	(5,126,228)	(2,584,670)
Chesf	1,228,991	(1,787,415)	(558,424)	1,258,550	(1,662,708)	(404,159)
Eletropar	-	(6,962)	(6,962)	-	(11,847)	(11,847)
Eletronuclear	822,678	(822,678)	-	777,235	(777,235)	-
Total	5,486,782	(9,966,499)	(4,479,717)	5,123,432	(9,102,185)	(3,978,754)
TOTAL	7,479,834	(11,636,809)		7,183,691	(10,698,994)	

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

b) Deferred taxes per category of taxes

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Deferred tax assets				
Tax Liabilities on Tax Loss and Negative Base	-	-	688,597	743,924
Operating Provisions	-	-	2,364,340	2,693,087
Adjustment from Act 11638/2007- RTT (IFRS)	-	-	439,767	521,867
Allowance for Contingencies	-	-	1,588,188	1,530,541
Allowance for doubtful accounts	-	-	1,202,459	1,052,746
Provision for losses on investments	-	-	219,173	219,173
Others	-	-	977,310	422,353
Total Assets	-	-	7,479,834	7,183,691
Deferred tax liabilities				
Remuneration of Basic Grid of Existing Systems	-	-	8,913,718	7,806,665
Tax debt	-	-	546,444	546,444
Financial instruments VJORA	598,774	628,904	604,602	638,821
Accelerated depreciation	-	-	242,482	225,806
AVP on Demobilization of the Asset	-	-	765,667	742,720
Others	-	-	563,896	738,538
Total Liabilities	598,774	628,904	11,636,809	10,698,994

The subsidiaries that have a history of deferred tax realization prepare their taxable income projections, which are expected to be realized within 10 years. The amounts recognized reflect the best estimate as to its realization, and its base is formed by tax loss and negative basis of social contribution of each entity. Subsidiary Eletronorte has deferred assets resulting from tax loss and negative basis of social contribution, whose realization by future financial year is as follows:

	06/30/2020
2020	68,094
2021	119,966
2022	155,840
2023	176,677
2024	168,019
	<u>688,596</u>

In addition to this, certain of the Company's subsidiaries do not have a future taxable income perspective and, therefore, have deferred taxable credit of tax losses and negative base of social contribution not recorded in the amount of BRL 4,404,928 as of June 30th, 2020 (BRL 2,771,985 at December 31st, 2019). Due to operation to incorporate CGTEE and Eletrosul, tax credit deriving from tax loss and CSLL negative base in the amount of BRL 1,507,450 may come to be acknowledged if evidences of future taxable income are identified.

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

	PARENT COMPANY				CONSOLIDATED			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Adjustment of Actuarial Earnings and Losses	-	-	-	-	-	7,580	-	-
Re-measurement of fair value of financial instruments through ORA	(89,582)	30,130	(40,192)	(83,680)	(91,709)	34,219	(40,192)	(101,451)
Share in the comprehensive income of subsidiaries, affiliated companies and shared control companies	-	-	-	-	-	-	-	17,770
Total current income and social contribution taxes recognized in other comprehensive income	(89,582)	30,130	(40,192)	(83,680)	(91,709)	41,799	(40,192)	(83,681)

NOTE 11 - REIMBURSEMENT RIGHTS AND OBLIGATIONS

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current Assets				
CCC	-	-	71,895	48,458
Non-current Assets				
CCC	6,828,122	9,063,900	6,860,835	9,096,614
CCC Provision - PECLD (a)	(1,390,036)	(3,681,066)	(1,390,036)	(3,681,067)
	<u>5,438,086</u>	<u>5,382,834</u>	<u>5,470,799</u>	<u>5,415,547</u>
Total reimbursement rights	<u>5,438,086</u>	<u>5,382,834</u>	<u>5,542,694</u>	<u>5,464,005</u>
Current Liabilities				
PROINFA (b)	1,997,778	1,796,753	1,997,778	1,796,753
Total of reimbursement obligations	<u>1,997,778</u>	<u>1,796,753</u>	<u>1,997,778</u>	<u>1,796,753</u>

a) CCC Provision – PECLD: Based on the results of the inspections performed by ANEEL, the Company made an ultimate write-off in the amount of BRL 2,282,037 related to the CCC assets which were provisioned, with no impact on the income for the first half of 2020.

b) PROINFA: electricity trading transactions within the scope of the Alternative Energy Sources Incentive Program (PROINFA) generated a positive net balance of BRL 201,025 in the period ended June 30th, 2020 (BRL 592,020 positive in the period ended June 30th, 2019), and there was no effect on the Company's net income for the period, with this amount being included under the entry Reimbursement Obligations.



NOTE 12 – ADVANCE FOR FUTURE CAPITAL INCREASE

The Company and its subsidiaries show, under non-current assets, amounts corresponding to an advance for future capital increase (AFCI) in the following investees, according to the transfers shown below:

PARENT COMPANY				
	Balance on 12/31/2019	Additions	Adjustment for inflation	Balance on 06/30/2020
Eletronuclear	700,000	150,000	-	850,000
CGT Eletrosul (a)	12,764	131,339	648	144,751
Furnas	61,704	-	1,081	62,785
Total	774,468	281,339	1,729	1,057,536

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

PARENT COMPANY				
	Balance on 12/31/2018	Additions	Adjustment for inflation	Balance on 06/30/2019
CGTEE	1,069,774	246,544	33,066	1,349,384
Furnas	58,242	-	1,787	60,029
Hermenegildo III	11,834	-	-	11,834
Other Investments	882	-	-	882
Total	1,140,732	246,544	34,853	1,422,129

CONSOLIDATED				
	Balance on 12/31/2019	Additions	Capitalizations	Balance on 06/30/2020
Investments assessed by the equity method				
Energia Sustentável do Brasil	138,400	6,000	(144,400)	-
Fronteira Oeste Transmissora de Energia S.A.	41,316	-	(41,316)	-
Other Investments				
Retiro Baixo	1,225	-	-	1,225
Baguari	316	-	-	316
Total	181,257	6,000	(185,716)	1,541

CONSOLIDATED							
	Balance on 12/31/2018	Additions	Returns	Capitalizations	Adjustment for inflation	Transfer	Balance on 06/30/2019
Investments assessed by the equity method							
Energia Sustentável do Brasil	337,200	43,600	-	(337,200)	-	-	43,600
TDG Transmissora Delmiro Gouveia	101,000	-	-	-	-	-	101,000
Fronteira Oeste Transmissora de Energia S.A.	13,010	23,460	-	-	-	-	36,470
Vamcruz I Participações S.A.	5,929	-	(5,027)	-	849	(1,751)	-
Other Investments							
Retiro Baixo	316	-	-	-	-	-	316
Baguari	1,225	-	-	-	-	-	1,225
Others	883	-	-	-	-	-	883
Total	459,563	67,060	(5,027)	(337,200)	849	(1,751)	183,494

Eletronuclear

On June 26th, 2020, the Board of Directors approved the conversion of AFAC agreements into new shares of Eletronuclear in the total amount of BRL 850,000 and capitalization of financing agreements in which Eletrobras is a creditor in the amount of BRL 1,035,778.

NOTE 13 – INVESTMENTS
Valued using the Equity Method

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Subsidiaries				
Furnas	23,383,351	21,462,772	-	-
Chesf	18,816,391	17,612,978	-	-
Eletrosul (a)	-	6,023,072	-	-
Eletronorte	15,417,084	17,777,911	-	-
Eletropar	166,037	147,674	-	-
Eletronuclear	2,315,736	2,000,283	-	-
CGT Eletrosul (a)	6,881,250	333,505	-	-
	66,979,849	65,358,195	-	-

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Joint subsidiary				
Norte Energia	2,059,977	2,110,038	6,863,847	7,030,651
Energia Sustentável do Brasil	-	-	3,764,570	3,662,120
Belo Monte Transmissora	-	-	1,763,854	1,701,956
Madeira Energia	-	-	1,359,120	1,595,099
Interligação Elétrica do Madeira	-	-	1,468,916	1,511,061
Norte Brasil Transmissora de Energia S.A.	-	-	926,057	890,833
Teles Pires Participações	-	-	749,379	753,865
Companhia Energética Sinop	-	-	720,810	704,110
Empresa de Energia São Manoel	-	-	644,232	657,106
Mata de Santa Genebra	-	-	603,214	570,803
Chapecoense Geração	-	-	474,116	409,864
Interligação Elétrica Garanhuns S.A.	-	-	386,798	373,363
Enerpeixe	-	-	236,830	254,272
Transmissora Sul Litorânea de Energia	-	-	213,461	214,643
STN - Sistema de Transmissão Nordeste S.A.	-	-	239,644	213,480
Goiás Transmissão S.A.	-	-	207,566	204,859
Paranaíba Transmissora de Energia	-	-	204,535	193,968
Transenergia Renovável	-	-	148,399	146,387
Retiro Baixo Energética	-	-	152,148	144,796
MGE Transmissão S.A.	-	-	141,921	139,176
Transnorte Energia	-	-	134,699	134,778
Rouar S.A.	137,665	109,643	137,665	109,643
Triângulo Mineiro Transmissora	-	-	116,362	112,865
Vale do São Bartolomeu	-	-	61,106	60,305
Others	273,981	201,721	650,139	508,839
	2,471,623	2,421,402	22,369,388	22,298,842

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Affiliated Companies				
CTEEP	3,989,060	3,613,866	4,063,331	3,681,099
Lajeado Energia	67,230	67,230	67,230	67,230
CEB Lajeado	61,736	63,047	61,736	63,047
Paulista Lajeado	32,957	29,967	32,957	29,967
Energética Águas da Pedra S.A.	-	-	257,092	233,604
Others	2,237,757	2,113,771	2,252,222	2,128,030
	6,388,740	5,887,881	6,734,568	6,202,977
SUBTOTAL	75,840,212	73,667,478	29,103,956	28,501,819
Provision for losses on investments	(181)	(181)	(1,407,110)	(1,445,890)
TOTAL	75,840,031	73,667,297	27,696,846	27,055,929

Measured at fair value

	BOOK VALUE (a)	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	06/30/2020	12/31/2019	06/30/2020	12/31/2019
AES Tietê	188,336	496,983	509,019	496,983	509,019
Coelce	52,340	279,712	301,218	279,712	301,218
Energisa S.A.	389,337	411,659	449,718	411,659	449,718
Cesp	122,284	198,493	214,488	198,493	214,488
Celpa	15,059	82,262	81,376	82,262	81,376
Celesc	144,069	221,858	213,556	221,858	213,556
CELPE	10,365	31,383	30,225	31,383	30,225
Energisa MT	2,845	12,000	12,796	12,000	12,796
COPEL	44,247	92,520	105,776	92,520	105,776
CGEEP	3,924	20,046	20,982	20,046	20,982
CEB	11,861	22,329	18,439	22,329	18,439
Others	14,516	12,616	12,886	83,259	99,397
	<u>999,183</u>	<u>1,881,861</u>	<u>1,970,479</u>	<u>1,952,504</u>	<u>2,056,990</u>

a) Equity value according to Eletrobras' interest in the companies' capital stock.

13.1 - Provisions for investment losses

	CONSOLIDATED	
	06/30/2020	12/31/2019
Energia Sustentável do Brasil	821,276	821,276
Companhia Energética Sinop	188,670	201,100
Empresa de Energia São Manoel	166,803	128,694
Transnorte Energia S.A.	94,805	94,805
Belo Monte Transmissora	89,200	80,312
Madeira Energia	2,997	76,168
Interligação Elétrica Garanhuns S.A.	34,740	34,740
Inambari Geração de Energia	274	274
Others	8,345	8,521
	<u>1,407,110</u>	<u>1,445,890</u>

13.2 - Change of investments

The most relevant investments of the Company are indicated below:

Subsidiaries and associated companies	PARENT COMPANY								
	Balance on 12/31/2019	Capital Gains/ Loss	Other Comprehensive Income	Incorporation	Adjustment of investees	Dividends and Interest on shareholder's equity	Equity method	Transfer	Balance on 06/30/2020
Furnas	21,462,772	-	-	-	-	(375,654)	2,296,233	-	23,383,351
Chesf	17,612,978	-	(42,127)	-	-	-	1,245,540	-	18,816,391
Eletrosul (a)	6,023,072	-	-	(6,023,072)	-	-	-	-	-
Eletronorte (b)	17,777,911	-	-	-	-	-	744,240	(3,105,067)	15,417,084
CGT Eletrosul (a)	333,505	(4,123)	166	6,023,072	-	40,670	487,960	-	6,881,250
Eletronuclear	2,000,283	-	-	-	-	-	315,453	-	2,315,736
Eletropar	147,674	-	(7,763)	-	-	-	26,126	-	166,037
Norte Energia	2,110,038	-	-	-	-	-	(50,061)	-	2,059,977
Rouar S.A.	109,643	-	31,243	-	-	-	(3,221)	-	137,665
CTEEP	3,613,866	-	11,195	-	-	(53,039)	417,038	-	3,989,060
Lajeado Energia	67,230	-	-	-	-	-	-	-	67,230
CEB Lajeado	63,047	-	6	-	-	(13,659)	12,342	-	61,736
Paulista Lajeado	29,967	-	-	-	-	-	2,990	-	32,957
Others	2,315,492	-	84,622	-	(3,697)	(21,759)	137,082	-	2,511,738
Total Investments	73,667,478	(4,123)	77,342	-	(3,697)	(423,441)	5,631,722	(3,105,067)	75,840,212

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

b) Eletronorte acquired shares from Amazonas GT, see Note 4.

Subsidiaries and associated companies	PARENT COMPANY					
	Balance on 12/31/2018	Other Comprehensive Income	Adjustment of investees	Dividends and Interest on shareholder's equity	Equity method	Balance on 06/30/2019
Furnas	20,754,919	(18,208)	(125,298)	(439,779)	1,462,338	21,633,972
Chesf	15,310,867	(48,776)	-	-	1,011,791	16,273,881
Eletrosul	6,019,757	-	-	(86,934)	264,548	6,197,372
Eletronorte	17,324,305	-	(168,340)	-	694,875	17,850,840
Eletronuclear	2,300,626	19,377	-	-	(71,890)	2,248,112
Eletropar	156,902	-	-	(18,191)	4,374	143,085
Norte Energia	2,036,157	-	-	-	34,791	2,070,948
Rouar	124,448	(1,365)	-	-	(1,028)	122,056
CTEEP	3,951,302	(998)	(348,780)	-	276,799	3,878,323
Lajeado Energia	79,923	(14)	17,381	(66,715)	28,970	59,545
CEB Lajeado	52,804	-	-	(11,221)	16,661	58,244
Paulista Lajeado	30,241	-	-	(7,259)	2,765	25,747
Others	2,341,272	(3,262)	(77,661)	(118,980)	219,301	2,360,670
Total Investments	70,483,523	(53,246)	(702,698)	(749,079)	3,944,295	72,922,795

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Subsidiaries, associated companies and jointly-controlled ventures	Balance on 12/31/2019	Capital payment/Write-off	Write-off	Other Comprehensive Income	Capitalization of AFAC	Adjustment of investees	Dividends and Interest on shareholder's equity	Equity method	Balance on 06/30/2020
Norte Energia	7,030,651	-	-	-	-	-	-	(166,804)	6,863,847
CTEEP	3,681,099	-	-	11,403	-	-	(54,030)	424,859	4,063,331
Energia Sustentável do Brasil	3,662,120	-	-	-	144,400	-	-	(41,950)	3,764,570
Belo Monte Transmissora	1,701,956	-	-	-	-	318	-	61,580	1,763,854
Madeira Energia	1,595,099	-	-	-	-	-	-	(235,979)	1,359,120
Interligação Elétrica do Madeira	1,511,061	-	-	-	-	-	-	(42,145)	1,468,916
Norte Brasil Transmissora de Energia S.A.	890,833	-	-	-	-	-	-	35,224	926,057
Teles Pires Participações	753,865	9,981	-	-	-	-	-	(14,467)	749,379
Companhia Energética Sinop	704,110	-	-	-	-	-	-	16,700	720,810
Empresa de Energia São Manoel	657,106	-	-	-	-	-	-	(12,874)	644,232
Mata de Santa Genebra	570,803	25,250	-	-	-	-	-	7,161	603,214
Chapecoense Geração	409,864	-	-	-	-	-	-	64,252	474,116
Interligação Elétrica Garanhuns S.A.	373,363	-	-	-	-	-	-	13,435	386,798
Enerpeixe	254,272	-	-	-	-	-	(21,770)	4,328	236,830
Energética Águas da Pedra S.A.	233,604	-	-	-	-	-	(6,675)	30,163	257,092
Transmissora Sul Litorânea de Energia	214,643	-	-	-	-	-	-	(1,182)	213,461
STN - Sistema de Transmissão Nordeste S.A.	213,480	9,981	-	-	-	-	(12,274)	28,457	239,644
Goiás Transmissão S.A.	204,859	-	-	-	-	-	-	2,707	207,566
Paranaíba Transmissora de Energia	193,968	-	-	-	-	-	-	10,567	204,535
Rouar S.A.	109,643	-	-	31,243	-	-	-	(3,221)	137,665
Transnorte Energia	134,778	-	-	-	-	-	-	(79)	134,699
MGE Transmissão S.A.	139,176	-	-	-	-	-	-	2,745	141,921
Transenergia Renovável	146,387	-	-	-	-	-	(1,388)	3,400	148,399
Retiro Baixo Energética	144,796	-	-	-	-	-	-	7,352	152,148
Triângulo Mineiro Transmissora	112,865	-	-	-	-	-	-	3,497	116,362
Vale do São Bartolomeu	60,305	-	-	-	-	-	-	801	61,106
Lajeado Energia	67,230	-	-	-	-	-	-	-	67,230
CEB Lajeado	63,047	-	-	6	-	-	(13,659)	12,342	61,736
Paulista Lajeado	29,967	-	-	-	-	-	-	2,990	32,957
Others	2,636,869	-	(1,244)	84,622	52,339	385	(29,986)	159,376	2,902,361
Total Investments	28,501,819	45,212	(1,244)	127,274	196,739	703	139,782	373,235	29,103,956

Subsidiaries, associated companies and jointly-controlled ventures	Balance on 12/31/2018	Capital payment/Write-off	Other Comprehensive Income	Capitalization of AFAC	Adjustment of investees	Dividends and Interest on shareholder's equity	Equity method	Balance on 06/30/2019
Norte Energia	6,863,523	-	-	-	-	-	34,626	6,898,149
CTEEP	4,024,671	-	(998)	-	(348,780)	-	276,110	3,951,003
Energia Sustentável do Brasil	3,363,219	168,600	-	168,600	-	-	(101,809)	3,598,610
Madeira Energia	2,004,915	-	-	-	-	-	(195,776)	1,809,139
Belo Monte Transmissora	1,603,211	-	-	-	(1,641)	12,503	57,119	1,671,192
Interligação Elétrica do Madeira	1,377,984	-	-	-	-	-	63,408	1,441,392
Norte Brasil Transmissora de Energia S.A.	1,082,843	-	-	-	(193,004)	(15,589)	33,150	907,400
Teles Pires Participações	727,840	31,767	-	-	-	-	(12,294)	747,313
Empresa de Energia São Manoel	644,735	3,000	-	-	-	-	(13,019)	634,716
Companhia Energética Sinop S.A.	479,280	130,308	-	-	-	-	(26,105)	583,483
Mata de Santa Genebra	482,329	39,921	-	-	-	-	(51,779)	470,471
Chapecoense Geração	395,841	-	-	-	-	-	54,271	450,112
Rouar S.A	124,448	-	(1,365)	-	-	-	(1,028)	122,056
Interligação Elétrica Garanhuns S.A.	342,776	-	-	-	-	(4,606)	15,977	354,147
Enerpeixe	260,599	(32,000)	-	-	-	(8,035)	27,236	247,800
Energética Águas da Pedra S.A.	218,301	-	-	-	-	(11,525)	32,144	238,920
Transmissora Sul Litorânea de Energia	233,594	-	-	-	-	194	(21,023)	212,765
Goiás Transmissão S.A.	188,574	-	-	-	-	-	3,936	192,510
STN - Sistema de Transmissão Nordeste S.A.	165,749	-	-	-	-	(1,889)	50,326	214,186
Transnorte Energia S.A.	139,814	-	-	-	-	(72)	(4,135)	135,607
MGE Transmissão S.A.	127,583	-	-	-	-	-	1,755	129,338
Transenergia Renovável	143,185	-	-	-	-	-	3,052	146,237
Retiro Baixo Energética	134,277	-	-	-	-	-	4,522	138,799
Paranaíba Transmissora	184,358	-	-	-	-	-	6,137	190,495
Vale do São Bartolomeu	51,173	-	-	-	(1)	-	2,343	53,515
Triângulo Mineiro Transmissora	91,698	-	-	-	-	-	12,731	104,429
CEB Lajeado	52,804	-	-	-	-	(11,221)	16,661	58,244
Lajeado Energia	79,923	-	(14)	-	17,381	(66,715)	28,970	59,545
Paulista Lajeado	30,241	-	-	-	-	(7,259)	2,765	25,747
Others	2,690,954	-	(3,262)	-	(77,661)	(137,130)	217,954	2,690,855
Total Investments	28,310,442	341,596	(5,639)	168,600	(603,706)	(251,344)	518,225	28,478,175

13.3 Summary of information on the main joint ventures and affiliated companies

06/30/2020

Joint ventures and affiliates	Interest	ASSETS					LIABILITIES					Net equity
		Current		Non-Current			Current		Non-Current			
		Cash and cash equivalents	Other Assets	Financial assets, Contractual assets, intangible assets and fixed assets	Other Assets	Total Assets	Loans, financings and debentures	Other liabilities	Loans, financings and debentures	Other liabilities	Total Liabilities	
Norte Energia	49.98%	567,355	729,951	42,698,722	705,779	44,701,807	1,571,331	1,489,384	26,642,286	1,265,625	30,968,626	13,733,181
Energia Sustentável do Brasil	40.00%	218,886	540,449	18,826,255	1,362,405	20,947,995	413,655	362,396	9,952,425	808,093	11,536,569	9,411,426
Belo Monte Transmissora	49.00%	35,786	835,468	6,509,324	127,547	7,508,124	397,557	97,459	2,848,311	552,144	3,895,470	3,612,654
Madeira Energia	43.00%	291,129	625,018	19,457,040	1,852,665	22,225,852	338,948	765,125	15,981,817	1,983,284	19,069,174	3,156,678
Interligação Elétrica do Madeira S.A.	49.00%	166	913,802	5,328,531	87,152	6,329,651	177,739	216,711	1,599,421	1,337,991	3,331,862	2,997,789
Norte Brasil Transmissora de Energia S.A.	49.00%	101,335	335,986	2,994,384	62,750	3,494,455	209,330	81,784	901,652	407,191	1,599,957	1,894,498
Teles Pires Participações	45.00%	82,938	114,847	4,668,161	324,919	5,190,865	188,138	105,452	2,810,342	533,789	3,637,721	1,553,144
Companhia Energética Sinop	49.00%	190,735	60,918	2,236,230	464,240	2,952,123	20,428	41,143	1,094,601	324,911	1,481,083	1,471,040
Empresa de Energia São Manoel	33.00%	33,692	115,849	3,312,777	428,226	3,890,544	78,081	46,518	1,769,934	65,235	1,959,768	1,930,776
Mata de Santa Genebra	50.00%	9,112	286,102	2,436,490	43,966	2,775,670	60,506	70,895	1,234,731	197,817	1,563,949	1,211,721
Chapecoense Geração S.A.	40.00%	374,190	113,233	2,668,063	29,223	3,184,709	138,297	273,338	845,655	742,129	1,999,419	1,185,290
Interligação Elétrica Garanhuns S.A.	49.00%	34,130	99,467	1,029,482	11,715	1,174,794	33,331	23,330	169,831	158,916	385,408	789,386
Enerpeixe S.A.	40.00%	363,196	126,051	1,391,342	185,961	2,066,550	278,091	461,749	414,556	316,864	1,471,260	595,290
Transmissora Sul Litorânea de Energia STN - Sistema de Transmissão Nordeste S.A.	20.00%	13,324	45,476	2,576	918,057	979,433	31,207	24,522	348,123	157,030	560,882	418,551
Goiás Transmissão S.A.	49.00%	110,357	116,861	469,546	37,709	734,473	11,697	53,408	20,681	179,987	265,773	468,700
Paranaíba Transmissora	24.50%	14,204	5,620	609,046	8,048	636,918	17,888	31,333	149,529	40,968	239,718	397,200
Transenergia Renovável S.A.	49.00%	30,223	18,191	1,889,404	25,678	1,963,496	60,594	43,385	560,250	464,427	1,128,656	834,840
Retiro Baixo Energética S.A.	49.00%	14,793	7,921	383,083	5,297	411,094	15,480	5,692	74,844	25,763	121,779	289,315
MGE Transmissão S.A.	49.00%	68,567	13,156	329,482	8,909	420,114	13,702	19,679	62,760	9,436	105,577	314,537
Transnorte Energia S.A.	49.00%	15,542	3,543	353,804	4,298	377,187	9,397	18,087	53,147	24,067	104,698	272,489
Rouar	50.00%	4,799	5,031	294,488	-	304,318	49	1,871	45	34,813	36,778	267,540
Triângulo Mineiro Transmissora	50.00%	68,184	5,463	326,407	17,956	418,010	12,716	1,314	164,083	20,643	198,756	219,254
Vale do São Bartolomeu	49.00%	3,448	11,907	462,264	13,260	490,879	23,276	12,112	67,828	11,103	114,319	376,560
CTEEP	39.00%	3,183	7,521	474,214	11,739	496,657	23,111	7,298	63,212	11,229	104,850	391,807
Lajeado Energia	36.05%	1,320,153	3,646,483	118,017	17,346,916	22,431,569	1,293,764	541,940	2,839,257	4,440,092	9,115,053	13,316,516
CEB Lajeado	40.07%	28,188	81,120	147	1,147,797	1,257,252	157,914	152,886	479,494	97,619	887,913	369,339
Paulista Lajeado	40.07%	70,698	20,652	260,520	12,651	364,521	-	55,138	-	817	55,955	308,566
Energética Águas da Pedra S.A.	40.07%	9,564	10,170	116,654	24,531	160,919	-	35,374	-	782	36,156	124,763
Energética Águas da Pedra S.A.	49.00%	118,316	44,730	642,181	26,114	831,341	35,322	51,004	193,739	14,845	294,910	536,431

06/30/2020

Joint ventures and affiliates	Net operating revenue	Financial revenue	Financial expense	Taxes on Profits	Net Profit (Loss)	Depreciation and Amortization
Norte Energia	2,148,152	124,330	(987,396)	60,300	(333,742)	(2,425)
Energia Sustentável do Brasil	1,290,147	6,353	(409,384)	51,795	(104,875)	(409,778)
Belo Monte Transmissora	381,054	4,351	(138,079)	(69,741)	125,675	(303)
Madeira Energia	1,533,927	59,135	(861,517)	4,869	(548,082)	(439,403)
Interligação Elétrica do Madeira S.A.	234,196	6,623	(239,591)	49,091	(86,009)	(3,460)
Norte Brasil Transmissora de Energia S.A.	163,403	1,943	(41,863)	(3,697)	71,887	-
Teles Pires Participações	391,305	4,811	(111,427)	6,050	(29,379)	(94,218)
Companhia Energética Sinop	132,858	3,868	(58,869)	1,476	(3,033)	(46,068)
Empresa de Energia São Manoel	173,963	3,403	(81,659)	20,924	(40,561)	(56,234)
Mata de Santa Genebra	166,007	1,046	(47,062)	(8,703)	16,695	(39)
Chapecoense Geração S.A.	460,248	5,732	(78,653)	(83,115)	160,632	(43,296)
Interligação Elétrica Garanhuns S.A.	45,126	625	(6,594)	(4,461)	27,417	(127)
Enerpeixe S.A.	127,708	11,764	(53,786)	(2,551)	14,032	(22,170)
Transmissora Sul Litorânea de Energia	35,479	675	(21,036)	1,028	(1,991)	(55)
STN - Sistema de Transmissão Nordeste S.A.	70,084	1,731	(3,325)	925	58,077	(3)
Goiás Transmissão S.A.	13,300	269	(5,612)	(726)	5,523	(35)
Paranaíba Transmissora	96,126	829	(23,595)	(20,642)	43,135	(275)
Transenergia Renovável S.A.	18,515	359	(3,578)	(765)	6,938	(35)
Retiro Baixo Energética S.A.	33,686	544	(2,621)	(1,213)	15,004	(4,370)
MGE Transmissão S.A.	14,051	259	(1,895)	(564)	5,855	(26)
Transnorte Energia S.A.	4,377	266	(17)	(1,489)	(162)	(23,409)
Rouar	16,965	822	11,814	3,670	(2,495)	(20,325)
Triângulo Mineiro Transmissora	12,928	275	(1,677)	(606)	7,137	(16)
Vale do São Bartolomeu	11,543	157	(1,481)	(536)	5,394	(11)
CTEEP	1,921,749	271,961	(358,202)	(464,369)	1,271,293	(8,861)
Lajeado Energia	352,616	6,112	(65,548)	(79,282)	152,704	(28,723)
CEB Lajeado	100,709	4,173	(3,269)	(7,624)	68,612	(5,903)
Paulista Lajeado	42,206	5,334	(128)	(2,814)	19,370	(4)
Energética Águas da Pedra S.A.	131,342	1,681	(9,156)	(11,829)	61,558	(14,674)

12/31/2019

	Interest	ASSETS					LIABILITIES					Net equity
		Current		Non-Current			Current		Non-Current			
		Cash and cash equivalents	Other Assets	Financial assets, Contractual assets, intangible assets and fixed assets	Other Assets	Total Assets	Loans, financings and debentures	Other liabilities	Loans, financings and debentures	Other liabilities	Total Liabilities	
Joint ventures and affiliates												
Norte Energia S.A.	49.98%	194,147	908,468	43,279,924	657,221	45,039,760	2,860,815	1,551,300	25,218,056	1,378,009	31,008,180	14,031,580
Energia Sustentável do Brasil	40.00%	122,422	606,459	19,232,356	1,304,520	21,265,757	446,741	479,396	10,035,991	1,148,330	12,110,458	9,155,299
Belo Monte Transmissora	49.00%	36,481	765,981	6,434,399	130,392	7,367,253	224,852	83,288	3,080,320	490,516	3,878,976	3,488,277
Madeira Energia S.A.	43.00%	77,538	672,399	19,915,145	1,764,490	22,429,572	284,507	892,490	15,675,160	1,872,655	18,724,812	3,704,760
Interligação Elétrica do Madeira S.A.	49.00%	276,806	624,764	5,291,424	89,644	6,282,638	251,430	221,127	1,623,559	1,102,724	3,198,840	3,083,798
Norte Brasil Transmissora de Energia S.A.	49.00%	69,886	333,290	2,963,093	57,317	3,423,586	223,237	81,438	901,994	394,305	1,600,974	1,822,612
Teles Pires Participações	49.72%	43,031	116,616	4,670,067	417,570	5,247,284	213,094	110,465	2,861,799	519,778	3,705,136	1,542,148
Companhia Energética Sinop	49.00%	85,459	89,213	2,178,234	594,036	2,946,942	26,823	30,414	1,330,892	84,741	1,472,870	1,474,072
Empresa de Energia São Manoel	33.00%	112,935	111,788	3,366,191	370,104	3,961,018	116,689	47,023	1,752,728	73,241	1,989,681	1,971,337
Mata de Santa Genebra	50.00%	33,616	12,688	2,544,168	289,562	2,880,034	95,074	36,407	1,207,619	431,139	1,770,239	1,109,795
Chapecoense Geração S.A.	40.00%	240,645	138,713	2,650,780	93,675	3,123,813	138,759	313,044	913,308	734,044	2,099,155	1,024,658
Interligação Elétrica Garanhuns S.A.	49.00%	3,770	121,017	1,022,777	11,882	1,159,446	33,399	22,812	186,232	155,034	397,477	761,969
Enerpeixe S.A.	40.00%	287,831	135,784	1,417,723	189,993	2,031,331	195,808	418,639	467,505	313,698	1,395,650	635,681
Transmissora Sul Litorânea de Energia	51.00%	17,073	46,475	2,583	930,468	996,599	29,386	38,772	360,282	147,291	575,731	420,868
STN - Sistema de Transmissão Nordeste S.A.	49.00%	65,277	171,005	476,807	36,349	749,438	23,644	49,609	55,122	185,388	313,763	435,675
Goiás Transmissão S.A.	49.00%	10,745	55,556	566,134	8,624	641,059	17,842	33,788	156,462	41,290	249,382	391,677
Paranaíba Transmissora	24.50%	20,338	158,220	1,733,299	25,943	1,937,800	60,398	43,667	580,451	461,579	1,146,095	791,705
Transenergia Renovável S.A.	49.00%	14,673	55,273	346,901	5,490	422,337	15,384	14,692	80,523	26,529	137,128	285,209
Retiro Baixo Energética S.A.	49.00%	55,676	12,506	333,502	9,453	411,137	13,703	20,236	68,468	9,198	111,605	299,532
MGE Transmissão S.A.	49.00%	14,468	4,149	351,683	4,225	374,525	9,364	16,538	57,755	23,981	107,638	266,887
Transnorte Energia S.A.	49.00%	3,976	7,126	260,761	11,737	283,600	-	1,762	-	8,294	10,056	273,544
Rouar	50.00%	68,184	5,463	326,407	17,956	418,010	12,716	1,314	164,083	20,643	198,756	219,254
Triângulo Mineiro Transmissora	49.00%	7,270	6,678	464,986	13,057	491,991	23,004	12,280	77,554	9,729	122,567	369,424
Vale do São Bartolomeu	39.00%	32	9,121	481,746	7,781	498,680	22,721	12,078	74,801	11,958	121,558	377,122
CTEEP	36.05%	593,663	2,035,404	10,298,397	6,091,347	19,018,811	658,553	772,231	403,959	5,389,749	7,224,492	11,794,319
Lajeado Energia	49.07%	28,188	81,120	147	1,683,253	1,792,708	157,914	152,886	479,494	97,619	887,913	904,795
CEB Lajeado	49.07%	70,698	20,652	260,520	12,651	364,521	-	55,138	-	817	55,955	308,566
Paulista Lajeado	49.07%	9,564	10,170	116,654	24,531	160,919	-	35,374	-	782	36,156	124,763
Energética Águas da Pedra S.A.	49.00%	64,007	42,099	656,075	28,372	790,553	35,430	54,367	211,088	14,795	315,680	474,873

12/31/2019

Joint ventures and affiliates	Net operating revenue	Financial revenue	Financial expense	Taxes on Profits	Net Profit (Loss)	Depreciation and Amortization
Norte Energia	1,855,831	34,633	(803,280)	27,904	(50,973)	(491,191)
Energia Sustentável do Brasil	1,226,540	7,994	(509,205)	143,360	(254,523)	(412,959)
Belo Monte Transmissora	396,523	5,972	(173,943)	(49,253)	116,570	(124)
Madeira Energia	1,516,857	65,237	(981,032)	4,722	(454,708)	(435,882)
Interligação Elétrica do Madeira S.A.	334,391	10,097	(83,634)	(59,828)	148,998	(1,271)
Norte Brasil Transmissora de Energia S.A.	174,639	4,540	(54,514)	(38,648)	62,395	-
Teles Pires Participações	402,943	5,250	(158,148)	47,494	(32,568)	(88,801)
Companhia Energética Sinop	117,150	2,539	(1,308)	(31,373)	(60,879)	(1,306)
Empresa de Energia São Manoel	175,638	5,243	(88,485)	16,143	(31,387)	(54,291)
Mata de Santa Genebra	196,514	1,052	(47,924)	53,451	(103,765)	(38)
Chapecoense Geração S.A.	447,346	8,475	(91,324)	(69,124)	135,676	(43,002)
Interligação Elétrica Garanhuns S.A.	54,303	1,268	(8,868)	(4,645)	32,606	(48)
Enerpeixe S.A.	162,944	17,253	(51,390)	(706)	68,090	(22,016)
Transmissora Sul Litorânea de Energia	39,029	1,228	(27,334)	4,287	(14,129)	(54)
STN - Sistema de Transmissão Nordeste S.A.	51,643	1,020	(4,629)	(7,168)	102,706	(4)
Goiás Transmissão S.A.	19,392	407	(6,692)	(781)	8,033	(29)
Paranaíba Transmissora	83,856	1,798	(26,626)	(19,481)	24,956	(11)
Transenergia Renovável S.A.	19,725	665	(3,927)	(895)	6,229	(11)
Retiro Baixo Energética S.A.	28,378	1,202	(3,718)	(1,340)	9,226	(4,336)
MGE Transmissão S.A.	10,634	406	(2,630)	(475)	3,581	(10)
Transnorte Energia S.A.	9,651	157	(6)	4,422	(8,544)	(19,474)
Rouar	3,874	26	(2,551)	(1,198)	(95)	(9,766)
Triângulo Mineiro Transmissora	32,553	337	(2,345)	(558)	25,980	(13)
Vale do São Bartolomeu	12,856	208	(1,814)	(547)	6,007	(9)
CTEEP	620,899	108,188	(161,548)	(146,605)	353,512	(4,936)
Lajeado Energia	357,716	3,921	(20,243)	(37,937)	80,331	(28,723)
CEB Lajeado	130,428	4,063	(3,479)	(28,943)	(56,249)	(2,951)
Paulista Lajeado	20,372	1,574	(85)	(1,062)	7,667	(2)
Energética Águas da Pedra S.A.	125,720	1,930	(12,781)	(10,591)	56,051	(14,285)

13.4 - Information on the market value of investees evaluated using the equity method, which are listed on stock exchanges

Publicly traded companies	Interest	Fair Value (a)	
		06/30/2020	12/31/2019
<u>Evaluated using the equity method</u>			
CTEEP	36.05%	4,983,228	5,389,526
Equatorial Maranhão D.	33.55%	2,516,298	2,624,872
CEEE-GT	32.59%	1,060,104	1,268,004
EMAE	39.02%	446,906	532,395
CEEE-D	32.59%	316,343	315,467

a) Based on price of shares on the base date.

13.5 - Special Purpose Entities

Over the last few years, the Eletrobras Companies have invested in partnerships with private initiative, where the Company is a non-controlling shareholder. The purpose of these projects is to operate in the areas of generation and transmission of electricity, which amounts invested are classified as Investments.

In 2018, the Company started procedures for the divestment from SPE's according to their Business Master Plan and performed transactions with their subsidiaries to enable the transfer of shares of some generation and transmission SPE's, which were later sold. At the end of 2018 and over the years 2019 and 2020, these SPE's were sold as disclosed in Note 35.

13.6 - Shares in guarantee

Considering that the Company is a defendant (see Note 23) in several actions being judged by the Judiciary Branch, assets representing 9.41% of the Parent Company and 24.65% in the Consolidated as of June 30th, 2020 (9.24% of the Parent Company and 24.02% in the Consolidated as of December 31st, 2019) of the total investment balances are offered as collateral in the appeals of these lawsuits, as follows:

Equity Interest	PARENT COMPANY		
	Investment Amount	Blocking percentage	Blocked investment
	06/30/2020		
CTEEP	4,004,848	90.45%	3,622,385
Equatorial Maranhão D.	1,018,897	91.35%	930,762
CEEE-GT	821,339	100.00%	821,339
EMAE	381,735	100.00%	381,735
AES Tiete	496,983	95.28%	473,525
Energisa S.A.	411,659	78.87%	324,675
COELCE	279,712	83.82%	234,455
CESP	198,493	97.85%	194,225
CELESC	221,858	74.70%	165,728
CEB	22,329	99.97%	22,322
CELPA	82,262	100.00%	82,262
CELPE	31,383	100.00%	31,383
CGEEP	20,046	64.89%	13,008
Energisa MT	12,000	100.00%	12,000
TOTAL	8,003,544		7,309,804

13.7 - Net Working Capital of Subsidiaries and Affiliated Companies

Subsidiaries

- Eletronuclear – its primary purpose is to build and operate nuclear power plants, to generate electricity resulting from them and to perform engineering and related services in the State of Rio de Janeiro. The subsidiary presents as of June 30th, 2020 a negative net working capital of BRL 506,867 (BRL 674,316 negative as of December 31st, 2019).
- Amazonas GT - its main purpose is to generate and transmit power. The subsidiary presents as of June 30th, 2020 a negative net working capital of BRL 291,646 (BRL 210,217 negative as of December 31st, 2019).

- c) Present provision for unsecured liabilities, Company also holds interests, through their subsidiaries, in SPEs Madeira Energia S.A., Norte Energia S.A., Teles Pires Participações S.A., Energia Sustentável do Brasil S.A. and Enerpeixe S.A. which presented as of June 30th, 2020, a negative net working capital in the respective amounts of BRL 187,926, BRL 1,763,411, BRL 95,805, BRL 16,176 and BRL 250,593 (BRL 427,060, BRL 3,309,499, BRL 163,912, BRL 197,256 and BRL 190,832, respectively, as of December 31st, 2019).

NOTE 14 – FIXED ASSETS

The fixed asset items refer substantially to the infrastructure for electricity generation from non-extended concessions and corporate assets. They consist mainly of: land, buildings, machinery and equipment, vehicles, furniture, utensils, and easements. Additions of the most significant amount refer to acquisitions of machinery and equipment and of subsidiaries Furnas, Chesf and Eletronuclear.

The changes in fixed assets are shown below:

	CONSOLIDATED				
	Balance on 12/31/2019	Additions	Transfer	Write-offs	Balance on 06/30/2020
Generation / Marketing					
In operation	49,829,307	102,131	815,732	(204,414)	50,542,756
Accumulated depreciation	(27,021,067)	(767,184)	113	(33,821)	(27,821,959)
Ongoing	15,259,968	432,089	(816,121)	(18,987)	14,856,949
Provision for the recoverable value of assets (Impairment)	(6,847,099)	-	-	14,148	(6,832,951)
Special Obligations Associated with the Concession	(725,404)	2,617	24	-	(722,763)
	<u>30,495,705</u>	<u>(230,347)</u>	<u>(252)</u>	<u>(243,074)</u>	<u>30,022,032</u>
Administration					
In operation	2,505,241	1,335	7,630	(5,330)	2,508,876
Accumulated depreciation	(1,576,154)	(38,030)	(643)	2,766	(1,612,061)
Ongoing	635,787	50,180	(7,135)	(2,064)	676,768
Special Obligations Associated with the Concession	-	(10,198)	(24)	-	(10,222)
	<u>1,564,874</u>	<u>3,287</u>	<u>(172)</u>	<u>(4,628)</u>	<u>1,563,361</u>
Commercial leasing					
In operation	2,132,371	-	-	(17,993)	2,114,378
Accumulated depreciation	(877,076)	(67,917)	-	2	(944,991)
	<u>1,255,295</u>	<u>(67,917)</u>	<u>-</u>	<u>(17,991)</u>	<u>1,169,387</u>
TOTAL	<u>33,315,874</u>	<u>(294,977)</u>	<u>(424)</u>	<u>(265,693)</u>	<u>32,754,780</u>

	CONSOLIDATED					
	Balance on 12/31/2018	Initial Adoption of IFRS 16	Additions	Transfer	Write-offs	Balance on 06/30/2019
Generation / Marketing						
In operation	47,517,007	-	196,833	390,316	(46,324)	48,057,832
Accumulated depreciation	(25,547,961)	-	(713,421)	(2,601)	34,585	(26,229,398)
Ongoing	15,387,242	-	696,658	(453,773)	(1,382)	15,628,745
Provision for recoverable assets (impairment)	(6,920,862)	-	-	-	-	(6,920,862)
Special Obligations Associated with the Concession	(526,249)	-	(196,076)	5,052	-	(717,273)
	<u>29,909,178</u>	<u>-</u>	<u>(16,006)</u>	<u>(61,006)</u>	<u>(13,121)</u>	<u>29,819,045</u>
Administration						
In operation	2,446,802	-	(2,143)	(11,335)	114,146	2,547,470
Accumulated depreciation	(1,536,672)	-	(64,106)	(1,648)	(30,815)	(1,633,241)
Ongoing	566,693	-	33,375	-	(608)	599,461
Special Obligations Associated with the Concession	(8,329)	-	21	-	-	(8,308)
	<u>1,468,494</u>	<u>-</u>	<u>(32,852)</u>	<u>(12,983)</u>	<u>82,723</u>	<u>1,505,383</u>
Commercial Leasing (a)						
In operation	1,730,922	340,225	-	-	(111,289)	1,959,858
Accumulated depreciation	(738,202)	-	(57,235)	-	-	(795,437)
	<u>992,720</u>	<u>340,225</u>	<u>(57,235)</u>	<u>-</u>	<u>(111,289)</u>	<u>1,164,421</u>
TOTAL	<u>32,370,392</u>	<u>340,225</u>	<u>(106,093)</u>	<u>(73,989)</u>	<u>(41,687)</u>	<u>32,488,848</u>

a) The lease balances up to December 31st, 2018 referred only to the agreements of the Independent Power Producers (IPP's) of Subsidiary Amazonas GT, as of January 1st, 2019, with the application of CPC 06 (R2) / IFRS 16, new agreements have been classified as leases, referring to real estate, land, vehicles and equipment.

Average depreciation rate:

	Average depreciation rate	CONSOLIDATED	
		Accumulated depreciation	
		06/30/2020	12/31/2019
Generation			
Hydraulic	2.20%	18,523,225	17,559,436
Nuclear	3.26%	6,140,246	5,848,344
Thermal	3.05%	3,807,814	4,218,591
Wind	4.40%	275,564	254,904
Transmission	2.96%	20,101	16,868
		<u>28,766,950</u>	<u>27,898,143</u>
Administration	5.58%	<u>1,612,061</u>	<u>1,576,154</u>
Total		<u>30,379,011</u>	<u>29,474,297</u>

After sensitivity analyzes developed by the Company due to the impacts of COVID-19, Management made no additional provisions for Angra 3 as of June 30th, 2020, more details in Note 1.

NOTE 15 – FINANCIAL ASSETS AND PUBLIC SERVICE CONCESSIONS

	CONSOLIDATED	
	06/30/2020	12/31/2019
Transmission Concessions		
RBSE (a)	36,968,370	34,288,071
Generation Concessions		
Indemnifiable Concessions (a)	2,084,085	2,070,912
Itaipu Financial Asset (b)	1,409,535	1,202,493
Total	<u>40,461,990</u>	<u>37,561,476</u>
Current	8,140,823	5,927,964
Non-Current	32,321,167	31,633,512
Total	<u>40,461,990</u>	<u>37,561,476</u>

a) Indemnifiable Generation Concessions and RBSE

Item indemnifiable concessions and RBSE, in the amount of BRL 39,052,455 as of June 30th, 2020 (BRL 36,358,983 as of December 31st, 2019), refers to the assets of the facilities of the Basic Grid existing on May 31st, 2000, not depreciated and that, therefore, are due to the concessionaires that renewed their concessions in light of Act 12783/2013.

a.1) Tariff Revision

On Juneth 30, 2020, the National Electric Energy Agency - ANEEL definitively approved tariff revisions of transmission concessions postponed pursuant to Act 12783/2013 concerning subsidiaries Furnas and Eletrosul and provisionally for subsidiaries Eletronorte and Chesf. Consequently, it was approved the new RAP of such concessions for the 2020-2021 tariff cycle. Main changes from such tariff revision are summarized below:

- Change to the base of assets and revision of the new value of replacement;
- Change to the retrospective of WACC related to 2018 and 2019;
- Incorporation of component "compensation" from 2013 to 2017 of the Capital Cost (Ke); and
- New payment in installments for three years of the differences between what was effectively received between 2018 and 2019 and the now revised installments via adjusted installment updated by IPCA.

RAP of Eletrobras Companies suffered additions due to results from this Tariff Revision and payment of a portion of the remuneration set out in article 1, paragraph three of MME Ordinance 120/2016, which provides for the cost of capital not incorporated from the extension of concessions up to the tariff process - as set out in paragraph one of the referred article - will be updated and remunerated by the Ke (actual) of the transmission segment as defined by ANEEL following the methodologies of Periodical Tariff Revision of Revenues from Existing Concessionaires;

This compensation by Ke was excluded from the tariff by ANEEL in 2017 due to court-filed injunctions. Such injunctions were revoked and the compensation is to be incorporated in the revenue of transmitters. Total amount of compensation by means of Ke will be paid until June 2025, and the sum that is to be paid between 2017 and 2020 will be made by the end of the current tariff revision cycle, i.e., June 2023, inflation adjusted (IPCA), by means of Adjustment Installment (PA).

Concerning Tariff Revision of the current 2018-2023 cycle, final amounts approved in that revision were superior in comparison to the provisional ones ANEEL had established since 2018, reason why RAP from 2020-2021 cycle, by means of PA, also includes an accrual regarding the Tariff Revision created with the purpose of compensating this retroactive difference.

The table below presents RAP's revised for the 2020-2021 cycle of Eletrobras Companies and consolidated PA updated by IPCA, which contains, among other items not related to RBSE, retroactive Ke from 2017 to 2020 and the difference of retroactive tariff revision from 2018 to 2020.

Company	RAP 2020-2021 Cycle Revised	PA Consolidated Revision (a)		Total RAP Cycle 2020-2021
		Total	Per Cycle	
Chesf (CC 061/2001)	3,494	1,735	578	4,073
Eletronorte (CC 058/2001)	1,833	954	318	2,151
CGT Eletrosul (CC 057/2001)	969	234	78	1,047
Furnas (CC 062/2001)	5,153	1,777	593	5,745
Total	11,449	4,700	1,567	13,016

a) Amounts estimated based on amounts of NT 108/2020 – SGT/ANEEL and IPCA between June/19 and June/20.

For comparison purposes, the sum of the effects from the Tariff Revision with the Adjustment Installment, results in an estimated increase in RAP for the 2020-2021 Cycle against the 2019-2020 Cycle, in a consolidated manner, of approximately 31%, and the comparison by company is presented below:

Company	Impact on 2020-2021 cycle
Eletronorte	43.70%
Chesf	42.79%
Furnas	28.97%
CGT Eletrosul	4.16%

a.2) Impacts to RBSE

As a result of the new tariff flow in RBSE assets, the Company re-estimated its RBSE-related receivables and identified an accrual of approximately BRL 6.6 billion in the expected net cash flow resulting in a positive effect to the accounting income of BRL 4.7 billion on June 2020 as detailed per Company in the chart below:

Effect from tariff revision on RBSE in the Operating Revenue	
Chesf	858,316
Eletronorte	622,268
Eletrosul	519,186
Furnas	2,669,123
Total	4,668,893

Considering the provisional aspect of the tariff revision for the Subsidiaries Eletronorte and Chesf, the cash flow estimation of these companies was prepared based on the best realization expectations. However, due to the current provisional character they may suffer changes at the final homologation of this tariff revision.

Comparison per component is stated below in billions of BRL:

Net Cash Flow	Before 2020 Revision	After 2020 Revision	Accrual/ (Loss)
Economic Component	10.77	16.54	5.78
Financial and Ke Component	27.17	23.96	(3.20)
Adjustment installment - PA	-	4.05	4.05
Total	37.94	44.55	6.63

On June 30th, 2020 and 2019, the transfer of assets referring to RBSE is demonstrated below:

	Furnas	Chesf	Eletronorte	Eletrosul	Total
Balance on December 31 th 2018	18,324,585	10,289,026	5,650,304	2,013,634	36,277,549
Updates - Financial Revenue	1,031,301	369,518	389,502	106,200	1,896,521
Measurement adjustment (Receipt)	847,596	657,246	107,268	182,984	1,795,094
	(1,568,466)	(848,374)	(389,502)	(169,361)	(2,975,703)
Balance on June 30 th , 2019	18,635,016	10,467,416	5,757,572	2,133,457	36,993,461

	Furnas	Chesf	Eletronorte	Eletrosul (a)	CGT Eletrosul (a)	Total
Balance on December 31 th 2019	17,509,302	9,735,770	5,162,603	1,880,396	-	34,288,071
Incorporation	-	-	-	(1,880,396)	1,880,396	-
Updates - Financial Revenue	3,845,182	1,819,033	1,068,103	-	649,820	7,382,138
Measurement adjustment (Receipt)	(550,805)	(557,998)	(203,726)	-	(53,044)	(1,365,573)
	(1,624,423)	(1,009,725)	(520,879)	-	(181,239)	(3,336,266)
Balance on June 30 th , 2020	19,179,256	9,987,080	5,506,101	-	2,295,933	36,968,370

	06/30/2020	12/31/2019
Current assets	8,773,888	6,620,482
Non-current Assets	28,194,482	27,667,589
	36,968,370	34,288,071

a) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

Estimated net cash flow (non-discounted) of RBSE's assets is shown below:

	Economic installment	Financial installment	Adjustment Installment	Total
2021	3,294,576	4,792,942	1,350,799	9,438,317
2022	3,294,576	4,792,942	1,350,799	9,438,317
2023	3,294,576	4,792,942	1,350,799	9,438,317
2024	1,331,954	4,792,942	-	6,124,896
2025	1,331,954	4,792,942	-	6,124,896
2026	1,331,954	-	-	1,331,954
2027	1,331,954	-	-	1,331,954
2028	1,331,954	-	-	1,331,954
Total	16,543,498	23,964,710	4,052,397	44,560,605

a.3) Regulatory environment of RBSE' accounting treatment

CVM, in connection with companies from the transmission segment holding RBSE assets, is studying the subject. This analysis is intended to standardize the accounting treatment of sectorial companies and represent as best as possible the record of the RBSE asset. Discussion is engaged on the possible accounting treatment of RBSE as contractual asset based on ASC 47 - Contractual Revenue with Client.

Company based its measurement of RBSE-owned assets as contractual assets and does not expect significant impacts in case it adjusts its accounting classification.

b) Itaipu Financial Assets (Liabilities)

	PARENT COMPANY	
	06/30/2020	12/31/2019
Accounts Receivable	4,221,996	3,074,190
Right to Reimbursement	1,762,526	2,248,043
Energy Suppliers - Itaipu	(4,051,189)	(3,028,920)
Reimbursement obligations	(2,578,394)	(2,996,427)
Total Current Assets / Liabilities	(645,061)	(703,114)
Accounts Receivable	789,441	922,703
Right to Reimbursement	4,478,466	3,479,337
Reimbursement obligations	(3,213,311)	(2,496,433)
Total Non-current Assets / Liabilities	2,054,596	1,905,607
Total	1,409,535	1,202,493

The effects of establishing the Itaipu financial assets are shown above and are detailed as follows:

15.1 - Adjustment factor

The balances resulting from the adjustment factor of Itaipu Binacional, inserted in entries Financial Assets and Liabilities are shown in the table below:

	06/30/2020		12/31/2019	
	BRL	USD	BRL	USD
Regulatory assets - Current assets	1,762,525	321,864	2,248,044	557,730
Regulatory assets - Non-current assets	4,478,466	817,835	3,479,337	863,209
Total assets	6,240,991	1,139,699	5,727,380	1,420,939
Reimbursement Obligation - Federal Government - Current liability	(829,509)	(151,481)	(1,410,466)	(349,931)
Reimbursement Obligation - Federal Government - Non-current liability	(3,213,311)	(586,799)	(2,496,433)	(619,355)
Total liabilities	(4,042,820)	(738,280)	(3,906,899)	(969,286)
Net financial assets	2,198,171	401,419	1,820,481	451,654
Adopted Premises:	06/30/2020		12/31/2019	
USD	5.48		4.03	

Company's liabilities will be transferred to the National Treasury until 2023, as a result of the credit assignment operation carried out between the Company and the National Treasury in 1999. Accordingly, the Company has a net financial asset of Itaipu for this component in the amount of BRL 2,198,171, equivalent to USD 401,419 (BRL 1,820,481 on December 31st, 2019, equivalent to USD 451,654).

These amounts will be realized upon inclusion thereof in the rate of transfer to be used until 2023.

15.2 - Trading of electricity from Itaipu

The marketing transaction does not impact the Company's earnings, while pursuant to current regulations, a negative result represents an unconditional right to receipt, and if positive, an actual obligation.

In the period ended on June 30th, 2020, the activity presented a surplus of BRL 143,254 (deficit of BRL 432,826 as of June 30th, 2019), and the ensuing liability is included as part of the financial asset entry.

NOTE 16 – CONTRACTUAL ASSET OF TRANSMISSION

Company's transmission concessions are sorted as contractual assets, except for the RBSE assets sorted as financial assets. The transfers of such assets over the period is as follows:

	Chesf	Eletronorte (a)	Furnas	CGT Eletrosul (b)	Eletrosul (b)	Amazonas GT (a)	CONSOLIDATED
Balance on December 31 th 2018	4,650,259	4,599,461	3,095,417	-	2,044,125	182,534	14,571,796
Addition - Construction revenue	9,644	17,870	168,313	-	40,243	-	236,070
Contractual Financial revenue	115,365	124,714	63,157	-	83,327	-	386,563
(Receipt)	(133,949)	(164,941)	(100,765)	-	(109,422)	-	(509,077)
Write-offs and transfers	(387,094)	(4,101)	(1)	-	32,804	-	(358,392)
Balance on June 30 th , 2019	4,254,225	4,573,003	3,226,121	-	2,091,077	182,534	14,326,960
Balance on December 31 th 2019	4,758,255	4,560,926	3,310,452	-	2,057,784	172,868	14,860,285
Incorporation/Acquisition	-	168,990	-	2,057,784	(2,057,784)	(168,990)	-
Addition - Construction revenue	155,058	-	71,097	57,030	-	-	283,185
Contractual Financial revenue	108,703	126,926	79,226	59,670	-	2,593	377,118
(Receipt)	(152,199)	(179,100)	(129,020)	(112,968)	-	(6,471)	(579,758)
Write-offs and transfers	-	6,379	-	-	-	-	6,379
Balance on June 30 th , 2020	4,869,817	4,684,121	3,331,755	2,061,516	-	-	14,947,209

	Chesf	Eletronorte (a)	Furnas	CGT Eletrosul (b)	CONSOLIDATED	
	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020	12/31/2019
Contractual Asset of Transmission - Current	309,721	484,614	136,263	108,919	1,039,517	1,116,009
Contractual Asset of Transmission - Non-Current	4,560,096	4,199,507	3,195,492	1,952,597	13,907,692	13,744,276
Total	4,869,817	4,684,121	3,331,755	2,061,516	14,947,209	14,860,285

Below are the components of the contractual assets:

	Chesf	Eletronorte (a)	Furnas	CGT Eletrosul (b)	CONSOLIDATED
	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020
Realization of Contractual assets					
Contractual assets - RAP (i)	4,160,504	3,961,182	3,056,880	1,669,697	12,848,263
Contractual assets - Restitution (ii)	709,313	722,939	274,875	391,819	2,098,946
Total	4,869,817	4,684,121	3,331,755	2,061,516	14,947,209

a) Eletronorte acquired shares from Amazonas GT, see Note 4; and

b) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

Throughout the concession operation, the contractual assets are realized by two cash flows, (i) by the receipt of a RAP for the installment which will be amortized until the end of the concession and (ii) upon restitution after the reversal of the infrastructure not amortized to the Granting Authority.

NOTE 17 – SUPPLIERS

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current				
Goods, Materials and Services	368,497	84,862	2,158,773	2,355,091
Energy Purchased for Resale	397,639	409,271	708,626	728,643
CCEE - Short-Term Power	-	-	394	11,735
	766,136	494,133	2,867,793	3,095,469
Non-Current				
Goods, Materials and Services	-	-	17,240	18,143
	766,136	494,133	2,885,033	3,113,612

NOTE 18 - FINANCING AND LOANS

The composition of loans and financing owed by Eletrobras and their subsidiaries is disclosed below:

	06/30/2020							
	PARENT COMPANY				CONSOLIDATED			
	CHARGES CURRENT		PRINCIPAL		CHARGES CURRENT		PRINCIPAL	
	Average Rate	Value	CURRENT	NON-CURRENT	Average Rate	Value	CURRENT	NON-CURRENT
Financial institutions								
Foreign Currency								
World Bank	2.41%	3,611	145,057	362,961	2.41%	3,611	145,057	362,961
Inter-American Development Bank - IADB	-	-	-	-	2.43%	410	41,338	434,053
BNP Paribas	1.18%	85	192,345	96,172	1.18%	85	192,345	96,172
Kreditanstalt für Wiederaufbau - KFW	2.69%	23	19,557	290,327	4.05%	683	56,263	629,501
Corporación Andino de Fomento - CAF	3.54%	883	100,971	-	3.54%	883	100,971	-
		4,602	457,930	749,460		5,672	535,974	1,522,687
Bonus								
Due 10/27/2021 (a)	5.75%	35,025	-	3,426,344	5.75%	35,025	-	3,426,344
Due 02/04/2025	3.63%	40,528	-	2,705,355	3.63%	40,528	-	2,705,355
Due 02/04/2030	4.63%	77,562	-	4,011,979	4.63%	77,562	-	4,011,979
		153,115	-	10,143,678		153,115	-	10,143,678
		157,717	457,930	10,893,138		158,787	535,974	11,666,365
National currency								
GRR Return (b)	5.00%	-	250,802	1,288,796	5.00%	-	250,802	1,288,796
GRR Subsidiaries (c)	5.00%	-	87,407	731,904	5.00%	-	87,407	731,904
GRR CCEE (d)	5.00%	191,399	151,395	720,161	5.00%	191,399	151,395	720,161
BNDES (e)	-	-	-	-	5.34%	16,045	410,834	5,568,396
Caixa Econômica Federal	2.57%	292	416,400	548,792	4.48%	21,603	1,057,871	4,210,035
Banco do Brasil	2.57%	467	666,240	878,068	4.08%	12,628	1,074,138	2,002,737
Bradesco	-	-	-	-	5.14%	6,847	1,000,000	-
Petrobras	2.17%	472,738	1,869,629	5,724,022	2.17%	472,737	1,869,628	5,724,023
BR Distribuidora	2.59%	5,819	355,439	54,882	2.59%	5,819	355,439	54,882
State Grid	-	-	-	-	10.00%	16,268	26,894	369,267
Banco do Nordeste do Brasil	-	-	-	-	9.32%	4,617	14,320	876,491
BASA	-	-	-	-	8.50%	-	13,527	331,628
Cigás	-	-	431,472	247,232	-	-	431,472	247,232
Other Financial Institutions	-	-	-	-	-	48,600	494,596	1,309,366
		670,715	4,228,784	10,193,857		796,563	7,238,323	23,434,918
		828,432	4,686,714	21,086,995		955,350	7,774,297	35,101,283

	12/31/2019							
	PARENT COMPANY				CONSOLIDATED			
	CHARGES CURRENT		PRINCIPAL		CHARGES CURRENT		PRINCIPAL	
	Average Rate	Value	CURRENT	NON-CURRENT	Average Rate	Value	CURRENT	NON-CURRENT
Financial institutions								
Foreign Currency								
World Bank	2.41%	3,096	107,789	323,669	2.41%	3,096	107,789	323,669
Inter-American Development Bank - IADB	4.49%	-	-	-	4.95%	469	30,428	334,706
BNP Paribas	2.65%	230	141,578	141,578	2.65%	230	141,578	141,578
Kreditanstalt für Wiederaufbau - KFW	2.46%	18	14,398	220,937	2.46%	18	14,398	220,937
Corporación Andino de Fomento - CAF	4.38%	1,496	148,643	-	4.38%	1,496	148,643	-
		4,840	412,408	686,184		5,308	442,836	1,020,889
Bonus								
Due 10/27/2021 (a)	5.75%	83,693	-	7,053,725	5.75%	83,693	-	7,053,725
		83,693	-	7,053,725		83,693	-	7,053,725
		88,533	412,408	7,739,909		89,001	442,836	8,074,614
National currency								
GRR Return (b)	5.00%	-	250,802	1,383,629	5.00%	-	250,802	1,383,629
GRR Subsidiaries (c)	5.00%	-	-	863,645	5.00%	-	-	863,645
GRR CCEE (d)	5.00%	183,801	170,513	746,847	5.00%	183,801	170,513	746,847
BNDES (e)	-	-	-	-	9.25%	23,164	513,582	5,574,689
Caixa Econômica Federal	5.26%	955	416,400	756,992	5.26%	48,545	1,137,149	5,007,814
Banco do Brasil	5.26%	1,528	666,240	1,211,188	5.26%	22,866	1,053,945	2,504,620
Petrobras	4.62%	373,146	1,924,074	6,631,614	4.62%	373,146	1,924,074	6,631,614
BR Distribuidora	5.05%	5,079	423,464	198,589	5.05%	5,079	423,464	198,589
Subsidiaries Debt Renegotiation	4.40%	-	397,183	2,714,084	4.40%	-	-	-
State Grid	-	-	-	-	10.00%	-	45,590	379,982
Banco do Nordeste do Brasil	-	-	-	-	10.14%	5,703	38,265	750,519
BASA	-	-	-	-	8.50%	1,133	27,862	324,011
Cigás	-	-	445,037	268,611	-	-	445,039	268,611
Other financial institutions	-	-	-	-	-	24,674	386,400	1,594,545
		564,509	4,693,713	14,775,200		688,111	6,416,685	26,229,116
		653,042	5,106,122	22,515,109		777,112	6,859,521	34,303,730

a) Bonus

In February 2020, the Company completed the issuance of Notes in the international market, which are to mature in 2025 and 2030. The proceeds from this issuance were used mainly to roll over the debt related to the Bonus agreement due on October 27th, 2021.

b) GRR Return

In addition to the financing due by Eletrobras, in 2017, through the administrative proceedings that supervised Eletrobras' management of the GRR, from 1998 to 2011, ANEEL ordered Eletrobras to return approximately BRL 2 billion, in 10 years, updated according to the SELIC rate, pursuant to articles 21-A and 21-B of Act 12783/2013. Eletrobras has been complying with this obligation, and the balance to be returned, as of June 30th, 2020, was of BRL 1,539,598 shown in entry "GRR return".

c) GRR Subsidiaries

The aforementioned financing include debts taken by Eletrobras' subsidiaries from the GRR, with a 5% interest rate, and considering they were taken prior to November 17th, 2016, they are still managed by Eletrobras, since they have not yet been passed on to CCEE, according to Decree 9022/2017. These obligations appear as "GRR Subsidiaries" in the amount of BRL 819,311.

d) CCEE GRR

They concern the amounts passed on from proceeds of the GRR under the responsibility of third parties, and have consideration in assets, as per Note 8. Eletrobras operates only as a transfer agent and is responsible for the contractual management of these financings, and such proceeds are not liabilities of Eletrobras, while the debtor does not make the payment.

According to Decree 9022/2017, Eletrobras must pass on the proceeds to the GRR, within five days from the date of the actual payment by the debtor.

On June 30th, 2020, the balance of the proceeds withdrawn from the fund and passed on to third parties, excluding those due by Eletrobras Companies, according to Note 8.1, totaled BRL 1,062,955.

e) *Standstill* - BNDES

At the end of March, the BNDES announced emergency support for Brazilian companies in order to reduce the economic and financial impacts of the crisis caused by the pandemic. One of the actions approved by the bank was the possibility of granting a provisional suspension (standstill) for a period of up to six months from the payment of the debt service (principal and remuneration interest) in the direct mode, which includes the financing agreements entered into by Eletronuclear, CGT Eletrosul, Eletronorte, Furnas and Chesf with BNDES. Accordingly, these agreements were suspended for a period of 6 months and will have their interests capitalized with the outstanding balance, and the final dates of the agreements will not be amended.

18.1 - Changes in loans and financing

Changes shown below comprises the 6-month periods ended June 30th, 2020 and 2019.

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Loans and Financing				
National currency				
Opening balance	20,033,424	15,407,768	33,333,911	41,764,887
Raising	-	-	1,311,184	753,451
Interest, Monetary and exchange variations incurred	375,058	1,200,587	694,874	1,861,950
Interest paid	(447,555)	(293,489)	(857,322)	(950,382)
Amortization of the principal	(4,867,572)	(1,979,117)	(2,721,628)	(4,133,047)
Transfer (a)	-	11,077,939	-	6,246
Write-offs	-	(1,704,321)	-	(1,704,321)
Closing balance	15,093,355	23,709,368	31,761,019	37,598,785
Foreign Currency				
Opening balance	8,240,849	12,227,080	8,606,452	12,607,911
Raising	5,193,319	-	5,193,319	-
Interest, Monetary and exchange variations incurred	3,289,716	326,484	3,544,246	334,997
Interest paid	(187,163)	(394,608)	(205,464)	(413,632)
Amortization of the principal	(5,027,935)	(145,905)	(5,068,642)	(154,085)
Closing balance	11,508,786	12,013,050	12,069,911	12,375,190
Total	26,602,141	35,722,417	43,830,930	49,973,975

a) Company took on, in 2019, certain debts from companies sold by Eletrobras according to Note 35.

The long-term part of the loans and financing matures as scheduled:

	2021	2022	2023	2024	2025	After 2025	Total
Parent Company	5,181,127	3,053,714	2,340,342	1,957,721	3,180,188	5,373,903	21,086,995
Consolidated	6,273,756	4,972,832	4,057,671	2,900,839	4,047,842	12,848,343	35,101,283

18.2 - Reconciliation of the transfer of assets with the cash flows resulting from financing activities

	PARENT COMPANY					
	06/30/2020			06/30/2019		
	Loans and financing	Other liabilities	Total	Loans and Financing	Dividends/JCP payable	Total
Total variations in cash flow from financing activities						
Loans and Financing Arranged	5,193,319	-	5,193,319	5,000,000	-	5,000,000
Payment of Loans and Financing - Principal	(6,986,073)	-	(6,986,073)	(2,125,022)	-	(2,125,022)
Payment of Compensation to Shareholders	-	-	-	-	(476)	(476)
Payment of financial leases	-	(6,599)	(6,599)	-	-	-
Total	(1,792,754)	(6,599)	(1,799,353)	2,874,978	(476)	2,874,502

	CONSOLIDATED							
	06/30/2020				06/30/2019			
	Loans and Financing	Dividends/JCP payable	Other liabilities	Total	Loans and Financing	Dividends/JCP payable	Other liabilities	Total
Total variations in cash flow from financing activities								
Loans and financing obtained / debentures obtained	7,122,573	-	-	7,122,573	5,755,633	-	-	5,755,633
Payment of Loans and Financing - Principal	(8,009,836)	-	-	(8,009,836)	(3,574,750)	-	-	(3,574,750)
Payment of Compensation to Shareholders	-	(74,225)	-	(74,225)	-	(10,368)	-	(10,368)
Payment of financial leases	-	-	(274,564)	(274,564)	-	-	-	-
Others	-	-	(23,374)	(23,374)	-	-	2,512	2,512
Variations in the financing cash flows - Discontinued Operation								
Loans and financing obtained / debentures obtained	-	-	-	-	449,422	-	-	449,422
Payment of Loans and Financing - Principal	-	-	-	-	(34,698)	-	-	(34,698)
Total	(887,263)	(74,225)	(297,938)	(1,259,426)	2,595,607	(10,368)	2,512	2,587,751

18.3 – Guarantees

The Company participates, as an intervening guarantor, of several projects of their subsidiaries and non-subsidiaries investees. Full exposure in guarantees consists of guarantees provided to non-subsidiaries investees in the amount of BRL 29,636,217 as of June 30th, 2020, and are shown in the table below:

Guarantor	Project	Financing Bank	Method	Equity interest %	Financing Amount/Guaranteed Amount	Outstanding Balance on 06/30/2020	Expiration of Guarantee
		BNDES	SPE	15.00%	2,025,000	2,414,712	01/15/2042
		CEF	SPE	15.00%	1,050,000	1,338,986	01/15/2042
		BTG Pactual	SPE	15.00%	300,000	382,567	01/15/2042
		BNDES	SPE	19.98%	2,697,300	3,216,396	01/15/2042
Eletrobras	HPP Belo Monte (Norte Energia)	CEF	SPE	19.98%	1,398,600	1,783,529	01/15/2042
		BTG Pactual	SPE	19.98%	399,600	509,580	01/15/2042
		BNDES	SPE	15.00%	2,025,000	2,414,712	01/15/2042
		CEF	SPE	15.00%	1,050,000	1,338,986	01/15/2042
		BTG Pactual	SPE	15.00%	300,000	382,567	01/15/2042
					11,245,500	13,782,035	
		BNDES Direct Original	SPE	43.06%	1,329,920	1,702,663	09/17/2040
		BNDES Supplemental Right	SPE	43.06%	428,402	556,145	09/17/2040
		BNDES Transfer Original	SPE	43.06%	1,310,835	1,782,599	09/17/2040
Eletrobras	HPP Santo Antônio	BNDES Supplemental Transfer	SPE	43.06%	428,402	574,204	09/17/2040
		BASA	SPE	43.06%	216,750	231,868	12/10/2030
		Issuance of Debentures	SPE	43.06%	180,833	207,004	12/27/2022
		Issuance of Debentures	SPE	43.06%	301,389	397,628	01/31/2031
Furnas		Issuance of Debentures	SPE	43.06%	680,188	1,583,815	06/28/2038
					4,876,719	7,035,926	
		BNDES	SPE	20.00%	727,000	823,620	08/15/2034
		BNDES	SPE	20.00%	220,000	224,366	01/15/2035
		BNDES TRANSFER	SPE	20.00%	717,000	817,557	08/15/2034
		BNDES TRANSFER	SPE	20.00%	220,000	223,019	01/15/2035
Eletrobras	HPP Jirau - ESRB	BNDES	SPE	20.00%	727,000	823,620	08/15/2034
		BNDES	SPE	20.00%	220,000	224,366	01/15/2035
		BNDES TRANSFER	SPE	20.00%	717,000	817,557	08/15/2034
		BNDES TRANSFER	SPE	20.00%	220,000	223,019	01/15/2035
					3,768,000	4,177,123	
		BNDES TRANSFER	SPE	24.50%	214,375	226,877	08/31/2020
Eletrobras	Belo Monte Transmissora	BNDES TRANSFER	SPE	24.50%	214,375	226,877	08/31/2020
Eletronorte	de Energia S. A.	Issuance of Debentures	SPE	24.50%	142,100	159,164	08/31/2020
Furnas		Issuance of Debentures	SPE	24.50%	142,100	159,164	08/31/2020
					712,950	772,081	
		BNDES	SPE	24.50%	296,940	296,704	12/31/2023
		BNDES/Banco do Brasil	SPE	24.50%	294,000	287,399	12/31/2023
Eletrobras	HPP Teles Pires	Issuance of Debentures	SPE	24.72%	160,680	151,817	12/31/2023
		BNDES	SPE	24.50%	296,940	296,704	12/31/2023
		BNDES/Banco do Brasil	SPE	24.50%	294,000	287,399	12/31/2023
		Issuance of Debentures	SPE	24.72%	160,680	151,817	05/30/2032
					1,503,240	1,471,839	
Eletrobras	HPP Sinop	BNDES	SPE	24.50%	256,270	278,018	06/15/2038
		BNDES	SPE	24.50%	256,270	278,018	06/15/2038
Chesf		Issuance of Debentures	SPE	24.50%	57,820	64,757	06/15/2032
Eletronorte		Issuance of Debentures	SPE	24.50%	57,820	64,757	06/15/2032
					628,180	685,550	
Eletrobras	Power Company	BNDES	SPE	33.33%	437,996	520,656	12/15/2038
Furnas	São Manoel	Issuance of Debentures	SPE	33.33%	113,322	108,109	12/15/2031
					551,318	628,764	
Eletrobras	Norte Brasil Transmissora	BNDES	SPE	49.00%	514,500	357,232	12/15/2029
		Issuance of Debentures	SPE	49.00%	98,000	138,907	09/15/2026
					612,500	496,139	
		BNDES	SPE	49.50%	198,495	108,845	12/15/2026
Eletrobras	Manaus Transmissora	BASA	SPE	49.50%	123,750	128,586	07/15/2031
		BASA	SPE	49.50%	74,250	70,650	02/15/2029
					396,495	308,081	
Eletrobras	IE Garanhuns S/A	BNDES	SPE	49.00%	175,146	99,726	12/15/2028

Guarantor	Project	Financing Bank	Method	Equity interest %	Financing Amount/Guaranteed Amount	Outstanding Balance on 06/30/2020	Expiration of Guarantee
Eletrobras	Chapada do Piauí II	BNDES	SPE	49.00%	94,864	90,075	11/28/2021
Eletrobras	Rouar	CAF	SPE	50.00%	53,481	53,481	10/30/2020
Eletrobras	Mangue Seco 2	BNB	SPE	49.00%	40,951	31,217	10/14/2031
Eletrobras	Caldas Novas Transmissão	BNDES	SPE	49.90%	8,072	4,180	03/15/2028
Guarantee companies non-subsidiaries					24,667,414	29,636,217	

The guarantees provided to the subsidiaries investees are shown in a segregated manner because their balances are already recorded in financing and loans payable.

The guaranteed amount for subsidiary investees is of BRL 17,111,864 as of June 30th, 2020, are presented in the table below.

Guarantor	Project	Financing Bank	Method	Equity interest %	Financing Amount/ Secured Amount	Outstanding Balance on 06/30/2020	Guarantee End Date
Eletrobras	Angra III	BNDES	Corporate	100.00%	6,181,048	3,465,824	06/15/2036
Eletronuclear		CEF	Corporate	100.00%	3,800,000	3,158,538	06/06/2038
					9,981,048	6,624,362	
Eletrobras	Miscellaneous	Issuance of Debentures	Corporate	100.00%	800,000	801,711	11/15/2029
Eletrobras	Belo Monte Transmissora de Energia S. A.	State Grid Brazil S.A.	Corporate	100.00%	294,700	412,425	07/28/2029
		State Grid Brazil S.A.	Corporate	100.00%	294,700	412,429	07/28/2029
					589,400	824,854	
Eletrobras	Miscellaneous	Banco do Brasil	Corporate	100.00%	750,000	757,199	10/02/2023
Eletrobras	Power Transmitter Station	BNDES	Corporate	100.00%	505,477	294,586	11/15/2028
		BASA	Corporate	100.00%	221,789	194,665	10/15/2031
		BASA	Corporate	100.00%	221,789	163,800	07/10/2031
					949,055	653,051	
Eletrobras	Corporate Projects CGT Eletrosul	FIDC DI	Corporate	100.00%	690,000	452,531	01/20/2022
		Banco do Brasil	Corporate	100.00%	250,000	111,241	11/15/2023
					940,000	563,772	
Eletrobras	Corporate Projects Chesf	CEF	Corporate	100.00%	200,000	62,641	09/06/2021
		BNDES	Corporate	100.00%	475,454	138,078	06/15/2029
		BNDES	Corporate	100.00%	727,560	281,066	06/15/2029
					1,403,014	481,786	
Furnas	HPP Furnas and HPP Luiz Carlos Barreto de Carvalho	IADB	Corporate	100.00%	427,511	475,803	12/15/2031
Eletrobras	Miscellaneous	Issuance of Debentures	Corporate	100.00%	450,000	451,742	11/18/2024
Eletrobras	HPP Simplício	BNDES	Corporate	100.00%	1,034,410	435,816	07/15/2026
Eletrobras	Santa Vitória do Palmar Holding S.A.	BNDES	SPE	49.00%	197,950	181,223	06/16/2031
		BRDE	SPE	49.00%	98,000	91,159	06/16/2031
		Issuance of Debentures	SPE	49.00%	44,100	48,933	06/15/2028
					340,051	321,315	
Eletrobras	Complexo Eólico Livramento - Entorno II	KfW	Corporate	100.00%	282,083	379,511	06/20/2028
Eletrobras	Eólicas Hermenegildo	BNDES	SPE	99.99%	93,358	74,594	06/15/2032
		BRDE	SPE	99.99%	40,699	32,675	06/15/2032
		BNDES	SPE	99.99%	109,579	87,555	06/15/2032
		BRDE	SPE	99.99%	47,770	38,352	06/15/2032
		BNDES	SPE	99.99%	112,025	89,426	06/15/2032
		BRDE	SPE	99.99%	47,759	38,338	06/15/2032
					451,190	360,940	
Eletrobras	Reinforcement of the Working Capital Structure 2	Banco do Brasil	Corporate	100.00%	405,262	295,311	06/07/2024

Guarantor	Project	Financing Bank	Method	Equity interest %	Financing Amount/ Secured Amount	Outstanding Balance on 06/30/2020	Guarantee End Date
Eletrobras	Support to Working Capital Structure 3	Bradeso	Corporate	100.00%	1,000,000	1,006,847	05/10/2021
CGT Eletrosul	Transmissora Sul Litorânea	BNDES	SPE	51.00%	252,108	193,459	02/15/2029
	Transmitter Station	Debentures	SPE	51.00%	76,500	78,948	12/15/2030
					<u>328,608</u>	<u>272,407</u>	
Chesf	TDG	BNB	SPE	100.00%	60,743	48,510	03/30/2031
		BNB	SPE	100.00%	119,074	104,720	08/01/2032
					<u>179,816</u>	<u>153,230</u>	
Eletrobras	Corporate Financing	Banco do Brasil	Corporate	100.00%	400,000	203,940	12/06/2023
Eletrobras	HPP Mauá	BNDES	Corporate	100.00%	182,417	99,919	01/15/2028
		BNDES/Banco do Brasil	Corporate	100.00%	182,417	96,707	01/15/2028
					<u>364,834</u>	<u>196,626</u>	
Eletrobras	Porto Velho Transmissora de Energia	BNDES	Corporate	100.00%	283,411	181,615	08/15/2028
Eletrobras	Implementation of PAR and PMIS	BNDES	Corporate	100.00%	361,575	174,529	12/15/2023
Eletrobras	2012-2014 Investment Plan	BNDES	Corporate	100.00%	441,296	171,030	06/15/2029
Eletrobras	Linha Verde Transmissora	BASA	Corporate	100.00%	185,000	167,056	11/10/2032
Eletrobras	Eólicas Casa Nova II and III	BNB	Corporate	100.00%	158,420	159,553	07/25/2031
Eletrobras	HPP São Domingos	BNDES	Corporate	100.00%	207,000	126,967	06/15/2028
Eletrobras	Transmissora Sul Brasileira de Energia S.A.	Issuance of Debentures	SPE	100.00%	77,550	114,969	09/15/2026
Eletrobras	HPP Batalha	BNDES	Corporate	100.00%	224,000	98,212	12/15/2025
Eletrobras	HPP Passo de São João	BNDES	Corporate	100.00%	183,330	86,024	07/15/2026
		BNDES	Corporate	100.00%	14,750	7,109	07/15/2026
					<u>198,080</u>	<u>93,133</u>	
Eletrobras	Innovation Projects	FINEP	Corporate	100.00%	268,503	80,655	11/15/2023
Eletrobras	Rolagem BASA 2008	Banco do Brasil	Corporate	100.00%	208,312	52,084	12/28/2020
Eletrobras	Rio Branco Transmissora	BNDES	Corporate	100.00%	138,000	78,215	03/15/2027
Eletrobras	Corporate Transmission Projects	BNB	Corporate	100.00%	155,817	74,380	11/15/2031
Eletrobras	RS Energia	BNDES	Corporate	100.00%	126,221	14,527	06/15/2021
		BNDES	Corporate	100.00%	41,898	21,814	03/15/2027
		BNDES	Corporate	100.00%	9,413	5,441	08/15/2027
		BNDES	Corporate	100.00%	12,000	5,637	08/15/2027
					<u>189,532</u>	<u>47,419</u>	
Eletrobras	Ribeiro Gonç./Balsas	BNB	Corporate	100.00%	70,000	43,426	06/03/2031
Eletrobras	Eólica Chuí IX S/A	BNDES	SPE	99.99%	31,558	25,215	06/15/2032
		BRDE	SPE	99.99%	13,757	11,044	06/15/2032
					<u>45,314</u>	<u>36,259</u>	
Eletrobras	Furnas Corporate Projects	Banco do Brasil	Corporate	100.00%	35,000	8,752	12/28/2020
		Banco do Brasil	Corporate	100.00%	50,000	12,502	12/28/2020
					<u>85,000</u>	<u>21,254</u>	
Eletrobras	HPP Baguari	BNDES	Corporate	100.00%	60,153	24,312	07/15/2026
Eletrosul	Expansion of Sistema Sul de Transmissão	BNDES	Corporate	100.00%	29,074	20,682	09/15/2029
Eletrobras	Expansion of Lechuga Substation	BNDES	Corporate	100.00%	35,011	17,006	10/15/2028

Guarantor	Project	Financing Bank	Method	Equity interest %	Financing Amount/ Secured Amount	Outstanding Balance on 06/30/2020	Guarantee End Date
CGT Eletrosul	Brazil x Uruguay Interconnection	BNDES	Corporate	100.00%	21,827	15,525	09/15/2029
Eletrobras	Lechuga/J. Teixeira	BASA	Corporate	100.00%	25,720	14,299	10/15/2028
Eletrobras	Substation Miramar/Tucuruí	BNDES	Corporate	100.00%	31,000	13,831	08/15/2028
Eletrobras	Cerro Chato I, II and III	Banco do Brasil	Corporate	100.00%	223,419	2,333	07/15/2020
Eletrobras	Miranda II	BNDES	Corporate	100.00%	47,531	8,494	11/15/2024
Eletrobras	SC Energia	BNDES	Corporate	100.00%	67,017	5,474	03/15/2021
Eletrobras	São Luis II and III	BNDES	Corporate	100.00%	13,653	4,834	11/15/2024
Eletrobras	Nobres Substation	BNDES	Corporate	100.00%	10,000	4,095	03/15/2028
Guarantee companies subsidiaries					24,937,498	17,111,864	

18.4 - Movement of Provision for Guarantees

In order to deal with a possible execution of a guarantee, Eletrobras provisions 1% of the guaranteed debt balance for the subsidiaries and non-subsidiaries investees.

Below are the movements of the guarantees for the period:

	PARENT COMPANY	
	06/30/2020	06/30/2019
Opening balance	463,776	549,436
Additions of Guarantees	18,986	8,449
Update	4,661	2,466
Write-offs	(19,942)	(65,761)
Closing balance	467,481	494,589

18.5 - Assumed Obligations - Covenants

Eletrobras' Companies have covenant clauses in some of their loan, financing and debentures agreements. The main covenants refer to: compliance with certain financial indexes (Net Debt on EBITDA, coverage index on debt service - CIDS, among others), existence of corporate guarantees, requirements for change of corporate control, compliance with the necessary licenses and authorizations and limitation to the significant sale of assets. Company identified no non-compliance events on June 30th, 2020.

NOTE 19 – DEBENTURES

19.1 – Composition of the Debentures

Issuer	Issuing Date	Interest rate	Due Date	06/30/2020	12/31/2019
Estação Transmissora de Energia S.A. - ETE (Eletronorte)	06/2011	TJLP + 1.65% p.a.	07/10/2031	194,665	197,711
Transmissora Sul Brasileira de Energia - TSBE (Eletrosul)	09/2014	IPCA tax + 6.80% p.a.	09/15/2028	114,969	116,474
Extremoz Transmissora do Nordeste - ETN S.A. (CHESF)	04/2017	IPCA + 7.0291% p.a.	01/15/2029	147,097	150,322
Eletrobras	05/2019	DI Rate + 0.70% p.a. (Series 1)	04/25/2022	1,104,690	1,106,991
		DI Rate + 1.00% p.a. (Series 2)	04/25/2024	2,210,214	2,214,791
		DI Rate + 1.20% p.a. (Series 3)	04/25/2026	1,004,896	1,006,967
		IPCA tax + 5.18% p.a. (Series 4)	05/15/2029	716,977	715,479
Furnas (a)	12/2019 02/2020	CDI 117.60% p.a. (Series 1)	11/15/2024	451,742	450,543
		IPCA tax + 4.08% p.a. (Series 2)	11/15/2029	778,539	-
Total				6,723,789	5,959,278
Total Current Liabilities				81,710	78,527

a) Furnas Debentures

On February 20th, 2020, new debentures not convertible into shares with personal guarantee were subscribed in the total amount of BRL 800 million, from the second series of issuance by subsidiary Furnas, bearing a 4.08% interest per annum and maturity on November 15th, 2029.

19.2 – Movement in Debentures

Changes shown below comprises the 6-month periods ended June 30th, 2020 and 2019.

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Opening balance	5,044,228	4,682,228	5,959,279	468,228
Findings	-	5,000,000	800,000	5,000,000
Charges	116,209	64,409	147,116	64,409
Interest paid	(123,660)	-	(151,474)	-
Amortization of the principal	-	(12,869)	(12,952)	(12,869)
Appropriate transaction costs	-	-	(26,567)	-
Transfer	-	(12,151)	8,388	(12,151)
Closing balance	5,036,777	5,507,617	6,723,790	5,507,617

The long-term installment of the debentures matures as scheduled below:

	2021	2022	2023	2024	2025	After 2025	Total
Parent Company	-	1,100,000	-	2,200,000	-	1,712,535	5,012,535
Consolidated	46,540	1,247,794	121,611	2,561,568	100,186	2,564,380	6,642,079

Company has covenants related to its debentures and has identified no non-compliance event for June 2020. Further details in Note 18.

NOTE 20 – LEASING OPERATION

The lease liability items refer to lease agreements corresponding to real estate, vehicles, equipment and power supply agreements entered into with the IPPs in 2005 with a 20-year term from Amazonas Distribuidora, which were transferred to Amazonas GT during the unbundling process and, prior to the adoption of ASC 06 (R2) /IFRS 16, previously classified as financial leases.

The movement of such items is shown in the table below:

	CONSOLIDATED	
	06/30/2020	06/30/2019
Opening balance	1,207,189	976,115
Initial adoption	-	340,225
Interest Incurred	184,958	171,937
Payments	(274,564)	(256,778)
Updates/Tranfers	(22,998)	(38,283)
Closing balance	1,094,585	1,193,216
Current	229,739	231,367
Non-Current	864,846	961,849

Fixed and variable rents, as well as those related to short-term and low-value agreements, were as follows for the period ended June 30th, 2020:

	CONSOLIDATED	
	06/30/2020	06/30/2019
Short-term leases	8,623	4,728
Low-value leases	15,903	31,763
Variable lease expenses	433	-

The maturities of the balance of non-current assets are shown in the table below:

	CONSOLIDATED 06/30/2020
2021	190,818
2022	193,990
2023	189,436
2024	173,582
2025	26,699
After 2025	90,321
Total	864,846

Below we show a table indicating the potential right of PIS/COFINS recoverable embedded into the lease consideration, according to the period foreseen for payment.

	CONSOLIDATED	
	06/30/2020	06/30/2019
Lease consideration	274,564	256,778
Potential PIS/COFINS (9.25%)	25,397	23,752

NOTE 21 – TAXES PAYABLE AND INCOME TAX AND SOCIAL CONTRIBUTIONS

21.1 - Taxes payable

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current Liabilities				
PIS/ COFINS (a)	97,816	87,548	1,171,514	755,102
IRRF/ CSRF	85,832	65,193	177,811	316,801
ICMS	-	-	35,866	252,972
INSS/ FGTS	10,519	4,899	178,567	112,937
PAES/REFIS	-	-	23,811	23,191
ISS	-	-	12,074	14,549
Others	8,402	43,876	59,709	100,106
Total	202,569	201,516	1,659,352	1,575,658
Non-current Liabilities				
PAES/REFIS	-	-	183,608	190,365
PASEP/ COFINS	-	-	42,368	42,100
Others	-	-	6,463	7,494
Total	-	-	232,439	239,959

(a) Company adhered to the postponement of the term to pay federal taxes according to Ordinance from the Ministry of Economy no. 139/2020.

21.2 - Income tax and social contribution

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current Liabilities				
Current income tax	-	-	1,311,189	1,693,623
Current Social Contribution	-	-	786,815	839,109
	-	-	2,098,004	2,532,732
Non-current Liabilities				
Deferred IRPJ/CSLL	598,774	628,904	4,479,717	3,978,754

21.3 - Reconciliation of expenses with income tax and social contribution

	PARENT COMPANY			
	06/30/2020		06/30/2019	
	IRPJ	CSLL	IRPJ	CSLL
Earnings before IRPJ and CSLL	4,874,515	4,874,515	1,941,334	1,941,334
Total IRPJ and CSLL calculated at the tax rates of 25% and 9%, respectively	(1,218,629)	(438,706)	(485,334)	(174,720)
Effects of additions and exclusions:				
Revenue from Dividends	5,937	2,137	8,615	3,101
Equity method	1,407,931	506,855	938,848	337,985
Deficiency in Subsidiaries	-	-	(298,201)	(107,353)
Exchange Rate Variation	429,653	154,675	(156,114)	(56,201)
Deferred taxes not recognized/written-off (a)	(554,262)	(199,534)	(258,824)	(93,176)
Donations	(876)	(315)	22	8
Other additions and exclusions	(69,754)	(25,112)	239,211	86,041
Total expenses of IRPJ and CSLL	-	-	(11,777)	(4,315)
Effective tax rate	0.00%	0.00%	0.61%	0.22%

	CONSOLIDATED			
	06/30/2020		06/30/2019	
	IRPJ	CSLL	IRPJ	CSLL
Earnings before IRPJ and CSLL	6,817,727	6,817,727	3,503,553	3,503,553
Total IRPJ and CSLL calculated at the tax rates of 25% and 9%, respectively	(1,704,432)	(613,595)	(875,888)	(315,320)
Effects of additions and exclusions:				
Indemnity - RBSE	302,508	108,737	941,103	759,435
Revenue from dividends	6,027	2,170	8,616	3,101
Equity method	41,056	14,780	65,500	23,580
Exchange Rate Variation	429,653	154,675	(156,114)	(56,201)
Tax Loss Offset/ Negative Basis	87,447	31,514	72,917	1,813
Constitution of Tax Credits	(457,368)	(164,650)	(73,045)	(26,296)
Operating Provisions	31,493	(12,708)	(593,951)	(502,279)
Deferred taxes not recognized/written-off (a)	(618,821)	(222,776)	(478,934)	(172,416)
Tax Incentives (b)	464,785	-	54,874	-
Donations	(5,478)	(1,972)	(4,574)	(1,647)
Other additions and exclusions	188,103	25,314	(125,174)	(181,504)
Total expenses of IRPJ and CSLL	(1,235,027)	(678,511)	(1,164,672)	(467,733)
Effective tax rate	18.11%	9.95%	33.24%	13.35%

a) Deferred taxes not recognized / written-off

They consist of provisional differences among the accountable result, taxable income, tax loss and negative basis of CSLL recorded in the financial year, whose tax benefits were not recognized due to the absence of a history of taxable income and/or projection of future taxable income.

b) Tax Incentives

Provisional Decree 2199-14 from 08/24/2001, as amended by Act 11196 from 11/21/2005, allows companies located in the areas where Sudene operates which have projects in the infrastructure industry, considered in an act of the Executive Branch as one of the priority sectors for regional development, to reduce the amount of the income tax due for purposes of investment in installation, expansion, upgrading or diversification projects.

NOTE 22 – COMPENSATION TO SHAREHOLDERS

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Dividends for the financial year of 2019	2,585,362	2,540,567	2,585,362	2,540,567
Unclaimed dividends	4,051	4,053	4,757	4,760
Dividends withheld from previous years	9,973	14,809	10,647	14,809
Mandatory minimum dividends for the financial year of 2019	-	-	5,247	15,080
	<u>2,599,386</u>	<u>2,559,429</u>	<u>2,606,013</u>	<u>2,575,216</u>

NOTE 23 – CONTINGENT LIABILITIES & PROVISIONS

The Company and its subsidiaries are parties to several ongoing lawsuits, particularly in the labor and civil courts, which are at various stages of judgement.

23.1 – Provisions

On the closing date of this interim financial information, the Company and their subsidiaries set up provisions in an amount sufficient to cover losses considered probable and for which a reliable estimate can be made in the following amounts:

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current				
Civil	1,010,319	1,013,385	1,011,618	1,030,288
Labor	2,339	1,200	2,339	1,200
	<u>1,012,658</u>	<u>1,014,585</u>	<u>1,013,957</u>	<u>1,031,488</u>
Non-Current				
Civil	15,198,169	16,564,019	20,666,967	22,104,427
Labor	308,013	360,152	1,705,583	1,774,298
Tax	-	-	314,184	336,213
	<u>15,506,182</u>	<u>16,924,171</u>	<u>22,686,734</u>	<u>24,214,938</u>
	<u>16,518,840</u>	<u>17,938,756</u>	<u>23,700,691</u>	<u>25,246,426</u>

These provisions evolved, during this period, as follows:

	PARENT COMPANY	CONSOLIDATED
Balance on December 31 st , 2019	17,938,756	25,246,426
Constitution of provisions	357,859	703,813
Reversal of provisions	(387,892)	(763,970)
Adjustment for Inflation	152,910	233,006
Write-offs	-	(144,593)
Payments	(1,542,793)	(1,573,991)
Balance on June 30 th , 2020	<u>16,518,840</u>	<u>23,700,691</u>

The changes in the constitution of provisions in the parent company and in the consolidated are related to the revision of estimates due to the evolution of decisions in the execution and liquidation stage of the lawsuits, mostly related to civil suits involving compulsory loans.

Eletrobras made payments in the year of 2020 related to legal orders involving compulsory loan, which amounted to BRL 1,536,253. Reimbursements made by the Company observed loss estimations constituted at the time concerning provisioned processes.

Furthermore, the relevant lawsuits in which the Company and their subsidiaries are parties to had no changes to the prognosis concerning the information disclosed in Note 30 to the financial statements as of December 31st, 2019, except as provided below:

Dismissal of the Special Appeal Motions filed by Mendes Júnior Engenharia

On April 1st, 2020, the Special Appeal Motions Staying the Proceedings filed by Mendes Júnior against subsidiary Companhia Hidroelétrica do São Francisco (Chesf) were dismissed. The motions were filed within the scope of a public civil action in which Mendes Júnior claimed the reimbursement of amounts allegedly raised by them in the financial market for the completion of the works of Hydroelectric Power Plant Luiz Gonzaga (Itaparica). As provided for in the Explanatory Notes to Chesf's Financial Statements from December 31st, 2019, the lawsuit filed by Mendes Júnior is classified by Chesf as a remote risk of loss. Considering that there are no more legal remedies available to be filed in said lawsuit, it must be filed.

The constitution and reversal of the provision for contingencies were recorded in the income statement for the period as Operating Provisions (see Note 29.1).

23.2 – Contingent Liabilities

Additionally, the Company has processes evaluated a possible loss in the following amounts:

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Civil	21,870,003	20,775,533	33,852,093	31,817,331
Labor	2,869,591	3,128,990	5,561,720	5,900,822
Tax	-	-	12,021,392	12,131,337
	<u>24,739,594</u>	<u>23,904,523</u>	<u>51,435,205</u>	<u>49,849,489</u>

NOTE 24 – ASSET DECOMMISSIONING OBLIGATION

The Company recognizes obligations for the decommissioning of thermonuclear plants, which constitute a program of activities required by the National Nuclear Energy Commission (CNEN), which allows the dismantling of these nuclear installations in a safe manner and with minimum impact on the environment at the end of the operational cycle. The amounts corresponding to the total assets of demobilization liabilities adjusted to present value are BRL 1,830,619 (BRL 1,791,971 on December 31st, 2019) referring to Angra 1, with license maturing until December 31st, 2024 and BRL 1,366,252 (BRL 1,337,408 as of December 31st, 2019) referring to Angra 2, with license maturing until August 31, 2040.

NOTE 25 - EQUITY

The Company's Capital Stock, as of June 30th, 2020, is of BRL 39,057,271 (BRL 31,305,331 as of December 31st, 2019) and their shares have no par value. Preferred shares are entitled to vote and are not convertible into common shares. However, they have priority in the repayment of capital and in the distribution of dividends, at the annual rates of 8% for class "A" shares (subscribed until June 23rd, 1969) and 6% for class "B" shares (subscribed as of June 24th, 1969), calculated on the capital corresponding to each class of shares.

The Capital Stock is distributed by major shareholders and share classes, as of June 30th, 2020, as follows:

SHAREHOLDER	06/30/2020							
	COMMON		PREFERENTIAL				TOTAL CAPITAL	
	QUANTITY	%	Series A	%	Series B	%	QUANTITY	%
Union	667,888,884	51.82	-	-	494	0.00	667,889,378	42.57
BNDESPAR	141,757,951	11.00	-	-	18,691,102	6.68	160,449,053	10.23
BNDES	74,545,264	5.78	-	-	18,262,671	6.52	92,807,935	5.91
Banco Clássico	65,536,875	5.09	-	-	-	-	65,536,875	4.18
American Depositary Receipts - ADR's	32,180,448	2.50	-	-	6,000,733	2.14	38,181,181	2.43
Fundos 3G Radar	1,700,000	0.13	-	-	28,541,400	10.20	30,241,400	1.93
Others	305,233,174	23.68	146,920	100.00	208,444,994	74.46	513,825,088	32.75
	<u>1,288,842,596</u>	<u>100.00</u>	<u>146,920</u>	<u>100.00</u>	<u>279,941,394</u>	<u>100.00</u>	<u>1,568,930,910</u>	<u>100.00</u>

12/31/2019

SHAREHOLDER	COMMON		PREFERENTIAL				TOTAL CAPITAL	
	QUANTITY	%	Series A	%	Series B	%	QUANTITY	%
Union	554,394,671	51.00	-	-	411	0.00	554,395,082	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
Banco Clássico	54,400,000	5.00	-	-	-	-	54,400,000	4.02
American Depository Receipts - ADR's	27,121,748	2.49	-	-	8,030,814	3.03	35,152,562	2.60
Fundos 3G Radar	73,204	0.01	-	-	20,564,000	7.75	20,637,204	1.53
Others	234,757,459	21.60	146,920	100.00	199,887,885	75.31	434,792,264	32.14
	1,087,050,297	100.00	146,920	100.00	265,436,883	100.00	1,352,634,100	100.00

From the total of 596,143,103 shares in the hands of minority shareholders, 244,413,949, or 41% are owned by non-resident investors, 149,244,757 being common shares, 28 class "A" preferred shares and 95,169,164 are class "B" preferred shares.

Of the total stake of shareholders domiciled abroad, 65,536,875 common shares and 6,000,733 class "B" preferred shares are held in custody and tied to the American Depository Receipts (ADRs) Program, which are listed on the New York Stock Exchange (NYSE).

NOTE 26 - EARNINGS PER SHARE

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to the Company's shareholders by the amount of shares issued, excluding those purchased by the Company and held as treasury shares. Preferred shares have a guaranteed right (per share) of at least a 10% superiority in the distribution of Dividends and/or Interest On Equity (IOE) concerning common shares.

04/01/2020 to 06/30/2020				
Numerator	Ordinary	Preferred A	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	3,691,829	463	882,066	4,574,358
Earnings for the year	3,691,829	463	882,066	4,574,358
Denominator	Ordinary	Preferred A	Preferred B	
Weighted average number of shares	1,288,843	147	279,941	
% of shares in relation to total	82.15%	0.01%	17.84%	
Basic earnings per share of continuous operation (BRL)	2.86	3.15	3.15	
Net basic earnings per share	2.86	3.15	3.15	

01/01/2020 to 06/30/2020				
Numerator	Ordinary	Preferred A	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	3,934,077	494	939,944	4,874,515
Earnings for the year	3,934,077	494	939,944	4,874,515
Denominator	Ordinary	Preferred A	Preferred B	
Weighted average number of shares	1,288,843	147	279,941	
% of shares out in relation to total	82.15%	0.01%	17.84%	
Basic earnings per share of continuous operation (BRL)	3.05	3.36	3.36	
Net basic earnings per share	3.05	3.36	3.36	

04/01/2019 to 06/30/2019				
Numerator	Ordinary	Preferred A	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	240,326	36	64,551	304,913
Losses attributable to each class of shares - Discontinued Operation	4,145,628	616	1,113,511	5,259,756
Earnings for the year	4,385,954	652	1,178,063	5,564,669
Denominator	Ordinary	Preferred A	Preferred B	
Weighted average number of shares	1,087,050	147	265,437	
% of shares out in relation to total	80.37%	0.01%	19.62%	
Basic earnings per share of continuous operation (BRL)	0.22	0.24	0.24	
Basic earnings per share of discontinued operation (BRL)	3.81	4.20	4.20	

Net basic earnings per share	4.03	4.44	4.44
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01/01/2019 to 06/30/2019				
Numerator	Ordinary	Preferred A	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	1,517,434	226	407,581	1,925,241
Losses attributable to each class of shares - Discontinued Operation	3,970,167	590	1,066,383	5,037,140
Earnings for the year	<u>5,487,601</u>	<u>816</u>	<u>1,473,964</u>	<u>6,962,381</u>
Denominator	Ordinary	Preferred A	Preferred B	
Weighted average number of shares	1,087,050	147	265,437	
% of shares out in relation to total	80.37%	0.01%	19.62%	
Basic earnings per share of continuous operation (BRL)	1.40	1.54	1.54	
Basic earnings per share of discontinued operation (BRL)	3.65	4.02	4.02	
Net basic earnings per share	<u>5.05</u>	<u>5.55</u>	<u>5.55</u>	

(b) Diluted

To calculate the diluted earnings per share, the Company must assume the picking up of options, subscription bonus, and other potential dilutive effects, the sole dilutive effect found was related to the conversion of the compulsory loan. The assumed values arising from these instruments must be considered as having been received from the issuance of shares at the average market price of the shares during the financial year. On June 30th, 2020, based on the liability balance related to the compulsory loan, dilution was simulated with an increase of 10,037,538 class B preferred shares in profit per share, as shown below.

01/04/2020 to 06/30/2020					
Numerator	Ordinary	Preferred A	Preferred B Converted	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	3,666,478	460	31,410	876,010	4,574,358
Earnings for the Period	<u>3,666,478</u>	<u>460</u>	<u>31,410</u>	<u>876,010</u>	<u>4,574,358</u>
Denominator	Ordinary	Preferred A	Preferred B - Converted	Preferred B	
Weighted average number of shares in thousands	1,288,843	147	10,038	279,941	
% of shares in relation to total	81.63%	0.01%	0.64%	17.73%	
Earnings per diluted share from continued operation (BRL)	2.84	3.13	3.13	3.13	
Earnings per diluted share (BRL)	<u>2.84</u>	<u>3.13</u>	<u>3.13</u>	<u>3.13</u>	

01/01/2020 to 06/30/2020					
Numerator	Ordinary	Preferred A	Preferred B - Converted	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	3,907,063	490	33,471	933,491	4,874,515
Earnings for the Period	<u>3,907,063</u>	<u>490</u>	<u>33,471</u>	<u>933,491</u>	<u>4,874,515</u>
Denominator	Ordinary	Preferred A	Preferred B - Converted	Preferred B	
Weighted average number of shares in thousands	1,288,843	147	10,038	279,941	
% of shares in relation to total	81.63%	0.01%	0.64%	17.73%	
Earnings per diluted share from continued operation (BRL)	3.03	3.33	3.33	3.33	
Earnings per diluted share (BRL)	<u>3.03</u>	<u>3.33</u>	<u>3.33</u>	<u>3.33</u>	

04/01/2019 to 06/30/2019					
Numerator	Ordinary	Preferred A	Preferred B Converted	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	238,329	35	2,533	64,015	304,913
Earnings attributable to each class of shares - Discontinued operation	4,111,185	611	43,699	1,104,260	5,259,756
Earnings for the Period	<u>4,349,515</u>	<u>647</u>	<u>46,233</u>	<u>1,168,275</u>	<u>5,564,669</u>
Denominator	Ordinary	Preferred A	Preferred B - Converted	Preferred B	
Weighted average number of shares in thousands	1,087,050	147	10,504	265,437	
% of shares in relation to total	79.75%	0.01%	0.77%	19.47%	
Earnings per diluted share from continued operation (BRL)	0.22	0.24	0.24	0.24	
Earnings per diluted share from discontinued operation (BRL)	3.78	4.16	4.16	4.16	
Earnings per diluted share (BRL)	<u>4.00</u>	<u>4.40</u>	<u>4.40</u>	<u>4.40</u>	

01/01/2019 to 06/30/2019					
Numerator	Ordinary	Preferred A	Preferred B - Converted	Preferred B	Total
Earnings attributable to each class of shares - Continuous operation	1,504,827	224	15,995	404,195	1,925,241
Earnings attributable to each class of shares - Discontinued operation	3,937,182	585	41,850	1,057,523	5,037,140
Earnings for the Period	<u>5,442,009</u>	<u>809</u>	<u>57,845</u>	<u>1,461,718</u>	<u>6,962,381</u>
Denominator	Ordinary	Preferred A	Preferred B - Converted	Preferred B	
Weighted average number of shares in thousands	1,087,050	147	10,504	265,437	
% of shares in relation to total	79.75%	0.01%	0.77%	19.47%	
Earnings per diluted share from continued operation (BRL)	1.38	1.52	1.52	1.52	
Earnings per diluted share from discontinued operation (BRL)	3.62	3.98	3.98	3.98	
Earnings per diluted share (BRL)	<u>5.01</u>	<u>5.51</u>	<u>5.51</u>	<u>5.51</u>	

NOTE 27 - NET OPERATING REVENUE

	PARENT COMPANY				CONSOLIDATED			
	01/04/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	01/04/2020 to 06/30/2020	01/01/2020 to 06/30/2020	01/04/2019 to 06/30/2019 (Reclassified)	01/01/2019 to 06/30/2019 (Reclassified)
Hydraulic								
Supply	771	3,165	52,693	60,302	3,172,199	7,176,749	3,566,733	7,364,878
Supply	-	-	-	-	658,500	1,331,818	571,444	1,132,368
CCEE	-	-	-	-	125,099	475,374	279,949	644,713
Revenue from operation and maintenance	-	-	-	-	933,658	1,863,271	843,560	1,684,189
Revenue from the construction of plants	-	-	-	-	10,777	19,171	9,531	13,148
Itaipu Transfer	(52,308)	(69,286)	49,789	103,529	(52,308)	(69,286)	49,789	103,529
	<u>(51,537)</u>	<u>(66,121)</u>	<u>102,482</u>	<u>163,831</u>	<u>4,847,925</u>	<u>10,797,097</u>	<u>5,321,006</u>	<u>10,942,825</u>
Transmission								
Revenue from operation and maintenance	-	-	-	-	837,105	1,871,660	1,212,526	2,053,045
Construction revenue	-	-	-	-	138,866	283,185	123,929	236,070
Contractual Revenue - Transmission	-	-	-	-	177,336	377,118	208,685	404,702
Return on investment - RBSE	-	-	-	-	6,365,939	7,382,138	969,856	1,896,521
	-	-	-	-	<u>7,519,246</u>	<u>9,914,101</u>	<u>2,514,996</u>	<u>4,590,338</u>
Other revenues	15,532	22,353	8,941	118,432	150,808	279,643	179,556	413,191
	<u>(36,005)</u>	<u>(43,768)</u>	<u>111,423</u>	<u>282,263</u>	<u>12,517,979</u>	<u>20,990,841</u>	<u>8,015,558</u>	<u>15,946,354</u>
(-) Deductions from operating revenue								
(-) ICMS	-	-	-	-	(254,273)	(480,477)	(206,491)	(473,014)
(-) PASEP and COFINS	17,172	21,367	(15,428)	(44,696)	(720,354)	(1,556,547)	(762,345)	(1,548,674)
(-) Sector charges	-	-	-	-	(443,287)	(895,893)	(443,132)	(853,421)
(-) Other Deductions (including ISS)	-	-	-	-	(2,475)	(4,698)	(3,014)	(5,012)
	<u>17,172</u>	<u>21,367</u>	<u>(15,428)</u>	<u>(44,696)</u>	<u>(1,420,389)</u>	<u>(2,937,615)</u>	<u>(1,414,982)</u>	<u>(2,880,121)</u>
Net operating revenue	<u>(18,833)</u>	<u>(22,401)</u>	<u>95,995</u>	<u>237,567</u>	<u>11,097,590</u>	<u>18,053,226</u>	<u>6,600,576</u>	<u>13,066,233</u>

As a result of the new tariff revision carried out by ANEEL on June 30th, 2020, the Company re-estimated its RBSE-related receivables and identified a gain in the result of BRL 4.6 billion for the 6-month period to June 30th, 2020. Further details in Note 15.

NOTE 28 - OPERATING COSTS

	PARENT COMPANY				CONSOLIDATED			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Supply (a)	-	-	-	-	(357,881)	(980,957)	(362,176)	(803,097)
Marketing in CCEE	-	-	(45,779)	(46,148)	(529)	(11,264)	(100,992)	(92,089)
Others	(899)	(4,558)	(2,821)	(5,335)	(1,914)	(14,323)	(3,190)	(5,704)
Energy purchased for resale	(899)	(4,558)	(48,600)	(51,483)	(360,324)	(1,006,544)	(466,358)	(900,890)
Charges for use of the electrical grid	-	-	-	-	(393,850)	(840,309)	(575,655)	(785,328)
Fuel for electricity production	-	-	-	-	(527,930)	(995,928)	(380,904)	(910,907)
(b)								
Construction	-	-	-	-	(157,102)	(347,420)	(152,016)	(267,060)
	<u>(899)</u>	<u>(4,558)</u>	<u>(48,600)</u>	<u>(51,483)</u>	<u>(1,439,206)</u>	<u>(3,190,201)</u>	<u>(1,574,933)</u>	<u>(2,864,185)</u>

- a) Supply - The variation is mainly due to the Subsidiary Furnas: (i) new short-term agreements entered into in the amount of BRL 102 Million; (ii) increase in the amounts liquidated as debt in the STM in 2020, which resulted in approximately BRL 65 million; and (iii) increase in the amount of current products, previously provided for in the agreement, increasing the amount in 2020 by BRL 35 million.
- b) Fuel for electricity production - The amounts refer mainly to the purchase of oil by-products for electricity production and to the costs incurred by Amazonas GT with the Independent Producers (PIE's).

NOTE 29 – OPERATING EXPENSES

	PARENT COMPANY				CONSOLIDATED			
	01/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	01/04/2020 to 06/30/2020	01/01/2020 to 06/30/2020	01/04/2019 to 06/30/2019 (Reclassified)	01/01/2019 to 06/30/2019 (Reclassified)
Personnel	(82,071)	(162,255)	(80,202)	(169,592)	(1,028,393)	(2,155,316)	(1,203,723)	(2,559,311)
Material	(160)	(470)	(278)	(809)	(51,815)	(153,606)	(70,644)	(100,996)
Services	(63,244)	(124,892)	(123,976)	(199,847)	(431,534)	(898,301)	(588,297)	(1,025,553)
Personnel, Material and Services	(145,475)	(287,617)	(204,456)	(370,248)	(1,511,742)	(3,207,223)	(1,862,664)	(3,685,860)
Depreciation and amortization	(3,256)	(6,529)	(3,329)	(6,723)	(462,593)	(931,858)	(444,773)	(872,730)
Donations and contributions	(24,992)	(49,329)	(25,581)	(58,329)	(29,432)	(79,721)	(50,588)	(102,880)
Operating Provisions/Reversals	(114,216)	(190,057)	(961,048)	(1,311,774)	(559,057)	(1,005,909)	(1,506,085)	(2,029,036)
Other	(27,274)	(99,940)	(58,654)	(88,919)	(135,238)	(533,838)	(355,072)	(525,655)
	<u>(315,213)</u>	<u>(633,472)</u>	<u>(1,253,068)</u>	<u>(1,835,993)</u>	<u>(2,698,062)</u>	<u>(5,758,549)</u>	<u>(4,219,182)</u>	<u>(7,216,161)</u>

29.1 - Operating Provisions/Reversals

	PARENT COMPANY				CONSOLIDATED			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Guarantees	5,177	(2,030)	58,304	70,052	5,177	(2,030)	58,304	70,052
Contingencies	(124,840)	30,034	28,683	(75,156)	59,505	77,778	(328,707)	(621,855)
PECLD - Consumers & resellers	-	-	-	-	(312,703)	(379,242)	(88,213)	(100,812)
PECLD - Financing & loans	13,958	(180,818)	(52,829)	(230,590)	13,958	(180,818)	(52,829)	(230,590)
Deficiency in Subsidiaries	-	119,223	(95,399)	(111,130)	-	-	-	-
Onerous contracts	-	-	-	-	-	-	247,712	341,900
Provision/(Reversal) for investment losses	(16,830)	(132,855)	27,439	27,252	(4,384)	(120,424)	27,436	62,286
Adjustment installment - RAP (a)	-	-	-	-	(223,881)	(223,881)	-	-
Impairment of long-term assets	-	-	-	-	20,151	20,151	-	-
Lapse of Concession	-	-	-	-	-	-	(387,092)	(387,092)
ANEEL Provision - CCC	16,227	8,994	(921,291)	(986,382)	16,227	8,994	(921,291)	(986,382)
Inflexibility Power Plant Cadianta III (b)	-	-	-	-	(65,326)	(65,326)	-	-
GAG improvement	-	-	-	-	(51,279)	(108,698)	(42,368)	(42,368)
Other	(7,908)	(32,605)	(5,955)	(5,820)	(16,502)	(32,413)	(19,037)	(134,175)
	<u>(114,216)</u>	<u>(190,057)</u>	<u>(961,048)</u>	<u>(1,311,774)</u>	<u>(559,057)</u>	<u>(1,005,909)</u>	<u>(1,506,085)</u>	<u>(2,029,036)</u>

Impact on entry "Impairment" of long-term assets refers to PCH Santo Cristo and is composed by BRL 14,148 recorded in the fixed assets and BRL 6,003 recorded in intangible assets.

- a) The sum refers to amounts provisioned by subsidiary CGT Eletrosul due to postponement of the revision of administration, operation and maintenance costs, from July 1st, 2018 to July 1st, 2020, occurred in the tariff revision process pertaining to concession agreement 057/2001. Amount will be returned in the RAP in 36 installments as of June 2020.
- b) On June 28th, 2020 there was a failure event to the turbine/generator assembly of Power Plant Cadianta III, without apparent records of damage to other equipment, and thus, the Company provisioned the sum of BRL 65,326 to deal with inflexibility and unavailability.

NOTE 30 – FINANCIAL RESULT

	PARENT COMPANY				CONSOLIDATED			
	01/04/2020 to 06/30/2020	01/01/2020 to 06/30/2020	01/04/2019 to 06/30/2019	01/01/2019 to 06/30/2019	01/04/2020 to 06/30/2020	01/01/2020 to 06/30/2020	01/04/2019 to 06/30/2019 (Reclassified)	01/01/2019 to 06/30/2019 (Reclassified)
Financial Revenue								
Revenue from interest, commissions and fees	372,471	783,194	481,490	1,070,127	256,137	482,691	295,014	540,877
Revenue from financial investments	186,851	665,066	88,288	146,071	268,186	826,007	184,251	309,563
Moratorium increase on electrical energy	768	1,385	-	126	60,700	115,671	100,682	161,790
Other finance income	15,511	110,554	431,285	478,801	26,436	145,039	474,477	598,111
	<u>575,601</u>	<u>1,560,199</u>	<u>1,001,063</u>	<u>1,695,125</u>	<u>611,459</u>	<u>1,569,408</u>	<u>1,054,424</u>	<u>1,610,341</u>
Financial expenses								
Debt charges	(325,721)	(1,055,138)	(539,159)	(1,028,505)	(623,953)	(1,663,203)	(1,108,742)	(1,802,452)
Commercial leasing charges	(1,412)	(2,868)	(1,578)	(3,195)	(92,437)	(185,819)	(87,227)	(171,937)
Charges on shareholder resources	(535)	(23,091)	(60,473)	(119,076)	(97,499)	(143,651)	(124,928)	(217,799)
Losses with derivatives	-	-	-	-	11,077	(107,451)	(6,829)	(25,059)
Other financial expenses	(185,230)	(674,476)	(905,031)	(1,016,430)	(60,523)	(340,946)	(1,048,068)	(1,310,117)
	<u>(512,898)</u>	<u>(1,755,573)</u>	<u>(1,506,241)</u>	<u>(2,167,206)</u>	<u>(863,335)</u>	<u>(2,441,070)</u>	<u>(2,375,794)</u>	<u>(3,527,364)</u>
Other financial results, net								
Adjustments for inflation	75,821	122,112	122,792	296,028	147,061	196,816	27,826	151,226
Foreign exchange variations (a)	(71,413)	(236,421)	(15,881)	11,906	(197,435)	(799,482)	(2,606)	60,075
Measurement result - RBSE (b)	-	-	-	-	(1,028,340)	(1,365,573)	1,721,646	1,795,094
	<u>4,408</u>	<u>(114,309)</u>	<u>106,911</u>	<u>307,934</u>	<u>(1,078,714)</u>	<u>(1,968,239)</u>	<u>1,746,866</u>	<u>2,006,395</u>
FINANCIAL INCOME	<u>67,111</u>	<u>(309,683)</u>	<u>(398,267)</u>	<u>(164,147)</u>	<u>(1,330,590)</u>	<u>(2,839,901)</u>	<u>425,496</u>	<u>89,372</u>

- a) The expense with the exchange rate variation in the amount of BRL 799,482 in the period ended June 30th, 2020 (revenue of BRL 60,075 for the same period in 2019) was mainly driven by the rise in the dollar against the Brazilian Real, which negatively impacted Eletrobras' financing balances of foreign currency loans in the amount of BRL 3,026,801. This impact was partially reduced by the positive exchange rate variation of loans to receive in the sum of BRL 1,953,772.

- b) Variation to item "result from measurement" - RBSE resulted from the measurement at a fair value of the RBSE considering the new flow of receivables following approval of tariff revision of renewed transmission contracts that impacted RBSE, further details in Note 15.

NOTE 31- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

31.1 - Capital Risk Management

The Company's objectives in managing its capital are safeguarding its continuity so as to offer a return to shareholders and benefits to other interested parties, in addition to pursuing an optimal capital structure to reduce this cost. Acquisitions and sales of financial assets are recognized on the date of negotiation.

In order to maintain or adjust capital structure, the Company may revise its dividend payment policy, return capital to shareholders, or issue new shares or sell assets in order to reduce, for example, the level of debt.

The Company, consistent with other companies in the sector, monitors the Company based on the financial leveraging index. This index is the net exposure divided by the full capital. The net exposure, in turn, corresponds to the total from short- and long-term loans, financing and debentures, Notes 18 and 19, subtracted from the amount of cash and cash equivalents, and securities (without considering cash/restricted TVM), Notes 5 and 6. Total capital is determined by adding the net worth, as shown in the consolidated balance sheet, to the net exposure.

	CONSOLIDATED	
	06/30/2020	12/31/2019
Total from loans, financing and debentures	50,554,719	47,899,641
(-) Cash and Cash Equivalents	(368,373)	(335,307)
(-) Marketable Securities	(14,636,322)	(10,742,766)
Net exposure	35,550,024	36,821,568
(+) Total net equity	76,305,382	71,394,146
Total capital	111,855,406	108,215,714
Financial Leverage Index	32%	34%

31.2 – Classification by category of financial instruments

The accounting balances of certain financial assets and liabilities represent a reasonable approximation to fair value. The Company uses the following classification to classify its financial instruments and its respective levels:

	Level	PARENT COMPANY		CONSOLIDATED	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
FINANCIAL ASSETS					
Amortized cost		28,728,583	30,458,710	28,525,879	28,615,140
Loans and financing		21,601,487	23,403,194	14,032,667	14,276,816
Rights to Reimbursement		5,438,086	5,382,834	5,542,694	5,464,005
Financial asset - Generation		-	-	2,084,085	2,070,912
Financial asset - Itaipu		1,409,535	1,202,493	1,409,535	1,202,493
Customers		277,713	468,429	5,454,791	5,566,684
Bonds and Securities		1,762	1,760	2,107	34,230
Fair value through profit or loss		9,216,803	7,178,318	52,156,464	45,623,772
Bonds and Securities	2	9,207,263	7,159,978	14,634,215	10,708,536
RBSE	3	-	-	36,968,370	34,288,071
Cash and cash equivalents	2	9,540	18,202	368,373	335,307
Derivative Financial Instruments	2	-	138	185,506	291,858
Fair value by means of other comprehensive income		1,881,861	1,970,479	1,952,504	2,056,990
Investments (Equity Interest)	1	1,881,861	1,970,479	1,952,504	2,056,990
FINANCIAL LIABILITIES					
Amortized cost		34,462,603	35,672,889	56,604,993	54,090,209
Loans and financing		26,602,141	28,274,273	43,830,930	41,940,363
Debentures		5,036,777	5,044,228	6,723,789	5,959,278
Reimbursement obligations		1,997,778	1,796,753	1,997,778	1,796,753
Suppliers		766,136	494,133	2,885,033	3,113,612
Commercial leasing		59,771	63,502	1,094,585	1,207,189
Concessions payable UBP		-	-	72,878	73,014
Fair value through profit or loss		800	683	5,222	5,683
Derivative Financial Instruments	2	800	683	5,222	5,683

Level 1 – prices quoted (not adjusted) on active markets, liquid and visible for identical assets and liabilities accessible on the date of measurement;

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

Level 3 – assets and liabilities not priced or where prices or valuation techniques are supported by a small or non-existent market, not observable or liquid. In this level, the estimated fair value becomes highly subjective.

The fair value of financial instruments traded in active markets is based on market prices quoted on the balance sheet date. A market is seen as active if quoted prices are promptly and regularly available from an exchange, distributor, broker, group of industries, pricing service, or regulatory agency. And the prices represent real market transactions which occur regularly on purely commercial bases.

The quoted market price used for financial assets held by the Company and its subsidiaries is the current competitive price. These instruments are in Level 1. The instruments included in Level 1 comprise mainly equity investments classified as fair value through profit or loss or through other comprehensive income previously classified as trading securities or available for sale.

The fair value of financial instruments not traded on active markets (such as over the counter derivatives) is determined using valuation techniques. These valuation techniques maximize the use of information adopted by the market where it is available, and rely as little as possible on the entity's specific estimates. If all 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 information is not based on data used by the market, the instrument will be included in Level 3.

Specific valuation techniques used to assess financial instruments include:

- Quoted market prices or quotes from 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; and
- The fair value of forward exchange rate contracts is determined based on future exchange rates on the balance sheet date, with the resulting value discounted from the present value.

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

The Company classifies the Transmission assets (RBSE) as fair value through the result. Since the factors relevant for the assessment at fair value of this asset are not publicly observable, the classification of the fair value hierarchy is Level 3. The result referring to the fair value of the asset during the period was a loss of BRL 1,365,573 (a gain of BRL 1,795,094 at June 30th, 2019).

31.3 - Financial Risk Management

In the exercise of its activities, the Company is affected by risk events that could compromise its strategic objectives. The main objective of risk management is to anticipate and minimize the adverse effects of such events on the Company's business and economic and financial results.

The Company defined operating and financial policies and strategies to manage financial risks, approved by internal committees and by management, which aim to confer liquidity, safety and profitability to its assets, and maintain set debt levels and profile for financial and economic flows.

The sensitivity analyzes below were prepared as established in CVM Instruction 475/2008, having the purpose of measuring the impact of the changes in the market variables on each of the Company's financial instruments. Therefore, these are projections based on assessments of macroeconomic scenarios, and do not mean that the transactions will have the values presented in the analysis period considered.

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

31.3.1. - Exchange rate risk

This risk arises from the possibility of the Company having its economic and financial statements affected by exchange rate fluctuations. The Company is exposed to financial risks that cause volatility in its results and in its cash flow. The Company has exposure between assets and liabilities indexed in foreign currency, especially to US dollars.

The Company adopts a Financial Hedge Policy which purpose is to monitor and mitigate the exposure to market variables that could impact the Company's and its subsidiaries' assets and liabilities, thus reducing the effects of undesirable fluctuations in these variables in their financial statements and interim financial information.

The purpose of said policy, therefore, is for the Company's results to accurately reflect their actual operating performance, and for their projected cash flow to be less volatile.

Taking into account the different ways of hedging the mismatches presented by the Company, the Policy states a scale of priorities, privileging structural solutions, and, only for residual cases, the adoption of operations with derivative financial instruments.

When operations with financial derivatives are performed, they are not allowed to constitute financial leveraging or operation of concession of credit to third parties.

(a) Composition of balances in foreign currency and sensitivity analysis

In the following tables, scenarios were considered for the exchange rates, with their respective impacts on the Company's results. For the sensitivity analysis, we used forecasts and/or estimates fundamentally based on macroeconomic assumptions extracted from the Focus Report, published by the Brazilian Central Bank, and Economic Outlook 86, published by the OECD (Organization for Economic Development and Cooperation) as a probable scenario for the period of June 30th, 2020.

- Exchange rate appreciation/depreciation risk

		PARENT COMPANY						
		Balance on 06/30/2020		Effect on income - revenue (expense)				
		Foreign Currency	BRL	Scenario I - Probable 2020 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹	Scenario II (-25%) ¹	Scenario III (-50%) ¹
USD	Loans obtained	(2,045,084)	(11,198,879)	503,090	(2,170,858)	(4,844,805)	(3,177,037)	(5,850,984)
	Loans granted	1,197,617	6,558,152	(294,615)	1,271,269	2,837,153	1,860,499	3,426,384
	Financial assets - Itaipu	401,419	2,198,171	(98,750)	426,106	950,961	623,605	1,148,460
	Impact on income - USD	(446,048)	(2,442,556)	109,725	(473,483)	(1,056,691)	(692,933)	(1,276,140)
EURO	Loans obtained	(50,360)	(309,908)	9,765	(65,271)	(140,307)	(84,801)	(159,836)
	Loans granted	50,356	309,884	(9,764)	65,266	140,296	84,794	159,824
	Impact on income - EURO	(4)	(24)	1	(5)	(11)	(7)	(12)
YEN	Loans granted	2,808,601	142,705	2,275	(32,833)	(67,940)	37,382	72,490
	Impact on income - YEN	2,808,601	142,705	2,275	(32,833)	(67,940)	37,382	72,490
Impact on income in case of appreciation of exchange rates				112,001	(506,321)	(1,124,642)		
Impact on income in case of depreciation of exchange rates							(655,558)	(1,203,662)

		CONSOLIDATED						
		Balance on 06/30/2020		Effect on income - revenue (expense)				
		Foreign Currency	BRL	Scenario I - Probable 2020 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹	Scenario II (-25%) ¹	Scenario III (-50%) ¹
USD	Loans obtained	(2,200,734)	(12,051,221)	541,382	(2,336,078)	(5,213,538)	(3,418,841)	(6,296,301)
	Loans granted	1,134,308	6,211,468	(279,037)	1,204,071	2,687,178	1,762,145	3,245,253
	Financial assets - Itaipu	401,419	2,198,171	(98,750)	426,106	950,961	623,605	1,148,460
	Impact on income - USD	(665,007)	(3,641,582)	163,595	(705,901)	(1,575,399)	(1,033,091)	(1,902,588)
EURO	Loans obtained	(50,359)	(309,907)	9,765	(65,271)	(140,306)	(84,800)	(159,836)
	Impact on income - EURO	(50,359)	(309,907)	9,765	(65,271)	(140,306)	(84,800)	(159,836)
Impact on income in case of appreciation of exchange rates				173,360	(771,172)	(1,715,705)		
Impact on income in case of depreciation of exchange rates							(1,117,891)	(2,062,424)

(¹) Assumptions adopted:	06/30/2020	Probable	+25%	+50%	-25%	-50%
USD	5.48	5.23	6.54	7.85	3.92	2.62
EURO	6.15	5.96	7.45	8.94	4.47	2.98
YEN	0.05	0.05	0.06	0.08	0.04	0.03

31.3.2.- Interest rate risk

This risks associated to the possibility of the Company suffering accounting losses due to fluctuation in market interest rates, impacting its financial statements by raising financial expenses with foreign capital contracts, mainly, referenced by the Libor rate.

The Company monitors its exposure to the Libor rate and contracts derivative transactions to minimize this exposure, in accordance with the Financial Hedging Policy.

(a) Composition of balances by indexer and sensitivity analysis

In the following charts, scenarios were considered for indices and rates, with their respective impacts on the Company's results. For the sensitivity analysis, the probable scenario for June 30th, 2020, used forecasts and/or estimates typically based on macroeconomic assumptions extracted from the Focus report, published by the Central Bank, and Economic Outlook 86, published by the OECD.

All scenarios used a likely exchange rate for the US dollar to convert into Brazilian Reais the effect on the results of risks linked to fluctuations of the LIBOR In this sensitivity analysis, no exchange effect is being considered due to valuation or devaluation of the probable exchange rate scenario. The impact of valuation or devaluation of the USdollar exchange rate in the probable scenario is presented in item (a.1) of this Note.

a.1) LIBOR

Risk of appreciation of interest rates

		PARENT COMPANY				
		Balance of debt / Notional amount on 06/30/2020		Effect on income - revenue (expense)		
		In USD	In BRL	Scenario I - Probable 2020 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹
LIBOR	Loans obtained	(71,251)	(390,456)	(239)	(299)	(358)
	Derivative	(146)	(800)	-	(1)	(1)
	Total	(71,397)	(391,256)	(239)	(300)	(359)
		CONSOLIDATED				
		Balance of debt / Notional amount on 06/30/2020		Effect on income - revenue (expense)		
		In USD	In BRL	Scenario I - Probable 2020 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹
LIBOR	Loans obtained	(158,076)	(866,257)	(530)	(663)	(795)
	Derivative	(953)	(5,222)	(3)	(4)	(5)
	Total	(159,029)	(871,479)	(533)	(667)	(800)
(¹) Assumptions adopted:		06/30/2020	Probable	25%	50%	
	USD	5.48	5.23	6.54	7.85	
	LIBOR	0.37%	0.32%	0.40%	0.48%	

(a.2) National indexers

Risk of appreciation/depreciation of interest rates

		PARENT COMPANY					
		Balance on 06/30/2020	Effect on income - revenue (expense)				Scenario III (-50%) ¹
			Scenario I - Probable 2020 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹	Scenario II (-25%) ¹	
CDI	Loans obtained	(3,122,609)	(59,330)	(74,162)	(88,994)	(44,497)	(29,665)
	Debentures issued	(4,319,800)	(82,076)	(102,595)	(123,114)	(61,557)	(41,038)
	Impact on income - CDI	(7,442,409)	(141,406)	(176,757)	(212,108)	(106,054)	(70,703)
SELIC	Loans obtained	(7,870,178)	(157,404)	(196,754)	(236,105)	(118,053)	(78,702)
	Right to reimbursement	2,476,939	49,539	61,923	74,308	37,154	24,769
	Impact on income or loss - SELIC	(5,393,239)	(107,865)	(134,831)	(161,797)	(80,899)	(53,933)
IGPM	Loans granted	235,927	1,180	1,475	1,769	885	590
	Lease liability	(61,657)	(308)	(385)	(462)	(231)	(154)
	Impact on income - IGPM	174,270	872	1,090	1,307	654	436
IPCA	Loans granted	1,987,487	19,080	23,850	28,620	14,310	9,540
	Debentures issued	(716,977)	(6,883)	(8,604)	(10,324)	(5,162)	(3,441)
	Right to reimbursement	2,961,148	28,427	35,534	42,641	21,320	14,214
	Impact on income - IPCA	4,231,658	40,624	50,780	60,937	30,468	20,313
Impact on income - index appreciation			(207,775)	(259,718)	(311,661)		
Impact on income - index depreciation						(155,831)	(103,886)

		CONSOLIDATED					
		Balance on 06/30/2020	Effect on income - revenue (expense)				
			Scenario I - Probable 2020 ¹	Scenario II (+25%) ¹	Scenario III (+50%) ¹	Scenario II (-25%) ¹	Scenario III (-50%) ¹
CDI	Loans obtained	(8,092,330)	(153,754)	(192,193)	(230,631)	(115,316)	(76,877)
	Debentures issued	(4,771,542)	(90,659)	(113,324)	(135,989)	(67,994)	(45,330)
	Impact on income - CDI	(12,863,872)	(244,413)	(305,517)	(366,620)	(183,310)	(122,207)
SELIC	Loans obtained	(7,886,204)	(157,724)	(197,155)	(236,586)	(118,293)	(78,862)
	Right to reimbursement	2,476,939	49,539	61,923	74,308	37,154	24,769
	Impact on income - IPCA	(5,409,265)	(108,185)	(135,232)	(162,278)	(81,139)	(54,093)
TJLP	Loans obtained	(5,958,522)	(298,522)	(373,152)	(447,783)	(223,891)	(149,261)
	Debentures issued	(194,665)	(9,753)	(12,191)	(14,629)	(7,315)	(4,876)
	Impact on income - TJLP	(6,153,187)	(308,275)	(385,343)	(462,412)	(231,206)	(154,137)
IGPM	Loans granted	235,927	1,180	1,475	1,769	885	590
	Lease liability	(1,161,539)	(5,808)	(7,260)	(8,712)	(4,356)	(2,904)
	Impact on income - IGPM	(925,612)	(4,628)	(5,785)	(6,943)	(3,471)	(2,314)
IPCA	Loans obtained	(74,380)	(714)	(893)	(1,071)	(536)	(357)
	Loans granted	135,396	1,300	1,625	1,950	975	650
	Debentures issued	(1,757,582)	(16,873)	(21,091)	(25,309)	(12,655)	(8,436)
	Right to reimbursement	3,065,755	29,431	36,789	44,147	22,073	14,716
	Impact on income - IPCA	1,369,189	13,144	16,430	19,717	9,857	6,573
Impact on income - index appreciation			(652,357)	(815,447)	(978,536)		
Impact on income - index depreciation						(489,269)	(326,178)
⁽¹⁾ Assumptions adopted:		06/30/2020	Probable	+25%	+50%	-25%	-50%
	CDI	2.15%	1.90%	2.38%	2.85%	1.43%	0.95%
	SELIC	2.25%	2.00%	2.50%	3.00%	1.50%	1.00%
	IPCA	0.25%	0.96%	1.20%	1.44%	0.72%	0.48%
	TJLP	4.94%	5.01%	6.26%	7.52%	3.76%	2.51%
	IGPM	1.56%	0.50%	0.63%	0.75%	0.38%	0.25%

31.3.3. - Credit Risk

This risk arises from the possibility of the Company and its subsidiaries suffering losses resulting from a difficulty to realize their deferred revenue from customers, and from default of counterparty financial institutions in transactions.

Eletrobras, through its subsidiaries and affiliated companies, operates in the electricity generation and transmission markets supported by agreements entered into in a regulated environment. The Company seeks to minimize its credit risks through guarantee mechanisms involving receivables from its clients and, where applicable, through bank guarantees.

Regarding receivables from loans granted (Note 8), except for the financial operations with jointly-owned subsidiary Itaipu, whose credit risk is low due to the inclusion of the costs of loans in the power marketing fee of the jointly-owned subsidiary, as defined in the terms of the International Treaty entered into between the Governments of Brazil and Paraguay, credit risk concentration with any other counterparty individually did not exceed 26% of the outstanding balance.

The surplus cash reserves are invested in an extra-market fund, according to specific regulations of the Central Bank of Brazil. This fund is formed totally by public securities held in custody in SELIC, with exposure to credit risk lower than the other instruments.

In eventual relations with financial institutions, the Company is required to invest their financial assets only with Caixa Econômica Federal and Banco do Brasil S.A., in adherence with resolution 3284 of the Central Bank of Brazil. These banks are low-risk options and their ratings are reviewed by credit risk rating agencies.

The Company has a rule on the accreditation of financial institutions for purposes of performing operations with derivatives. This standard defines criteria regarding size, rating and expertise in the derivatives market, in order to select institutions that may carry out transactions with the Company.

The Company monitors the credit risk of its swap operations, but does not account for this risk of non-performance in the fair value balance of each derivative because, based on the net exposure to the credit risk, the Company may account for its swap portfolio given a non-enforced transaction between the

parties at the valuation date. The Company considers the risk of noncompliance only for the analysis of the retrospective test for each relation designated for Hedge Accounting.

In addition, the Company is exposed to credit risk connected to financial guarantees granted to Banks by the Parent Company and subsidiaries. The maximum exposure of the Company corresponds to the maximum amount that the Company will have to pay if the guarantee is executed and included in Note 18.

31.3.4. - Risk of liquidity

The liquidity needs of the Company and its subsidiaries are the responsibility of the financial and fund-raising areas, which operate in alignment to continually monitor the short-, medium- and long-term cash flows, both estimated and realized, seeking to avoid possible mismatches and resulting financial losses, and to ensure the liquidity requirements for the operating needs.

The table below analyzes the non-derivative financial liabilities of Eletrobras Companies per maturity ranges, corresponding to the period remaining on the balance sheet until the contractual maturity date. Contractual maturity is based on the latest date in which Eletrobras Companies must pay off their respective obligations and includes the respective contractual interest listed, when applicable.

PARENT COMPANY					
06/30/2020					
Payment flow					
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Non-Current)					
Measured at amortized cost	8,791,658	10,272,822	11,117,222	9,339,656	39,521,358
Loans and financing	5,622,777	8,437,481	7,916,211	5,699,035	27,675,504
Debtentures	394,612	1,830,391	3,167,154	3,609,808	9,001,965
Reimbursement Obligations	1,997,778	-	-	-	1,997,778
Suppliers	766,136	-	-	-	766,136
Commercial leasing	10,355	4,950	33,857	30,813	79,975
PARENT COMPANY					
12/31/2019					
Payment flow					
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Non-Current)					
Measured at amortized cost	9,151,904	15,816,946	7,174,368	8,238,005	40,381,223
Loans and financing	6,544,528	15,532,125	5,556,310	3,975,859	31,608,822
Debtentures	308,916	273,533	1,584,968	4,250,597	6,418,014
Reimbursement Obligations	1,796,753	-	-	-	1,796,753
Suppliers	494,133	-	-	-	494,133
Commercial leasing	7,574	11,288	33,090	11,549	63,501
CONSOLIDATED					
06/30/2020					
Payment flow					
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Non-Current)					
Measured at amortized cost	17,431,203	13,293,437	15,718,028	20,293,708	66,736,376
Loans and financing	11,565,459	11,101,603	11,710,925	15,517,542	49,895,529
Suppliers	2,858,544	17,240	-	-	2,875,784
Reimbursement Obligations	1,997,778	-	-	-	1,997,778
Commercial leasing	250,850	210,617	423,209	320,754	1,205,430
Debtentures	754,024	1,927,991	3,576,631	4,430,331	10,688,977
Concessions payable UBP	4,548	35,986	7,263	25,081	72,878
CONSOLIDATED					
12/31/2019					
Payment flow					
	Up to 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
FINANCIAL LIABILITIES (Current / Non-Current)					
Measured at amortized cost	15,412,375	19,696,974	11,600,831	15,876,498	62,586,679
Loans and financing	9,783,672	18,982,813	8,864,393	11,309,125	48,940,003
Suppliers	3,092,676	20,936	-	-	3,113,612
Reimbursement Obligations	1,796,753	-	-	-	1,796,753
Commercial leasing	242,055	219,635	643,834	224,708	1,330,232
Debtentures	492,623	469,382	2,080,612	4,290,447	7,333,064
Concessions payable UBP	4,596	4,208	11,992	52,218	73,014

31.4. – Sensitivity analysis of derivative financial instruments

The following analysis estimates the potential value of instruments in hypothetical stress scenarios of the main market risk factors that impact the derivative financial instruments.

- Probable: The probable scenario was defined as the fair value of derivatives as of June 30th, 2020;

- Scenarios I & II: Estimated fair value considering a deterioration of 25% and 50%, respectively, in the associated risk variables; and
- Scenarios III & IV: Estimated fair value considering an appreciation of 25% and 50%, respectively, in the associated risk variables.

Embedded derivative	Probable	Scenario I	Scenario II	Scenario III	Scenario IV
Electricity supply (31.4.1)	185,506	3,317	92,753	231,883	278,259
Option for conversion into shares (31.4.2)	4,422	3,317	2,211	5,528	6,633

The sensitivity analyzes were prepared as established in CVM Instruction 475/2008, with the purpose of measuring the impact of changes in the market variables on each of the Company's financial instruments. Therefore, these are projections based on assessments of macroeconomic scenarios, and do not mean that the transactions will have the values presented in the analysis period considered.

31.4.2. - Supply of electric power

Sensitivity analyzes were performed on the power supply agreements of electro-intensive consumer Albrás, as they have a contractual clause referring to the premium per variation in aluminum prices in the international market.

Thus, a variation in the price of the premium earned was made for such hybrid agreements, as the table above shows. The volatility components in the premium are basically: price of primary aluminum on the LME, the exchange rate, and CDI (interbank deposit) rate.

31.4.3. - Option of converting shares

Sensitivity analyzes of the debentures agreement were performed, as they have a contractual clause referring to the option of converting such debentures into shares of Eletronorte.

In the following analysis, different scenarios were considered for the TJLP with their respective impacts on the results of Eletronorte.

Sensitivity analyzes were performed for the curve of payment of the service of the debt contracted with Amazon Development Fund (FDA), according to Note 31.4 as they have a contractual clause referring to the option to convert 50% into shares of the Company on the date of the actual liquidation of the debt.

According to ASC 48, the hybrid agreements with associated volatile elements, whether they are price indexes and/or commodities, must be marked at market value. Thus, the financial statements will reflect the fair value of the operation on each date assessed. Therefore, for the agreement, a variation on the expectation for the realization of TJLP was estimated.

NOTE 32 – INFORMATION PER BUSINESS SEGMENT

The consolidated information per business segment, corresponding to June 30th, 2020, is as follows:

	01/04/2020 to 06/30/2020				
	Administration	Hydraulic	Transmission	Eliminations	Total
Net Operating Revenue	42,835	4,014,894	7,334,669	(294,808)	11,097,590
Costs	(899)	(1,597,290)	(135,246)	294,229	(1,439,206)
Operational Expenses	(460,983)	(1,399,061)	(838,597)	579	(2,698,062)
Operating Income Before the Financial Result	(419,047)	1,018,543	6,360,826	-	6,960,322
Financial Result	(40,307)	78,126	(1,368,409)	-	(1,330,590)
Revenue from interests	372,471	1,846	4,518	(122,698)	256,137
Interest expense	(471,611)	(319,096)	(145,880)	122,698	(813,889)
Other financial revenues and expenses	58,833	395,376	(1,227,047)	-	(772,838)
Income from Equity Interests	363,887	-	-	-	363,887
Current and deferred income tax and social contributions	(4,822)	(593,065)	(798,379)	-	(1,396,266)
Net Profit (loss) for the Period	(100,289)	503,604	4,194,038	-	4,597,353

	01/01/2020 to 06/30/2020				
	Administration	Hydraulic	Transmission	Eliminations	Total
Net Operating Revenue	83,356	9,024,873	9,492,348	(547,351)	18,053,226
Costs	(4,558)	(3,420,819)	(309,896)	545,072	(3,190,201)
Operational Expenses	(1,030,738)	(2,994,158)	(1,735,932)	2,279	(5,758,549)
Operating Income Before the Financial Result	(951,940)	2,609,896	7,446,520	-	9,104,476
Financial Result	(306,422)	(595,133)	(1,938,346)	-	(2,839,901)
Revenue from interests	783,194	4,734	8,048	(313,285)	482,691
Interest expense	(1,373,728)	(624,352)	(307,878)	313,285	(1,992,673)
Other financial revenues and expenses	284,112	24,485	(1,638,516)	-	(1,329,919)
Income from Equity Interests	528,110	-	-	-	528,110
Other revenues and expenses	25,042	-	-	-	25,042
Current and deferred income tax and social contributions	(4,822)	(1,149,688)	(759,028)	-	(1,913,538)
Net Profit (loss) for the Period	(710,032)	865,075	4,749,146	-	4,904,189

	01/04/2019 to 06/30/2019 (Reclassified)				
	Administration	Hydraulic	Transmission	Eliminations	Total
Net Operating Revenue	21,662	4,464,091	2,190,372	(75,549)	6,600,576
Costs	(48,600)	(1,453,697)	(146,696)	74,060	(1,574,933)
Operational Expenses	(1,286,456)	(1,599,552)	(1,334,663)	1,489	(4,219,182)
Operating Income Before the Financial Result	(1,313,394)	1,410,842	709,013	-	806,461
Financial Result	(753,566)	(394,348)	1,573,410	-	425,496
Revenue from interests	481,490	437	534	(187,447)	295,014
Interest expense	(946,040)	(410,200)	(152,104)	187,447	(1,320,897)
Other financial revenues and expenses	(289,016)	15,415	1,724,980	-	1,451,379
Income from Equity Interests	101,906	-	-	-	101,906
Other revenues and expenses	(16,928)	-	-	-	(16,928)
Current and deferred income tax and social contributions	132,482	(400,498)	(747,741)	-	(1,015,757)
Net Profit (loss) for the Period	(1,849,500)	615,996	1,534,682	-	301,178

	01/01/2019 to 06/30/2019 (Reclassified)				
	Administration	Hydraulic	Transmission	Eliminations	Total
Net Operating Revenue	68,484	9,269,655	4,211,635	(483,541)	13,066,233
Costs	(51,483)	(3,039,101)	(253,750)	480,149	(2,864,185)
Operational Expenses	(2,076,724)	(2,910,429)	(2,232,400)	3,392	(7,216,161)
Operating Income Before the Financial Result	(2,059,723)	3,320,125	1,725,485	-	2,985,887
Financial Result	(517,658)	(806,030)	1,413,060	-	89,372
Revenue from interests	1,070,127	408	498	(530,156)	540,877
Interest expense	(1,529,453)	(806,064)	(386,827)	530,156	(2,192,188)
Other financial revenues and expenses	(58,332)	(374)	1,799,389	-	1,740,683
Income from Equity Interests	262,000	-	-	-	262,000
Other revenues and expenses	166,294	-	-	-	166,294
Current and deferred income tax and social contributions	(26,096)	(834,241)	(772,068)	-	(1,632,405)
Net Profit (loss) for the Period	(2,175,183)	1,679,854	2,366,477	-	1,871,148

The elimination column presents the adjustments that happened in the Company per segments, reconciling the balances disclosed per each segment. There are no reconciliations arising from differences in accounting practice.

Gross revenue, after eliminations, from external customers per segment before tax deductions:

	04/01/2020 to 06/30/2020			01/01/2020 to 06/30/2020		
	Hydraulic	Transmission	Total	Hydraulic	Transmission	Total
Supply	3,172,199	-	3,172,199	7,176,749	-	7,176,749
Supply	658,500	-	658,500	1,331,818	-	1,331,818
CCEE	125,099	-	125,099	475,374	-	475,374
Revenue from operation and maintenance	933,658	837,105	1,770,763	1,863,271	1,871,660	3,734,931
Construction Revenue	10,777	138,866	149,643	19,171	283,185	302,356
Itaipu Transfer	(52,308)	-	(52,308)	(69,286)	-	(69,286)
Contractual Revenue - Transmission	-	177,336	177,336	-	377,118	377,118
Adjustment revenue - RBSE	-	6,365,939	6,365,939	-	7,382,138	7,382,138
Total gross revenue	4,847,925	7,519,246	12,367,171	10,797,097	9,914,101	20,711,198

	04/01/2019 to 06/30/2019 (Reclassified)			01/01/2019 to 06/30/2019 (Reclassified)		
	Hydraulic	Transmission	Total	Hydraulic	Transmission	Total
Supply	3,566,733	-	3,566,733	7,364,878	-	7,364,878
Supply	571,444	-	571,444	1,132,368	-	1,132,368
CCEE	279,949	-	279,949	644,713	-	644,713
Revenue from operation and maintenance	843,560	1,212,526	2,056,086	1,684,189	2,053,045	3,737,234
Construction Revenue	9,531	123,929	133,460	13,148	236,070	249,218
Itaipu Transfer	49,789	-	49,789	103,529	-	103,529
Contractual Revenue - Transmission	-	208,685	208,685	-	404,702	404,702
Adjustment revenue - RBSE	-	969,856	969,856	-	1,896,521	1,896,521
Total gross revenue	5,321,006	2,514,996	7,836,002	10,942,825	4,590,338	15,533,163

Intersegment Income:

	04/01/2020 to 06/30/2020				01/01/2020 to 06/30/2020			
	Administration	Hydraulic	Transmission	Total	Administration	Hydraulic	Transmission	Total
Supply (sale) of electric power from the segment of generation	-	88,969	-	88,969	-	185,174	-	185,174
Revenue from transmission - O&M from the generation segment	-	-	205,260	205,260	-	-	359,898	359,898
Interest revenue from the generation segment	(39,118)	-	-	(39,118)	66,026	-	-	66,026
Interest revenue from the transmission segment	161,816	-	-	161,816	247,259	-	-	247,259
Total	122,698	88,969	205,260	416,927	313,285	185,174	359,898	858,357

	04/01/2019 to 06/30/2019				01/01/2019 to 06/30/2019			
	Administration	Hydraulic	Transmission	Total	Administration	Hydraulic	Transmission	Total
Supply (sale) of electric power from the segment of generation	-	84,796	-	84,796	-	162,909	-	162,909
Revenue from transmission - O&M from the generation segment	-	-	(10,736)	(10,736)	-	-	317,240	317,240
Interest revenue from the generation segment	165,382	-	-	165,382	333,334	-	-	333,334
Interest revenue from the transmission segment	22,065	-	-	22,065	196,822	-	-	196,822
Total	187,447	84,796	(10,736)	261,507	530,156	162,909	317,240	1,010,305

Additions to non-current assets per segment:

	06/30/2020			30/06/2019		
	Administration	Hydraulic	Total	Administration	Hydraulic	Total
Fixed assets	41,317	534,220	575,537	31,233	893,491	924,724
Intangible assets	17,506	7,418	24,924	18,382	401	18,783
Total	58,823	541,638	600,461	49,615	893,892	943,507

Non-current Assets per segment:

	06/30/2020				12/31/2019			
	Administration	Hydraulic	Transmission	Total	Administration	Hydraulic	Transmission	Total

Fixed assets	1,563,361	31,191,419	-	32,754,780	1,545,786	31,770,088	-	33,315,874
Intangible assets	119,786	508,423	2,092	630,301	553,008	99,941	2,092	655,041
Total	1,683,147	31,699,842	2,092	33,385,081	2,098,794	31,870,029	2,092	33,970,915

Items that do not affect the cash per segment:

	04/01/2020 to 06/30/2020			01/01/2020 to 06/30/2020		
	Administration	Hydraulic	Total	Administration	Hydraulic	Total
Depreciation and amortization	30,381	432,212	462,593	46,197	885,661	931,858
Provision for the recoverable value of assets (impairment)	-	20,151	20,151	-	20,151	20,151
Total	30,381	452,363	482,744	46,197	905,812	952,009

	04/01/2019 to 06/30/2019			01/01/2019 to 06/30/2019		
	Administration	Hydraulic	Total	Administration	Hydraulic	Total
Depreciation and amortization	83,938	360,835	444,773	105,718	767,012	872,730
Constitution (Reversal) of onerous contract	-	(247,712)	(247,712)	-	(341,900)	(341,900)
Total	83,938	113,123	197,061	105,718	425,112	530,830

NOTE 33 - TRANSACTIONS WITH RELATED PARTIES

Company transactions with its subsidiaries, affiliates, special purpose entities, and government entities are carried out at prices and conditions that are defined by the parties that take into consideration the terms that could be applied in the market with unrelated parties, when applicable. Among the main transactions that took place with related parties, we would like to point out loans and financing granted with the above-mentioned conditions and/or according to specific legislation on such matters.

33.1 - Main transactions occurred in the 2nd quarter of 2020

Name of the Parties	Date of the Operation	Agreement Object	Transaction amount
Eletronorte and CGTEletrosul	06/26/2020	Execution of Term of Debt Confession related to pending invoices of CGT Eletrosul with Eletronorte from Agreements dealing with Purchase of Power in the Free Contracting Environment.	152,992

33.2 - Transactions with Government Entities

In addition to operations with the Federal Government, Eletrobras maintains transactions with other government entities under common control in the course of its operations. The balances of the main transactions with these entities are summarized below:

NATURE OF THE OPERATION	CONSOLIDATED			
	06/30/2020		12/31/2019	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Right to Reimbursement				
Federal Government	5,542,694	-	5,464,005	-
Loans and Financing Payable				
Federal Government - Banco do Brasil	-	3,089,503	-	3,581,431
Federal Government - Caixa Econômica Federal (a.1)	-	5,289,509	-	6,193,508
Federal Government - BNDES (a.2)	-	5,995,275	-	6,111,435
Federal Government - Global Reversal Reserve (a.3)	-	819,311	-	863,645
Federal Government - Petrobras (b)	-	8,066,389	-	8,928,835
Reimbursement obligations (c)				
National Treasury - Itaipu	-	5,791,705	-	5,492,860
Total	5,542,694	29,051,692	5,464,005	31,171,714

The following are the conditions of the main transactions with other government agencies:

a) Loans and financing payable:

Applications in Plant Angra 3

a.1) Loan between CEF and Eletronuclear: Contract between Eletronuclear and CEF (main agreement) for complementary financing of Angra 3, regarding the import of equipment and services.

a.2) Loan between the Brazilian Development Bank (BNDES) and Eletronuclear: Financing contract between BNDES and Eletronuclear, with intervention of Eletrobras earmarked for the implementation of the Angra 3 power plant.

Global Reversal Reserve (GRR):

a.3) The Company was responsible for the management of industry resources of the Global Reversal Reserve (RGR) and others. In accordance with Act 13360/2016, regulated by Decree 9022/2017, and with the ANEEL Order 1079, dated April 18th, 2017, the responsibility for the budget, management and use of these Industry Funds was transferred to the Electric Energy Trading Chamber - CCEE, since May 1st, 2017.

Loan guarantee:

Eletrobras' participation as guarantor of loans taken by their subsidiaries can be observed in further details in Note 18.

b) Operations with Petrobras: With the sale of subsidiary Amazonas Distribuidora, the assignment of the rights from Amazonas Energia to Eletrobras became effective, referring to the CCC and the Power Development Account - CDE, recognized in the Financial Statements of the Distribution Company. Eletrobras assumed obligations in equivalent amounts as loans obtained, according to requirements established in CPPI Resolution number 20 from November 8th, 2017, and subsequent amendments.

c) Reimbursement obligations - Itaipu: Indemnifiable financial assets arising from the Itaipu concession, further details in Note 15, item b.

33.3 - Transactions with affiliated companies and subsidiaries - Parent Company

The following is a summary of the commercial transactions and respective balances with related parties of the parent company:

	Balances and Transactions by Nature - Parent Company					
	06/30/2020			12/31/2019		06/30/2019
	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
Loans and financings (a)	13,880,070	-	-	14,991,496	-	-
Advance for future capital increase (b)	1,057,537	-	-	774,468	-	-
Dividends receivable	2,968,580	-	-	3,522,447	-	-
Credits with subsidiaries - CCD's (c)	2,284,584	-	-	2,109,354	-	-
Other Assets	155,488	-	-	122,802	-	-
Contributions payable - sponsor	-	8,969	-	-	14,875	(7,185)
Provisions	-	818,164	-	-	818,164	-
Decommissioning Fund	-	1,809,563	(466,262)	-	1,251,794	(24,578)
Earnings from Interests, Commissions, Rates and Exchange Rate (d)	-	-	2,749,136	-	-	812,152
Other Financial Revenues/Expenses	-	-	-	-	-	-
Charges	-	-	(1,991)	-	-	(2,179)
TOTAL	20,346,259	2,636,696	2,280,883	21,520,567	2,084,834	778,210

	Balances and Transactions by Entity - Parent Company					
	06/30/2020			12/31/2019		06/30/2019
	ASSETS	LIABILITIES	INCOME	ASSETS	LIABILITIES	INCOME
Subsidiaries						
Furnas	2,766,794	-	82,144	3,336,050	-	147,042
Eletronorte (1)	3,540,843	-	260,269	4,586,799	-	57,202
Eletronuclear	2,686,270	1,809,563	(401,171)	2,523,981	1,251,794	42,754
Amazonas GT (1)	2,406,805	-	76,129	2,470,505	-	97,164
Eletrosul (2)	-	-	-	821,844	-	31,715
CGT Eletrosul (2)	1,502,109	-	2,657	534,867	-	233,600
CHESF	945,533	-	73,871	1,198,894	-	4,189
Eletropar	448	-	-	445	-	238
	13,848,802	1,809,563	93,899	15,473,384	1,251,794	613,904
Joint-controlled companies and associates						
Itaipu	6,257,193	-	2,177,794	5,874,600	-	173,158
Eletrós	-	827,133	(1,991)	-	833,039	(9,363)
Equatorial Maranhão D	88,453	-	4,801	38,936	-	-
Lajeado Energia	23,975	-	-	23,975	-	-
CEB Lajeado	8,498	-	-	19,588	-	-
Paulista Lajeado	17,050	-	-	16,221	-	-
CCEE-D	11,380	-	404	12,489	-	511
CCEE-GT	49,861	-	-	15,897	-	-
CTEEP	41,045	-	5,976	41,021	-	-
EMAE	2	-	-	4,456	-	-
	6,497,457	827,133	2,186,984	6,047,183	833,039	164,306
TOTAL	20,346,259	2,636,696	2,280,883	21,520,567	2,084,834	778,210

(1) Eletronorte acquire shares from Amazonas GT, see Note 4.

(2) According to a process to merge Eletrosul into CGTEE, previously referred to as CGTEE and becoming CGT Eletrosul, see Note 4.

The following are the conditions of the main transactions performed with the related parties of the parent company:

a) Loans and financing:

Itaipu Binacional

As agreed in the Itaipu Treaty, the proceeds required for the studies, construction and operation of the power plant and of the works and auxiliary facilities will be supplied by Eletrobras and by Administración Nacional De Electricidad (ANDE), or obtained by Itaipu through a credit operation. The main contracts executed with Eletrobras are connected to:

- Refinancing of the debt balances overdue and to fall due of all Itaipu's debt per financing contracts with Eletrobras;
- Financing of the cost of remaining investments of the Work Completion Plan;
- Financing of the installation of the last two generating units of ITAIPU; and
- Coverage of the total cost of the Complementary Investment Program (CIP).

CGT Eletrosul

The financing assigned by Eletrobras is intended to enable the construction of TPP Candiota III (Phase C) and also to enable power purchases that subsidiary CGT Eletrosul needed in recent years.

- b) Advances for future capital increases: The information related to the AFCI are shown in Note 12;
- c) Other assets: Credit Assignment – Eletronorte: CCC credits referring to certain distribution companies sold transferred to Eletrobras which will be paid by subsidiary Eletronorte, adjusted up to the date of payment. The updated total of these credits as of June 30th, 2020, is of BRL 2,256,385 (BRL 2,082,331 as of December 31st, 2019).
- d) Revenue from interest, commissions, fees and exchange variation: Parts of these amounts refer to the financial charges on loans in accordance with Note 18 and part refers to the foreign currency exchange variation arising from Itaipu operations, the details of which are in Note 15;

33.4 - Transactions with affiliated companies and jointly-owned subsidiaries - Consolidated

Commercial transactions and their respective balances with related parties of the consolidated are summarized below:

	Balances and Transactions by Nature - Consolidated					
	06/30/2020			12/31/2019		
	ASSETS	LIABILITIES	RESULT	ASSETS	LIABILITIES	RESULT
Customers	55,031	-	-	55,835	-	-
Accounts receivable	7,057	-	-	16,793	-	-
Advance for future capital increase	73,740	-	-	181,257	-	-
Dividends / JCP receivable	159,176	-	-	205,540	-	-
Loans and financing	6,311,226	-	-	5,865,035	-	-
Other Assets	178,720	-	-	162,770	-	-
Suppliers	-	26,109	-	-	34,979	-
Provisions	-	818,164	-	-	818,164	-
Contributions payable - sponsor	-	8,969	-	-	14,875	(7,185)
Accounts payable	-	22,195	-	-	820	-
Other liabilities	-	1,780	-	-	1,999	-
Revenue from the use of Electric Energy	-	-	309,277	-	-	221,983
Revenue from sale of power	-	-	39,038	-	-	36,369
Revenue from provision of services	-	-	56,305	-	-	59,096
Other revenues	-	-	707	-	-	1,508
Energy purchased for resale	-	-	-	-	-	(58,570)
Purchase of electric energy	-	-	(363,732)	-	-	(104,890)
Charges for the use of the Grid	-	-	(50,143)	-	-	(52,861)
Charges	-	-	(1,991)	-	-	(2,179)
Other Expenses	-	-	(2,510)	-	-	(185,230)
Revenue from Interest, Commissions and Fees and Exchange Variation	-	-	2,183,000	-	-	173,669
Financial Revenue	-	-	58	-	-	345
TOTAL	6,784,950	877,217	2,170,009	6,487,230	870,837	82,055

Balances and Transactions per Entity – Consolidated

	06/30/2020			12/31/2019			30/06/2019
	ASSETS	LIABILITIES	RESULT	ASSETS	LIABILITIES	RESULT	9
AETE	-	-	-	-	-	-	687
Baguari	349	-	211	362	-	-	213
Belo Monte Transmissora SPE S.A	14,363	2,275	(17,386)	14,363	2,664	(17,971)	
Brasnorte	-	-	-	-	-	-	(328)
Brasventos Eolo	-	-	-	-	-	-	412
Brasventos Miassaba	-	-	-	-	-	-	481
Caldas Novas	1,248	2	342	1,248	2	330	
CEB Lajeado	8,498	-	-	19,589	-	-	
CEEE-D	11,380	-	404	12,490	-	-	511
Chapecoense	29,830	-	-	29,830	-	-	
Cia Hidrel Teles Pires	5,674	16,164	(75,051)	6,371	9,560	(88,327)	
CSE Centro de Soluções Estratégicas S.A	-	-	-	-	-	-	309
Eletros (a)	-	827,133	(1,991)	-	833,039	(9,363)	
EMAÉ	2	-	-	4,456	-	-	
Empresa de Energia São Manuel S.A.	1,281	2,482	(10,487)	1,339	3,346	(9,749)	
Energia Olímpica S.A.	-	-	(1,673)	428	-	-	
Enerpeixe	22,295	8,163	(50,141)	12,792	3,387	(14,856)	
Equatorial Maranhão D	88,453	-	4,801	38,936	-	-	
ESBR	86,045	13,720	(85,688)	152,431	13,592	(152,505)	
Foz do Chapecó	822	-	5,244	879	-	5,165	
Fronteira Oeste (FOTE)	10	2	73	41,325	-	486	
Goiás Transmissão	10,198	131	(798)	11,668	131	(834)	
IE Garanhuns	-	265	(1,686)	-	269	(1,922)	
IE Madeira	-	3,620	(16,867)	-	2,668	(18,985)	
Itaipu (b)	6,257,193	-	2,177,794	5,874,600	-	173,158	
Lagoa Azul Transmissora	293	9	220	130	10	56	
Lajeado Energia	23,975	-	-	23,975	-	-	
Livramento	1,771	-	760	1,770	-	-	
Manaus Transmissão	-	-	-	-	-	(2,936)	
Manaus Construtora	9,178	-	-	9,178	-	-	
Mata de Santa Genebra	1	610	(1,621)	-	-	(55)	
MGE Transmissão	5,634	82	(345)	5,634	75	(352)	
Norte Brasil Transmissora	-	651	(4,324)	100	663	(4,169)	
Norte Energia (Belo Monte)	21,443	-	134,493	29,270	-	115,270	
Paranaíba Transmissora de Energia S.A.	5,986	334	(1,759)	5,985	341	(1,904)	
Rei dos Ventos	-	-	-	-	-	423	
Retiro Baixo	7,582	-	-	7,582	-	-	
Santo Antônio Energia	19,168	812	106,834	18,397	-	105,399	
Serra Facão Energia	-	-	21	45	-	48	
SINOP	905	-	2,255	914	388	(3,147)	
STN	324	530	(1,215)	346	529	(2,009)	
TDG	-	-	-	2,901	62	928	
Tijoa Participações e Investimentos S.A	818	-	5,341	873	-	4,928	
TME - Transmissora Matogrossense de Energia	-	-	-	-	-	(920)	
Trans. São Paulo	15,066	18	(129)	17,271	24	(139)	
Transenergia Renovável	-	40	(222)	4,492	-	(268)	
Transnorte	58	-	162	-	13	-	
Triângulo Mineiro Trans. S.A.	11	91	(546)	-	-	(538)	
TSBE - Transmissora Sul Brasileira de Energia S.A.	2,767	10	2,240	105	4	3,803	
TSLE - Transmissora Sul Litorânea de Energia S.A.	5,488	13	776	8,075	7	673	
Vale do São Bartolomeu Transmissora de Energia S.A.	1,025	60	(33)	1,262	63	52	
Vamcruz Participações S.A.	125,816	-	-	125,818	-	-	
TOTAL	6,784,950	877,217	2,170,009	6,487,230	870,837	82,055	

The following are the conditions of the main transactions performed with the related parties of the consolidated:

- Eletros – Fundação Eletrobras de Seguridade Social (Eletrobras Social Security Foundation): on June 30th, 2020, the balance of the provisions for employee benefits amounts to BRL 827,133 (BRL 833,039 on December 31st, 2019).
- Itaipu: The following are tied to the Loan described in Note 18, revenues from interest, commissions, fees and foreign currency exchange rate variation arise mainly from the financial charges and from the foreign currency exchange rate variation arising from Itaipu operations, the details of which can be seen in Note 15.

33.4.1 - The following are the main conditions of significant transactions regarding the use of transmission grid, power purchase or service provision:

STN – Sistema de Transmissão do Nordeste S.A.: service agreements referring to the maintenance of the transmission line, as well as collection for using the transmission system grid;

Energia Sustentável do Brasil S.A.: Agreements entered into for the provision of the power transmission and purchase system, as well as the bilateral FCE agreement, regarding power purchase, becoming effective as of 03/01/2013 and expiring on January 15th,2035, with an average contracted volume of 107,596 MWavg;

Norte Energia S.A.: Service agreement for the maintenance and operation of the Belo Monte and Pimentel power plants, and the provision of transmission grids;

Interligação Elétrica Garanhuns S.A.: Agreements entered into for the provision and use of the transmission system; and

Companhia Hidrelétrica Teles Pires S.A.: Agreements entered into for the provision of the power transmission and purchase system, as well as collection for using the transmission system grid.

Information on loans granted by Eletrobras to its subsidiaries, jointly-owned subsidiaries and affiliated companies is shown in Note 8.

33.5 - Remuneration of key-personnel

The remuneration of the Company’s key personnel (members of the Executive Board, Board of Directors and Audit Committee) is as follows:

	PARENT COMPANY				CONSOLIDATED			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
	Short-term benefits	1,966	3,881	1,946	3,739	8,418	17,867	7,459
Post-employment benefits	106	215	107	221	106	215	91	221
Other long-term benefits	-	-	50	50	-	-	50	50
Benefits from termination of employment contract	-	-	-	-	25	25	-	-
	<u>2,072</u>	<u>4,096</u>	<u>2,103</u>	<u>4,010</u>	<u>8,549</u>	<u>18,107</u>	<u>7,600</u>	<u>16,173</u>

33.5.1 - Remuneration Based on Shares with a cash settlement

The Company approved in 2020 the variable remuneration plan of administrators based on shares. Therefore, members of Eletrobras’ Executive Board are entitled to Annual Variable Compensation (RVA) carried out by means of an instrument based on shares under the model known as “Phantom Stock”, regulated as follows:

- Calculation of the RVA sum, based on the length of indicator goals;
- Based on average quotations of Eletrobras’ preferred and ordinary unit shares weighed by means of capital weight, the last week of the corresponding financial year refers to the sum based on such quotation due to each Administrator and subsequent amount of shares due; and
- Payment will occur in the year following achievement of goals and will be paid in kind, by multiplying the average quotation of the share in the last week of the month before payment by the number of reference shares. There will be no delivery of certified shares.

NOTE 34 – ASSETS HELD FOR SALE

	PARENT COMPANY		CONSOLIDATED	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Hydraulic	856,962	1,147,082	2,808,954	3,144,351
Transmission	280,195	399,168	280,195	399,168
Total assets classified as held for sale	1,137,157	1,546,250	3,089,149	3,543,519
Hydraulic	-	-	1,650,380	1,692,708
Total of liabilities directly associated with assets classified as held for sale	-	-	1,650,380	1,692,708

Generation and Transmission

On February 23rd, 2018, Eletrobras' Board of Directors approved the sale of the equity interests of certain SPE's held by the Company and their subsidiaries. On July 25th, 2019, the Board of Directors started Competitive Sale Proceeding No. 01/2019 aimed at the sale of equity interests in 39 SPE's remaining from Auction No. 01/2018. Eletrobras considered ASC 31/IFRS 5 to assess that these SPE's met the classification criteria as held for sale, as presented in the financial statements of December 31st, 2018.

The table below shows the SPE's classified as held for sale as of June 30th, 2020.

Lot	SPEs Wind Generation	Interest
A	Santa Vitória do Palmar Holding S.A. (EOL Verace I to X) and Chuí Holding S.A. (EOL Chuí I, II, IV and V and Minuano I and II) (a)	78.00%
B	Eólica Hermenegildo I S.A. (EOL Verace 24 to 27) (a)	99.99%
	Eólica Hermenegildo II S.A. (EOL Verace 28 to 31) (a)	99.99%
	Eólica Hermenegildo III S.A. (EOL Verace 34 to 36) (a)	99.99%
D	Eólica Chuí IX S.A. (EOL Chuí 09) (a)	99.99%
	Chapada do Piauí I Holding S.A. (EOL Santa Joana IX to XVI)	49.00%
	Chapada do Piauí II Holding S.A. (EOL Santa Joana I, III, IV, V, VII and Santo Augusto IV)	49.00%
E	Vam Cruz I Participações S.A. (EOL Caçara I and II and Junco I and II)	49.00%
G	Geradora e Comercializadora de Energia Elétrica S.A. (EOL Manque Seco 2) (a)	49.00%
Lot	SPE's Transmission	Interest
Q	Luiziânia-Niquelândia Transmissora S.A. (LUZIÂNIA-NIQUELÂNDIA)	49.00%
R	Manaus Transmissora de Energia S.A. (MANAUS TR) (a)	49.50%

a) Sale of SPE's approved pursuant Note 35.

The main assets and liabilities classified as held for sale on June 30th, 2020, are shown below:

Generation:

	Hydraulic							Eliminations	Total
	Eletrobras	Chesf	Santa Vitória do Palmar	Hermenegildo I	Hermenegildo II	Hermenegildo III	Chuí IX		
	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020	06/30/2020
Cash and cash equivalents	-	-	62,009	17,269	11,464	7,410	3,639	-	101,791
Customers	-	-	21,062	3,254	3,164	2,601	857	(9,841)	21,097
Taxes and Social Contributions	-	-	4,132	43,166	46,264	43,572	12,598	-	149,732
Fixed Assets	-	-	1,619,427	218,013	216,394	186,307	60,942	(523,644)	1,777,439
Intangible Asset	-	-	51,580	11,524	11,100	9,885	3,543	-	87,632
Investments	856,962	125,816	-	-	-	-	-	(568,280)	414,498
Other Assets	-	-	240,182	5,336	5,277	4,477	1,574	(81)	256,765
All assets of the subsidiary classified as held for sale	856,962	125,816	1,998,392	298,562	293,663	254,252	83,153	(1,101,846)	2,808,954
Suppliers	-	-	4,161	550	601	511	172	(317)	5,678
Loans and financing	-	-	840,067	127,793	125,907	107,269	36,259	-	1,237,295
Taxes and Social Contributions	-	-	8,115	890	803	699	230	-	10,737
Provision for contingencies	-	-	439	-	-	-	-	-	439
Other Liabilities	-	-	303,056	29,713	26,060	27,359	10,043	-	396,231
Liabilities of the subsidiary associated with assets classified as held for sale	-	-	1,155,838	158,946	153,371	135,838	46,704	(317)	1,650,380

Hydraulic

	Eletrobras	Chesf	Santa Vitória do Palmar	Hermenegildo I	Hermenegildo II	Hermenegildo III	Chuí IX	Eliminations	Total
	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019
Cash and cash equivalents	-	-	74,878	14,922	13,218	8,523	5,332	-	116,873
Customers	-	-	22,342	2,464	17	8	3	(2,457)	22,377
Taxes and Social Contributions	-	-	1,712	3,095	3,413	3,202	1,044	-	12,466
Fixed Assets	-	-	1,619,270	217,617	216,017	185,971	60,821	-	2,299,696
Intangible Asset	-	-	53,430	11,917	11,477	10,221	3,664	-	90,709
Investments	1,147,082	125,816	-	-	-	-	-	(1,055,658)	217,240
Other Assets	-	-	229,174	46,596	49,834	46,193	13,331	(138)	384,990
All assets of the subsidiary classified as held for sale	1,147,082	125,816	2,000,806	296,611	293,976	254,118	84,195	(1,058,253)	3,144,351
Suppliers	-	-	2,545	1,719	3,134	2,569	1,114	(361)	10,720
Loans and financing	-	-	863,213	132,254	131,860	112,341	37,974	-	1,277,642
Taxes and Social Contributions	-	-	1,871	785	773	635	246	-	4,310
Provision for contingencies	-	-	439	-	-	-	-	-	439
AFAC	-	-	173,749	-	-	-	-	-	173,749
Other liabilities	-	-	136,527	28,339	25,095	26,332	9,555	-	225,848
Liabilities of the subsidiary associated with assets classified as held for sale	-	-	1,178,344	163,097	160,862	141,877	48,889	(361)	1,692,708

Transmission:

Investments in Eletrobras' Transmission SPE's sorted as assets held for sale	PARENT COMPANY AND CONSOLIDATED	
	06/30/2020	12/31/2019
Companhia de Transmissão Centroeste de Minas	-	18,737
Luziania-Niquelandia Transmissora S.A.	31,182	31,182
MTE - Manaus Transmissora de Energia S.A.	249,013	349,249
	280,195	399,168

NOTE 35 – DISPOSAL OF INVESTEEES

35.1 – Sale of SPE's

Lot	SPE	Date of Sale	Buyer	Transaction amount
Lot H	Pedra Branca S.A, São Pedro do Lago S.A, Sete Gameleiras S.A, Baraúnas I Energética S.A. Baraúnas II Energética S.A. Mussambê Energética S.A, Morro Branco I Energética S.A and Banda de Couro Energética S.A.	03/28/2019	Brennand Energia S.A	250,000
Lot N	Empresa de Transmissão do Alto Uruguai - ETAU	04/29/2019	TAESA S.A & DME Energética S.A	39,134
Lot L	Brasnorte Transmissora de Energia S.A - BRASNORTE	05/31/2019	TAESA S.A	76,000
Lot M	Companhia Transirapé de Transmissão - TRANSIRAPÉ	05/31/2019	TAESA S.A	77,000
Lot J	Uirapuru Transmissora de energia S.A	06/25/2019	Copel Geração e Transmissão S.A	100,000
Lot O	Amazônia - Eletronorte Transmissora de Energia S.A - AETE	07/01/2019	APAETE Participações em Transmissão - APAETE	87,000
Lot F	Brasventos Eolo Geradora de Energia S.A, Rei dos Ventos 3 Geradora de Energia S.A and Brasventos Miassaba 3 Geradora de Energia S.A.	08/23/2019	Ventus Holding de Energia Eólica Ltda	178,000
Lot C	Eólica Serra das Vacas Holding - S.A	10/07/2019	Eólica Serra das Vacas Participações S.A	74,000
Lot K	Transmissora Matogrossense de Energia S.A	11/13/2019	Alupar Investimento S.A	118,000
Lot P	Companhia de Transmissão Centroeste de Minas S.A	01/13/2020	Companhia Energética de Minas Gerais - CEMIG	45,000

With the transfer of Lot P on January 13th, 2020, 100% of the transfers of the SPEs sold in the auction held in September 2018 were completed. The effect of selling this SPE on June 30th, 2020 was BRL 25,042.

35.2 - Approval sell SPE Manaus Transmissora de Energia S.A.

On April 17th, 2020, the Board of Directors approved the binding offer made by Evoltz Participações S/A (Evoltz) for the purchase of the entire Eletrobras stake, corresponding to 49.5% of the total capital stock, in SPE Manaus Transmissora de Energia S.A. (MTE). The value of the bid received, in the form of the Public Bid Notice, is BRL 232,000, referenced to December 31st, 2018. The execution of the purchase and sale agreement will take place right after and, subsequently, with the due approval by ANEEL, CADE and creditors, Evoltz will become the sole shareholder of MTE.

35.3 - Approval to transfer SPE Eólica Mangue Seco 2

On May 11th, 2020, Eletrobras approved the binding offer made by Fundo de Investimento em Participações Multiestratégia Pirineus (FIP Pirineus) for the purchase of the entire Eletrobras stake, corresponding to 49% of the total capital stock, in SPE Eólica Mangue Seco 2 – Geradora e Comercializadora de Energia Elétrica S.A. (MS2). The value of the bid received, in the form of the Call to Bid, is BRL 33,000, referenced to December 31st, 2018. The execution of the purchase and sale agreement will take place right after and, subsequently, with the due approval by ANEEL, CADE and creditors, FIP Pirineus will become the holders of a 49% stake in MS2.

35.4 - Transfer of SPE's Eólica Santa Vitória do Palmar Holding S.A., Hermenegildo I S.A., Hermenegildo II S.A., Hermenegildo III S.A. and Chuí IX S.A.

On July 30th, 2020, the Company's Board of Directors approved binding offers carried out by Omega Geração S.A. to acquire the entire interest from SPE Eólica Santa Vitória do Palmar Holding S.A. (Lot 1) and SPE's Hermenegildo I S.A., Hermenegildo II S.A., Hermenegildo III S.A. and Chuí IX S.A. (Lot 2). Amount of the received firm proposal as stated in call to bid for Lot 1 was of BRL 434,460 and for Lot 2 of BRL 134,000. Proposals depend on decision from Annual Shareholders' Meeting to be held on September 02nd, 2020.

NOTE 36 – DISCONTINUED OPERATIONS

The Company held auctions for the sale of their then subsidiaries in the distribution segment during 2018. The then subsidiaries CEAL and Amazonas Distribuidora had their control transferred on March 18th, 2019, and April 10th, 2019, respectively.

As these companies accounted for all operations in the distribution segment, the transactions of this segment started being presented as discontinued operations.

Below we show the result and cash flows of the discontinued operations in the period ended June 30th, 2019, with the information from Ceal and Amazonas Distribuidora.

- Result from discontinued operations:

	PARENT COMPANY		CONSOLIDATED	
	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Net Operating Revenue	-	-	-	1,648,758
Operating Costs	-	-	-	(1,540,551)
Operational Expenses	-	-	-	(709,470)
Operating Income before Financial Income	-	-	-	(601,263)
Net Financial Income	-	-	-	(337,400)
Income from Equity Interests	-	(1,081,676)	-	-
Effect on the sale of subsidiary	5,259,756	6,118,816	5,259,756	6,118,816
Operating Income before Taxes	5,259,756	5,037,140	5,259,756	5,180,153
Expense with Income Tax and Social Contribution	-	-	-	(143,012)
Profit from Discontinued Operations	5,259,756	5,037,140	5,259,756	5,037,141

- Effects of Cash Flow Statement

	CONSOLIDATED 06/30/2019
Operating Activities	
Net cash from operating activities	(379,997)
Net cash from financing activities	414,724
Net cash from investment activities	6,337
Net cash generated by discontinued operations	41,064

NOTE 37 – SUBSEQUENT EVENTS

37.1 – Loans and financings - Furnas

On July 02nd, 2020, Furnas signed a long-term financing agreement with Banco BTG Pactual S.A, in the sum of BRL 420,000. Term for payment is 36 months with biannual amortizations and CDI interest rates + 2.3% p.a.

37.2 – AFAC to Eletronuclear

On July 17th, 2020, Eletrobras' Board of Directors approved the concession of AFAC to subsidiary Eletronuclear in approximately BRL 1,052 million and BRL 2,447 million, in 2020 and 2021, respectively. Sums are intended to speed up measures to resume construction works of the Nuclear Plant Angra 3.

37.3 – Execution of mutual loan agreement from Eletronorte to Amazonas GT

On July 24th, 2020, there was the execution of an agreement formalizing mutual loan from Eletronorte to Amazonas GT in the amount of BRL 100,000 intended to boost the cash of the borrower. Negotiation of terms and conditions of the transaction was carried out directly by the executives of the Company.

37.4 – Approval Eletrobras Dividends

On July 29th, 2020 Eletrobras approved in its Annual Shareholders' Meeting the payment of Dividends of shareholders owning ordinary and preferred shares of the "A" and "B" classes. Approved amounts according to proposal by the Administration, totalize BRL 490,210 for preferred shares class "A" and "B" and BRL 2,050,357 for ordinary shares, generating unit dividends of BRL 2.2478, BRL 1.7499 and BRL 1.5909, respectively (December 31st, 2019). Payment of the updated amount will occur up to December 31st, 2020.

37.5 – Issuance of Debentures Amazonas GT

On July 30th, 2020, Eletrobras' Board of Directors approved the 1st issuance of simple debentures, not convertible into shares of subsidiary Amazonas GT of up to 500,000 debentures, with a unit par value of BRL 1 thousand at the date of issuance totalizing the sum of up to BRL 500,000.

It was also approved during the Meeting held by the Company's Board of Directors the provision of fidejussory guarantee by Eletronorte to the Issuers.

37.6 – Angra 2 – Eletronuclear

Inspections made during shut down for maintenance and resupply of nuclear fuel in the Plant of Angra 2 detected in fuel elements loaded in the last cycle of operation an unexpected superficial oxidation on the coating of pipes containing enriched uranium tablet, which will require strict inspection tests for an assessment of such event. All results will be submitted to analysis by the licensing body, namely CNEN. In order to make possible the return of the operation of Plant Angra 2 in the shortest time possible and following all due safety protocols, Eletronuclear is replacing all 52 fuel elements, which are pending inspection, for the next operation cycle. Expectation of the return of the power plant of Angra 2 to SIN at the beginning of the second half of August 2020.

Financial statements reported on the base data as of June 30th, 2020 do not have effects from such events, as Eletronuclear has yet to assess the feasibility of the full utilization of the 52 (fifty-two) fuel elements yet to be inspected. It was also not possible to measure impacts from the loss of revenue the subsidiary is to incur due to accruals of days of unplanned shutdown.

37.7 - Power Plant Cadionta III

Company Management is assessing impacts from the failure event occurred to the turbine/generator set of Power Plant Cadionta III. Contracting to maintain and recover the generating unit is currently in progress, with the expectation to sign a repair contract still in August 2020, and it can be estimated that after its recovery the generating unit should resume operating with its rated capacity.

After starting activities of maintenance and recovery, estimations were revised and results disclosed in the 3rd quarter of 2020. Activities are expected to resume by November 2020.

NOTE 38 - CORRELATION BETWEEN THE EXPLANATORY NOTES FROM DECEMBER 31st, 2019, AND JUNE 30th, 2020

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Lease Operation	24	20
Taxes Recoverable and Income Tax and Social Contribution	26	21
Compensation to Shareholders	28	22
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Obligation to Decommission Assets	31	24
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Income per Share	37	26
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The explanatory Notes to the 2019 annual report which were deleted in the quarterly report for the period ended June 30th, 2020, due to the fact that they do not present material changes and/or are not applicable to the interim information, are listed below:

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Wilson Ferreira Junior
Chairman

Elvira Baracuhy Cavalcanti Presta
Director of Finances and Investor Relations

Luiz Augusto Pereira de Andrade Figueira
Director of Management and Sustainability

Camila Gualda Sampaio Araújo
Director and Governance, Risk & Compliance

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Pedro Luiz de Oliveira Jatobá
Director of Generation

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