

Energisa S/A | Results for the 2nd quarter of 2020

Cataguases, August 13, 2020 - The management of Energisa S/A (“Energisa” or “Company”) hereby presents its results for the second quarter (2Q20) and the first six months (6M20) of 2020.

Quick Facts

The billed rural and residential segments displayed resilience in a quarter deeply disrupted by the COVID-19 crisis

- ✓ **Energisa is reporting Consolidated net income in the 1st half of 2020 of R\$ 493.7 million**, 311.7% more than 6M19. If we disregard non-recurring effects, including the mark-to-market of the subscription bonus for the 7th debentures issuance, the net income is R\$ 311.5 million or 1.7% less than the adjusted net income without non-recurring effects for the first half of 2019;
- ✓ **We reported a consolidated net loss of R\$ 88.0 million in 2Q20**, a decrease of R\$ 79.1 million on the loss of R\$ 8.9 million reported in 2Q19. If we disregard non-recurring effects, including the mark-to-market of the subscription bonus for the 7th debentures issuance, the Company reports net income of R\$ 160.6 million in the quarter, 25.9% up on the same quarter the previous year.
- ✓ **Consolidated Adjusted EBITDA** amounted to R\$ 801.8 million in 2Q20, a decrease of 10.8% (R\$ 97.1 million) on the same period of 2019. Consolidated Adjusted EBITDA contracted by 4.1% (R\$ 73.1 million) in the half compared with the same period the previous year, to R\$ 1,730.8 million.
- ✓ **Cash, cash equivalents and short-term investments** grew by R\$ 61.2 million in the quarter, to R\$ 4,221.9 million in June 2020 compared with R\$ 4,160.7 million in March 2020;
- ✓ **Consolidated net debt** amounted to R\$ 13,922.3 million in June 2020, compared with R\$ 13,699.5 million in March 2020. This resulted in a ratio between net debt and Adjusted EBITDA of 3.7x;
- ✓ **Consolidated investment** amounted to R\$ 671.5 million in 2Q20, a decrease of 11.0% (R\$ 82.6 million) on the same period of the previous year.

Description	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Financial Indicators - R\$ million						
Gross Operating Revenue	6,540.4	7,042.9	- 7.1	13,671.4	14,178.5	- 3.6
Net Operating Revenue, without construction revenue	3,873.7	4,019.3	- 3.6	8,078.7	8,346.5	- 3.2
Manageable costs and expenses	779.1	676.2	+ 15.2	1,500.6	1,397.7	+ 7.4
EBITDA	727.4	819.0	- 11.2	1,576.0	1,646.7	- 4.3
Adjusted EBITDA	801.8	898.9	- 10.8	1,730.8	1,803.9	- 4.1
Net Income (Loss)	(88.0)	(8.9)	- 892.9	493.7	119.9	+ 311.7
Net Indebtedness ⁽¹⁾	13,922.3	11,869.3	+ 17.3	13,922.3	11,869.3	+ 17.3
Investment	671.5	754.1	- 11.0	1,386.6	1,299.2	+ 6.7
Consolidated Operating Indicators						
Billed captive energy sales (GWh)	7,030.8	7,388.4	- 4.8	14,755.6	14,976.7	- 1.5
Captive sales + Billed TUSD (GWh)	8,387.4	8,817.7	- 4.9	17,640.5	17,844.8	- 1.1
Captive sales + Unbilled TUSD (GWh)	8,155.7	8,782.4	- 7.1	17,435.1	17,845.0	- 2.3
Total Number of Consumers	7,852,060	7,754,693	+ 1.3	7,852,060	7,754,693	+ 1.3
Number of Own Staff	14,777	14,183	+ 4.2	14,777	14,183	+ 4.2
Work Force (own + outsourced staff) ⁽²⁾	19,875	19,936	- 0.3	19,875	19,936	- 0.3

(1) Includes sector credits (CDE, CCC, CVA); (2) Excludes outsourced construction workers and outsourced workers of the DisCos registered as company staff at the Group's service providers.

Conference call about the Results for the 2nd Quarter of 2020

Friday, August 14, 2020
Time: 3:00 PM (BRT) | 2:00 PM (EST)
(with simultaneous translation into English)

Participant access:

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Links to webcast:

[Click here](#) to see the webcast in Portuguese
[Click here](#) to see the webcast simultaneously translated into English

Investor Relations

For further information about the Release and tables in Excel format,
please visit Energisa's IR site: ri.energisa.com.br
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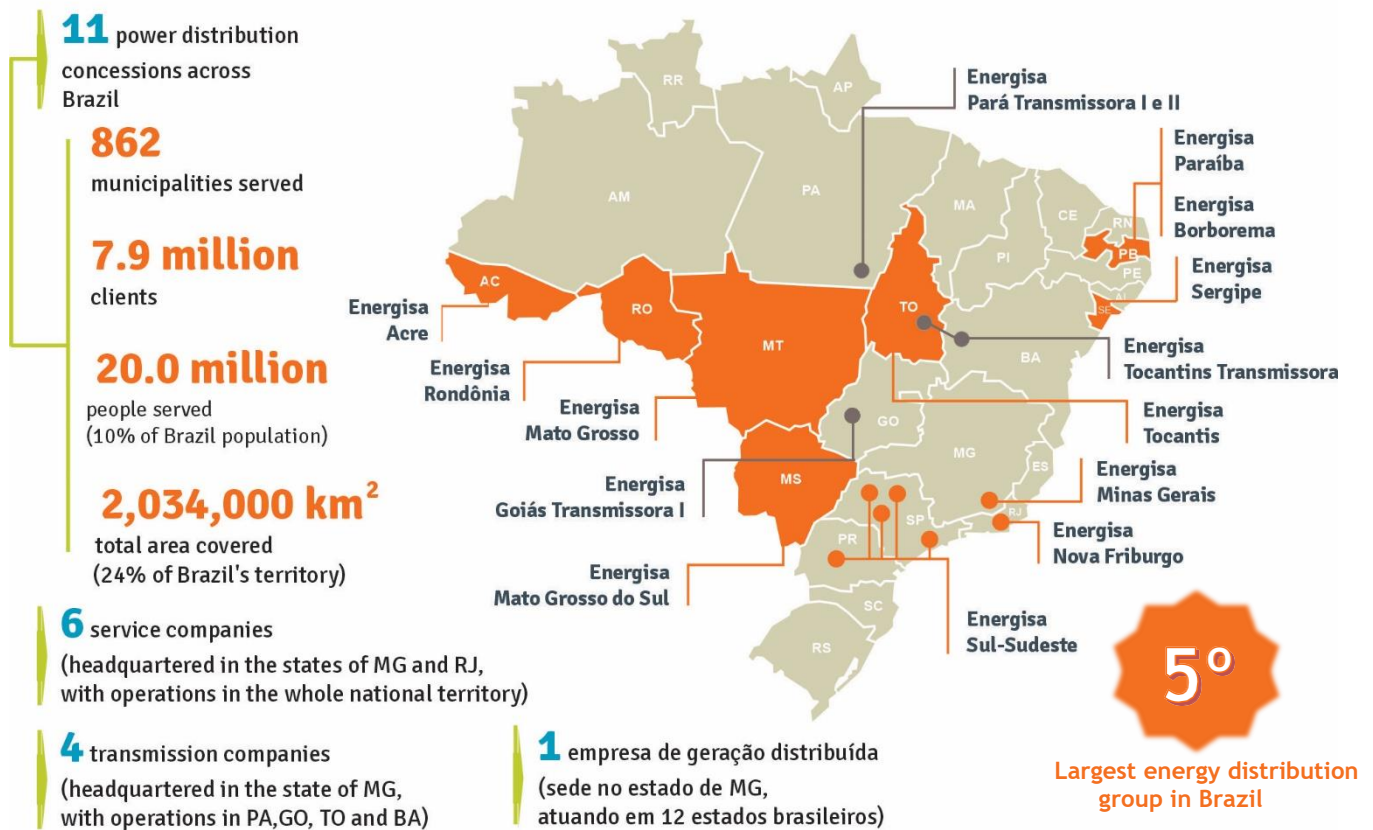
1. Corporate structure and profile

Energisa Group completed 115 years of history on February 26, 2020 and is the fifth largest energy distribution group in Brazil, serving approximately 7.8 million consumers in eleven Brazilian states, equal to 10% of Brazil's population.

The Company controls 11 DisCos located in the states of Minas Gerais, Sergipe, Paraíba, Rio de Janeiro, Mato Grosso, Mato Grosso do Sul, Tocantins, São Paulo, Paraná, Acre and Rondônia, with a concession area embracing 2,034 thousand Km², equal to 24% of Brazil's landmass.

Energisa Group's activities also include the trading of energy and the provision of electricity-related services, operating in the distributed energy generation segment and electricity transmission assets, as acquired at the auctions successfully bid for in 2017 and 2018, i.e. Energisa Goiás Transmissora I, in operation since March 13, 2020, and three ventures under construction: Energisa Pará Transmissora I, Energisa Para Transmissora II and Energisa Tocantins Transmissora, with transmission lines totaling 1,343 km.

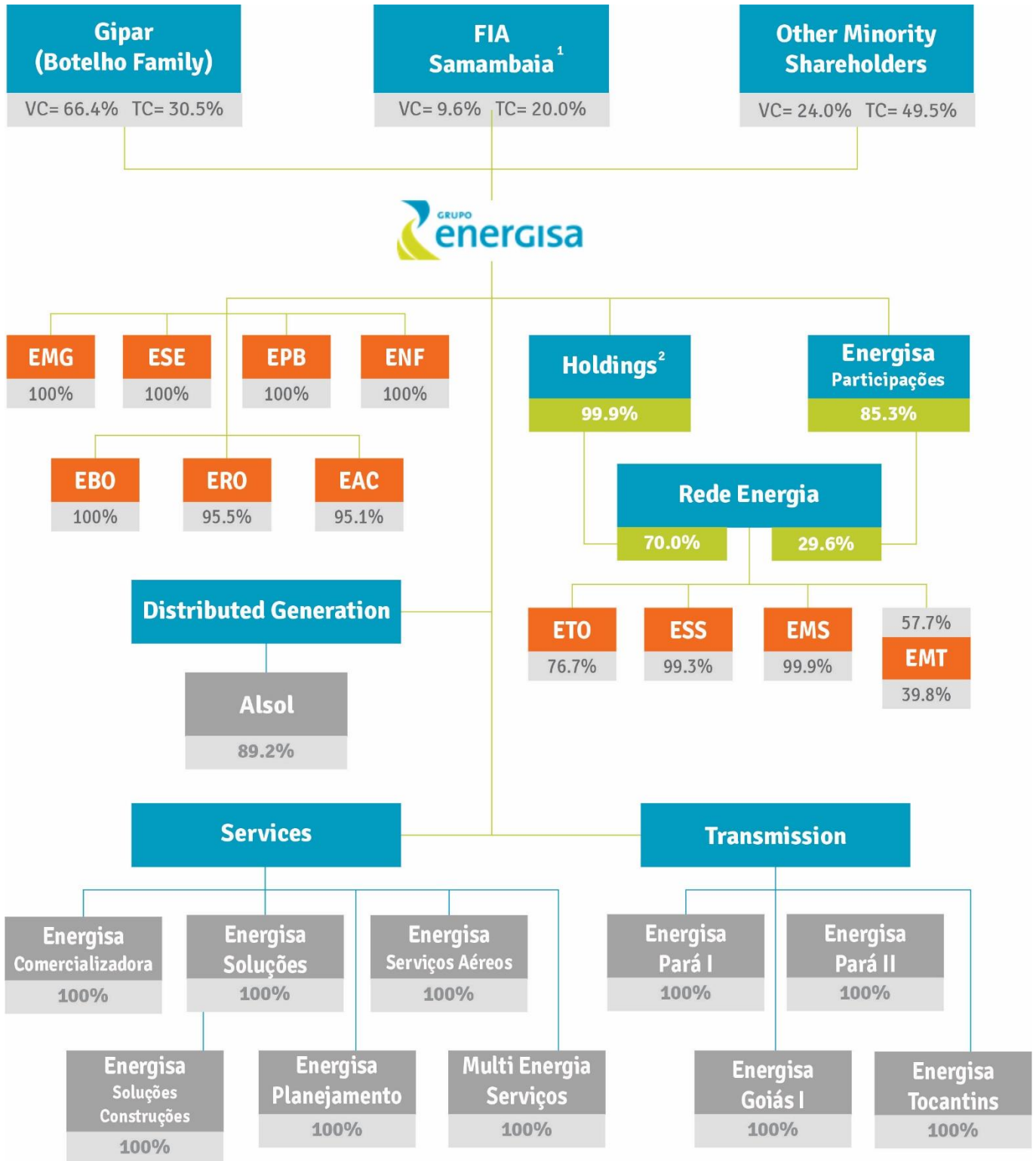
ENERGISA GROUP COVERAGE AREA



1.1. Corporate Structure of Energisa Group

Energisa Group’s share control is exercised by Gipar S.A., controlled by the Botelho Family. The Company is listed in Level 2 Corporate Governance of B3 and its most liquid shares are traded under the symbol ENGI11 (Units, certificates comprising one common share and four preferred shares). In addition to these securities, it has shares traded under the symbols ENGI3 (common shares) and ENGI4 (preferred shares).

See below the simplified ownership structure of Energisa Group:



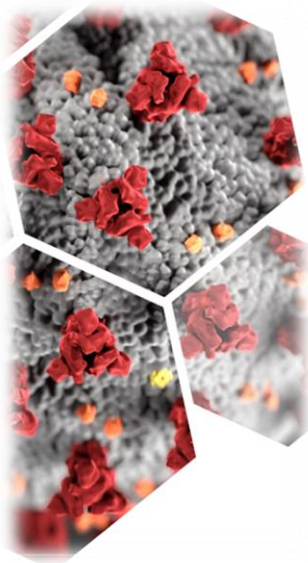
CV - Voting Capital | CT - Total Capital

(1) Shareholding held directly and indirectly through investment vehicles.

(2) Directly and by way of holding companies, Energisa directly and indirectly owns 95.2% of Rede Energia.

2. Operating performance

2.1. Energisa Group Initiatives - COVID-19 Crisis Committee



In response to the global Covid-19 pandemic declared in March this year by the World Health Organization (WHO), Energisa created a Covid 19 Crisis Committee tasked with implementing the best market practices possible to minimize the novel coronavirus' effects, to protect its employees and clients and to ensure the ongoing provision of essential services to society.

By way of Normative Resolution 878/2020 published by Aneel on March 24 and expiring on June 23, as a response to social isolation and quarantine measures the board meeting held June 15 decided to extend for another month, until July 31, the relaxation of concession agreement rules, such as prohibiting disconnections due to consumer delinquency for certain consumer units, such as residential consumers and essential services. Coupled with restrictions on suspending energy supplies, the isolation measures drove down consumption and revenue streams for electricity distribution concession operators in Brazil.

Decree 10.350/2020 was introduced to shore up energy distribution companies' financial liquidity, as was the Covid Account for the purpose of contracting and settling loans under the management of the Electric Trading Chamber (CCEE) and pass-throughs to the country's DisCos. The proceeds of this transaction for Energisa

Group were settled on 7/31/2020, as presented in the section Subsequent Events.

In its previous quarterly report, the company disclosed its initiatives to minimize the adverse effects on its business unleashed by COVID-19. The group of initiatives initially sought to strengthen the company to tackle this unprecedented crisis, with initiatives facing all stakeholders. On the People front, the main aim was to implement measures to protect the health of our employees and clients with a sweeping group of measures necessary to stop contamination. On the Society front, we sought to address the emergency situation in health care and support more vulnerable populations through our social movement Energia do Bem, with the participation of various Energisa Group companies and employees. We committed to donations totaling R\$ 8.0 million, with various social institutions and hospitals benefiting from equipment, COVID-19 testing kits, staple food hampers and funding to provide loans to micro and small companies operating in Energisa Group's concession areas. On the Financial Resilience front, in this quarter we sharply reduced our companies' manageable costs and preserved their cash reserves, as a swift response to the downturn in our DisCos' operating activities caused by the restrictions imposed by Normative Resolution 878, without compromising the quality of the essential services provided by our concessions.

Having successfully navigated this initial stage, in July Energisa Group initiated its staggered resumption plan, guaranteeing the safe return to work of employees who had been furloughed. In August we will also progress on the provision of safe services to clients, by physically equipping service centers for the public, in accordance with the sanitation rules established in each municipality. In order to think ahead of the curve and for safety reasons, we have tested and rolled out new technologies and learnings to operate in this new reality, constantly focusing on improving the Group's services to make our clients' lives more comfortable and easier, and to protect the safety of our employees.

2.2. Electricity sales

Consolidated free and captive electricity consumption contracted by 4.9% in the second quarter of 2020 (2Q20) compared with the same period last year, amounting to a total of 8,387.4 GWh. Consumption in the quarter was primarily affected by pandemic restrictions and influenced by warmer weather in the South-midwest and South-east regions. Commercial consumption bore the brunt (-19.1%), dropping across all distribution companies.

All DisCos saw consumption contract on the 2nd quarter of 2019, with the greatest losses in percentage terms occurring at ESE (-14.6%), which even if we disregard the effects of a major consumer migrating to the national grid (-10.6%) still represents the largest consumption downturn, followed by EPB (-8.6%), EMG (-8.1%) and ESS (-7.5%). In turn, the concession operators in the North and Midwest Region, EMT (-0.9%) and EMS (-1.3%), ERO (-2.2%) and ETO (-2.6%) experienced harsher downturns. A number of factors explain this regional difference, the first being the way Covid-19 has spread through the country. States in the South and South-east regions and Northeast saw more cases at first, which led to greater restrictions on production activities (trade and industry) and public services (schools/universities and government institutions). The second factor is related to each

region's economic profile. Regions with major agribusiness sectors excelled with bountiful harvests, production of protein and exports, especially the concession areas of EMT, EMS - and above all- ERO. However, areas with a greater dependency on industrial activity, such as textiles and clothing; automotive and non-metallic minerals; and commercial activities, as is the case of EPB, EBO, EMG and ESS, were hit harder by operating restrictions.

In the first half of 2020, Energisa Group's captive and free electricity consumption (17,640.5 GWh) dropped by 1.1% over the same period last year. The decrease in the first six months of the year was primarily due to the commercial (-9.0% or 323.9 GWh) and industrial (-4.9% or 179.3 GWh) sectors. Captive plus free energy consumption in the period rose significantly at the distribution companies: EMT (+2.4% or 104.6 GWh) and ERO (+1.7% or 25.6 GWh), driven at both by the residential and rural sectors; at EMT, industrial consumption also rose, propelled by higher production in the food product sector.

DisCo Energy sales

Description (Amounts in GWh)	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
✓ Billed sales to the captive market	7,030.8	7,388.4	- 4.8	14,755.6	14,976.7	- 1.5
✓ Energy transportation to free clients (TUSD)	1,356.6	1,429.3	- 5.1	2,884.9	2,868.1	+ 0.6
Subtotal (Captive Sales + Billed TUSD)	8,387.4	8,817.7	- 4.9	17,640.5	17,844.8	- 1.1
✓ Unbilled consumption	(231.7)	(35.3)	+ 556.2	(205.4)	0.3	-
Subtotal (Captive Sales + Unbilled TUSD)	8,155.7	8,782.4	- 7.1	17,435.1	17,845.0	- 2.3

According to the National Grid Operator (ONS), the country's energy load decreased 5.0% in the semester and 9.4% in the second quarter when compared to previous year. In the case of Energisa, its load fell by 0.1% and 4.4% in 6M20 and 2Q20.

2.3. Consumption by Sector

In 2Q20, the main consumption sectors performed as follows:

- Residential sector (40.3% of total captive + free sales): increase of 4.9% (157.0 GWh propelled by the results in the concession areas operated by EMT + 5.2% (39.0 GWh), EPB + 7.4% (33.3 GWh), EMS + 5.5% (25.3 GWh), ERO + 6.0% (18.7 GWh) and EAC + 4.8% (12.5 GWh). Warmer than average weather and the calendar effect played a fundamental role in these increases.
- Rural sector (10.2% of total captive + free sales): increase of 6.6% (53.2 GWh), especially at EMT + 7.9% (22.9 GWh) and EMS + 8.9% (12.5 GWh), both driven by agriculture growth, which saw a rise in animal protein and soybean exports. ESS + 10.6% (8.3 GWh), influenced by bountiful harvests for certain crops, such as citrus fruit; and ETO + 11.1% (6.3 GWh), due to greater dynamism in poultry raising
- Industrial sector (19.7% of total captive + free sales): decrease of 8.6% (155.3 GWh) in consumption, mainly impacted by the results of ESE (-36.1% and 59.6 GWh), due to the downturn in the gas and cement sectors and the smaller comparison basis following the loss of a major client to the national grid; EPB (-28.4% and 52.6 GWh), influenced by the downturn in textile production; ESS (-15.4% and 46.4 GWh) impacted by the automotive sector; and EMG (-15.8% and 15.3 GWh), also impacted by the slowdown in the textile and timber sectors, but showing signs of recovery in the coffee harvest in May and June. Part of this result, with a sharp downturn in demand, is a result of the constraints imposed on the sectors to contain the spread of Covid-19. Three concessions in this sector grew, primarily driven by the food sector: EMT (+5.3% 8.9 GWh), EMS (+2.2% 2.3 GWh) and EAC (+21.5% 0.5 GWh).
- Commercial sector (17.1% of total captive + free sales): contracted 19.1% (or 338.2 GWh) on 2Q19, with all concessions contracting in the period primarily due to restrictive measures affecting shopping malls, universities, schools and retail closures.
- Other sectors (12.7% of total captive + free sales): decrease of 12.1% (or 147 GWh), impacted primarily by EMT (+3.5% or 8.0 GWh), EPB (+3.3% or 6.1 GWh) and ESE (+3.9 % or 5.4 GWh), driven by lower internal consumption, public services and the government.

The table below shows the consolidated behavior of the consumption sectors in the second quarter and first half of 2019 and 2020:

Captive Sales Billed by Consumption Class + TUSD (Consolidated)

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	3,379.9	3,222.8	+ 4.9	6,937.2	6,615.2	+ 4.9
Industrial	1,648.7	1,804.0	- 8.6	3,451.7	3,631.0	- 4.9
✓ Captive Industrial	505.8	599.7	- 15.7	1,059.7	1,213.8	- 12.7
✓ Free Industrial	1,143.0	1,204.3	- 5.1	2,392.1	2,417.3	- 1.0
Commercial	1,436.3	1,774.5	- 19.1	3,287.5	3,611.4	- 9.0
✓ Captive Commercial	1,269.3	1,578.9	- 19.6	2,890.9	3,220.5	- 10.2
✓ Free Commercial	167.0	195.6	- 14.6	396.6	390.9	+ 1.4
Rural	855.5	802.3	+ 6.6	1,723.5	1,620.7	+ 6.3
✓ Captive Rural	840.6	789.7	+ 6.4	1,687.0	1,594.1	+ 5.8
✓ Free Rural	15.0	12.6	+ 18.6	36.5	26.5	+ 37.6
Other	1,067.0	1,214.1	- 12.1	2,240.5	2,366.5	- 5.3
✓ Captive Other	1,035.4	1,197.2	- 13.5	2,180.7	2,333.2	- 6.5
✓ Free Other	31.7	16.8	+ 88.2	59.7	33.3	+ 79.3
1 Energy sales to captive consumers	7,030.8	7,388.4	- 4.8	14,755.6	14,976.7	- 1.5
2 Energy associated with free consumers (TUSD)	1,356.6	1,429.3	- 5.1	2,884.9	2,868.1	+ 0.6
3 Captive sales + TUSD (1+2)	8,387.4	8,817.7	- 4.9	17,640.5	17,844.8	- 1.1
4 Unbilled sales	(231.7)	(35.3)	+ 556.2	(205.4)	0.3	-
5 Captive sales + TUSD + unbilled supply (3+4)	8,155.7	8,782.4	- 7.1	17,435.1	17,845.0	- 2.3

2.4. Consumption by region

Of the total captive and free electricity consumption in 2Q20, 42.5% was sold in the Midwest region, 21.7% in the North-East region, 19.1% in the North region and 16.7% in the South and Southeast regions.

Captive Sales + TUSD (billed) by Distribution Company and Region

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
North Region	1,604.6	1,659.9	- 3.3	3,258.4	3,237.7	+ 0.6
Energisa Tocantins (ETO)	592.9	608.5	- 2.6	1,161.7	1,169.8	- 0.7
Energisa Acre (EAC)	247.6	270.0	- 8.3	526.2	523.1	+ 0.6
Energisa Rondônia (ERO)	764.1	781.4	- 2.2	1,570.5	1,544.9	+ 1.7
Northeast	1,816.7	2,038.1	- 10.9	3,942.2	4,126.5	- 4.5
Energisa Paraíba (EPB)	997.7	1,091.7	- 8.6	2,174.1	2,209.8	- 1.6
Energisa Sergipe (ESE)	664.0	777.6	- 14.6	1,439.2	1,581.0	- 9.0
Energisa Borborema (EBO)	154.9	168.8	- 8.2	328.9	335.7	- 2.0
Midwest	3,565.5	3,603.1	- 1.0	7,410.3	7,307.2	+ 1.4
Energisa Mato Grosso (EMT)	2,219.7	2,239.2	- 0.9	4,540.4	4,435.8	+ 2.4
Energisa Mato Grosso do Sul (EMS)	1,345.8	1,363.9	- 1.3	2,869.9	2,871.4	- 0.1
South/Southeast Region	1,400.6	1,516.7	- 7.7	3,029.6	3,173.4	- 4.5
Energisa Minas Gerais (EMG)	345.4	375.7	- 8.1	729.3	774.8	- 5.9
Energisa Nova Friburgo (ENF)	74.4	80.8	- 7.9	154.7	163.9	- 5.7
Energisa Sul-Sudeste (ESS)	980.8	1,060.2	- 7.5	2,145.7	2,234.6	- 4.0
Total Energisa	8,387.4	8,817.7	- 4.9	17,640.5	17,844.8	- 1.1

2.5. Clients by concession operator

Energisa closed 2Q20 with 7,902,728 consumer units, or 1.9% more than the same period last year.

Number of captive and free consumers by region

DisCo	Number of Consumers								
	Captive			Free			Total		
	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q19	Change %
North Region	1,536,072	1,501,340	+ 2.3	128	100	+ 28.0	1,536,200	1,501,440	+ 2.3
✓ ETO	607,039	593,476	+ 2.3	54	39	+ 38.5	607,093	593,515	+ 2.3
✓ EAC	270,827	265,370	+ 2.1	26	21	+ 23.8	270,853	265,391	+ 2.1
✓ ERO	658,206	642,494	+ 2.4	48	40	+ 20.0	658,254	642,534	+ 2.4
Northeast	2,470,815	2,430,357	+ 1.7	192	137	+ 40.1	2,471,007	2,430,494	+ 1.7
✓ EPB	1,454,571	1,432,279	+ 1.6	86	61	+ 41.0	1,454,657	1,432,340	+ 1.6
✓ ESE	794,839	783,664	+ 1.4	87	59	+ 47.5	794,926	783,723	+ 1.4
✓ EBO	221,405	214,414	+ 3.3	19	17	+ 11.8	221,424	214,431	+ 3.3
Midwest	2,524,707	2,462,352	+ 2.5	486	388	+ 25.3	2,525,193	2,462,740	+ 2.5
✓ EMT	1,476,462	1,432,194	+ 3.1	276	218	+ 26.6	1,476,738	1,432,412	+ 3.1
✓ EMS	1,048,245	1,030,158	+ 1.8	210	170	+ 23.5	1,048,455	1,030,328	+ 1.8
South/Southeast Region	1,370,053	1,359,786	+ 0.8	275	240	+ 14.6	1,370,328	1,360,026	+ 0.8
✓ EMG	463,293	458,252	+ 1.1	64	58	+ 10.3	463,357	458,310	+ 1.1
✓ ENF	109,059	109,005	+ 0.0	10	9	+ 11.1	109,069	109,014	+ 0.1
✓ ESS	797,701	792,529	+ 0.7	201	173	+ 16.2	797,902	792,702	+ 0.7
Total Energisa	7,901,647	7,753,835	+ 1.9	1,081	865	+ 25.0	7,902,728	7,754,700	+ 1.9

Energisa Group's residential segment expanded by 136,836 clients (+2.2%) between the quarters. An impressive 149,483 new clients registered as low-income consumers. Consumers registered for the social rate (low income) account for 21.7% of residential units, and are also part of a government policy to reduce delinquency. Between April and June Aneel introduced full exemption for these low-income consumers.

Number of Residential Clients - Conventional and Low-income

DisCo	Number of Residential Clients								
	Conventional			Low Income			Total Residential Customers		
	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q19	Change %
North Region	933,876	924,410	+ 1.0	269,621	243,608	+ 10.7	1,203,497	1,168,018	+ 3.0
✓ ETO	365,300	364,804	+ 0.1	139,944	128,134	+ 9.2	505,244	492,938	+ 2.5
✓ EAC	157,460	159,314	- 1.2	60,692	52,045	+ 16.6	218,152	211,359	+ 3.2
✓ ERO	411,116	400,292	+ 2.7	68,985	63,429	+ 8.8	480,101	463,721	+ 3.5
Northeast	1,436,881	1,465,129	- 1.9	671,232	605,015	+ 10.9	2,108,113	2,070,144	+ 1.8
✓ EPB	799,609	819,767	- 2.5	401,519	360,863	+ 11.3	1,201,128	1,180,630	+ 1.7
✓ ESE	498,548	505,248	- 1.3	219,445	202,396	+ 8.4	717,993	707,644	+ 1.5
✓ EBO	138,724	140,114	- 1.0	50,268	41,756	+ 20.4	188,992	181,870	+ 3.9
Midwest	1,701,598	1,694,345	+ 0.4	310,100	263,169	+ 17.8	2,011,698	1,957,514	+ 2.8
✓ EMT	993,403	980,854	+ 1.3	157,100	135,076	+ 16.3	1,150,503	1,115,930	+ 3.1
✓ EMS	708,195	713,491	- 0.7	153,000	128,093	+ 19.4	861,195	841,584	+ 2.3
South/Southeast Region	972,327	973,445	- 0.1	149,093	138,771	+ 7.4	1,121,420	1,112,216	+ 0.8
✓ EMG	278,717	282,903	- 1.5	69,531	59,993	+ 15.9	348,248	342,896	+ 1.6
✓ ENF	90,511	90,272	+ 0.3	5,783	5,966	- 3.1	96,294	96,238	+ 0.1
✓ ESS	603,099	600,270	+ 0.5	73,779	72,812	+ 1.3	676,878	673,082	+ 0.6
Total Energisa	5,044,682	5,057,329	- 0.3	1,400,046	1,250,563	+ 12.0	6,444,728	6,307,892	+ 2.2

2.6. Energy Balance Sheet

Energy Balance Sheet - Energisa Discos

Description Amounts (GWh)	1 st half of 2020 (6M20)					
	EMG	ENF	ESE	EBO	EPB	ETO
(a) Total Energy Sold (a=b+c+d)	593.6	140.4	1,409.4	273.5	1,863.6	1,035.7
(b) Billed Sales to the Captive Market	596.2	141.3	1,241.2	276.0	1,884.3	1,038.0
✓ Residential	273.6	84.0	599.8	140.8	976.0	527.9
✓ Industrial	50.7	9.6	89.7	23.1	84.0	50.0
✓ Commercial	100.9	28.7	220.7	61.7	321.1	181.7
✓ Rural	92.9	2.5	58.3	12.5	151.7	117.0
✓ Public service and own consumption	78.1	16.6	272.8	37.9	351.4	161.4
(c) Unbilled consumption	(2.6)	(0.9)	(9.5)	(2.5)	(20.7)	(2.3)
(d) Energy sales to concession operators	-	-	177.6	-	-	-
(e) Injected energy (e=a+f+g+h)	923.7	180.4	1,885.6	373.5	2,617.1	1,350.8
(f) Transmission of energy free clients (TUSD)	133.1	13.4	198.0	52.9	289.8	123.7
(g) Energy exchange	97.7	18.3	89.2	20.8	99.5	5.1
(h) Distribution losses	99.3	8.3	189.0	26.3	364.3	186.3
(j) Losses in High-Voltage National Grid	2.2	-	50	7.0	67.8	22.8
(j) Sale of Electricity CCEE	115.6	-	101.9	17.3	42.1	51.3
(k) Total Electricity Received (k=a+h+i+j)	810.8	148.7	1,750.5	324.1	2,337.8	1,296.1

Energy Balance Sheet - Energisa DisCos (continued)

Description Amounts (GWh)	1 st half of 2020 (6M20)					
	EMT	EMS	ESS	ERO	EAC	Consolidated
(a) Total Energy Sold (a=b+c+d)	3,619.2	2,198.5	1,652.4	1,460.1	501.3	14,747.8
(b) Billed Sales to the Captive Market	3,671.4	2,273.4	1,656.8	1,470.2	506.7	14,755.6
✓ Residential	1,599.5	1,048.2	766.2	663.5	257.9	6,937.2
✓ Industrial	296.1	138.2	160.9	140.1	17.4	1,059.7
✓ Commercial	749.6	482.9	334.3	308.3	100.9	2,890.9
✓ Rural	589.7	301.1	166.5	167.5	27.3	1,687.0
✓ Public service and own consumption	436.6	302.9	229.0	190.7	103.2	2,180.7
(c) Unbilled consumption	(52.2)	(74.9)	(24.1)	(10.3)	(5.4)	(205.4)
(d) Energy sales to concession operators	-	-	19.7	0.3	-	197.6
(e) Injected energy (e=a+f+g+h)	5,451.5	3,306.7	2,338.7	2,188.2	652.2	21,268.4
(f) Transmission of energy free clients (TUSD)	869.0	596.5	488.9	100.3	19.5	2,884.9
(g) Energy exchange	1.8	11.2	35.0	2.3	-	380.9
(h) Distribution losses	961.6	500.4	162.4	625.5	131.4	3,254.8
(j) Losses in High-Voltage National Grid	71.1	46.2	73.0	49.5	16.5	406.4
(j) Sale of Electricity CCEE	784.7	182.1	120.7	90.5	170.8	1,677.0
(k) Total Electricity Received (k=a+h+i+j)	5,436.6	2,927.3	2,008.5	2,225.6	819.9	20,085.9

2.7. Contracts Portfolio

Contracts Portfolio - Energisa Group's DisCos

Description Amounts (GWh)	1 st half of 2020 (6M20)					
	EMG	ENF	ESE	EBO	EPB	ETO
(a) Energy purchased	794.1	148.1	1,740.9	320.8	2,255.9	1,277.5
✓ Modeled bilaterals	292.5	-	64.3	44.5	218.9	112.4
✓ Energy Auctions and mechanisms	160.9	-	1,183.7	162.7	1,343.2	817.7
✓ ITAIPU quotas	128.5	-	-	-	-	-
✓ PROINFA quotas	13.9	3.3	31.4	6.2	41.8	23.6
✓ ANGRA quotas	24.1	-	52.3	13.9	74.8	37.7
✓ Physical Guarantee Quotas (90%)	174.1	-	409.2	93.6	577.2	286.1
✓ Supply Contracts	-	144.7	-	-	-	-
(b) Mini and microgeneration distributed	16.7	0.6	9.6	3.3	28.1	14.8
(c) Own Generation/Bilaterals not modeled/ Isolated System	-	-	-	-	-	-
(d) Settlement at CCEE	-	-	-	-	53.8	3.8
(e) TOTAL Electricity Purchased (e=a+b+c+d)	810.8	148.7	1,750.5	324.1	2,337.8	1,296.1

Contracts Portfolio - Energisa Group DisCos (continued)

Description Amounts (GWh)	1 st half of 2020 (6M20)					
	EMT	EMS	ESS	ERO	EAC	Consolidated
(a) Energy purchased	4,742.0	2,765.7	1,983.8	1,911.8	699.7	18,640.4
✓ Modeled bilaterals	1,282.7	164.2	291.2	211.6	-	2,682.3
✓ Energy Auctions and mechanisms	1,648.6	1,353.9	730.5	1,232.4	523.1	9,156.8
✓ ITAIPU quotas	695.7	462.2	382.4	-	-	1,668.7
✓ PROINFA quotas	82.9	49.6	37.7	33.5	11.4	335.5
✓ ANGRA quotas	130.6	86.8	71.8	60.1	17.0	569.0
✓ Physical Guarantee Quotas (90%)	901.5	649.1	470.2	374.1	148.2	4,083.4
✓ Supply Contracts	-	-	-	-	-	144.7
(b) Mini and microgeneration distributed	186.2	53.2	24.7	18.3	-	355.6
(c) Own Generation/Bilaterals not modeled/ Isolated System	508.4	0.5	-	254.5	120.2	883.5
(d) Settlement at CCEE	-	107.8	-	41.0	-	206.4
(e) TOTAL Electricity Purchased (e=a+b+c+d)	5,436.6	2,927.3	2,008.5	2,225.6	819.9	20,085.9

2.8. Electricity losses (“losses”)

Total losses amounted to 5,898.4 GWh in June 2020, accounting for 13.81% of injected energy, 0.29 percentage points above March 2020 and 0.26 percentage points above the same period last year.

In June 2020 the loss indicator reflected the effects of the Covid-19 pandemic. Covid-19 restrictions, the effects established in ANEEL Normative Resolution 878 (forbidding disconnections due to consumer delinquency for certain consumer units and other measures) and state and municipal decrees resulted in the suspension on issuing irregular invoices and significantly reduced actions combating losses in the last quarter. Shielding measures were given priority, although rolled out in a lower-than-expected volume, due to the fact it was more difficult to carry out works during the pandemic, especially those requiring greater physical interaction with consumers, as a result of the need to enter their homes.

The restrictions imposed by the pandemic also resulted in a material drop in energy billed to commercial consumers, public services and industries connected to the low- and medium-voltage supply, in addition to a sharp decline in high-voltage free consumers, that do not normally generate commercial losses. This pattern resulted in an effect known as a base impact, i.e. a reduction to the denominator in the equation used to calculate losses, resulting in the percentage indicator rising. In absolute terms, the increase in commercial losses was 82.2 GWh on the previous quarter.

Coupled with these factors is the adverse economic situation which is a breeding ground for new cases of fraud. Loss combating actions are expected to be gradually resumed from July, coinciding with greater relaxation on

economic activities.

EMG closed with total losses of 10.26%, an increase of 0.21 and 0.41 percentage points on March 2020 and June 2019 respectively. It should be noted that the low level of technical losses in the concession and the fact that the deviation of total losses from the regulatory limit is solely due to the behavior of technical losses, which is influenced by hydro generation connected to its distribution system. The record rainfall levels in 1Q20 meant that the higher hydro generation reduced technical losses in relation to the previous quarter. ENF maintained a healthy margin on regulatory losses, beating its regulatory limit by 1.62 percentage points.

ETO closed the period with increases of 0.29 percentage points and 0.18 percentage points on March 2020 and June 2019 respectively. ETO's result for the quarter is 1.01 percentage points lower than the regulatory limit.

At the Group's other companies, where the volume of loss combating actions is significant, the reduction in regularization and inspection actions imposed by the pandemic have had a greater impact on the loss trajectory, as shall be demonstrated below.

Following a challenging 2019 due to rising non-technical losses and the implementation of an additional combating plan, ESE managed to meet its regulatory index in March 2020, achieving a 0.16 percentage point decrease on December 2019. In June 2020, the indicator closed at 10.61%, 0.60 percentage points and 0.84 percentage points above March 2020 and June 2019, respectively, 0.08 percentage points above its regulatory target. Besides the pandemic, another material factor impacting losses was the migration of a major consumer to the National Grid in June 2019, which diminished the volume of injected energy and increased the comparison basis for June 2020 by 0.62 percentage points on June 2019.

Having signaled a reversal of the 2019 growth trajectory in the first quarter of 2020, EPB saw its figures grow again in the second quarter, as a result of the aforesaid effects of the pandemic. The result for June was 0.57 percentage points greater than March 2020 and 0.79 percentage points greater than June 2019.

Having recorded losses below the regulatory limits for three consecutive quarters, EMT once again breached the regulatory limit in June 2020, closing with an increase on March 2020 of 0.22 percentage points and a slight decrease of 0.02 on June 2019.

EMS experienced an increase of 0.21 percentage points on March 2020, and 0.74 percentage points on June 2019, remaining just above the regulatory target by 0.06 percentage points. In addition to the pandemic measures, the main reason for higher losses was also the growth in technical losses, caused by the simultaneous reduction in biomass thermal generation in the south and lower hydro generation in the midwest, both near the load center. This reduction triggered an increase in the flow of 138 kV energy over a long distance, some 400 km from the load center, driving up technical losses.

In the course of 2019 ERO implemented a comprehensive plan of measures combining training and team strengthening, the application of more assertive techniques for selecting consumer units (UC) for inspection, inspecting disconnected UCs, shielding, remote measurement and checking frontier, Group A and Free Client metering. These actions helped turn around the rising trajectory from the third quarter of 2019. After a nine-month decline, the result in June 2020 rose slightly by 0.11 percentage points compared with March 2020 and rose by 0.84 percentage points on June 2019.

EAC also failed to maintain its falling trajectory of recent quarters. The result for June was 0.53 percentage points greater than March 2020. This figure diminished by 0.45 percentage points on June 2019.

See below the electricity loss rates of Energisa Group's DisCos:

Energy Losses (% in past 12 months)

Discos % Injected Energy (12 months)	Technical Losses (%)			Non-Technical Losses (%)			Total Losses (%)			ANEEL	
	Jun-19	Mar-20	Jun-20	Jun-19	Mar-20	Jun-20	Jun-19	Mar-20	Jun-20		
EMG	10.51	10.05	9.76	-0.66	0.00	0.50	9.85	10.06	10.26	9.65	●
ENF	4.67	4.91	5.00	-0.94	-0.85	-0.78	3.73	4.06	4.22	5.84	●
ESE	7.16	7.63	7.83	2.61	2.38	2.78	9.77	10.01	10.61	10.53	●
EBO	6.32	5.57	5.58	-0.16	0.60	0.85	6.16	6.17	6.43	7.44	●
EPB	9.07	8.78	8.78	3.82	4.33	4.90	12.88	13.11	13.68	12.73	●
EMT	9.77	9.37	9.37	4.10	4.27	4.50	13.88	13.64	13.86	13.67	●
EMS	9.19	9.66	9.99	3.13	3.19	3.06	12.32	12.85	13.06	13.00	●
ETO	11.38	11.35	11.21	1.43	1.36	1.79	12.82	12.71	13.00	14.01	●
ESS	6.19	6.19	6.15	-0.12	0.04	0.21	6.08	6.23	6.36	6.72	●
ERO	11.10	12.31	12.33	17.32	15.16	15.25	28.43	27.47	27.58	21.86	●
EAC	9.83	9.96	10.02	9.79	8.68	9.15	19.62	18.64	19.17	19.67	●
Energisa	9.14	9.22	9.28	4.41	4.30	4.53	13.55	13.52	13.81	13.10	●
Energisa (without ERO and EAC)	8.87	8.82	8.88	2.61	2.81	3.06	11.48	11.63	11.94	11.85	●

Notes: To calculate the percentages presented above, we considered the values of unbilled energy. All DisCos are undergoing CRTP 4. The A1 Free Market was included in the calculation of the Total Realized and Regulatory Loss.

Energy Losses (In GWh in past 12 months)

Losses in 12 months In GWh	Technical Losses			Non-Technical Losses			Total Losses			
	Jun/19	Mar/20	Jun/20	Jun/19	Mar/20	Jun/20	Jun/19	Mar/20	Jun/20	Change(%)
EMG	184.0	180.3	176.0	-11.6	0.1	9.0	172.4	180.3	185.0	+ 2.6
ENF	17.7	18.6	18.6	-3.6	-3.2	-2.9	14.2	15.4	15.7	+ 2.1
ESE	255.4	258.5	256.6	93.1	80.6	91.1	348.5	339.1	347.7	+ 2.5
EBO	47.6	42.4	41.7	-1.2	4.6	6.4	46.4	47.1	48.1	+ 2.1
EPB	479.3	475.5	467.3	201.6	234.2	260.7	680.9	709.7	728.0	+ 2.6
EMT	1,031.3	1,043.8	1,044.1	432.9	475.6	501.1	1,464.2	1,519.5	1,545.2	+ 1.7
EMS	582.9	643.9	661.0	198.6	212.7	202.6	781.4	856.6	863.7	+ 0.8
ETO	313.9	318.7	313.1	39.6	38.3	49.9	353.4	357.0	363.0	+ 1.7
ESS	294.8	302.1	294.8	-5.5	2.0	10.3	289.2	304.0	305.1	+ 0.4
ERO	497.2	560.7	554.3	776.0	690.8	686.0	1,273.2	1,251.5	1,240.3	- 0.9
EAC	130.0	136.3	134.1	129.6	118.8	122.5	259.6	255.1	256.6	+ 0.6
Energisa Consolidated	3,833.9	3,980.8	3,961.7	1,849.5	1,854.5	1,936.7	5,683.4	5,835.3	5,898.4	+ 1.1
Energisa Consolidated (exc. ERO and EAC)	3,206.7	3,283.8	3,273.3	943.9	1,044.9	1,128.2	4,150.7	4,328.7	4,401.5	+ 1.7

(1) Change June 2020 / March 2020.

2.9. Delinquency management

2.9.1. Delinquency Rate

Aneel Resolution 878 issued March 24, 2020 introduced restrictions on the suspension of electricity supplies until the end of July 2020, rendering ineffective this ultimate collection resource, which is vital for keeping delinquency levels in check.

In this quarter the main delinquency offenders are concentrated in consumer units in debt in the residential and commercial sectors, as a result of the restriction on disconnecting them.

To mitigate the impacts caused by the aforesaid restriction, we stepped up other collection measures, including increasing the number of SMS messages, blacklisting, telephone contact, emails, charging by WhatsApp and continuing disconnections for sectors not benefitted by the suspension restrictions imposed by REN 878/2020. Aware of our clients' plight, we offered easier financing terms as a way of combining disciplined collections with easier terms so that consumers can negotiate their bills, facilitating access to negotiations via digital channels.

These collection and negotiation means are being used simultaneously to improve collection results. In addition

to these initiatives, we are seeking more efficient initiatives and in this quarter implemented telephone collections with a virtual agent, expanding the capacity of this type of service. Another option is now financing on credit cards, which we initiated at Energisa Nova Friburgo, which is expected to be expanded out to other Group companies from August 2020.

Collection procedures were reinforced for clients in Group A and government clients, introducing negotiating cells for overdue and outstanding bills, in addition to closely monitoring the collection process.

ERO's reductions (-1.95 p.p) and EAC's reductions (-1.44 p.p.) show that the downward trend presented in previous quarters is being maintained. These results are due to bolstering collection actions and negotiating existing debits. Once again, more consumers have been enrolled in the low-income social rate, rising by 8.8% at ERO and 16.6% at EAC when compared against Jun/19.

The concession operators EPB and ESE saw the greatest changes, with increases of 1.10 and 0.96 percentage points respectively. This deterioration in the indicator is due to delinquency in the residential and commercial sectors, which also impaired the performance of other Group companies. The companies have ramped up the measures to turn the loss indicator around by stepping up administrative actions to blacklist, protest and file legal proceedings, in addition to negotiations to recover debts.

In 2Q20 Energisa's consolidated delinquency rate for the last 12 months was 1.79%, as a result of the Covid-19 pandemic, especially measures prohibiting the disconnection of delinquent clients.

In 6M20, the COVID-19 PECLD had an impact of R\$ 188.4 million, as a result of the regular order to cease disconnections imposed by REN 878/2020.

R\$ 25.2 million of the R\$ 188.4 million was recorded in March/20 and R\$ 163.2 million in 2Q20. The criteria the company adopted for this provision took into account the balances of overdue energy bills, the downturn in average collection for bills due in the last 6 months compared with the same period last year, including the measurement of expected losses based on the historic series and future probabilities of delinquency for the final estimate of the provisions, for which we considered the impacts of Covid-19 on accounts receivable.

We expect this variable will have a limited impact on the analysis of expected losses for the year, as the concession operators will once again be able to cut off energy supplies from 8/1/2020, except for consumers registered as "low-income", who will enjoy this protection until the end of the year. In addition to the historical basis as a metric for measuring expected losses, material future delinquency conditions are also analyzed by the Company to make additional provisions for expected losses.

The table below demonstrates these effects as a portion of the free and captive revenue billed for each of the Group's DisCos, without the effects of the additional provision made for Covid-19.

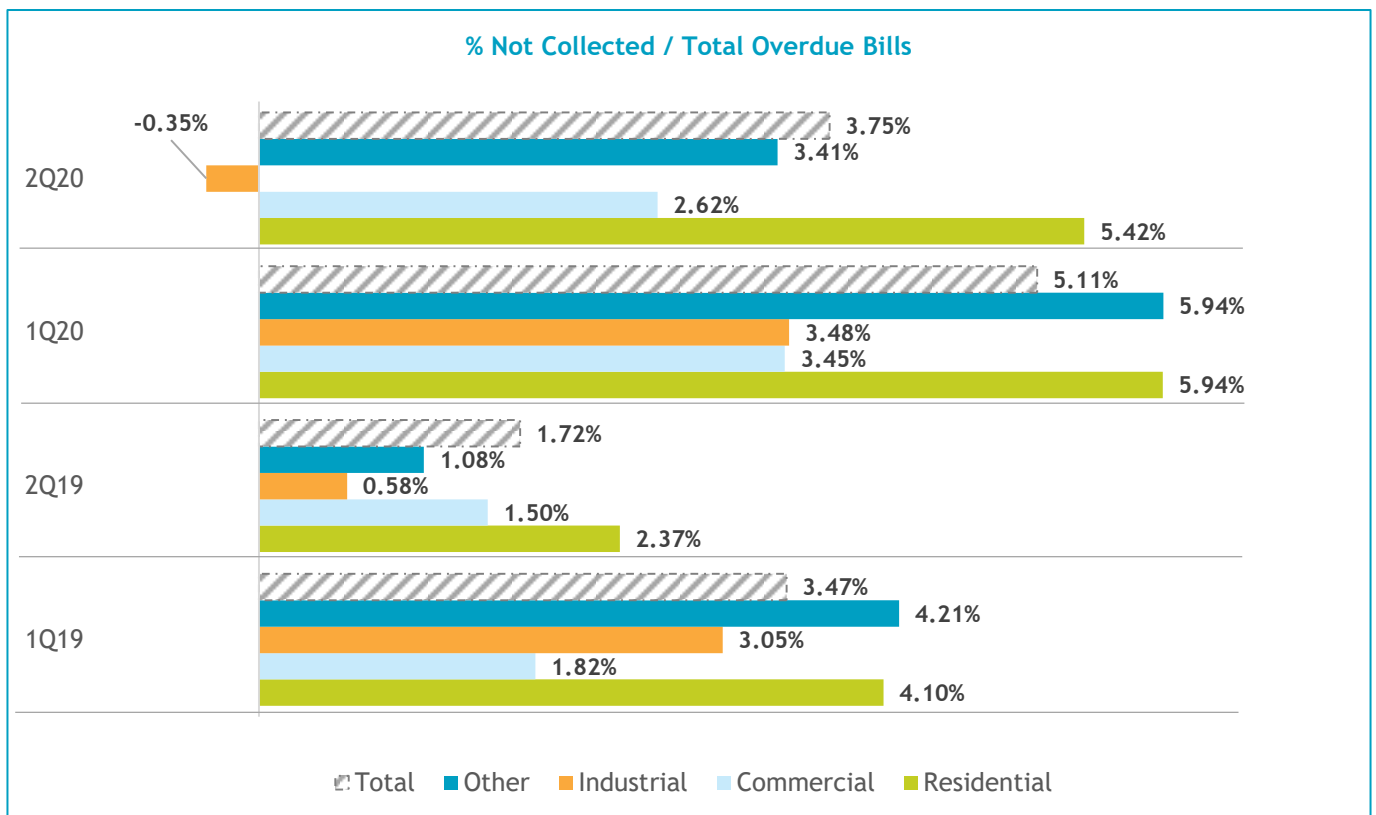
PPECLD Indicator (% last 12 months)

PPECLD (% of Supply billed)	In 12 months (%)				
	Jun/20	Jun/19	Change in p.p.	Jun /20 (exc. Covid PPECLD)	Change in p.p.
EMG	0.59	0.29	+ 0.30	0.21	- 0.08
ENF	0.69	0.26	+ 0.43	0.33	+ 0.06
ESE	1.26	0.30	+ 0.96	0.56	+ 0.26
EBO	0.83	0.26	+ 0.57	0.38	+ 0.12
EPB	1.97	0.87	+ 1.10	1.33	+ 0.46
EMT	2.29	1.74	+ 0.55	1.39	- 0.34
EMS	1.85	1.44	+ 0.41	1.22	- 0.22
ETO	1.03	0.57	+ 0.46	0.57	-
ESS	0.43	0.07	+ 0.36	0.15	+ 0.08
ERRO	3.56	5.51	- 1.95	1.82	- 3.70
EAC	0.83	2.27	- 1.44	(2.11)	-
Energisa Consolidated	1.79	1.46	+ 0.33	0.96	- 0.50

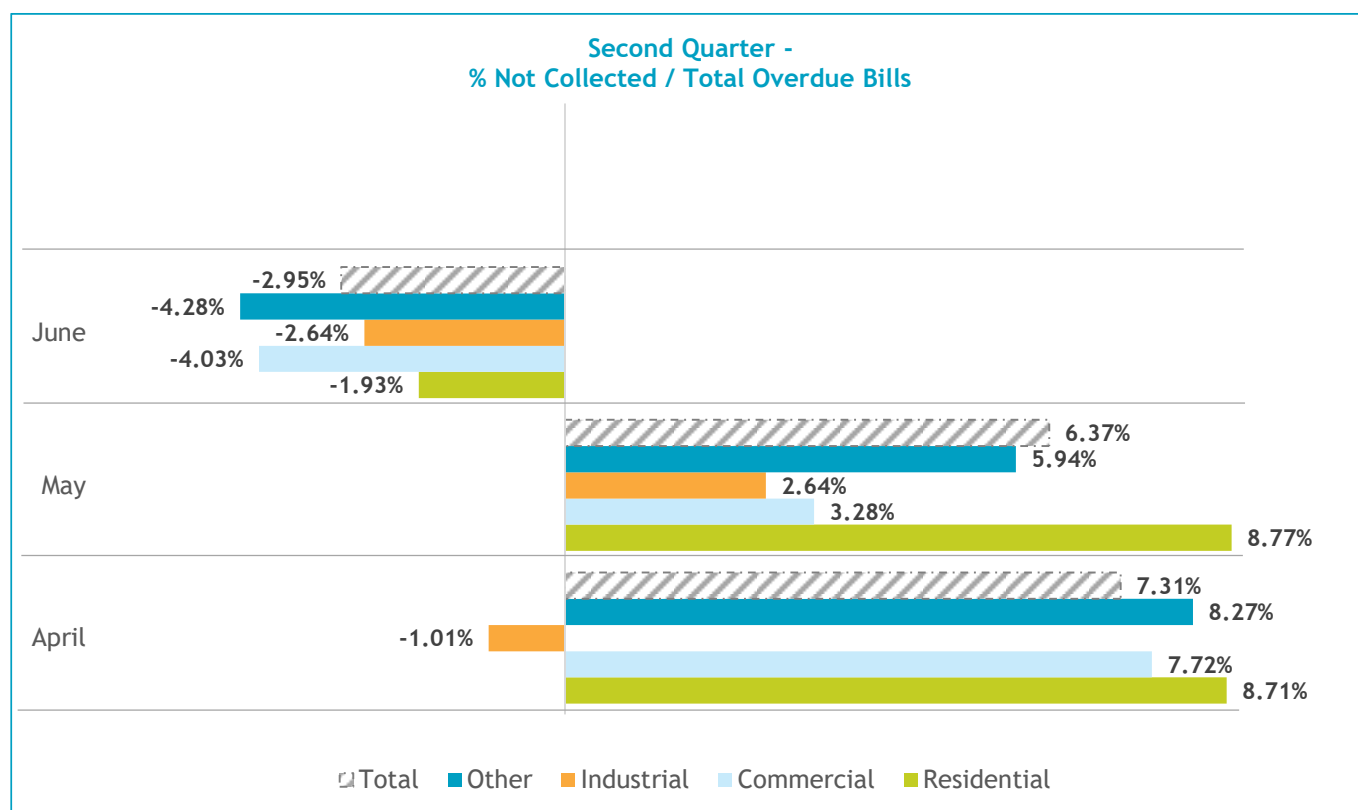
2.9.2.30-day delinquency indicator

Energisa Group’s DisCos began using the methodology to calculate the short-term delinquency rate to track the impact on the concession operators’ cash unleashed by the global Covid-19 crisis. In place since the second half of March, this methodology considers the financial volume not collected of the total overdue bills in the thirty-day period through the mobile average, including daily tracking, over the total financial volume of overdue bills in this period. The consolidated 12-month average for 2019 (Jan to Dec-19) of our 11 DisCos was 1.31%. This method was created by using the ANEEL request for all DisCos to provide daily information about overdue and collected bills for up to 4 days before sending information to the regulatory agency.

The graphs below demonstrate the uncollected percentage of overdue bills. Negative percentages means that collections outstripped overdue amounts in the calculated period.



The graph above shows the growth of the uncollected percentage in 1Q20, a period which coincides with the start of the impact triggered by the pandemic and restrictions on disconnections made by the aforesaid resolution and decrees. Note that the performance over 2Q20 was not consistent. The results for June show an improving trend, suggesting the initiatives implemented have managed to turn around the situation, collecting more than the billed volume. However, the uncollected volume accumulated since the start of the pandemic amounts to some R\$ 439.0 million.



2.9.3. Collection Rate

Energisa Group's 12-month consolidated collection rate in 2Q20 was 95.67%, down 0.83 percentage points on 2Q19, influenced by the introduction of social distancing measures to counter the Covid-19 pandemic and the publication of ANEEL Resolution 878/20, prohibiting the suspension of electricity supplies to residential clients, rural clients and services classified as essential by federal government decrees until July 31, 2020, as described in the previous item.

Although the result was lower than the same period last year, upon analyzing the 30-day delinquency performance in recent quarters, as presented in the item above, we noticed that even during the pandemic period, the efforts made by Energisa to combat delinquency have been effective, with an expected continuous improvement as the possibility of disconnecting supplies for delinquency returns.

See below the collection rates of Energisa Group's DisCos:

Collection Rate (%)	In 12 months (%)		
	Jun/20	Jun/19	Change in p.p.
EMG	97.83	98.45	- 0.62
ENF	97.39	98.36	- 0.99
ESE	97.17	97.68	- 0.52
EBO	97.49	98.15	- 0.67
EPB	96.08	96.58	- 0.52
EMT	95.09	96.21	- 1.17
EMS	95.55	96.91	- 1.40
ETO	96.26	97.45	- 1.23
ESS	98.57	99.02	- 0.46
ERO	91.99	91.15	+ 0.93
EAC	92.39	91.93	+ 0.50
Energisa Consolidated	95.67	96.47	-0.83
Energisa Consolidated (exc. ERO and EAC)	96.18	97.14	-0.99

2.10. Service quality indicators for distribution services - DEC and FEC

In the main, the Group's DisCos performed well in the quarter, meeting the DEC and FEC regulatory limits in 2Q20, with the exception of ERO.

This performance is due to the ongoing enhancing of capital allocation, the focus on automating, building and expanding new feeders, substations and high-voltage lines coupled with greater assertiveness in maintenance, easement cleaning, tree trimming and ongoing enhancement of vehicles, in addition to the application of new tools, team training and productivity management.

EAC excelled, which achieved its best ever historic values for both indicators. ETO also achieved its best performance for FEC.

The quality indicators performed as followed:

Discos 12 months window	DEC (hours)			FEC (times)			DEC Limit	FEC Limit
	Jun-20	Jun-19	Var.(%)	Jun-20	Jun-19	Var.(%)		
EMG	8.61	9.42	- 8.6	4.41	5.34	- 17.4	11.24 ●	8.28 ●
ENF	6.93	6.35	+ 9.1	4.58	3.39	+ 35.1	9.96 ●	8.32 ●
ESE	10.70	10.49	+ 2.0	4.79	5.69	- 15.8	12.04 ●	8.11 ●
EBO	4.43	4.26	+ 4.0	3.50	2.66	+ 31.6	12.82 ●	8.86 ●
EPB	13.42	14.27	- 6.0	5.10	5.29	- 3.6	15.98 ●	9.50 ●
EMT	19.34	19.55	- 1.1	8.11	8.16	- 0.6	21.43 ●	17.02 ●
EMS	10.47	11.41	- 8.2	4.49	4.55	- 1.3	11.51 ●	8.17 ●
ETO	19.63	22.03	- 10.9	7.08	9.20	- 23.0	23.53 ●	15.65 ●
ESS	5.05	6.59	- 23.4	4.05	4.81	- 15.8	7.57 ●	7.24 ●
ERO	40.64	45.36	- 10.4	21.29	20.10	+ 5.9	27.43 ●	18.83 ●
EAC	31.04	39.51	- 21.4	17.83	30.06	- 40.7	44.05 ●	35.13 ●

Nb: The data presented is obtained from ANEEL databases and can be changed if requested by the regulator.

Note that the above results are especially remarkable as they were achieved during the pandemic. Greater productivity of the team amid the implementation of remote work, especially for the team and operators, attests to Energisa Group's superior planning and execution capacity.

2.11. Electricity trading

Energisa Comercializadoras' (ECO) sales in 2Q20 were 17.4% higher than in 2Q19. Sales were 29.4% higher in the half than the same period last year. This increase was due to the higher turnover of energy contracts, as a result of market opportunities, where we positively harnessed the price volatility in this market. In this period the PLD (Difference Settlement Price) changed substantially, primarily due to the pandemic situation, changing from R\$ 327.38/MWh in January to R\$ 39.68/MWh in April. In June the PLD closed at R\$ 89.04/MWh.

Sales made in GWh, as per the table below:

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Sales to free consumers (ECOM)	1,245.0	1,051.6	-17.4	2,759.0	2,131.9	+ 29.4

2.12. Transmission

Energisa Group's activities includes energy transmission assets, resulting from the acquisition of two lots of Transmission Auction 5/2016, held on 4/24/2017 and a lot at Transmission Auction 002/2018 acquired on 6/28/2018 and a lot at Transmission Auction 004/2018 acquired on 12/20/2018. The four lots jointly possess Annual Permitted Revenue (RAP) of R\$ 192.5 million. The Energisa Goiás I (EGO I) line came into operation on March 13, 2020 in an investment of R\$ 255.0 million. R\$ 1,308.7 million will be invested in the other lots.

Because of state and municipal decrees in Pará responding to the Covid-19 pandemic, a number of work fronts have been interrupted and various new sanitation demands related to COVID-19 prevention measures have been adopted, such as a quarantine period for teams returning from travel and segregating teams into bubbles to contain the virus' spread. Energisa outlined a schedule recovery plan to maintain the energization dates of the ventures on the dates scheduled before the stoppages and to maintain the focus on this goal.

Energisa Tocantins Transmissora's venture did not experience works delays, as it is still at the environmental licensing phase, with only certain archeology activities having been impacted. As is the case for the works in Pará state, a recovery plan has been put together that is in progress and focusing on maintaining the dates established before the Covid crisis.

The table below summarizes these ventures:

Lot	Name	Auction Date	State	Length (Km)	Environmental License Issuance	Operational Start-up (Aneel)	Physical Progress	Ahead of schedule by	Investments estimated by Energisa (R\$ million)	Proposed RAP (R\$ million)
3	Energisa Goiás Transmissora I (EGO I)	Apr/17	GO	136 (CD)	9/13/2018	Mar/20	100%	17 months	255.0	40.5
26	Energisa Pará Transmissora I (EPA I)	Apr/17	PA	296 (CD)	10/2/2018	Feb/22	91%	16 months	309.2	51.1
19	Energisa Pará Transmissora II (EPA II)	Jun/18	PA	139 (CD/CS)	5/6/2019	Mar/23	41%	12 months	379.9	35.4
4	Energisa Tocantins Transmissora (ETT)	Dec/18	BA/TO	772 (CS)	-	Mar/24	12%	14 months	619.7	65.5
Total		-	-	1,343	-	-	-	-	1,563.8	192.5

Notes: Investment data and annual permitted revenue (RAP) restated as of June/2020. Physical progress data restated for July/2020. CD - Dual circuit / CS - Single circuit. EGO I data is being compiled but there are no projections, as this line came into operation on March 13, 2020. The early start-up of EPA II and ETT is subject to change depending on how long the impacts of the Covid-19 pandemic last.

3. Financial performance

3.1. Gross and net operating revenue

In 2Q20, consolidated net operating revenue excluding construction revenue amounted to R\$ 3,873.7 million, a decrease of 3.6% (R\$ 145.7 million) on 2Q19. This amounted to R\$ 8,078.7 million in YTD 6M20, a decrease of 3.2% (R\$ 267.7 million).

See below the net operating revenue by segment:

Operating revenue by segment Description (R\$ million)	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
(+) Electricity revenue (captive market)	4,737.4	5,175.3	- 8.5	10,219.4	10,311.0	- 0.9
✓ Residential	2,356.3	2,454.6	- 4.0	5,070.8	4,964.9	+ 2.1
➤ Low income	40.4	167.7	- 75.9	240.8	328.7	- 26.8
✓ Industrial	351.3	407.8	- 13.8	731.4	807.7	- 9.4
✓ Commercial	982.4	1,224.3	- 19.8	2,238.7	2,441.1	- 8.3
✓ Rural	486.8	440.5	+ 10.5	982.9	861.1	+ 14.1
✓ Other sectors	560.6	648.1	- 13.5	1,195.6	1,236.1	- 3.3
(+) Electricity sales to distributors	120.9	141.7	- 14.7	273.8	757.1	- 63.8
(+) Net unbilled sales	(65.5)	46.3	-	(21.6)	94.7	-
(+) Sales by trading company (ECOM)	205.2	200.6	+ 2.3	522.2	409.1	+ 27.6
(+) Electricity network usage charges (TUSD)	366.7	333.3	+ 10.0	732.5	642.7	+ 14.0
(+) Construction revenue	525.0	683.6	- 23.2	1,102.3	1,120.6	- 1.6
(+) Creation and amortization - CVA	112.3	52.3	+ 114.8	(76.6)	19.0	-
(+) Subsidies for services awarded under concession	479.4	300.4	+ 59.6	787.5	612.0	+ 28.7
(+) Restatement of the concession financial asset (VNR)	(18.3)	46.6	-	9.7	117.8	- 91.8
(+) Other revenue	77.3	62.9	+ 23.0	122.1	94.5	+ 29.3
Gross Revenue	6,540.4	7,042.9	- 7.1	13,671.4	14,178.5	- 3.6
(-) Sales taxes	1,739.5	1,810.9	- 3.9	3,671.0	3,658.6	+ 0.3
(-) Rate flag deductions	(11.1)	(9.7)	+ 14.4	(9.2)	3.0	-
(-) Sector charges	413.2	538.7	- 23.3	828.5	1,049.9	- 21.1
(=) Net revenue	4,398.7	4,703.0	- 6.5	9,181.0	9,467.1	- 3.0
(-) Construction revenue	525.0	683.6	- 23.2	1,102.3	1,120.6	- 1.6
(=) Net revenue, without construction revenue	3,873.7	4,019.3	- 3.6	8,078.7	8,346.5	- 3.2

See below the net operating revenue by company:

Net revenue by segment Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
I - Distribution of electricity	4,072.4	4,421.7	- 7.9	8,453.2	8,843.8	- 4.4
✓ EMG	193.5	183.0	+ 5.8	378.8	367.9	+ 2.9
✓ ENF	44.1	42.4	+ 4.1	87.0	84.9	+ 2.4
✓ ESE	289.1	364.4	- 20.7	622.0	735.9	- 15.5
✓ EBO	64.0	71.5	- 10.6	125.9	144.1	- 12.6
✓ EPB	461.0	534.9	- 13.8	989.7	1,093.0	- 9.4
✓ EMT	1,094.9	1,190.1	- 8.0	2,206.4	2,291.8	- 3.7
✓ EMS	598.2	644.7	- 7.2	1,291.0	1,394.1	- 7.4
✓ ETO	322.9	416.9	- 22.6	661.4	822.3	- 19.6
✓ ESS	409.0	409.6	- 0.2	830.4	839.6	- 1.1
✓ ERO	435.3	410.7	+ 6.0	923.3	743.9	+ 24.1
✓ EAC	160.4	153.4	+ 4.6	337.4	326.3	+ 3.4
II - Electricity sales and services	446.7	400.2	+ 11.6	976.6	770.2	+ 26.8
✓ Energisa Comercializadora (ECOM)	186.5	182.4	+ 2.3	474.5	372.2	+ 27.5
✓ Energisa Soluções Consolidated (ESOL Consol.)	53.5	46.2	+ 15.7	108.0	90.6	+ 19.2
✓ Energisa S/A (ESA)	55.3	55.4	- 0.2	112.0	102.4	+ 9.4
✓ Multi Energisa	10.2	8.8	+ 15.8	20.4	18.3	+ 11.5
✓ Energisa Goiás Transmissora I (EGO I)	12.0	45.3	- 73.5	52.4	80.9	- 35.3
✓ Energisa Pará Transmissora I (EPA I)	36.0	41.1	- 12.4	79.2	80.8	- 2.1
✓ Energisa Pará Transmissora II (EPA II)	65.6	17.2	+ 280.8	93.6	20.2	+ 363.7
✓ Energisa Tocantins Transmissora (ETT)	10.2	-	-	15.3	-	-
✓ Others	17.4	3.8	+ 358.2	21.3	4.8	+ 344.0
(=) Total (I+II)	4,519.1	4,821.9	- 6.3	9,429.8	9,614.0	- 1.9
<i>Intercompany eliminations</i>	<i>(120.4)</i>	<i>(118.9)</i>	<i>+ 1.2</i>	<i>(248.8)</i>	<i>(146.9)</i>	<i>+ 69.3</i>
(=) Energisa Consolidated	4,398.7	4,703.0	- 6.5	9,181.0	9,467.1	- 3.0
(-) Construction revenue	525.0	683.6	- 23.2	1,102.3	1,120.6	- 1.6
(=) Energisa Consol. without construction revenue	3,873.7	4,019.3	- 3.6	8,078.7	8,346.5	- 3.2

3.2. Regulatory Environment

3.2.1. Compensation Account for Parcel A Variation (CVA)

In 2Q20 there was an increase of R\$ 60.0 million in the creation (net of amortization) of the Compensation Account for the Parcel A Variation (CVA) in relation to 2Q19.

The CVA is a regulatory mechanism introduced by Interministerial Ordinance 25/02 intended to record the changes in costs incurred on energy purchases, energy transportation and sector charges in the period between the DisCo's rate events. This mechanism aims to neutralize the effects of these costs, of "Parcel A" and the whole rate pass-through assured, on the DisCo's earnings.

3.2.2. Overcontracting

As regards energy overcontracting in 2016 and 2017, the Company maintained the positive accumulated result of R\$ 4.6 million. In 2019 and in light of the information available regarding contractual levels in 2018, a positive R\$ 9.0 million was recognized in 1Q19 at EMS. The effects of overcontracting were not recorded in the first half of 2020. Energisa Group currently has a positive balance of R\$ 13.6 million in this item.

3.2.3. Rate flags

The "Rate Flag System" came into force in January 2015, which automatically passes through to end consumers the cost incurred by the DisCo whenever energy purchases are affected by more expensive thermal energy, thereby diminishing the financial burden between the rate adjustments. There are green, yellow and red rate flags, which indicate whether electricity will cost more or less as a result of the electricity generation conditions.

In 2Q20 Energisa's consolidated revenue from rate flags was R\$ 13.6 million, compared with R\$ 23.1 million in 2Q19. In 6M20, it amounted to R\$ 23.1 million, as compared to R\$ 11.2 million in 6M19.

3.2.4. Rate reviews and adjustments

Between 2016 and 2018, the National Electricity Regulatory Agency ("Aneel") ratified the 4th Cycle of the Periodical Rate Reviews ("4CRTP") of Energisa S/A's DisCos, except for the DisCos ERO and EAC, acquired in August 2018, with the reviews for the cycle still being awaited. The Company's subsidiaries undergo Cycle 5 of the Periodical Rate Reviews ("5CRTP") between 2020 and 2023.

The effects for consumers deriving from the latest adjustment processes and rate review of each Energisa Group DisCo were as follows:

DisCo	Effect on Consumers (%)			Start of term	Review Process
	Low Voltage	High and Medium Voltage	Medium		
EMG	+ 6.56	+ 5.81	+ 6.41	7/1/2020	Annual Adjustment
ENF	+ 2.11	+ 3.68	+ 2.39	7/1/2020	Annual Adjustment
ESE	+ 1.05	+ 1.51	+ 1.20	7/1/2020	Annual Adjustment
EBO	- 1.63	- 2.17	- 1.78	2/4/2020	Annual Adjustment
EPB	- 4.23	- 4.40	- 4.27	8/28/2019	Annual Adjustment
EMT	+ 2.40	+ 2.65	+ 2.47	7/1/2020	Annual Adjustment
EMS	+ 6.89	+ 6.93	+ 6.90	7/1/2020	Annual Adjustment
ETO	+ 8.54	+ 1.79	+ 7.17	7/4/2020	Rate Review - 5°C
ESS	+ 4.03	+ 6.90	+ 4.87	7/12/2020	Annual Adjustment
ERO	+ 0.24	- 0.27	+ 0.11	12/13/2019	Annual Adjustment
EAC	- 4.20	- 4.44	- 4.24	12/13/2019	Annual Adjustment

3.2.5. Regulatory remuneration base

The process of valuing assets of the regulatory remuneration base uses the VNR - New Replacement Value, which denotes the value at current market prices of an identical, similar or equivalent asset subject to replacement, which provide the same services and have the same capacity as the existing asset, including all the expenses necessary to install it.

The performance of the net remuneration bases (BRL) of Energisa Group's DisCos and the dates of the Rate Reviews (RT) are as follows:

DisCo	Net Remuneration Base (BRL) In R\$ million			Rate review date		
	Cycle 3	Cycle 4	Cycle 5	Cycle 3	Cycle 4	Cycle 5
EMG	218.3	308.0	-	Jun/12	Jun/16	Jun/21
ENF	69.2	95.0	-	Jun/12	Jun/16	Jun/21
ESE	497.6	797.3	-	Apr/13	Apr/18	Apr/23
EBO	67.0	117.7	-	Feb/13	Feb/17	Feb/21
EPB	827.3	1,318.4	-	Aug/13	Aug/17	Aug/21
EMT	1,693.5	3,459.8	-	Apr/13	Apr/18	Apr/23
EMS	1,152.6	1,864.5	-	Apr/13	Apr/18	Apr/23
ETO	257.1	596.2	1,370.5	Jul/12	Jul/16	Jul/20
ESS	320.3	491.5	-	May/12	May/16	Jul/21
ERO	382.6	-	-	Nov/13	-	-
EAC	230.2	-	-	Nov/13	-	-
Total	5,715.7	9,048.4	1,370.5			
WACC (before tax)	11.36%	12.26%	11.10%			

3.2.6.Parcel B

DisCo	Parcel B				
	DRA ⁽¹⁾	DRP ⁽²⁾	Change (R\$ million)	Change %	Review Process
EMG	230.8	236.3	5.5	+ 2.4	Annual Adjustment
ENF	48.7	49.9	1.2	+ 2.5	Annual Adjustment
ESE	446.6	462.0	15.4	+ 3.5	Annual Adjustment
EBO	84.8	90.1	5.3	+ 6.2	Annual Adjustment
EPB	717.3	753.1	35.8	+ 5.0	Annual Adjustment
EMT	1,164.9	1,177.2	12.3	+ 6.7	Annual Adjustment
EMS	968.1	1,035.1	67.0	+ 6.9	Annual Adjustment
ETO	560.0	641.6	81.6	+ 14.5	Rate Review - 5°C
ESS	405.7	399.9	- 5.8	- 1.4	Annual Adjustment
ERO	398.9	407.7	8.8	+ 2.2	Annual Adjustment
EAC	210.8	218.0	7.2	+ 3.4	Annual Adjustment
Total	5,236.6	5,470.9	234.3	+ 4.5	

(1) DRA - Previous Reference Date: defined as the date the last rate process ratified by Aneel is effective from, be it an adjustment or rate review, which includes the costs incurred and revenue earned in the twelve months relating to the rate process.

(2) DRP - Processing Reference Date: the DRP is defined as the date the rate process under analysis to be ratified by Aneel is effective from, be it an adjustment or rate review, which includes the costs and revenue projected for the twelve months relating to the rate process.

On July 03, 2020 ANEEL Resolution 2.720 and Technical Note 109/2020 SGT/ANEEL ratified the 5th rate review of Energisa Tocantins, in force since July 04, 2020. The average effect to be felt by consumers in relation to the previous rate in place was an increase of 7.17%.

3.2.7.Rate subsidy, low income and CCC sub-rogation credits

Aneel also authorized the pass-through of rate subsidies awarded to low income consumers, rural irrigation consumers and public services, by way of the Energy Development Account (CDE), in accordance with Decree 7891 issued in 2013. These funds, in turn, were recorded as operating revenue. The amounts per DisCo are the following:

Funds - Decree 7891 and Low Income (R\$ million)	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
EMG	25.7	17.3	+ 48.7	45.4	36.2	+ 25.2
ENF	2.4	1.3	+ 82.9	3.7	3.2	+ 15.3
ESE	42.5	22.7	+ 87.1	63.0	45.0	+ 39.9
EBO	8.6	4.5	+ 91.9	13.1	8.8	+ 48.6
EPB	86.2	44.1	+ 95.3	136.4	90.5	+ 50.7
EMT	107.3	76.9	+ 39.7	196.2	152.9	+ 28.3
EMS	71.6	49.1	+ 45.6	123.2	101.7	+ 21.0
ETO	48.1	24.0	+ 100.5	76.2	54.7	+ 39.2
ESS	39.1	28.4	+ 37.5	55.4	59.3	- 6.5
ERO	31.5	22.5	+ 40.0	51.9	45.0	+ 15.3
EAC	16.0	9.6	+ 67.1	22.7	14.5	+ 56.7
ESA Consolidated	479.4	300.4	+ 59.6	787.5	612.0	+ 28.7

In addition to this balance, Energisa Group holds CCC subrogation credits (Fossil Fuel Consumption Account) of R\$ 136.8 million, due to the implementation of electricity distribution/ transmission ventures that led to a decrease in the CCC expense.

In 2Q20 the subsidiary ERO recorded an additional balance for the CCC subsidy of R\$ 46.7 million, net of PIS and COFINS, identified during the process of fine-tuning the implementation of controls and new practices.

3.3. Operating costs and expenses

Consolidated operating expenses and costs excluding construction costs amounted to R\$ 3,499.3 million in 2Q20, a decrease of 0.4% (R\$ 15.3 million) over 2Q19. In the year to date this amount is R\$ 7,208.8 million, 3.0% (R\$ 224.1 million) less than the same period last year.

Consolidated operating costs and expenses break down as follows:

Breakdown of operating expenses and costs Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
1 Non Manageable costs and expenses	2,413.4	2,566.2	- 6.0	5,049.9	5,429.8	- 7.0
1.1 Energy purchased	2,115.2	2,297.1	- 7.9	4,438.2	4,901.7	- 9.5
1.2 Transmission of electricity	298.2	269.0	+ 10.8	611.7	528.2	+ 15.8
2 Manageable costs and expenses	779.1	676.2	+ 15.2	1,500.6	1,397.7	+ 7.4
2.1 PMSO	553.6	661.5	- 16.3	1,202.0	1,286.0	- 6.5
2.2 Provisions/Reversals	225.5	14.7	+ 1,437.8	298.6	111.7	+ 167.3
2.2.1 Contingencies	(19.4)	(75.0)	- 74.2	(72.3)	(61.9)	+ 16.9
2.2.2 Doubtful accounts	244.9	89.7	+ 173.0	370.9	173.6	+ 113.7
3 Other revenue/expenses	306.8	272.2	+ 12.7	658.3	605.3	+ 8.7
3.1 Depreciation and amortization	300.2	268.5	+ 11.8	601.2	569.0	+ 5.7
3.2 Other revenue/expenses	6.6	3.8	+ 74.4	57.0	36.3	+ 57.1
Total (1+2+3, exc. construction)	3,499.3	3,514.6	- 0.4	7,208.8	7,432.8	- 3.0
Construction cost	472.2	637.9	- 26.0	997.5	956.5	+ 4.3
Total (1+2+3, inc. construction)	3,971.5	4,152.5	- 4.4	8,206.2	8,389.4	- 2.2

Nb: Operating costs and expenses by DisCo can be seen in Appendix I.

3.3.1. Non Manageable operating costs and expenses

Non Manageable costs and expenses fell by 6.0% (R\$ 152.7 million) in 2Q20, to R\$ 2,413.4 million. This item contracted by 7.0% in 6M20 (R\$ 379.9 million).

3.3.2. Manageable operating costs and expenses

Manageable costs and expenses in 2Q20 amounted to R\$ 779.1 million, 15.2% (R\$ 102.9 million) more than in 2Q19. The YTD figure for the year rose by 7.4% (R\$ 102.9 million), mainly influenced by allowances for doubtful accounts given the rising delinquency and restrictions on energy disconnections introduced by Aneel Resolution 878/2020.

PMSO (Personnel, Materials, Services and Other)

PMSO expenses amounted to R\$ 553.6 million in 2Q20, a decrease of 16.3% (R\$ 108.0 million) compared with 2Q19 (R\$ 661.5 million). This item decreased by 6.5% YTD (R\$ 84.0 million). There was a major effort in 2Q20 to reduce and postpone expenses in order to get through the collection squeeze due to falling sales and rising delinquency.

Consolidated PMSO Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Personnel	284.4	344.8	- 17.5	596.0	671.3	- 11.2
✓ Severance costs	5.5	28.6	- 80.8	12.8	64.7	- 80.2
Pension fund	8.3	17.9	- 53.8	22.3	34.4	- 35.1
Material	38.8	42.2	- 8.1	90.5	82.8	+ 9.4
Outsourced services	178.4	197.8	- 9.8	372.2	384.6	- 3.2
Others	43.8	58.8	- 25.6	120.9	112.8	+ 7.2
✓ Fines and compensation	5.6	3.7	+ 50.8	16.6	8.0	+ 109.0
✓ Contingencies (settlement of civil claims)	22.8	21.5	+ 6.1	42.6	37.9	+ 12.3
✓ Other	15.4	33.7	- 54.3	61.7	66.9	- 7.9
Total consolidated PMSO	553.6	661.5	- 16.3	1,202.0	1,286.0	- 6.5
IPCA / IBGE (2019)				2.13%		
IGPM / FGV (2019)				7.31%		

The main changes in PMSO expenses are detailed below:

✓ **Personnel and Post-employment Benefit Expenses**

In 2Q20, personnel and retirement benefit expenses amounted to R\$ 292.6 million, a decrease of 19.3% (R\$ 70.1 million) on 2Q19, deriving from the:

- (i) R\$ 60.5 million decrease in personnel expenses, mainly due to the R\$ 24.7 million drop in salaries and charges due to lower costs on disconnections, primarily at the DisCos Energisa Rondônia and Acre of R\$ 20 million; and the effect of applying MP 936/2020, as a result of the operational slowdown, beginning in the second half of March. Labor indemnities also fell by R\$ 20.0 million, chiefly due to the decrease of R\$ 12.1 million at EMS, given the high comparison basis in 2Q19.
- (ii) The R\$ 9.6 million decrease in post-employment benefit expenses, especially at EPB (- R\$ 4.3 million) and EMG (- R\$ 1.8 million).

In 6M20 personnel and post-employment benefit expenses dropped by 12.4% (R\$ 87.5 million), and this decrease is concentrated in 2Q20 for the above reasons.

✓ **Expenses on Materials and Outsourced Services**

Expenses on materials and outsourced services amounted to R\$ 217.2 million in 2Q20, a decrease of 9.5% (R\$ 22.8 million) over 2Q19, due to:

- (i) the R\$ 3.4 million decrease in **materials** expenses, primarily at ETO (- R\$ 2.6 million) and EMS (- R\$ 1.1 million), chiefly explained by the reduction in fleet material and lower consumption of safety material as a result of the Covid-19 pandemic and the disconnection prohibition introduced by Aneel in March 2020;
- (ii) Decrease of R\$ 19.4 million in **outsourced service** expenses, with:
 - - R\$ 16.0 million at ERO primarily due to lower expenses on regulatory consultancy services and cut-off and reconnections, the latter because of the Covid-19 pandemic;
 - - R\$ 5.4 million at ETO due to lower expenses on dead line maintenance and cleaning services, and the effect of insourcing teams in 3Q19 and lower volume of travel as a result of restrictions imposed because of Covid-19;
 - - R\$ 5.3 million at ESS primarily due to the pausing of certain procedures as a result of the Covid-19 pandemic;
 - - R\$ 4.2 million at EMS explained by the lower volume of disconnections as a result of measures suspending them.

In 6M20, these items diminished by 1.0% (R\$ 4.6 million). This decrease was offset by the increase of these items in these items in 1Q20 of R\$ 18.2 million, mainly at ERO (R\$ 15.1 million) because of (i) insourcing the fleet; (ii) increased use of safety materials due to more employees working in the field; and (iii) increase in corrective maintenance as in 1Q19 the procurement of contractors and mobilization of teams was still in progress.

✓ **Other Expenses**

Other expenses amounted to R\$ 43.8 million in 2Q20, 25.6% (R\$ 15.1 million) less than in 2Q19, due to:

- (i) R\$ 1.9 million increase in fines and compensation from prior periods;
- (ii) R\$ 1.3 million increase in civil claim settlements;
- (iii) R\$ 18.3 million decrease in other.

See below PMSO expenses by company:

PMSO expenses of DisCos Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Electricity distribution	550.6	675.0	- 18.4	1,214.7	1,312.7	- 7.5
EMG	25.8	32.2	- 19.9	54.0	59.8	- 9.7
ENF	5.2	5.7	- 9.3	10.1	10.9	- 7.6
ESE	39.3	45.0	- 12.7	79.2	84.1	- 5.8
EBO	9.2	8.9	+ 2.9	18.1	17.5	+ 3.5
EPB	60.2	70.9	- 15.0	128.7	138.3	- 6.9
EMT	118.5	133.4	- 11.1	258.5	277.0	- 6.7
EMS	80.7	106.1	- 24.0	180.4	200.2	- 9.9
ETO	50.1	61.0	- 17.9	118.6	127.0	- 6.6
ESS	45.2	54.3	- 16.8	93.4	102.3	- 8.7
ERO	80.1	117.2	- 31.7	193.3	210.4	- 8.1
EAC	36.4	40.2	- 9.5	80.4	85.1	- 5.5
Sales, energy services and other	115.7	97.4	+ 18.8	221.9	183.1	+ 21.2
ESA Parent company	40.9	41.7	- 1.9	82.8	77.5	+ 6.8
ECOM	2.0	2.0	+ 2.3	3.9	3.7	+ 7.0
ESO-CONSOL	49.6	42.3	+ 17.3	97.4	82.9	+ 17.5
MULTI	7.7	6.4	+ 19.9	14.9	11.8	+ 26.3
Other operating expenses	15.5	5.0	+ 209.1	22.8	7.1	+ 219.3
Intercompany eliminations	(112.8)	(111.0)	+ 1.6	(234.6)	(209.6)	+ 12.0
Energisa Consolidated	553.6	661.5	- 16.3	1,202.0	1,286.0	- 6.5

3.3.3. Other operating expenses

The group other operating expenses amounted to R\$ 232.1 million in 2Q20, an increase of R\$ 213.6 million on 2Q19:

- (i) Reversal of **contingencies**, net of provisions, of R\$ 55.7 million less than in 2Q19, especially:
 - At EMS (- R\$ 14.2 million) due to the reversal of labor settlements worth R\$ 28.6 million in 2Q19;
 - At ETO (- R\$ 11.6 million) due to the reversal of the tax contingency of R\$ 9.4 million in 2Q19, resulting in a high comparison basis.
 - Reversal of R\$ 37.5 million in 2Q19 due to the realization/expiry of ERO and EAC contingencies that had been recognized in the opening balance sheet after these companies had been acquired, only affecting the consolidated balance sheet. This event increased the comparison basis compared with 2Q20.
- (ii) Increase of R\$ 155.2 million in the allowance for loss of doubtful accounts (“PPECLD”) primarily due to recording the provision for the Covid-19 pandemic in the amount of R\$ 163.2 million, as per note 2.9.1.

The table below shows the Covid PPECLD provision made by each company:

Covid PPECLD Amounts in R\$ million	Periods		
	1Q20	2Q20	6M20
EMG	1.1	2.7	3.8
ENF	-	1.0	1.0
ESE	3.0	8.0	11.1
EBO	-	1.6	1.6
EPB	3.8	12.9	16.7
EMT	9.3	50.3	59.5
EMS	5.1	17.3	22.4
ETO	0.9	6.9	7.8
ESS	1.9	4.6	6.4
ERO	-	36.4	36.4
EAC	-	21.5	21.5
Energisa Consolidated	25.2	163.2	188.4

- (iii) R\$ 2.8 million increase in other revenue/ expense, due to PP&E write-offs and retirement by the Group’s DisCos.

In 6M20, Other Expenses rose by 140.3% (R\$ 207.6 million), concentrated in 2Q20 for the above reasons.

Other expenses Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Provisions/reversals	225.5	14.7	+ 1,437.8	298.6	111.7	+ 167.3
Contingency	(19.4)	(75.0)	- 74.2	(72.3)	(61.9)	+ 16.9
Doubtful accounts	244.9	89.7	+ 173.0	370.9	173.6	+ 113.7
Other revenue/expenses	6.6	3.8	+ 74.4	57.0	36.3	+ 57.1
Total ESA	232.1	18.4	+ 1,159.2	355.7	148.0	+ 140.3

3.4. EBITDA

EBITDA amounted to R\$ 727.4 million in 2Q20, a decrease of 11.2% (R\$ 91.6 million) on 2Q19. This amount is influenced by the following non-recurring effects:

- Positives:
 - (i) Mark-to-market of the portfolio of the trading company, with a positive effect of R\$ 11.5 million in 2Q20 and R\$ 9.7 million in 2Q19 (CPC 48);
 - (ii) Adoption of IFRS 15 in the transmission segment with recognition of Contract Assets of R\$ 47.4 million;
 - (iii) Retroactive collection of PIS / COFINS for financial restatement of the regulatory asset that had not yet been passed through to the rate in the amount of R\$ 59.2 million;
 - (iv) Addition made by ERO to the CCC subsidy of R\$ 46.7 million, net of PIS and COFINS, identified during the process of fine-tuning the implementation of controls and new practices.
- Negatives:
 - (i) Severance costs of R\$ 5.5 million in 2Q20 and R\$ 28.6 million in 2Q19.
 - (ii) Making the PPECLD provision for the Covid-19 pandemic of R\$ 163.2 million;
 - (iii) Financial restatement of the VNR, with - R\$ 18.3 million in 2Q20 and R\$ 46.6 million in 2Q19;

If the aforesaid nonrecurring effects were excluded, the EBITDA in 2Q20 would be R\$ 749.5 million, 5.9% (R\$ 41.8 million) more than in 2Q19. This result is primarily due to the lower PMSO at virtually all concessions to mitigate the effects of the pandemic on the company's revenue. ERO and EAC excelled, seeing improvements to EBITDA of R\$ 40.1 million and R\$ 19.9 million respectively, if non-recurring effects are disregarded.

EBITDA in 6M20 amounted to R\$ 1,576.0 million, a decrease of 4.3% (R\$ 70.7 million) over 6M19. This amount is influenced by the following non-recurring effects:

- Positives:
 - (i) Financial restatement of the VNR, with R\$ 9.7 million in 6M20 and R\$ 117.8 million in 6M19;
 - (ii) Adoption of IFRS 15 in the transmission segment with recognition of contract assets of R\$ 94.4 million in 6M20 and R\$ 61.9 million in 6M19;
 - (iii) PIS/COFINS credit on the CCC account (fuel purchases) in the amount of R\$ 73.5 million, recognized in 1Q20. When a company acquires fuel for plants supplying the islanded system of its concession operators, it appropriates PIS/COFINS credits and receives the reimbursement net of this amount. As the CCEE found that ERO and EAC were not recording these credits, it concluded that these companies were not receiving the full reimbursements they were entitled to.
 - (iv) Effect of the ICMS financing at ERO in 1Q20 in the amount of R\$ 14.2 million (reversal of the provision for R\$ 17.0 million less ICMS expense of R\$ 2.8 million);
 - (v) Retroactive collection of PIS / COFINS for financial restatement of the regulatory asset that had not yet been passed through to the rate in the amount of R\$ 59.2 million;
 - (vi) Addition made by ERO to the CCC subsidy of R\$ 46.7 million, net of PIS and COFINS, identified during the process of fine-tuning the implementation of controls and new practices.
- Negatives:
 - (i) Severance costs of R\$ 12.8 million in 6M20 and R\$ 64.7 million in 6M19;

- (ii) Mark-to-market of the portfolio of the trading company Energisa Comercializadora, with a negative effect of R\$ 18.6 million in 6M20 and R\$ 17.1 million in 6M19 (CPC 48);
- (iii) Making the PPECLD provision for the Covid-19 pandemic of R\$ 188.4 million;
- (iv) Recalculating EMT's CVA from 2009 due to the ANEEL audit on fuel reimbursements (CCC). Following recognition of the audited plants, a negative adjustment was needed to the CVA of R\$ 41.1 million in 1Q20 to prevent the effect for consumers doubling;

If the aforesaid nonrecurring effects were excluded, the EBITDA in 6M20 would be R\$ 1,539.2 million, 8.7% (R\$ 123.8 million) more than in 6M19.

See below **nonrecurring and noncash** effects on Consolidated EBITDA:

Description Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
(=) EBITDA	727.4	819.0	- 11.2	1,576.0	1,646.7	- 4.3
(+) Rescission costs	5.5	28.6	- 80.7	12.8	64.7	- 80.2
(+) Mark-to-market of the trading company (CPC 48)	(11.5)	(9.7)	+ 18.7	18.6	17.1	+ 8.6
(+) Extraordinary PPECLD due to Covid-19 pandemic	163.2	-	-	188.4	-	-
(+) CVA adjustment after Aneel audit on CCC (EMT)	-	-	-	41.1	-	-
(+) Reversal of Contingency (ERO and EAC)	-	12.3	-	-	12.3	-
(-) Concession financial asset (VNR)	(18.3)	46.6	-	9.7	117.8	- 91.8
(-) Over-purchased electricity (EMS)	-	-	-	-	9.0	-
(-) Adoption of IFRS 15 for transmission segment	47.4	34.0	+ 39.5	94.4	61.9	+ 52.5
(-) Retrospective adoption of IFRS 15 for transmission segment	-	-	-	-	74.8	-
(-) PIS/COFINS CCC Credit (ERO and EAC)	-	-	-	73.5	-	-
(-) Recognition / ICMS financing (ERO)	-	-	-	14.2	-	-
(-) Reversal of Tax Contingency (ETO)	-	9.4	-	-	9.4	-
(-) REFIS (EAC)	-	15.0	-	-	15.0	-
(-) Realization of Appreciation on Contingencies (ERO and EAC)	-	37.5	-	-	37.5	-
(-) PIS/COFINS CVA credit	59.2	-	-	59.2	-	-
(-) CCC Subsidy Addition (ERO)	46.7	-	-	46.7	-	-
(=) EBITDA with noncash / nonrecurring adjustments	749.5	707.8	+ 5.9	1,539.2	1,415.4	+ 8.7

See below the DisCos' EBITDA minus nonrecurring effects:

Description Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
EMG	31.9	30.1	+ 6.0	67.4	65.2	+ 3.4
ENF	7.0	7.2	- 3.5	15.1	16.4	- 8.1
ESE	58.0	71.8	- 19.3	138.1	133.9	+ 3.1
EBO	11.0	10.1	+ 9.5	21.4	22.6	- 5.2
EPB	94.0	108.7	- 13.5	233.1	221.1	+ 5.4
EMT	242.5	231.7	+ 4.6	455.2	444.0	+ 2.5
EMS	110.2	128.9	- 14.5	266.1	291.7	- 8.8
ETO	88.8	95.5	- 7.0	149.3	150.0	- 0.5
ESS	61.5	52.0	+ 18.2	130.7	111.0	+ 17.8
ERO	(7.1)	(47.2)	+ 85.0	(38.7)	(103.5)	+ 62.6
EAC	17.2	(2.7)	-	41.6	11.6	+ 257.6

See below the quarterly EBITDA and Adjusted EBITDA figures by subsidiary in the periods:

Description Amounts in R\$ million	EBITDA			Adjusted EBITDA		
	2Q20	2Q19	Change %	2Q20	2Q19	Change %
Electricity distribution	636.6	717.0	- 11.2	711.0	796.9	- 10.8
EMG	29.5	29.9	- 1.4	32.4	33.0	- 1.9
ENF	6.0	7.3	- 16.8	6.7	7.9	- 15.7
ESE	49.4	74.8	- 33.9	55.2	80.4	- 31.4
EBO	9.6	10.5	- 8.6	10.7	11.8	- 9.7
EPB	80.5	112.7	- 28.5	90.2	123.8	- 27.2
EMT	184.6	248.0	- 25.6	204.9	266.5	- 23.1
EMS	90.2	136.0	- 33.7	101.8	147.9	- 31.2
ETO	82.3	116.5	- 29.3	87.7	122.0	- 28.1
ESS	55.6	51.6	+ 7.7	60.7	57.1	+ 6.2
ERO	43.2	(57.0)	-	52.9	(42.4)	-
EAC	5.7	(13.3)	-	8.0	(11.1)	-
Sales, energy services and other	74.5	47.2	+ 57.8	74.5	47.2	+ 57.8
ECOM	18.0	9.0	+ 100.6	18.0	9.0	+ 100.6
ESOL Consol.	2.5	4.8	- 47.2	2.5	4.8	- 47.2
MULTI	2.6	2.5	+ 1.8	2.6	2.5	+ 1.8
EGO	10.0	16.8	- 40.5	10.0	16.8	- 40.5
EPA I	22.3	14.2	+ 56.9	22.3	14.2	+ 56.9
EPA II	12.7	3.0	+ 323.2	12.7	3.0	+ 323.2
ETT	3.0	0.3	+ 911.0	3.0	0.3	+ 911.0
Others	3.4	(3.3)	-	3.4	(3.3)	-
Holding companies (without equity income)	14.6	13.0	+ 12.5	14.6	13.0	+ 12.5
ESA Parent company	15.2	13.6	+ 11.1	15.2	13.6	+ 11.1
Rede parent company	(0.2)	(0.4)	+ 53.5	(0.2)	(0.4)	+ 53.5
DENERGE	(0.1)	(0.1)	- 2.5	(0.1)	(0.1)	- 2.5
Other holding companies	(0.3)	(0.2)	- 37.8	(0.3)	(0.2)	- 37.8
Business combination	1.6	41.8	- 96.2	1.6	41.8	- 96.2
Energisa Consolidated	727.4	819.0	- 11.2	801.8	898.9	- 10.8
EBITDA Margin (%)	16.5	17.4	- 0.9 p.p.	18.2	19.1	- 0.9 p.p.

See below the semi-annual EBITDA and Adjusted EBITDA figures by subsidiary in the periods:

Description Amounts in R\$ million	EBITDA			Adjusted EBITDA		
	6M20	6M19	Change %	6M20	6M19	Change %
Electricity distribution	1,444.2	1,440.4	+ 0.3	1,599.0	1,597.7	+ 0.1
EMG	63.9	65.3	- 2.0	69.7	71.3	- 2.3
ENF	14.1	16.5	- 14.5	15.5	17.8	- 13.1
ESE	128.9	141.8	- 9.1	140.6	152.9	- 8.0
EBO	20.3	23.8	- 14.9	22.6	26.2	- 13.8
EPB	219.1	231.0	- 5.1	240.2	252.9	- 5.0
EMT	360.1	484.9	- 25.7	405.3	525.8	- 22.9
EMS	246.1	318.3	- 22.7	271.4	340.8	- 20.4
ETO	141.9	184.0	- 22.9	153.3	195.3	- 21.5
ESS	122.9	110.8	+ 10.9	133.7	121.6	+ 10.0
ERO	69.2	(134.5)	-	84.2	(110.1)	-
EAC	57.6	(1.5)	-	62.6	3.2	+ 1,850.2
Sales, energy services and other	98.2	61.2	+ 60.5	98.2	61.2	+ 60.5
ECOM	(12.2)	(12.2)	+ 0.0	(12.2)	(12.2)	+ 0.0
ESOL Consol.	9.0	8.9	+ 0.9	9.0	8.9	+ 0.9
MULTI	5.5	6.7	- 17.6	5.5	6.7	- 17.6
EGO	26.2	30.2	- 13.4	26.2	30.2	- 13.4
EPA I	45.2	27.3	+ 65.6	45.2	27.3	+ 65.6
EPA II	18.6	3.6	+ 424.8	18.6	3.6	+ 424.8
ETT	5.0	-	-	5.0	-	-
Others	0.8	(3.3)	-	0.8	(3.3)	-
Holding companies (without equity income)	31.7	28.1	+ 12.8	31.7	28.1	+ 12.8
ESA Parent company	32.2	24.9	+ 29.5	32.2	24.9	+ 29.5
Rede parent company	(0.1)	(0.6)	+ 89.2	(0.1)	(0.6)	+ 89.2
DENERGE	(0.1)	(0.1)	- 43.1	(0.1)	(0.1)	- 43.1
Other holding companies	(0.3)	3.9	-	(0.3)	3.9	-
Business combination	1.9	117.0	- 98.4	1.9	117.0	- 98.4
Energisa Consolidated	1,576.0	1,646.7	- 4.3	1,730.8	1,803.9	- 4.1
EBITDA Margin (%)	17.2	17.4	- 0.2 p.p.	18.9	19.1	- 0.2 p.p.

3.5. Regulatory EBITDA - Transmission Segment

The Regulatory EBITDA in the transmission segment reflected the operational start-up of Energisa Goiás Transmissora de Energia I in March 2020, with an Annual Permitted Revenue (RAP) of R\$ 41 million (20-21 cycle). The result for this quarter and YTD amounted to R\$ 8.4 million and R\$ 10.3 million respectively. This venture's YTD EBITDA margin stood at 92.4%.

Other expenses Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Net Revenue	9.668	-	-	11.647	-	-
Costs and expenses (includes depreciation)	1.443	-	-	1.461	-	-
EBITDA	8.405	-	-	10.279	-	-
EBITDA Margin	90.98	-	-	92.38	-	-

The Regulatory EBITDA for the transmission segment is closer to the business' effective operating cash generation.

3.6. Financial Result

In 2Q20 the net financial Result reflected net financial expenses of R\$ 442.0 million, compared with net financial expenses of R\$ 468.6 million in 2Q19, an improvement of 5.7% (R\$ 26.6 million). The YTD net financial result reflected net financial expenses of R\$ 317.9 million, compared with net financial expenses of R\$ 701.8 million in 6M19, an improvement of 54.7% (R\$ 383.9 million).

Finance Income Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Finance revenue	193.5	275.2	- 29.7	339.6	457.0	- 25.7
Revenue on short-term investments	24.3	37.4	- 35.1	42.7	93.4	- 54.3
Interest on overdue energy bills	74.4	79.9	- 7.0	154.8	157.2	- 1.5
Financial restatement of regulatory assets (CVA)	10.1	9.6	+ 4.9	19.3	38.3	- 49.7
Restatement of recoverable tax credits	4.4	0.3	+ 1,298.9	13.4	7.2	+ 86.0
Monetary restatement of judicial bonds	7.3	2.8	+ 160.9	14.2	7.1	+ 100.5
(-) Pis/Cofins on finance income	(9.8)	(21.1)	- 53.7	(20.7)	(30.8)	- 33.0
Other financial revenues	82.8	166.3	- 50.2	116.0	184.8	- 37.2
Finance costs	(635.4)	(743.8)	- 14.6	(657.5)	(1,158.8)	- 43.3
Debt charges - Interest	(222.5)	(302.8)	- 26.5	(451.5)	(566.7)	- 20.3
Debt charges - Monetary and exchange variance	(197.4)	44.2	-	(1,302.4)	(29.1)	+ 4,381.8
Derivative financial instruments	234.0	(78.3)	-	1,257.2	(5.5)	-
Adjustment to present value	6.9	(4.8)	-	14.9	(1.2)	-
Mark-to-market of derivatives	(329.1)	(15.2)	+ 2,066.2	31.1	(217.8)	-
Mark-to-market of debt securities	28.3	(177.9)	-	108.5	(92.9)	-
Financial restatement of regulatory liabilities	5.0	(6.3)	-	-	(16.0)	-
Monetary restatement of R&D and energy efficiency	2.4	(4.8)	-	-	(8.8)	-
(-) Transfer of capitalized interest to orders in progress	2.9	1.3	+ 130.4	8.9	2.6	+ 250.8
Bank expenses	(3.7)	(2.6)	+ 38.2	(6.8)	(6.5)	+ 5.9
Incorporation of grids	(5.7)	(0.4)	+ 1,227.3	(16.1)	(19.9)	- 19.4
Endorsement expense	(3.1)	(3.0)	+ 2.7	(6.3)	(6.1)	+ 2.7
Other financial expenses	(153.4)	(193.0)	- 20.5	(295.1)	(190.8)	+ 54.6
Financial income	(442.0)	(468.6)	- 5.7	(317.9)	(701.8)	- 54.7

In 2Q20 financial revenue contracted by R\$ 81.8 million, primarily due to:

- (i) The reduction of R\$ 13.1 million in revenue on short term investments; and
- (ii) The higher comparison basis of other financial revenues in 2Q19, positively impacted by R\$ 90.9 million due to the financial restatement related to the recoverable PIS/COFINS over ICMS asset derived from a favorable legal decision for EPB and EBO. In 2Q20 this value amounted to R\$ 70.2 million, which

includes, apart from the aforementioned companies, ETO, ESE and CFLO (now a part of ESS), which lawsuits have been given a final ruling in July 2019, May 2020 and June 2020, respectively.

Finance costs in this quarter, in turn, rose by R\$ 108.4 million, influenced primarily by:

- (i) The negative but mere accounting impact with no cash effect on the items Mark-to-market of Derivatives and Debt, which jointly increased by R\$ 107.7 million. This effect is explained by recording the option to convert the subscription bonus underlying Energisa S/A's 7th issuance (series 1, 2 and 3) with a noncash negative impact of R\$ 301.2 million in 2Q20, and R\$ 194.0 million in 2Q19.
- (ii) The R\$ 151.0 million decrease in interest payments, due to the low average debt cost of the Group's companies; and
- (iii) The reduction in other financial expenses related to the financial restatement of recoverable PIS / COFINS liability at EPB and EBO in the amount of R\$ 90.9 million in 2Q19, whereas in 2Q20 this value amounted to R\$ 70.2 million as mentioned above.

In 6M20 financial revenue dropped by R\$ 117.4 million, and this decrease is concentrated in 2Q20 for the above reasons.

Finance costs, in turn, improved by R\$ 501.3 million, concentrated in 1Q20 as a result of the positive effect of R\$ 440.5 million due to recording the conversion option for the subscription bonus underlying Energisa S/A's 7th issuance (series 1, 2 and 3), resulting in this effect accumulated between January and June 2020 being a positive R\$ 139.3 million, compared with a negative R\$ 312.0 million in 6M19.

3.7. Net Profit (Loss)

In 2Q20 the consolidated result was a loss of R\$ 88.0 million, R\$ 79.1 million worse than in 2Q19.

If the aforesaid noncash effect of the mark-to-market of the subscription bonus underlying Energisa S/A's 7th issuance of R\$ 301.2 million and the extraordinary effects mentioned in the section EBITDA are disregarded, the consolidated result for the quarter would be net income of R\$ 160.6 million, 25.9% (R\$ 33.0 million) more than in 2Q19.

The consolidated net result in 6M20 was net income of R\$ 493.7 million in 6M20, 311.7% (R\$ 373.8 million) more than in 6M19. This result was affected by the aforesaid mark-to-market, with a positive impact of R\$ 139.3 million. If the aforesaid nonrecurring noncash effects were excluded, the profit in 6M20 would be R\$ 311.5 million, 1.7% (R\$ 5.4 million) less than in 6M19.

See below nonrecurring effects net of tax:

Description (R\$ million)	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
(=) Net Profit (Loss)	(88.0)	(8.9)	- 892.9	493.7	119.9	+ 311.7
(+) Rescission costs	3.8	19.4	- 80.4	8.9	44.0	- 79.8
(+) Mark-to-market of 7 th issuance debentures	301.2	194.0	+ 55.3	(139.3)	312.0	-
(+) Mark-to-market of the trading company (CPC 48)	(7.6)	(6.4)	- 18.7	12.3	11.2	+ 9.2
(+) Extraordinary PPECLD due to Covid-19 pandemic	107.7	-	-	123.4	-	-
(+) CVA adjustment after Aneel audit on CCC (EMT)	-	-	-	34.8	-	-
(+) Reversal of Contingency (ERO and EAC)	-	12.3	-	-	12.3	-
(-) Reversing the provision to adjust to present value credits receivable from Tocantins state	-	-	-	-	26.4	-
(-) Over-purchased electricity (EMS)	-	-	-	-	5.9	-
(-) Adoption of IFRS 15 for transmission segment	52.1	22.5	+ 131.7	83.1	40.5	+ 105.2
(-) Retrospective adoption of IFRS 15 for transmission segment	-	-	-	-	49.4	-
(-) PIS/COFINS CCC Credit (ERO and EAC)	-	-	-	62.7	-	-
(-) Recognition / ICMS financing (ERO)	-	-	-	(27.9)	-	-
(-) Reversal of Tax Contingency (ETO)	-	8.0	-	-	8.0	-
(-) REFIS (EAC)	-	27.7	-	-	27.7	-
(-) Realization of Appreciation on Contingencies (ERO and EAC)	-	24.7	-	-	24.7	-
(-) PIS/COFINS CVA credit	57.7	-	-	57.7	-	-
(-) CCC Subsidy Addition (ERO)	46.7	-	-	46.7	-	-
(=) Net Profit (loss) on noncash / nonrecurring adjustments	160.6	127.6	+ 25.9	311.5	316.9	- 1.7

See below the consolidated net income (loss) of Energisa and its subsidiaries by segment:

Net income (loss) by Company Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Electricity distribution	223.0	253.8	- 12.1	457.4	541.5	- 15.5
EMG	9.0	8.7	+ 3.5	18.4	25.0	- 26.4
ENF	1.7	2.1	- 14.9	4.7	7.0	- 32.0
ESE	25.9	35.4	- 27.0	65.4	75.8	- 13.6
EBO	6.5	10.5	- 38.4	14.4	17.0	- 15.4
EPB	56.2	70.1	- 19.8	152.2	156.4	- 2.7
EMT	74.9	127.5	- 41.2	111.8	246.5	- 54.6
EMS	31.9	65.9	- 51.6	116.6	164.5	- 29.1
ETO	36.0	65.9	- 45.3	49.8	103.2	- 51.8
ESS	22.9	21.2	+ 7.8	46.8	52.5	- 10.9
ERO	(29.3)	(143.7)	+ 79.6	(136.8)	(285.9)	+ 52.1
EAC	(12.7)	(9.8)	- 30.6	14.1	(20.5)	-
Sales, energy services and other	44.9	21.1	+ 112.9	64.1	29.7	+ 115.7
ECOM	11.8	6.0	+ 98.1	(8.8)	(8.0)	- 9.3
ESOL Consol.	(0.2)	0.2	-	1.7	1.1	+ 64.7
MULTI	1.4	1.3	+ 4.8	3.1	3.8	- 19.0
EGO	9.1	11.1	- 17.9	23.0	20.0	+ 15.0
EPAI	21.1	9.4	+ 125.5	42.2	18.0	+ 134.1
EPAII	10.5	2.0	+ 432.6	14.7	2.4	+ 522.2
ETT	2.0	0.3	+ 565.0	3.3	-	-
Others	(10.8)	(9.1)	- 18.3	(15.0)	(7.4)	- 101.8
Holding companies (without equity income)	(298.9)	(245.5)	- 21.8	90.5	(420.6)	-
ESA Parent company	(296.4)	(241.3)	- 22.8	110.5	(408.3)	-
Rede parent company	2.9	4.8	- 40.5	(6.7)	3.4	-
DENERGE	(9.9)	(9.7)	- 2.2	(17.4)	(19.4)	+ 10.3
Other holding companies	4.5	0.7	+ 538.5	4.1	3.6	+ 12.3
Business combination - Pro forma adjustments	(57.0)	(38.2)	- 49.0	(118.3)	(30.6)	- 286.9
Energisa Consolidated	(88.0)	(8.9)	- 892.9	493.7	119.9	+ 311.7

4. Capital structure

4.1. Financial operations in 1H20

Energisa Group took out financing of R\$ 3287.1 million in the first half of 2020, at an average cost of 164.4 % of the CDI rate and an average term of 2.26 years.

Company	Issue type	Total Amount (R\$ thousand)	Average Cost (p.a.)	Average Term (years)
ESS, EMT, ERO and ETE	Law 4.131	1,483.4	162%	2.42
EMT, EPB, EMG, EAC, ESS, ETO, ESA, EBO, EMS, ENF and EPAI	CCBs	849.0	206%	1.59
EMS and ESA	Promissory Notes ICVM 476	170.0	155%	1.37
EMS, EPB, EBO, EMG, ENF, EMT, ESE, ESS and ESA	ICVM 476 Debentures	784.8	126%	2.86
Total		3,287.1	164.4%	2.26

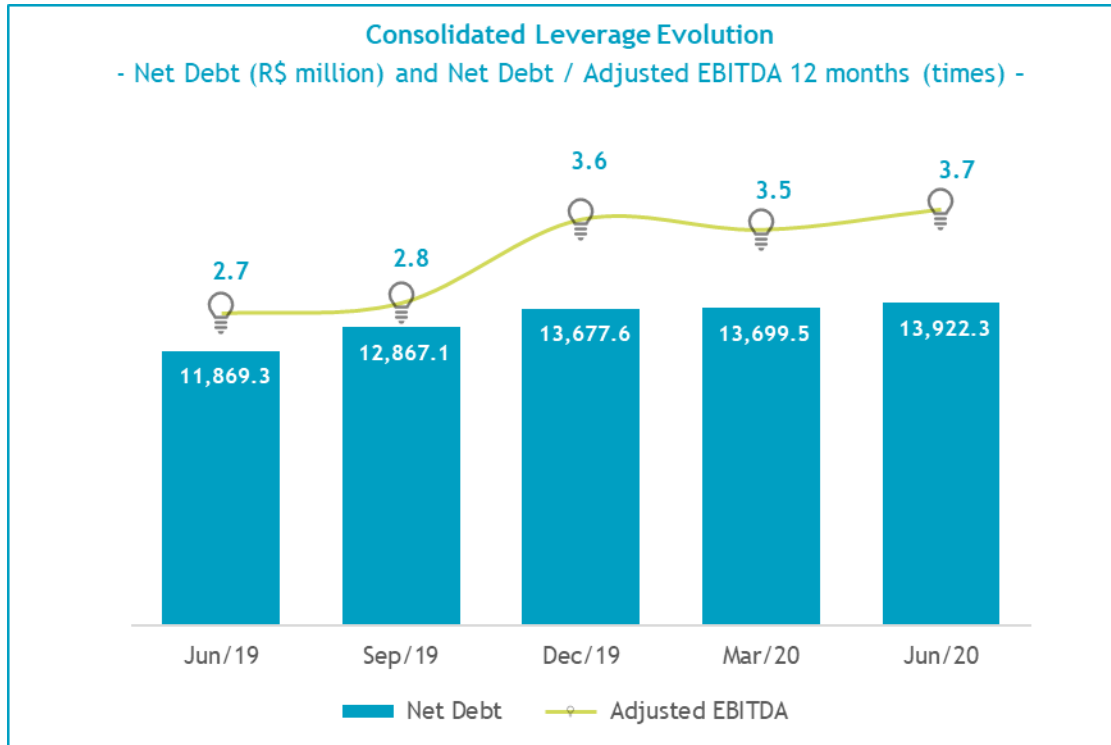
4.2. Cash and debt

The consolidated position of cash, cash equivalents, short-term investments and sector credits amounted to R\$ 5,422.2 million as of June 30, against R\$ 5,432.0 million as of March 31, 2020. We emphasize that these balances include credits relating to the Energy Development Account (CDE), Fossil Fuel Consumption Account (CCC) and the

Compensation Account for Parcel A amounts (CVA), in the amount of R\$ 1,200.3 million as of June 30 and R\$ 1,271.3 million as of March 31, 2020. In terms of financial equivalents, the cash position rose by R\$ 61.2 million against 3/31/2020.

The net debt as of June 30, 2020 less sector credits amounted to R\$ 13,922.3 million, compared with R\$ 13,699.5 million in March and R\$ 13,677.6 million in December 2019. As a result, the ratio between consolidated net debt and adjusted EBITDA fell from 3.5 in March to 3.7 in June 2020. The covenant limits for 2020 are 4.25 times.

Note that the indicator in the table below was positively impacted by the effect of the business combination regarding the acquisition of ERO and EAC for R\$ 1,169.6 million, up to the YTD 12-month period ended September 31, 2019.



See below the short- and long-term debt net of financial resources (cash, cash equivalents, short-term investments and sector credits):

Description Amounts in R\$ million	Parent company			Consolidated		
	6/30/2020	3/31/2020	12/31/2019	6/30/2020	3/31/2020	12/31/2019
Current	2,046.8	1,348.7	1,481.2	5,573.6	4,581.7	2,950.7
Loans and financing	772.0	212.6	163.0	3,336.3	2,414.7	1,343.0
Debentures	1,027.2	973.6	969.4	2,325.0	2,144.9	1,167.1
Debt charges	20.6	23.2	12.2	118.9	109.0	70.8
Tax financing and post-employment benefits	2.1	2.1	2.1	97.0	98.8	90.0
Derivative financial instruments, net	224.9	137.3	334.5	(303.6)	(185.7)	279.8
✓ Law 4131 (Swap and MTM)	(79.0)	(66.2)	(15.7)	(607.4)	(389.1)	(70.4)
✓ MTM 7 th debentures issuance	303.8	203.4	350.2	303.8	203.4	350.2
Noncurrent	3,111.2	3,606.5	3,869.5	13,770.9	14,549.9	15,221.3
Loans, financing and leasing	150.0	662.8	613.1	6,259.9	7,066.2	6,836.2
Debentures	2,342.7	2,593.2	2,565.6	7,207.9	7,452.9	7,771.6
Tax financing and post-employment benefits	9.7	9.2	8.7	761.4	754.3	711.7
Derivative financial instruments, net	608.8	341.2	682.1	(458.3)	(723.6)	(98.1)
✓ Law 4131 (Swap and MTM)	1.1	(65.6)	(19.4)	(1,066.0)	(1,130.4)	(799.6)
✓ MTM 7 th debentures issuance	607.7	406.8	701.5	607.7	406.8	701.5
Total debts	5,158.1	4,955.2	5,350.7	19,344.5	19,131.5	18,172.0
(-) Cash and cash equivalents	2,523.6	2,563.1	2,554.8	4,221.9	4,160.7	3,036.3
Total net debts	2,634.5	2,392.1	2,795.9	15,122.6	14,970.8	15,135.7
(-) CDE Credits	-	-	-	205.4	192.8	209.4
(-) CCC Credits	-	-	-	136.8	193.6	179.1
(-) CVA Credits	-	-	-	858.1	884.9	1,069.5
Total net debts less sector credits	2,634.5	2,392.1	2,795.9	13,922.3	13,699.5	13,677.6
Relative Indicator						
Net debt / Adjusted EBITDA 12 months ⁽¹⁾	-	-	-	3.7	3.5	3.6

(1) Adjusted EBITDA = EBITDA + Interest on Overdue Energy Bills (last 12 months). Each DisCo's debt can be seen in Appendix I.

Total net debt less sector credits rose by R\$ 222.8 million compared with March 2020. In order to get through the Covid-19 pandemic in 2Q20, the Company raised funds and lengthened debts of R\$ 927.9 million; and to bolster the Group's working capital, it expanded cash equivalents by R\$ 61.2 million, to a total of R\$ 4,221.9 million.

Note that in 2Q20 the net derivative financial instruments were impacted negatively by R\$ 301.3 million by the mark-to-market of the subscription bonuses underlying the 7th debentures issuance.

Over recent years the parent company Energisa S.A. issued ICVM 400 and 476 Debentures to finance the investments of its DisCos, through Law 12.431. The funds were passed through to the subsidiaries by way of mirror debentures, with a private distribution, as per the table below:

Private debentures of the DisCos with the Parent company Energisa S.A.	Date Funds Raised	Issuance value (R\$ million)	Debt Balance in June/20	Maturity Date	Index	Spread (p.a.)
ESA 11th Issuance - CVM 476: ⁽¹⁾	5/3/2019	500.0	514.9	4/15/2026	IPCA	4.62%
✓ EAC	5/6/2019	175.0	199.3	4/14/2026	IPCA	4.62%
✓ ERO	5/6/2019	325.0	370.2	4/14/2026	IPCA	4.62%
ESA 8th Issuance - CVM 400: ⁽²⁾	7/19/2017	374.9	412.3	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ EMT	7/19/2017	155.4	192.7	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ ETO	7/19/2017	75.5	93.6	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ ESS	7/19/2017	46.8	43.3	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ ESS	7/19/2017	34.9	58.0	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ EPB	7/19/2017	28.8	35.7	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ ESE	7/19/2017	17.7	22.0	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
✓ EMG	7/19/2017	15.9	19.8	Series 1 - 6/15/2022 Series 2 - 6/15/2024	IPCA	Series 1 - 5.600% p.a. Series 2 - 5.6601% p.a.
ESA 9th Issuance - CVM 400: ⁽³⁾	10/31/2017	850.0	884.4	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ EMG	10/31/2017	50.0	52.7	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ EMT	10/31/2017	145.0	152.8	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ EMS	10/31/2017	148.0	155.9	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ ESS	10/31/2017	118.0	124.3	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ ESE	10/31/2017	98.0	103.3	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ ETO	10/31/2017	131.0	138.0	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
✓ EPB	10/31/2017	160.0	168.6	Series 1 - 10/15/2022 Series 2 - 10/15/2024 Series 3 - 10/15/2027 Series 4 - 10/15/2022	IPCA e CDI	Series 1 - IPCA+4.4885% p.a. Series 2 - IPCA + 4.7110% Series 3 - IPCA+5.1074% Series 4 - 107.75%CDI
Total	2017-2019	1,724.9	1,811.6			

⁽¹⁾ Annual interest, bullet amortization;

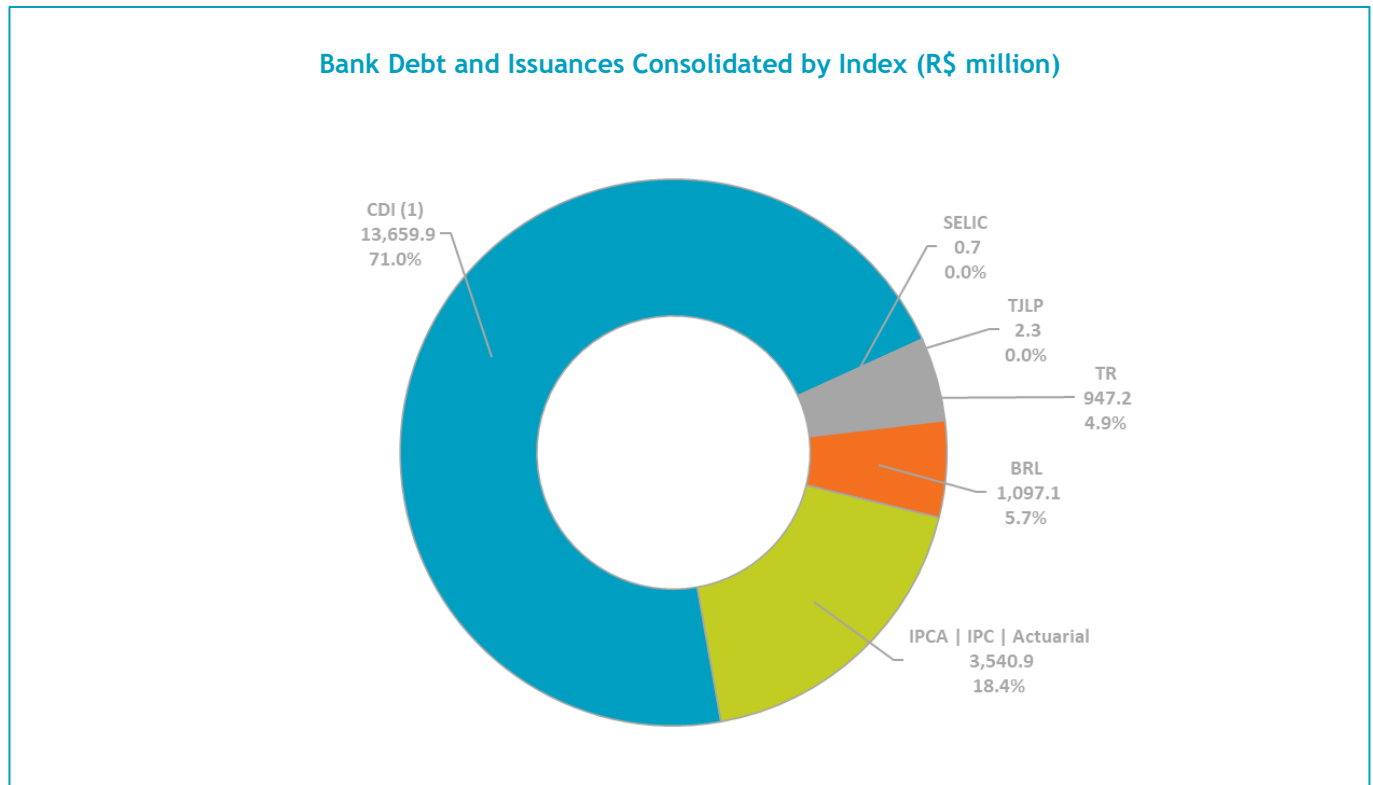
⁽²⁾ Annual interest, bullet amortization at the end of each series;

⁽³⁾ Annual interest, bullet amortization series 1 to 3, 4th series has annual amortization from 2020.

4.3. Cost and average debt tenor

The average gross debt tenor fell to 4.0 years at the end of June 2020 (against 4.2 years in March 2020) and the average cost of the net debt rose 0.13 percentage points, closing the period at 5.73% (157.08% of the CDI rate) against 5.60% (153.45% of the CDI rate) in March 2020.

The average net debt tenor fell to 5.2 years at the end of June 2020 (against 5.3 years in March 2020) and the average cost of the net debt fell 0.09 percentage points, closing the period at 6.09% (166.74% of the CDI rate) against 6.18% (169.25% of the CDI rate) in March 2020.



(1) Dollar and Euro debt converted to CDI, without a hedge cap.
 Nb: The foreign currency debt is subject to swaps for the CDI rate and other currency hedge instruments.

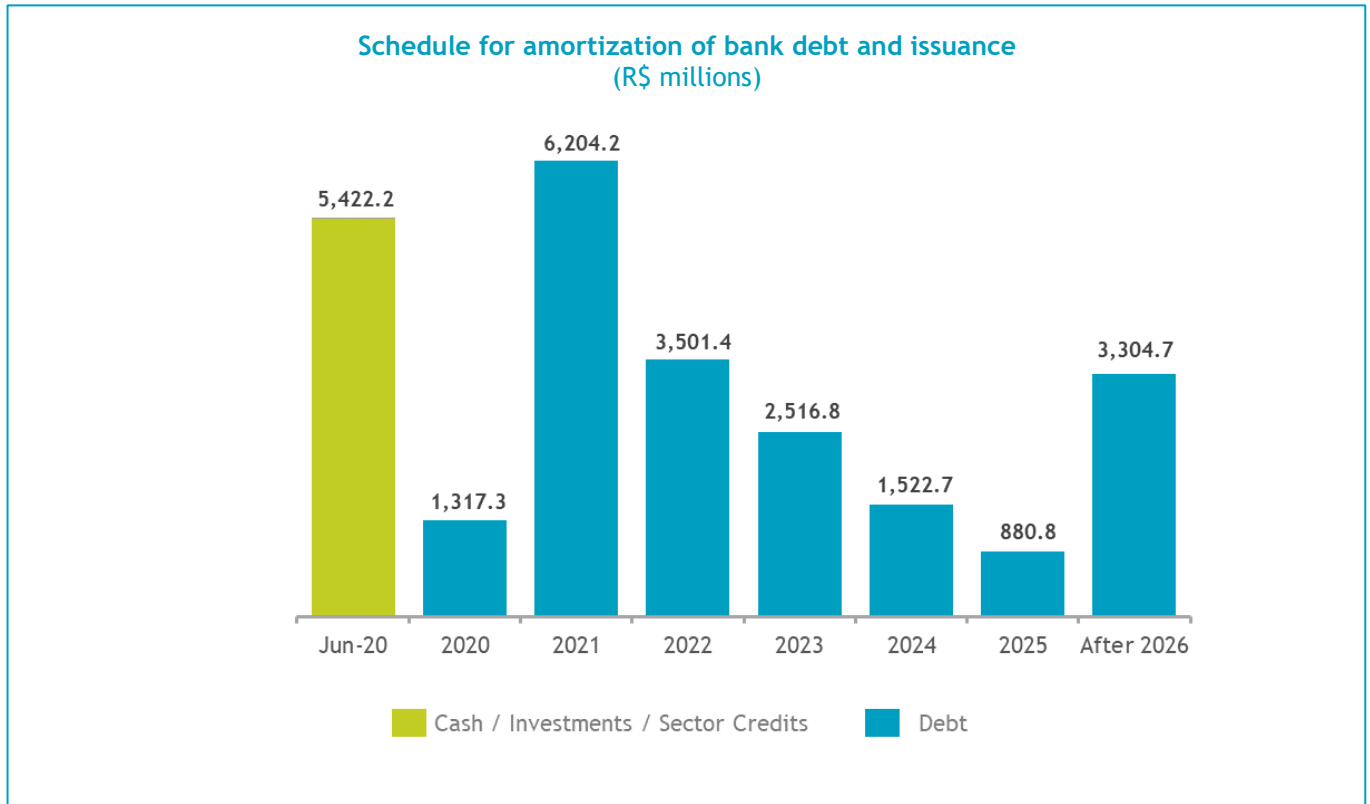
4.4. Ratings

See below Energisa S/A's current ratings issued by the agencies Standard & Poor's, Moody's and Fitch Ratings:

Branch	Domestic Rating/Outlook	Global Rating/Outlook	Latest Report
Standard & Poor's	brAAA (stable)	BB- (stable)	Jul/20
Moody's	Aa2.br (stable)	Ba2 (stable)	Jun/19
Fitch Ratings	AAA (bra) (negative)	BB+ (negative)	Jul/20

4.5. Debt repayment schedule

The repayment schedule for consolidated loans, financing, debt charges and debentures vis-à-vis cash as of June 30, 2020 is shown in the graph below:



5. Investments

In 2Q20 Energisa and its subsidiaries made investments of R\$ 671.5 million, 11.0% less than in 2Q19 (R\$ 754.6 million). If we only consider the DisCos, this amount was R\$ 568.4 million, a decrease of 15.3%.

The following investments were made:

Investment Amounts in R\$ million	Electric Assets			Special Obligations			Non-electric assets			Total Investment		
	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q19	Change %
EMG	25.9	16.4	+ 57.9	0.0	0.6	- 96.3	1.2	3.2	- 61.5	27.2	20.2	+ 34.4
ENF	4.5	2.5	+ 81.5	0.2	-	-	0.3	0.4	- 35.5	5.0	2.9	+ 71.0
ESE	20.5	18.4	+ 11.5	(0.5)	2.2	-	2.0	1.8	+ 11.3	22.0	22.4	- 1.6
EBO	4.3	2.8	+ 55.0	0.1	0.4	- 70.3	0.2	1.1	- 80.0	4.7	4.3	+ 8.8
EPB	45.7	41.2	+ 11.0	0.3	2.4	- 88.1	3.3	1.8	+ 83.3	49.3	45.4	+ 8.7
EMT	73.1	161.1	- 54.6	49.7	5.2	+ 855.3	5.1	7.0	- 27.2	127.9	173.3	- 26.2
EMS	46.7	54.1	- 13.8	2.7	3.8	- 29.1	2.7	3.4	- 21.1	52.0	61.3	- 15.1
ETO	45.1	68.8	- 34.5	0.8	4.1	- 80.9	2.2	3.4	- 34.6	48.1	76.3	- 37.0
ESS	44.6	36.9	+ 20.8	1.9	3.7	- 48.5	2.3	2.6	- 13.2	48.7	43.2	+ 12.8
ERO	110.0	127.2	- 13.5	19.4	41.0	- 52.6	4.4	13.1	- 66.7	133.8	181.3	- 26.2
EAC	45.0	39.7	+ 13.3	1.1	(2.6)	-	3.6	3.2	+ 13.7	49.7	40.3	+ 23.3
Total DisCos	465.4	569.1	- 18.2	75.7	60.8	+ 24.4	27.3	41.0	- 33.5	568.4	670.9	- 15.3
EPA I	13.4	26.5	- 49.5	-	-	-	-	-	-	13.4	26.5	- 49.5
EPA II	53.0	14.2	+ 273.0	-	-	-	-	-	-	53.0	14.2	+ 273.0
EGO I	8.6	27.8	- 69.0	-	-	-	-	-	-	8.6	27.8	- 69.0
ETT	7.2	1.2	+ 496.7	-	-	-	-	-	-	7.2	1.2	+ 496.7
ESOL Consolidated	0.0	0.80	-	-	-	-	3.2	2.3	+ 37.5	3.2	3.1	+ 2.0
Others	0.10	-	-	-	-	-	17.8	10.4	+ 63.1	17.9	10.4	+ 64.0
Total	547.7	639.6	- 14.4	75.7	60.8	+ 24.4	48.2	53.7	- 11.0	671.5	754.1	- 11.0

Investment Amounts in R\$ million	Electric Assets			Special Obligations			Non-electric assets			Total Investment		
	6M20	6M19	Change %	6M20	6M19	Change %	6M20	6M19	Change %	6M20	6M19	Change %
EMG	36.7	25.8	+ 42.3	(0.1)	8.4	-	3.2	10.1	- 68.0	39.8	44.3	- 10.2
ENF	7.1	5.4	+ 32.2	0.2	0.1	+ 117.0	0.4	0.6	- 41.3	7.7	6.1	+ 26.4
ESE	38.8	34.2	+ 13.5	1.6	3.1	- 46.9	4.5	2.8	+ 59.3	44.9	40.1	+ 12.0
EBO	8.6	5.1	+ 68.4	0.3	1.2	- 75.9	0.3	1.6	- 81.5	9.2	7.9	+ 16.1
EPB	88.5	74.2	+ 19.2	1.4	8.4	- 83.1	5.8	5.4	+ 7.8	95.7	88.0	+ 8.8
EMT	155.6	326.5	- 52.4	114.6	(2.1)	-	7.8	9.7	- 19.9	277.9	334.1	- 16.8
EMS	88.2	106.1	- 16.9	9.7	7.2	+ 34.2	5.3	5.5	- 2.8	103.2	118.8	- 13.2
ETO	90.0	129.5	- 30.5	3.6	5.2	- 30.4	4.6	5.0	- 8.4	98.2	139.7	- 29.7
ESS	83.9	59.1	+ 41.9	6.1	6.9	- 11.5	4.3	6.0	- 27.8	94.3	72.0	+ 31.0
ERO	269.6	161.4	+ 67.0	43.7	63.1	- 30.8	9.4	13.2	- 28.5	322.7	237.7	+ 35.8
EAC	93.5	59.3	+ 57.6	3.2	9.0	- 64.7	11.0	3.3	+ 232.6	107.6	71.6	+ 50.3
Total DisCos	960.3	986.6	- 2.7	184.3	110.5	+ 66.8	56.6	63.2	- 10.4	1,201.2	1,160.3	+ 3.5
EPA I	33.6	52.8	- 36.4	-	-	-	-	-	-	33.6	52.8	- 36.4
EPA II	74.9	16.6	+ 351.4	-	-	-	-	-	-	74.9	16.6	+ 351.4
EGO I	32.8	49.6	- 33.8	-	-	-	-	-	-	32.8	49.6	- 33.8
ETT	10.2	1.2	+ 750.2	-	-	-	-	-	-	10.2	1.2	+ 750.2
ESOL Consolidated	-	1.0	-	-	-	-	3.8	4.1	- 7.9	3.8	5.1	- 25.9
Others	0.1	-	-	-	-	-	30.0	13.6	+ 112.6	30.1	13.6	+ 113.7
Total	1,112.0	1,107.8	+ 0.4	184.3	110.5	+ 66.8	90.4	80.9	+ 11.0	1,386.6	1,299.2	+ 6.7

6. Cash Flow

In 2Q20 Energisa's operational cash generation was R\$ 566.4 million more than in 2Q19. Investment activities varied by R\$ 1,497.3 million, and financing activities decreased by R\$ 1,422.6million.

Consolidated Cash Flow Amounts in R\$ million	Quarter		Accumulated	
	2Q20	2Q19	6M20	6M19
(a) Opening Balance of Cash and Cash Equivalents	1,313.6	692.1	663.1	706.7
(b) Net Cash from Operating Activities (a=i+ii)	1,037.5	471.1	1,777.2	1,075.8
(i) Cash Provided by Operating Activities	972.4	614.4	1,879.1	1,606.5
Net Income (Loss) before Income Tax	(14.8)	81.9	656.9	375.9
Expenses on interest and monetary and exchange variance	455.0	216.8	1,723.9	513.6
Provisions/reversals	223.0	14.7	348.2	111.7
Residual value of retired fixed assets	12.0	11.0	29.6	22.5
Depreciation and amortization	300.2	268.5	601.2	569.0
Adjustment to fair value of concession financial asset	(37.6)	(46.6)	(65.5)	(117.8)
Mark-to-market and derivative instruments	66.8	271.4	(1,396.8)	316.2
Variable Compensation Program	1.0	0.9	2.1	1.4
Mark-to-market of traded energy contracts	(8.0)	(9.7)	22.1	17.0
Deferred PIS & COFINS of TransCos	(3.3)	-	-	-
Compensation of contract asset (Transmission)	(21.9)	(154.4)	(42.5)	(162.9)
Provision for adjustment to realizable value of credits receivable	-	(40.0)	-	(40.0)
(ii) Changes in Assets and Liabilities	65.1	(143.3)	(102.0)	(530.8)
Working capital	(55.8)	(254.5)	(353.2)	(415.3)
Taxes	222.9	(41.0)	277.7	38.4
Labor, civil and tax claims paid	(17.6)	-	(60.9)	-
Recoverable taxes	19.6	(54.3)	(72.3)	(135.9)
Regulatory assets / liabilities	32.7	(50.1)	221.6	(16.6)
Escrow and secured bonds	(10.4)	(12.7)	(19.2)	(32.3)
Other	(126.5)	269.3	(95.8)	31.0
(c) Net cash produced by investment activities	132.0	(1,365.3)	(941.6)	(223.4)
Allocations to PPE / intangible assets	(572.1)	(547.6)	(1,130.5)	(1,054.9)
Sale of PP&E / intangible assets / generating assets	26.6	37.6	44.7	47.4
Applications to electricity transmission lines	(54.3)	40.2	(132.2)	(131.0)
Short-term investments	733.4	(901.6)	277.9	909.1
Cash and cash equivalents under the business combination	-	6.0	-	6.0
Increase in other investments	(1.5)	-	(1.5)	-
(d) Net cash produced by financing activities	(399.2)	1,023.4	585.3	(737.8)
Financing obtained	992.6	2,182.6	3,277.8	2,342.5
Payment of loans, financing and debentures payments - principal	(1,258.8)	(747.6)	(2,622.7)	(1,514.8)
Payment of loans, financing and debentures payments - interest	(206.8)	(242.9)	(382.6)	(459.1)
Derivative settlement	201.9	15.3	464.1	12.2
Dividends	(163.8)	(39.4)	(163.8)	(274.3)
Financing of taxes, payables and sector charges	39.7	(50.3)	35.6	(110.2)
Payment of grid incorporation	(0.4)	(26.1)	(16.1)	(47.6)
Payment under Financial Lease	(3.6)	(5.0)	(7.0)	(9.2)
Settlement of share put option (Rede Energia Participações)	-	-	-	(614.3)
Acquisition of additional NCI	-	(63.1)	-	(63.1)
(e) Increase (Decrease) in Cash (e=b+c+d)	770.3	129.2	1,420.8	114.6
(f) Closing Balance of Cash and Cash Equivalents (f=a+e)	2,083.9	821.3	2,083.9	821.3
(g) Balance of short-term investments and sector credits	3,338.3	4,930.2	3,338.3	4,930.2
(h) Closing balance of cash, short-term investments and sector credits (h=f+g)	5,422.2	5,751.5	5,422.2	5,751.5

In June 2020 short-term investments amounted to R\$ 2,138.0 million and sector credits were a positive R\$ 1,200.3 million, resulting in a consolidated cash position of R\$ 5,422.2 million.

7. Capital market

7.1. Stock performance

Traded on B3, the Energisa shares with the greatest liquidity ENGI11 - Units (consisting of 1 common share and 4 preferred shares) gained 7.6% in 2Q20, and closed the year quoted at R\$ 49.0 per Unit. Over the same period, the main stock exchange index, Ibovespa, shed 5.8%, while the IEE index gained 9.9%. See below the market indicators of Energisa's shares in the year:

	June/20	June/19	Change %
Market indexes			
Enterprise value (EV - R\$ million) ⁽¹⁾	33,104.3	28,592.3	+ 15.8
Market value at the end of the year (R\$ million)	17,782.7	16,723.0	+ 6.3
Average daily volume traded in the year - Units (R\$ million)	88.3	60.3	+ 46.4
Share prices			
ENGI11 (Unit) closing price at the end of the year (R\$ /Unit)	49.0	46.1	+ 6.3
ENGI3 (ON) closing price at the end of the year (R\$ /share)	12.3	14.0	- 12.1
ENGI4 (PN) closing price at the end of the year (R\$ /share)	8.7	8.0	+ 8.7
Relative indicators			
Dividend yield of ENGI11 (Units) - % ⁽²⁾	1.2	2.2	- 45.5
Total return to Units shareholder (TSR) - %	7.6	61.2	- 87.6
Market Value / Shareholders' Equity (times)	3.4	3.0	+ 13.3

(1) EV = Market value (R\$/share vs. number of shares) + consolidated net debt.

(2) Dividends paid out in the last four quarters / closing price of the Units.

7.2. Distribution of dividends

At a meeting held today Energisa the S/A ("Company") Board of Directors resolved to pay out dividends of R\$ 101.6 million, or R\$ 0.28 (twenty-eight cents) per Units and R\$ 0.056 per common and preferred share of the Company, calculated based on the Company's results up to June 30, 2020. Payment starts on August 26, 2020. Company shareholders with holdings on or before August 18, 2020 are entitled to the dividends, including shares bought on the stock exchange on or before this date. The Company's shares will accordingly be traded ex-dividend from August 19, 2020.

8. Subsequent Events

8.1. Rate Adjustments

Energisa Sul Sudeste - ESS

On July 07, 2020 ANEEL Resolution 2.722 and Technical Note 114/2020 SGT/ANEEL ratified the rate adjustment, in force since July 12, 2020. The rate impact felt by consumers was an average increase of 4.87%.

Energisa Tocantins - ETO

On July 03, 2020 ANEEL Resolution 2.720 and Technical Note 109/2020 SGT/ANEEL ratified the 5th rate review, in force since July 04, 2020. The average effect to be felt by consumers in relation to the previous rate in place was an increase of 7.17%.

8.2. Loan from the Covid-19 Account - Decree 10.350/2020

Issued May 18, 2020, this Decree uses the contracting and settlement of loans from a syndicate of banks to allocate funds to fully or partly cover the financial effects of energy overcontracting, recording a balance in the Compensation Account for Parcel A variation - CVA, countering sector charges, and postponing until June 30, 2020 the results of the electricity DisCo rate processes ratified by the same date, unamortized balance of CVA recognized in the latest rate process, unamortized balance of deferrals recognized or reversed in the latest rate process and advancement of the regulatory asset for the B Parcel.

The main object of creating the COVID PANDEMIC ACCOUNT was to postpone for up to 5 years increases in energy bills that would have been charged within up to 1 year and to also shore up the liquidity of distribution concession operators that have been especially impacted by lower demand and rising delinquency, also protecting other

electric sector agents. The amounts in the COVID ACCOUNT will be included in the rate coverage of DisCos as from the 2021 rate processes and will remain for the time necessary to fully amortize the financial operations.

Under article 7 of ANEEL Normative Resolution 885/2020, the CCEE acts as the guarantor and owner of the entire process of running the COVID ACCOUNT. Under art. 8 of the Normative Resolution, the pass-throughs made by the COVID ACCOUNT to concession operators will generate an Accounts Receivable at the CCEE linked to the CDE fund, which will be the debtor and not the concession operator directly, whose balance sheet will not be impacted, except for the B parcel.

Because of this, on July 03, 2020 the electricity distribution subsidiaries submitted a request for funds from the COVID ACCOUNT of R\$ 1.4 billion, of which R\$ 5.5 million consists of deferrals and financing of the A Group's contracted demand, R\$ 121.1 million for advancing the financial sector asset for Parcel B and R\$ 1.2 billion for the comprehensive coverage of other constant items.

See the amounts contracted by the DisCos:

Subsidiaries (R\$ MM)	Demand installments (group A)	Advance of parcel B	Financial sector assets	Total	Incoming funds - 7/31/2020 (*)	Incoming funds - 8/12/2020 (*)	Incoming funds - Sep to Dec/2020
Energisa Mato Grosso	-	-	378.0	378.0	206.5	31.3	140.2
Energisa Mato do Grosso do Sul	-	-	296.3	296.3	231.5	24.5	40.2
Energisa Tocantins	-	-	36.6	36.6	23.2	4.0	9.3
Energisa Sul Sudeste	-	-	97.4	97.4	97.4	-	-
Energisa Paraiba	-	-	87.0	87.0	62.0	11.6	13.4
Energisa Sergipe	-	-	47.0	47.0	47.0	-	-
Energisa Minas Gerais	-	-	49.9	49.9	49.3	0.6	-
Energisa Borborema	-	-	13.2	13.2	5.8	1.4	5.9
Energisa Nova Friburgo	-	-	7.0	7.0	6.7	0.2	-
Energisa Rondônia	4.0	71.4	205.4	280.8	201.4	8.0	71.4
Energisa Acre	1.5	49.7	15.1	66.3	66.3	-	-
Total	5.5	121.1	1,232.8	1,359.4	997.1	81.9	280.4

(*) ANEEL Order 2.177 issued July 24, 2020.

8.3. Advance of dividends for FY 2020 - Subsidiaries

The Minutes from the Board of Directors and Executive Board meeting held August 13, 2020 approved the distribution of interim dividends based on the statement of financial position of the subsidiaries as of June 30, 2020 and profit reserves, as follows:

Subsidiaries (R\$ MM)	Dividend amount	Amount per share R\$	Payment date
Interim:			
Rede Energia Participações S/A	196.3	0.093000 ON	From August 18, 2020
Energisa Participações Minoritárias S/A	104.2	0.1460734451700 ON 0.5657205878900 PN	From August 18, 2020
Rede Power do Brasil S/A	20.0	76.078200 ON	From August 14, 2020
Denerge Desenvolvimento Energético S/A	122.6	157.819700 ON	From August 14, 2020
Profit Reserves			
Denerge Desenvolvimento Energético S/A	14.8	19.093800 ON	From August 14, 2020

9. Services rendered by the independent auditor

In the first half of 2020 the auditors Ernst & Young Auditores Independentes S.S. received overall compensation of R\$ 2.2 million for reviewing the financial statements of the Company and its subsidiaries.

The Company's engagement policy complies with the principles that sustain the auditor's independence, in accordance with existing standards, which mainly determine that the auditor should not audit its own work, perform managerial duties for its client or pursue its interests.

Management.

Appendix I - Supplementary Information

A.1 Energy Sales by Concession Area

Energisa Minas Gerais

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	131.4	131.6	- 0.1	273.6	279.4	- 2.1
Industrial	81.3	96.5	- 15.8	177.1	192.5	- 8.0
✓ Captive Industrial	23.5	30.0	- 21.5	50.7	60.8	- 16.6
✓ Free Industrial	57.7	66.5	- 13.2	126.4	131.7	- 4.0
Commercial	46.5	59.4	- 21.7	107.6	126.3	- 14.8
✓ Captive Commercial	43.4	56.5	- 23.1	100.9	120.4	- 16.2
✓ Free Commercial	3.1	2.9	+ 5.6	6.7	5.9	+ 13.5
Rural	48.5	46.4	+ 4.5	92.9	92.7	+ 0.2
Other	37.8	41.8	- 9.6	78.1	83.9	- 6.9
1 Energy sales to captive consumers	284.6	306.2	- 7.1	596.2	637.2	- 6.4
2 Energy associated with free consumers (TUSD)	60.8	69.5	- 12.4	133.1	137.5	- 3.3
3 Captive sales + TUSD (1+2)	345.4	375.7	- 8.1	729.3	774.8	- 5.9
4 Unbilled sales	-4.0	-3.2	+ 26.1	-2.6	1.1	-
5 Captive sales + TUSD + unbilled supply (3+4)	341.4	372.5	- 8.3	726.7	775.9	- 6.3

Energisa Nova Friburgo

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	42.6	40.8	+ 4.6	84.0	82.0	+ 2.4
Industrial	8.9	11.7	- 23.5	19.6	23.7	- 17.2
✓ Captive Industrial	4.1	6.5	- 35.9	9.6	12.9	- 26.0
✓ Free Industrial	4.8	5.2	- 8.2	10.0	10.7	- 6.6
Commercial	12.4	17.1	- 27.5	29.8	35.4	- 15.9
✓ Captive Commercial	11.9	16.5	- 28.1	28.7	34.3	- 16.3
✓ Free Commercial	0.5	0.6	- 10.0	1.1	1.1	- 4.7
Rural	1.3	1.3	- 0.7	2.5	2.7	- 6.6
Other	9.2	10.0	- 8.2	18.8	20.2	- 6.7
1 Energy sales to captive consumers	68.0	74.0	- 8.1	141.3	149.9	- 5.7
2 Energy associated with free consumers (TUSD)	6.4	6.9	- 6.0	13.4	14.1	- 4.9
3 Captive sales + TUSD (1+2)	74.4	80.8	- 7.9	154.7	163.9	- 5.7
4 Unbilled sales	-1.1	-0.2	+ 507.4	-0.9	0.6	-
5 Captive sales + TUSD + unbilled supply (3+4)	73.4	80.6	- 9.0	153.8	164.5	- 6.5

Energisa Sergipe

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	293.2	286.4	+ 2.4	599.8	575.0	+ 4.3
Industrial	105.6	165.2	- 36.1	233.5	349.2	- 33.1
✓ Captive Industrial	42.9	47.7	- 10.2	89.7	94.7	- 5.3
✓ Free Industrial	62.8	117.5	- 46.6	143.8	254.5	- 43.5
Commercial	115.1	155.9	- 26.2	274.3	313.6	- 12.5
✓ Captive Commercial	92.2	134.0	- 31.2	220.7	269.4	- 18.1
✓ Free Commercial	22.9	21.9	+ 4.4	53.7	44.3	+ 21.2
Rural	20.7	26.5	- 22.1	58.8	61.7	- 4.8
Other	129.5	143.5	- 9.8	272.8	281.5	- 3.1
1 Energy sales to captive consumers	578.0	638.2	- 9.4	1,241.2	1,282.3	- 3.2
2 Energy associated with free consumers (TUSD)	86.1	139.4	- 38.3	198.0	298.7	- 33.7
3 Captive sales + TUSD (1+2)	664.0	777.6	- 14.6	1,439.2	1,581.0	- 9.0
4 Unbilled sales	-14.7	-6.4	+ 130.9	-9.5	3.2	-
5 Captive sales + TUSD + unbilled supply (3+4)	649.4	771.2	- 15.8	1,429.7	1,584.2	- 9.7

Energisa Borborema

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	71.0	65.6	+ 8.2	140.8	130.3	+ 8.0
Industrial	27.8	34.1	- 18.5	62.3	68.8	- 9.5
✓ Captive Industrial	10.6	13.6	- 22.5	23.1	28.7	- 19.5
✓ Free Industrial	17.2	20.5	- 15.8	39.1	40.1	- 2.4
Commercial	32.3	42.1	- 23.3	75.4	83.4	- 9.5
✓ Captive Commercial	26.8	35.2	- 23.8	61.7	69.3	- 11.0
✓ Free Commercial	5.5	6.9	- 20.6	13.8	14.1	- 2.2
Rural	6.0	6.0	- 0.8	12.5	12.2	+ 2.3
Other	17.8	21.0	- 15.1	37.9	41.0	- 7.4
1 Energy sales to captive consumers	132.2	141.4	- 6.5	276.0	281.5	- 2.0
2 Energy associated with free consumers (TUSD)	22.8	27.4	- 17.0	52.9	54.2	- 2.3
3 Captive sales + TUSD (1+2)	154.9	168.8	- 8.2	328.9	335.7	- 2.0
4 Unbilled sales	-3.3	0.2	-	-2.5	1.0	-
5 Captive sales + TUSD + unbilled supply (3+4)	151.6	169.0	- 10.3	326.4	336.6	- 3.0

Energisa Paraíba

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	480.3	447.1	+ 7.4	976.0	907.2	+ 7.6
Industrial	132.9	185.5	- 28.4	326.2	383.8	- 15.0
✓ Captive Industrial	37.2	64.1	- 42.0	84.0	135.2	- 37.8
✓ Free Industrial	95.7	121.4	- 21.2	242.2	248.6	- 2.6
Commercial	154.1	205.2	- 24.9	368.7	411.1	- 10.3
✓ Captive Commercial	135.7	183.5	- 26.0	321.1	369.1	- 13.0
✓ Free Commercial	18.3	21.6	- 15.3	47.6	42.1	+ 13.1
Rural	66.4	62.6	+ 6.1	151.7	135.0	+ 12.4
Other	164.0	191.4	- 14.3	351.4	372.7	- 5.7
1 Energy sales to captive consumers	883.7	948.7	- 6.9	1,884.3	1,919.2	- 1.8
2 Energy associated with free consumers (TUSD)	114.1	143.0	- 20.3	289.8	290.6	- 0.3
3 Captive sales + TUSD (1+2)	997.7	1,091.7	- 8.6	2,174.1	2,209.8	- 1.6
4 Unbilled sales	-23.7	-1.9	+ 1,141.4	-20.7	-1.0	+ 2,022.7
5 Captive sales + TUSD + unbilled supply (3+4)	974.0	1,089.8	- 10.6	2,153.3	2,208.9	- 2.5

Energisa Mato Grosso

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	784.1	745.0	+ 5.2	1,599.5	1,501.7	+ 6.5
Industrial	517.6	496.1	+ 4.3	1,005.0	960.3	+ 4.7
✓ Captive Industrial	152.5	158.3	- 3.6	296.1	300.2	- 1.4
✓ Free Industrial	365.1	337.8	+ 8.1	708.9	660.2	+ 7.4
Commercial	383.2	458.5	- 16.4	857.2	921.2	- 6.9
✓ Captive Commercial	335.2	402.9	- 16.8	749.6	811.4	- 7.6
✓ Free Commercial	48.0	55.6	- 13.7	107.6	109.8	- 2.0
Rural	313.9	291.0	+ 7.9	619.0	573.3	+ 8.0
Other	221.0	248.6	- 11.1	459.7	479.2	- 4.1
1 Energy sales to captive consumers	1,783.4	1,835.9	- 2.9	3,671.4	3,644.4	+ 0.7
2 Energy associated with free consumers (TUSD)	436.3	403.3	+ 8.2	869.0	791.4	+ 9.8
3 Captive sales + TUSD (1+2)	2,219.7	2,239.2	- 0.9	4,540.4	4,435.8	+ 2.4
4 Unbilled sales	-59.9	-21.0	+ 184.9	-52.2	8.8	-
5 Captive sales + TUSD + unbilled supply (3+4)	2,159.8	2,218.2	- 2.6	4,488.2	4,444.6	+ 1.0

Energisa Mato Grosso do Sul

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	483.8	458.6	+ 5.5	1,048.2	1,016.4	+ 3.1
Industrial	317.4	306.7	+ 3.5	636.6	609.4	+ 4.5
✓ Captive Industrial	69.0	77.0	- 10.4	138.2	153.0	- 9.7
✓ Free Industrial	248.40	229.7	+ 8.1	498.4	456.3	+ 9.2
Commercial	234.9	284.1	- 17.3	549.1	607.7	- 9.6
✓ Captive Commercial	208.7	252.2	- 17.3	482.9	541.7	- 10.9
✓ Free Commercial	26.3	31.8	- 17.6	66.2	66.0	+ 0.2
Rural	152.1	139.6	+ 8.9	305.3	286.4	+ 6.6
Other	157.5	174.9	- 9.9	330.7	351.5	- 5.9
1 Energy sales to captive consumers	1,055.2	1,087.0	- 2.9	2,273.4	2,319.3	- 2.0
2 Energy associated with free consumers (TUSD)	290.6	276.9	+ 5.0	596.5	552.1	+ 8.0
3 Captive sales + TUSD (1+2)	1,345.8	1,363.9	- 1.3	2,869.9	2,871.4	- 0.1
4 Unbilled sales	-86.9	-30.9	+ 181.4	-74.9	-35.9	+ 108.3
5 Captive sales + TUSD + unbilled supply (3+4)	1,258.9	1,333.0	- 5.6	2,795.0	2,835.5	- 1.4

Energisa Tocantins

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	273.9	261.4	+ 4.8	527.9	502.0	+ 5.2
Industrial	81.6	85.1	- 4.1	151.2	169.0	- 10.5
✓ Captive Industrial	26.7	38.8	- 31.2	50.0	79.3	- 37.0
✓ Free Industrial	54.9	46.3	+ 18.6	101.2	89.7	+ 12.8
Commercial	95.2	112.3	- 15.2	199.4	213.9	- 6.8
✓ Captive Commercial	87.4	100.9	- 13.4	181.7	192.1	- 5.4
✓ Free Commercial	7.8	11.4	- 31.3	17.7	21.8	- 18.9
Rural	63.1	56.8	+ 11.1	119.5	109.3	+ 9.4
Other	79.1	92.9	- 14.9	163.7	175.5	- 6.8
1 Energy sales to captive consumers	526.6	549.7	- 4.2	1,038.0	1,056.2	- 1.7
2 Energy associated with free consumers (TUSD)	66.3	58.8	+ 12.8	123.7	113.6	+ 8.9
3 Captive sales + TUSD (1+2)	592.9	608.5	- 2.6	1,161.7	1,169.8	- 0.7
4 Unbilled sales	-3.2	10.1	-	-2.3	13.6	-
5 Captive sales + TUSD + unbilled supply (3+4)	589.7	618.6	- 4.7	1,159.4	1,183.3	- 2.0

Energisa Sul-Sudeste

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	364.9	355.6	+ 2.6	766.2	766.9	- 0.1
Industrial	256.0	302.4	- 15.4	598.7	634.2	- 5.6
✓ Captive Industrial	62.2	79.0	- 21.3	160.9	180.7	- 11.0
✓ Free Industrial	193.8	223.4	- 13.2	437.8	453.5	- 3.5
Commercial	161.2	202.3	- 20.3	381.0	430.2	- 11.4
✓ Captive Commercial	141.8	180.5	- 21.5	334.3	384.6	- 13.1
✓ Free Commercial	19.4	21.8	- 10.7	46.7	45.6	+ 2.3
Rural	85.9	77.7	+ 10.6	166.5	158.9	+ 4.8
Other	112.7	122.2	- 7.8	233.4	244.4	- 4.5
1 Energy sales to captive consumers	765.3	813.0	- 5.9	1,656.8	1,731.1	- 4.3
2 Energy associated with free consumers (TUSD)	215.5	247.2	- 12.8	488.9	503.5	- 2.9
3 Captive sales + TUSD (1+2)	980.8	1,060.2	- 7.5	2,145.7	2,234.6	- 4.0
4 Unbilled sales	-25.4	-11.5	+ 120.4	-24.1	-12.7	+ 90.3
5 Captive sales + TUSD + unbilled supply (3+4)	955.4	1,048.7	- 8.9	2,121.6	2,222.0	- 4.5

Energisa Rondônia

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	329.1	310.4	+ 6.0	663.5	616.9	+ 7.6
Industrial	109.9	112.3	- 2.2	222.2	223.4	- 0.5
✓ Captive Industrial	68.8	76.4	- 9.9	140.1	151.4	- 7.5
✓ Free Industrial	41.1	36.0	+ 14.3	82.1	72.0	+ 14.1
Commercial	149.8	173.0	- 13.4	326.4	341.3	- 4.4
✓ Captive Commercial	142.4	161.9	- 12.1	308.3	320.2	- 3.7
✓ Free Commercial	7.4	11.1	- 32.8	18.1	21.1	- 14.1
Rural	84.2	81.4	+ 3.4	167.5	162.9	+ 2.9
Other	91.1	104.3	- 12.7	190.7	200.4	- 4.8
1 Energy sales to captive consumers	715.5	734.4	- 2.6	1,470.2	1,451.8	+ 1.3
2 Energy associated with free consumers (TUSD)	48.6	47.0	+ 3.3	100.3	93.1	+ 7.7
3 Captive sales + TUSD (1+2)	764.1	781.4	- 2.2	1,570.5	1,544.9	+ 1.7
4 Unbilled sales	-5.2	24.9	-	-10.3	18.7	-
5 Captive sales + TUSD + unbilled supply (3+4)	758.8	806.3	- 5.9	1,560.1	1,563.6	- 0.2

Energisa Acre

Description Amounts in GWh	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Residential	125.4	120.5	+ 4.1	257.9	237.4	+ 8.6
Industrial	9.7	8.3	+ 16.8	19.4	16.8	+ 15.4
✓ Captive Industrial	8.2	8.3	- 1.1	17.4	16.8	+ 3.4
✓ Free Industrial	1.5	0.0	-	2.0	0.0	-
Commercial	51.6	64.7	- 20.2	118.4	127.1	- 6.8
✓ Captive Commercial	43.9	54.7	- 19.8	100.9	107.9	- 6.5
✓ Free Commercial	7.7	10.0	- 22.5	17.5	19.2	- 8.8
Rural	13.5	13.0	+ 4.3	27.3	25.5	+ 7.2
Other	47.3	63.5	- 25.4	103.2	116.2	- 11.2
1 Energy sales to captive consumers	238.4	260.0	- 8.3	506.7	503.9	+ 0.6
2 Energy associated with free consumers (TUSD)	9.2	10.0	- 7.6	19.5	19.2	+ 1.8
3 Captive sales + TUSD (1+2)	247.6	270.0	- 8.3	526.2	523.1	+ 0.6
4 Unbilled sales	-4.2	4.6	-	-5.4	2.9	-
5 Captive sales + TUSD + unbilled supply (3+4)	243.5	274.6	- 11.3	520.8	526.0	- 1.0

A.2 Selected Financial Information of Energisa Consolidated

Statement of Income Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
Gross Revenue	6,540.4	7,042.9	- 7.1	13,671.4	14,178.5	- 3.6
Deductions	(2,141.7)	(2,339.9)	- 8.5	(4,490.4)	(4,711.5)	- 4.7
Net revenues	4,398.7	4,703.0	- 6.5	9,181.0	9,467.1	- 3.0
Construction revenue	525.0	683.6	- 23.2	1,102.3	1,120.6	- 1.6
Net revenue, without construction revenue	3,873.7	4,019.3	- 3.6	8,078.7	8,346.5	- 3.2
Construction cost	(472.2)	(637.9)	- 26.0	(997.5)	(956.5)	+ 4.3
Non Manageable Expenses	(2,413.4)	(2,566.2)	- 6.0	(5,049.9)	(5,429.8)	- 7.0
Purchased Energy	(2,115.2)	(2,297.1)	- 7.9	(4,438.2)	(4,901.7)	- 9.5
Transmission of Electric Power	(298.2)	(269.0)	+ 10.8	(611.7)	(528.2)	+ 15.8
Manageable Expenses	(779.1)	(676.2)	+ 15.2	(1,500.6)	(1,397.7)	+ 7.4
PMSO	(553.6)	(661.5)	- 16.3	(1,202.0)	(1,286.0)	- 6.5
<i>Personnel</i>	(284.4)	(344.8)	- 17.5	(596.0)	(671.3)	- 11.2
<i>Pension Fund</i>	(8.3)	(17.9)	- 53.8	(22.3)	(34.4)	- 35.1
<i>Material</i>	(38.8)	(42.2)	- 8.1	(90.5)	(82.8)	+ 9.4
<i>Outsourced services</i>	(178.4)	(197.8)	- 9.8	(372.2)	(384.6)	- 3.2
<i>Others</i>	(43.8)	(58.8)	- 25.6	(120.9)	(112.8)	+ 7.2
Provisions/Reversals	(225.5)	(14.7)	+ 1,437.8	(298.6)	(111.7)	+ 167.3
<i>Contingency</i>	19.4	75.0	- 74.2	72.3	61.9	+ 16.9
<i>Doubtful accounts</i>	(244.9)	(89.7)	+ 173.0	(370.9)	(173.6)	+ 113.7
Depreciation and Amortization	(300.2)	(268.5)	+ 11.8	(601.2)	(569.0)	+ 5.7
Other Revenue/Expenses	(6.6)	(3.8)	+ 74.4	(57.0)	(36.3)	+ 57.1
EBITDA	727.4	819.0	- 11.2	1,576.0	1,646.7	- 4.3
Financial Income/Loss	(442.0)	(468.6)	- 5.7	(317.9)	(701.8)	- 54.7
<i>Finance revenue</i>	193.5	275.2	- 29.7	339.6	457.0	- 25.7
<i>Finance costs</i>	(635.4)	(743.6)	- 14.5	(657.5)	(1,158.8)	- 43.3
Equity in income of subsidiaries	-	-	-	-	-	-
Profit (Loss) before tax	(14.8)	81.9	-	656.9	375.9	+ 74.7
Taxes	(73.2)	(90.8)	- 19.4	(163.2)	(256.0)	- 36.3
Net income (loss)	(88.0)	(8.9)	- 892.9	493.7	119.9	+ 311.7
Attributable to controlling interests	(104.6)	(31.0)	- 237.9	468.4	82.6	+ 467.3
Attributable to noncontrolling interests	16.6	22.1	- 24.8	25.3	37.3	- 32.2
Adjusted EBITDA	801.8	898.9	- 10.8	1,730.8	1,803.9	- 4.1

A.3 Selected financial information by DisCo

Statement of Income in 2Q20 Amounts in R\$ million	EMG	ENF	ESE	EBO	EPB	EMT
Gross Revenue	293.5	71.0	422.4	97.6	691.7	1,758.9
Deductions	(100.0)	(26.8)	(133.3)	(33.6)	(230.7)	(664.1)
Net Revenue	193.5	44.1	289.1	64.0	461.0	1,094.9
Net Revenue Ex. Construction	166.5	39.9	271.8	59.5	419.0	1,033.6
Non Manageable Expenses	(107.1)	(27.2)	(174.0)	(38.0)	(247.5)	(641.1)
Purchased Energy	(89.0)	(18.2)	(157.8)	(31.8)	(213.2)	(566.9)
Transmission of Electric Power	(18.1)	(9.0)	(16.2)	(6.2)	(34.3)	(74.3)
Manageable Expenses	(28.1)	(6.5)	(47.9)	(11.9)	(90.6)	(203.2)
PMSO	(25.8)	(5.2)	(39.3)	(9.2)	(60.2)	(118.5)
<i>Personnel</i>	(10.8)	(2.1)	(14.9)	(3.8)	(23.6)	(41.6)
<i>Pension Fund</i>	1.3	(0.0)	(2.2)	(0.1)	(2.0)	(2.5)
<i>Material</i>	(1.8)	(0.4)	(3.2)	(0.5)	(4.7)	(9.1)
<i>Services</i>	(12.7)	(2.4)	(17.3)	(4.6)	(26.6)	(55.6)
<i>Other</i>	(1.7)	(0.3)	(1.8)	(0.2)	(3.3)	(9.7)
Provisions/Reversals	(2.3)	(1.3)	(8.6)	(2.7)	(30.3)	(84.7)
<i>Provision for Contingencies</i>	1.4	0.0	0.2	(0.1)	0.1	(1.2)
<i>Allowance for Doubtful Accounts</i>	(3.7)	(1.3)	(8.8)	(2.6)	(30.5)	(83.5)
Depreciation and Amortization	(9.7)	(2.1)	(16.6)	(2.0)	(20.2)	(55.1)
Other Revenue/Expenses	(1.8)	(0.2)	(0.5)	(0.1)	(0.5)	(4.7)
EBITDA	29.5	6.0	49.4	9.6	80.5	184.6
Financial Income/Loss	(6.2)	(1.4)	(2.9)	(0.0)	3.3	(34.4)
Net income before tax	13.6	2.5	29.9	7.5	63.6	95.1
Taxes	(4.6)	(0.8)	(4.1)	(1.1)	(7.4)	(20.1)
Net Income	9.0	1.7	25.9	6.5	56.2	74.9
Adjusted EBITDA	32.4	6.7	55.2	10.7	90.2	204.9

Statement of Income in 2Q20 Amounts in R\$ million	EMS	ETO	ESS	ERO	EAC
Gross Revenue	902.4	465.4	625.2	613.3	229.1
Deductions	(304.2)	(142.5)	(216.3)	(178.0)	(68.7)
Net Revenue	598.2	322.9	409.0	435.3	160.4
Net Revenue Ex. Construction	559.5	283.3	367.9	344.0	129.9
Non Manageable Expenses	(347.5)	(139.4)	(260.4)	(190.8)	(70.0)
Purchased Energy	(294.5)	(123.4)	(202.6)	(178.4)	(66.8)
Transmission of Electric Power	(53.1)	(16.0)	(57.8)	(12.3)	(3.2)
Manageable Expenses	(118.4)	(59.8)	(52.2)	(107.9)	(51.7)
PMSO	(80.7)	(50.1)	(45.2)	(80.1)	(36.4)
<i>Personnel</i>	(32.8)	(23.6)	(18.7)	(32.1)	(13.8)
<i>Pension Fund</i>	(0.7)	(0.9)	(1.1)	(0.6)	(0.1)
<i>Material</i>	(4.9)	(4.0)	(3.3)	(3.4)	(1.2)
<i>Services</i>	(39.3)	(18.8)	(20.3)	(33.4)	(17.4)
<i>Other</i>	(2.9)	(2.7)	(1.8)	(10.5)	(3.9)
Provisions/Reversals	(37.7)	(9.7)	(7.0)	(27.8)	(15.2)
<i>Provision for Contingencies</i>	1.6	0.3	(1.1)	17.0	(0.8)
<i>Allowance for Doubtful Accounts</i>	(39.3)	(10.0)	(5.9)	(44.8)	(14.4)
Depreciation and Amortization	(24.9)	(22.7)	(14.4)	(29.0)	(10.4)
Other Revenue/Expenses	(3.3)	(1.7)	0.2	(2.2)	(2.5)
EBITDA	90.2	82.3	55.6	43.2	5.7
Financial Income/Loss	(15.2)	(4.8)	(6.3)	(43.7)	(8.0)
Net income before tax	50.2	54.8	34.8	(29.6)	(12.7)
Taxes	(18.3)	(18.7)	(11.9)	0.2	(0.0)
Net Income	31.9	36.0	22.9	(29.3)	(12.7)
Adjusted EBITDA	101.8	87.7	60.7	52.9	8.0

A.4 Net Revenue by Consumption Sector by DisCo

See below net revenue by consumption sector by DisCo in 2Q20:

Net revenue by consumption sector in 2Q20 Amounts in R\$ million	EMG	ENF	ESE	EBO	EPB	EMT
(+) Electricity revenue (captive market)	202.9	57.7	338.0	79.5	553.8	1,345.9
✓ Residential	98.8	35.5	185.0	43.7	310.6	612.6
✓ Industrial	17.3	3.9	23.9	6.1	25.0	122.5
✓ Commercial	36.0	11.5	69.6	18.1	101.9	286.8
✓ Rural	30.8	1.0	9.1	3.1	32.2	188.5
✓ Other sectors	20.0	5.7	50.4	8.5	84.1	135.5
(+) Electricity sales to distributors	4.1	-	34.0	3.8	20.1	25.2
(+) Net unbilled sales	(3.0)	(0.5)	(11.4)	(1.9)	(21.0)	(21.8)
(+) Electricity network usage charges	18.3	4.2	14.1	3.5	25.2	162.6
(+) Construction revenue	27.0	4.3	17.3	4.5	42.0	61.3
(+) Creation and amortization - CVA	17.2	2.1	(12.6)	(0.7)	(14.1)	83.4
(+) Subsidies for services awarded under concession	25.7	2.4	42.5	8.6	86.2	107.3
(+) Concession financial asset	(0.1)	-	(1.5)	(0.3)	(2.2)	(9.2)
(+) Other revenue	1.4	0.8	2.1	0.6	1.7	4.3
(=) Gross revenue	293.5	71.0	422.4	97.6	691.7	1,758.9
(-) Sales taxes	79.0	22.1	118.5	30.3	209.2	535.5
(-) Rate flag deductions	(0.4)	(0.2)	(1.1)	(0.2)	(1.5)	(2.5)
(-) Sector charges	21.4	4.8	15.8	3.6	22.9	131.1
(=) Net revenue	193.5	44.1	289.1	64.0	461.0	1,094.9
(-) Construction revenue	27.0	4.3	17.3	4.5	42.0	61.3
(=) Net revenue, without construction revenue	166.5	39.9	271.8	59.5	419.0	1,033.6

Net revenue by consumption sector (continued):

Net revenue by consumption sector in 2Q20 Amounts in R\$ million	EMS	ETO	ESS	ERO	EAC
(+) Electricity revenue (captive market)	733.3	370.3	440.7	460.4	154.9
✓ Residential	347.0	195.0	221.9	224.6	81.7
✓ Industrial	47.7	18.8	39.3	41.5	5.3
✓ Commercial	160.6	72.3	91.4	99.7	34.5
✓ Rural	94.7	36.0	36.7	46.5	8.1
✓ Other sectors	83.3	48.2	51.4	48.1	25.3
(+) Electricity sales to distributors	10.3	8.8	6.7	8.6	3.9
(+) Net unbilled sales	(57.3)	(0.9)	(6.5)	47.6	10.7
(+) Electricity network usage charges	65.1	13.9	61.4	0.2	(0.0)
(+) Construction revenue	38.7	39.6	41.1	91.3	30.5
(+) Creation and amortization - CVA	42.2	(16.2)	35.1	(37.5)	13.4
(+) Subsidies for services awarded under concession	71.6	48.1	39.1	31.5	16.0
(+) Concession financial asset	(3.7)	(0.1)	(0.2)	(0.9)	(0.0)
(+) Other revenue	2.2	1.9	7.7	12.1	(0.3)
(=) Gross revenue	902.4	465.4	625.2	613.3	229.1
(-) Sales taxes	228.3	129.7	156.9	132.9	53.7
(-) Rate flag deductions	(1.8)	(0.8)	(1.2)	(1.2)	(0.3)
(-) Sector charges	77.7	13.6	60.6	46.3	15.3
(=) Net revenue	598.2	322.9	409.0	435.3	160.4
(-) Construction revenue	38.7	39.6	41.1	91.3	30.5
(=) Net revenue, without construction revenue	559.5	283.3	367.9	344.0	129.9

A.5 Operating Costs and Expenses by DisCo

See below operating expenses by DisCo in 2Q20:

Breakdown of operating expenses Amounts in R\$ million	EMG	ENF	ESE	EBO	EPB	EMT
1 Non Manageable costs and expenses	107.1	27.2	174.0	38.0	247.5	641.1
1.1 Energy purchased	89.0	18.2	157.8	31.8	213.2	566.9
1.2 Transmission of electricity	18.1	9.0	16.2	6.2	34.3	74.3
2 Manageable costs and expenses	28.1	6.5	47.9	11.9	90.6	203.2
2.1 PMSO	25.8	5.2	39.3	9.2	60.2	118.5
2.1.1 Personnel	10.8	2.1	14.9	3.8	23.6	41.6
2.1.2 Pension fund	(1.3)	0.0	2.2	0.1	2.0	2.5
2.1.3 Material	1.8	0.4	3.2	0.5	4.7	9.1
2.1.4 - Services	12.7	2.4	17.3	4.6	26.6	55.6
2.1.5 Other	1.7	0.3	1.8	0.2	3.3	9.7
✓ Fines and compensation	0.0	0.0	0.1	0.0	0.1	3.2
✓ Contingencies (settlement of civil claims)	0.1	0.1	0.2	0.1	0.6	3.9
✓ Other	1.6	0.2	1.5	0.2	2.6	2.6
2.2 Provisions/Reversals	2.3	1.3	8.6	2.7	30.3	84.7
2.2.1 Contingencies	(1.4)	(0.0)	(0.2)	0.1	(0.1)	1.2
2.2.2 Doubtful accounts	3.7	1.3	8.8	2.6	30.5	83.5
3 Other revenue/expenses	11.5	2.3	17.1	2.1	20.6	59.8
3.1 Depreciation and amortization	9.7	2.1	16.6	2.0	20.2	55.1
3.2 Other revenue/expenses	1.8	0.2	0.5	0.1	0.5	4.7
Total Operating Costs and Expenses (1+2+3, without construction costs)	146.7	35.9	239.0	52.0	358.6	904.1
Construction cost	27.0	4.3	17.3	4.5	42.0	61.3
Total Operating Costs and Expenses (1+2+3, without construction costs)	173.7	40.2	256.3	56.4	400.7	965.4

Breakdown of operating expenses by DisCo (continued):

Breakdown of operating expenses Amounts in R\$ million	EMS	ETO	ESS	ERO	EAC
1 Non Manageable costs and expenses	347.5	139.4	260.4	190.8	70.0
1.1 Energy purchased	294.5	123.4	202.6	178.4	66.8
1.2 Transmission of electricity	53.1	16.0	57.8	12.3	3.2
2 Manageable costs and expenses	118.4	59.8	52.2	107.9	51.7
2.1 PMSO	80.7	50.1	45.2	80.1	36.4
2.1.1 Personnel	32.8	23.6	18.7	32.1	13.8
2.1.2 Pension fund	0.7	0.9	1.1	0.6	0.1
2.1.3 Material	4.9	4.0	3.3	3.4	1.2
2.1.4 - Services	39.3	18.8	20.3	33.4	17.4
2.1.5 Other	2.9	2.7	1.8	10.5	3.9
✓ Fines and compensation	0.2	0.0	0.0	0.7	1.2
✓ Contingencies (settlement of civil claims)	0.6	0.5	0.5	14.3	2.0
✓ Other	2.1	2.2	1.3	(4.5)	0.7
2.2 Provisions/Reversals	37.7	9.7	7.0	27.8	15.2
2.2.1 Contingencies	(1.6)	(0.3)	1.1	(17.0)	0.8
2.2.2 Doubtful accounts	39.3	10.0	5.9	44.8	14.4
3 Other revenue/expenses	28.2	24.4	14.2	31.2	13.0
3.1 Depreciation and amortization	24.9	22.7	14.4	29.0	10.4
3.2 Other revenue/expenses	3.3	1.7	(0.2)	2.2	2.5
Total Operating Costs and Expenses (1+2+3, without construction costs)	494.1	223.7	326.7	329.9	134.6
Construction cost	38.7	39.6	41.1	91.3	30.5
Total Operating Costs and Expenses (1+2+3, without construction costs)	532.8	263.3	367.8	421.2	165.1

A.6 Reconciliation of net income (loss) and EBITDA

Reconciliation of net income and EBITDA Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
(=) Consolidated net income (loss)	(88.0)	(8.9)	+ 892.9	493.7	119.9	+ 311.7
(-) Income and social contribution taxes	(73.2)	(90.8)	- 19.4	(163.2)	(256.0)	- 36.3
(-) Financial income/expenses	(442.0)	(468.6)	- 5.7	(317.9)	(701.8)	- 54.7
(-) Depreciation and amortization	(300.2)	(268.5)	+ 11.8	(601.2)	(569.0)	+ 5.7
(=) EBITDA	727.4	819.0	- 11.2	1,576.0	1,646.7	- 4.3
(+) Revenue from interest on overdue energy bills	74.4	79.9	- 7.0	154.8	157.2	- 1.5
(=) Adjusted EBITDA	801.8	898.9	- 10.8	1,730.8	1,803.9	- 4.1
EBITDA Margin (%)	16.5	17.4	- 0.9 p.p.	17.2	17.4	- 0.2 p.p.
Adjusted EBITDA Margin (%)	18.2	19.1	- 0.9 p.p.	18.9	19.1	- 0.2 p.p.

A.7 Net debt by DisCo

Net debts as of June 30, 2020 (R\$ million)	EMG	ENF	ESE	EBO	EPB	EMT
Current	239.0	33.8	189.3	35.6	413.6	1,327.9
Loans and financing	243.7	32.9	211.0	34.8	169.1	854.8
Debtures	17.4	0.5	35.5	0.2	236.7	528.9
Debt charges	4.0	0.3	10.6	0.6	3.2	39.3
Tax financing and post-employment benefits	2.1	0.1	11.8	0.0	9.6	14.8
Derivative financial instruments, net	(28.3)	-	(79.7)	-	(5.1)	(109.9)
Noncurrent	280.3	69.0	967.9	69.1	601.7	2,885.3
Loans, financing and leasing	40.0	27.0	260.4	49.1	10.9	1,994.2
Debtures	243.7	41.2	493.0	20.0	488.5	1,023.6
Tax financing and post-employment benefits	9.1	0.8	235.4	0.0	133.1	151.8
Derivative financial instruments, net	(12.4)	-	(20.9)	-	(30.7)	(284.3)
Total debts	519.3	102.8	1,157.2	104.7	1,015.3	4,213.3
(-) Cash and cash equivalents	168.6	49.7	215.0	64.2	224.3	1,225.1
Total net debts	350.7	53.1	942.2	40.5	791.1	2,988.2
(-) CDE Credits	15.9	0.8	7.0	1.6	36.6	49.6
(-) CCC Credits	-	-	-	-	-	18.2
(-) CVA Credits	33.1	7.8	(18.2)	(8.9)	(17.2)	(25.5)
Total net debts less sector credits	301.7	44.5	953.4	47.8	771.6	2,945.8
Relative Indicator						
Net debt / Adjusted EBITDA 12 months ⁽¹⁾	2.4	1.4	3.4	0.9	1.6	2.9

Net debts as of June 30, 2020 (R\$ million)	EMS	ETO	ESS	ERO	EAC
Current	477.1	396.1	126.2	329.6	134.1
Loans and financing	163.8	548.6	77.8	-	156.2
Debtures	343.7	45.3	39.5	309.3	1.2
Debt charges	4.4	2.5	1.4	0.1	1.7
Tax financing and post-employment benefits	3.0	4.1	23.8	24.4	-
Derivative financial instruments, net	(37.8)	(204.4)	(16.3)	(4.2)	(24.9)
Noncurrent	1,369.9	883.8	782.3	2,588.2	705.7
Loans, financing and leasing	789.2	64.4	531.1	1,018.7	660.2
Debtures	636.0	866.2	327.0	1,609.8	195.2
Tax financing and post-employment benefits	27.8	36.9	102.7	48.1	-
Derivative financial instruments, net	(83.1)	(83.6)	(178.4)	(88.3)	(149.7)
Total debts	1,847.0	1,279.9	908.5	2,917.8	839.8
(-) Cash and cash equivalents	453.2	228.5	174.4	44.7	30.6
Total net debts	1,393.8	1,051.4	734.1	2,873.2	809.2
(-) CDE Credits	23.9	23.6	21.4	10.8	13.9
(-) CCC Credits	-	-	-	46.1	72.4
(-) CVA Credits	105.4	(38.5)	79.6	569.5	170.9
Total net debts less sector credits	1,264.5	1,066.3	633.1	2,246.7	552.0
Relative Indicator					
Net debt / Adjusted EBITDA 12 months ⁽¹⁾	2.1	3.3	2.3	-	-

⁽¹⁾ Adjusted EBITDA = EBITDA + Revenue from interest on overdue energy bills.

Appendix II - Financial Statements

1. Statement of Financial Position - Assets

STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020 AND DECEMBER 31, 2019
(In thousands of reais)

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Assets				
Current				
Cash and cash equivalents	295,037	68,423	2,083,902	663,103
Money market and secured funds	437,156	710,030	1,769,054	2,016,399
Clients, consumers and concessionaires	43,470	40,640	3,476,469	3,783,469
Credit receivables	25	76	15,255	16,116
Inventory	293	183	162,615	122,975
Recoverable taxes	69,585	99,837	1,075,638	1,021,209
Dividends receivable	1,289	10,614	-	-
Derivative financial instruments	78,959	15,756	649,629	186,303
Sector financial assets	-	-	1,113,999	1,175,623
Other accounts receivable	33,706	39,673	872,645	873,156
Total current	959,520	985,232	11,219,206	9,858,353
Non-current				
Noncurrent assets				
Money market and secured funds	1,791,429	1,776,332	368,967	356,795
Clients, consumers and concessionaires	-	-	1,101,338	1,050,572
Credit receivables	-	-	8,544	10,457
Sector financial assets	-	-	761,147	913,347
Related-party credits	1,018,097	668,380	-	-
Recoverable taxes	95,275	35,427	1,383,593	1,022,230
Tax credits	-	-	1,561,069	1,449,351
Escrows and secured bonds	682	382	610,049	576,694
Derivative financial instruments	-	19,481	1,262,585	1,004,467
Concession financial asset	-	-	5,384,431	5,130,960
Public service concession- contract asset	-	-	1,159,976	957,074
Other accounts receivable	62,020	62,020	398,583	308,380
	2,967,503	2,562,022	14,000,282	12,780,327
Investment	8,261,645	8,134,958	77,428	86,730
Property, plant and equipment	61,383	63,922	352,660	284,567
Intangible assets	28,736	26,010	14,750,279	14,840,924
Contractual Asset - Infrastructure under construction	-	-	1,658,498	1,468,913
Total noncurrent	11,319,267	10,786,912	30,839,147	29,461,461
Total assets	12,278,787	11,772,144	42,058,353	39,319,814

2. Statement of Financial Position - Liabilities
**STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020 AND DECEMBER 31, 2019
(In thousands of reais)**

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Liabilities				
Current				
Trade payables	1,567	17,462	1,643,691	1,988,149
Debt charges	20,606	11,933	118,915	70,813
Loans and financing	772,015	163,257	3,336,266	1,342,978
Debentures	1,027,231	969,384	2,325,029	1,167,067
Taxes and social contributions	19,445	13,021	982,130	640,023
Tax financing	-	-	24,579	17,555
Dividends payable	1,336	78,839	2,870	127,582
Estimated obligations	12,559	9,949	122,123	106,114
Public lighting fee	-	-	101,923	105,010
Post-employment benefits	2,127	2,127	72,416	72,416
Sector charges	-	-	314,374	245,903
Sector financial liabilities	-	-	723,510	659,380
Derivative financial instruments	303,826	350,243	346,035	466,128
Incorporation of grids	-	-	69,431	48,239
Operating leases	63	112	13,706	22,407
Other liabilities	64,827	76,739	364,023	454,613
Total current	2,225,602	1,693,066	10,561,021	7,534,377
Non-current				
Trade payables	-	-	103,431	100,025
Loans and financing	150,000	613,133	6,259,947	6,836,190
Debentures	2,342,713	2,565,631	7,207,882	7,771,559
Derivative financial instruments	608,777	701,541	804,269	906,341
Taxes and social contributions	746	564	548,416	472,923
Deferred income and social contribution taxes	317,163	318,635	4,587,016	4,463,107
Tax financing	-	-	61,941	33,412
Debts to related parties	314,946	-	-	-
Provision for labor, civil, tax and regulatory risks	119	3,164	2,110,701	2,169,725
Post-employment benefits	9,749	8,686	699,432	678,297
Sector financial liabilities	-	-	293,552	360,048
Sector charges	-	-	252,921	240,741
Incorporation of grids	-	-	147,981	150,283
Operating leases	590	607	35,144	30,061
Effects of reducing ICMS on the PIS and Cofins calculation base	-	-	998,606	658,796
Other liabilities	187,049	168,859	474,200	451,709
Total noncurrent	3,931,852	4,380,820	24,585,439	25,323,217
Equity				
Share capital	3,363,685	3,363,685	3,363,685	3,363,685
Stock issuance cost	-	-	(65,723)	(65,723)
Capital reserve	339,733	347,523	405,456	413,246
Profit reserves	2,290,754	2,332,052	2,290,754	2,290,754
Additional dividends proposed	-	-	-	41,298
Retained Earnings (Deficit)	472,163	-	472,163	-
Other comprehensive income	(345,002)	(345,002)	(345,002)	(345,002)
	6,121,333	5,698,258	6,121,333	5,698,258
NCI	-	-	790,560	763,962
Total shareholders' equity	6,121,333	5,698,258	6,911,893	6,462,220
Total liabilities and shareholders' equity	12,278,787	11,772,144	42,058,353	39,319,814

3. Statements of Income

STATEMENT OF INCOME
ENDED JUNE 30 AND SIX MONTHS OF 2020 AND 2019

	Parent company		Consolidated	
	2Q20	2Q19	2Q20	2Q19
Revenues				
Electricity sales to consumers	-	-	4,671,899	5,221,563
Electricity sales to DisCos	-	-	120,884	141,692
Electricity network usage charges	-	-	366,656	333,254
Energy sold	-	-	205,218	200,616
Construction revenue	-	-	455,130	683,645
Other revenue	62,672	62,848	749,098	462,104
	62,672	62,848	6,568,884	7,042,874
Deductions from operating revenue				
ICMS on billing	-	-	1,159,793	1,218,977
PIS, Cofins and ISS	7,373	7,465	608,218	591,874
Sector charges - Rate flags	-	-	(11,070)	(9,677)
Others (CCC, CDE, PEE and P&D)	-	-	413,230	538,716
	7,373	7,465	2,170,172	2,339,890
Net operating revenue	55,299	55,383	4,398,712	4,702,984
Operating expenses				
Electricity purchased	-	-	2,115,238	2,297,114
System service charges	-	-	298,186	269,038
Personnel	29,169	26,703	284,362	344,814
Private pension fund	(1,035)	831	8,252	17,854
Material	638	379	38,830	42,231
Outsourced services	10,572	13,229	178,354	197,792
Depreciation and amortization	3,132	2,408	300,202	268,481
Allowance for possible loan losses / contingencies	(802)	40	225,513	14,665
Construction cost	-	-	472,229	637,889
Other expenses	1,604	602	43,767	58,838
Other Operating Income/Expenses	-	(44)	6,567	3,766
	43,278	44,148	3,971,500	4,152,482
Earnings before equity income	12,021	11,235	427,212	550,502
Equity in income of subsidiaries	191,808	210,361	-	-
Earnings before interest and tax	203,829	221,596	427,212	550,502
Financial income				
Revenue from short-term investments	14,669	39,236	24,272	37,414
Monetary variance and interest on overdue energy bills	-	-	74,382	79,940
Other financial revenue	23,891	14,247	94,801	157,870
Debt charges - interest	(63,614)	(133,528)	(222,524)	(302,815)
Debt charges - monetary and exchange variance	(1,374)	25,222	(197,415)	44,201
Mark to market of debt and derivatives	(301,244)	(193,468)	(300,804)	(193,132)
(-) Transfer to PP&E in progress	-	-	2,880	1,250
Other financial expenses	19,974	(10,403)	82,423	(293,302)
	(307,698)	(258,694)	(441,985)	(468,574)
Net income before tax	(103,869)	(37,098)	(14,773)	81,928
Income and social contribution taxes	(712)	6,145	(73,201)	(90,788)
Loss for the period	(104,581)	(30,953)	(87,974)	(8,860)
Net income (loss) attributable to:				
Controlling shareholders			(104,581)	(30,953)
Noncontrolling shareholders			16,607	22,093
Loss per share - R\$	(0,06)	(0,02)		

	Parent company		Consolidated	
	6M20	6M19	6M20	6M19
Revenues				
Electricity sales to consumers	-	-	10,197,818	10,405,648
Electricity sales to DisCos	-	-	273,795	757,056
Electricity network usage charges	-	-	732,527	642,744
Energy sold	-	-	522,191	409,144
Construction revenue	-	-	1,003,890	1,120,609
Other revenue	126,739	116,054	941,176	843,333
	126,739	116,054	13,671,397	14,178,534
Deductions from operating revenue				
ICMS on billing	-	-	2,464,194	2,417,891
PIS, Cofins and ISS	14,728	13,636	1,206,850	1,240,727
Sector charges - Rate flags	-	-	(9,197)	2,994
Others (CCC, CDE, PEE and P&D)	-	-	828,524	1,049,853
	14,728	13,636	4,490,371	4,711,465
Net operating revenue	112,011	102,418	9,181,026	9,467,069
Operating expenses				
Electricity purchased	-	-	4,438,245	4,901,667
System service charges	-	-	611,678	528,155
Personnel	58,659	50,199	595,957	671,329
Private pension fund	(37)	1,603	22,341	34,442
Material	1,254	905	90,549	82,801
Outsourced services	19,518	23,327	372,214	384,581
Depreciation and amortization	6,065	4,812	601,221	569,015
Allowance for possible loan losses / contingencies	(3,063)	85	298,611	111,699
Construction cost	-	-	997,496	956,545
Other expenses	3,443	1,513	120,889	112,816
Other Operating Income/Expenses	29	(88)	57,048	36,312
	85,868	82,356	8,206,249	8,389,362
Earnings before equity income	26,143	20,062	974,777	1,077,707
Equity in income of subsidiaries	357,901	490,834	-	-
Earnings before interest and tax	384,044	510,896	974,777	1,077,707
Financial income				
Revenue from short-term investments	53,679	82,139	42,701	93,420
Monetary variance and interest on overdue energy bills	-	-	154,791	157,158
Other financial revenue	41,931	25,324	142,129	206,464
Debt charges - interest	(131,252)	(223,371)	(451,515)	(566,719)
Debt charges - monetary and exchange variance	(128,394)	-	(1,302,364)	(29,059)
Mark to market of debt and derivatives	139,250	(311,056)	139,591	(310,704)
(-) Transfer to PP&E in progress	-	-	8,949	2,551
Other financial expenses	107,713	(5,353)	947,831	(254,885)
	82,927	(432,317)	(317,887)	(701,774)
Net income before tax	466,971	78,579	656,890	375,933
Income and social contribution taxes	1,471	3,990	(163,158)	(256,019)
Net income for the period	468,442	82,569	493,732	119,914
Net income attributable to:				
Controlling shareholders			468,442	82,569
Noncontrolling shareholders			25,290	37,345
Net income per share - R\$	0,26	0,05		

4. Statement of cash flows

STATEMENT OF CASH FLOWS
ENDED JUNE 30 OF 2020 AND 2019

	Consolidated	
	6M20	6M19
Net Cash from Operating Activities	1,777,163	1,075,777
Cash Provided by Operating Activities	1,879,145	1,606,529
Net Income for the Period	493,732	119,914
Current and deferred income and social contribution taxes	163,158	256,019
Expenses on interest and monetary and exchange variance - net	1,723,945	513,560
Amortization and Depreciation	601,221	569,015
Allowance for doubtful accounts	370,926	173,565
Provisions for labor, civil, tax and regulatory risks	(22,743)	(61,866)
Residual value of retired fixed assets	29,575	22,482
Mark-to-market of debts	33,108	92,913
Mark-to-market of derivatives	(172,699)	217,791
Derivative financial instruments	(1,257,176)	5,530
Adjustment to fair value of concession financial asset	(65,529)	(117,826)
Variable compensation program (ILP)	2,101	1,385
Mark-to-market of traded energy purchase/sale contracts	22,056	16,988
Compensation of Contract Asset	(42,530)	(162,941)
Provision for adjustment to realizable value of credits receivable	-	(40,000)
Changes in Assets and Liabilities	(101,982)	(530,752)
(Increase) in consumers and concessionaires	(81,613)	(523,357)
Decrease (increase) in financial sector assets	305,329	155,972
Decrease (increase) in credit receivables	2,753	3,073
(Increase) in inventories	(39,640)	(16,594)
(Increase) in recoverable taxes	(72,301)	(135,942)
(Increase) in escrow and secured bonds	(19,201)	(32,272)
Decrease in other accounts receivable	(124,389)	27,345
Increase in trade payables	(250,677)	99,740
Increase in taxes and social contributions	390,835	221,109
Income and social contribution taxes paid	(113,087)	(182,759)
Increase in estimated obligations	16,009	21,846
(Decrease) in financial sector liabilities	(83,742)	(172,586)
Labor, Civil and tax Claims	(60,893)	-
Increase (decrease) in other accounts payable	28,635	3,673
Net Cash from Investment Activities	(941,648)	(223,379)
Increase in other investments	(1,501)	-
Additions to property, plant and equipment	(88,084)	(23,972)
Additions to Intangible assets	(1,042,445)	(1,030,881)
Applications to electricity transmission lines	(132,227)	(131,034)
Short-term investments and secured funds	277,874	909,106
Sale of PP&E and intangible assets	44,735	47,380
Payment for the business combination	-	(5,717)
Cash and cash equivalents acquired under the business combination	-	11,739
Net Cash from Financing Activities	585,284	(737,836)
New loans and financing obtained	3,277,750	2,342,535
Payment of loans, debentures - principal	(2,622,738)	(1,514,776)
Payment of loans, debentures - interest	(382,567)	(459,074)
Tax financing	(9,361)	(20,269)
Payment of financed payables	-	(60,442)
New tax financing	44,914	-
Dividend payments	(163,769)	(274,256)
Payment of grid incorporation	(16,091)	(47,610)
Financing of sector charges	-	(29,513)
Settlement of derivative financial instruments	464,139	12,186
Acquisition of additional NCI	-	(63,099)
Settlement of share put option (Rede Energia Participações)	-	(614,296)
Payment under Financial Lease	(6,993)	(9,222)
Increase (Decrease) in Cash and Cash Equivalents	1,420,799	114,562
Opening Balance of Cash and Cash Equivalents	663,103	706,738
Closing Balance of Cash and Cash Equivalents	2,083,902	821,300

Board of Directors

Ivan Müller Botelho
Chairman

Ricardo Perez Botelho
Vice Chairman

Marcilio Marques Moreira
Board Member

Omar Carneiro da Cunha Sobrinho
Board Member

Antonio Jose de Almeida Carneiro
Board Member

José Luiz Alqueres
Board Member

Luciana de Oliveira Cezar Coelho
Board Member

Maurício Perez Botelho
Alternate member

Marcelo Silveira da Rocha
Alternate member

André da La Saigne de Botton
Alternate member

Pedro Renato Arruda Stevaux
Alternate member

Fiscal Council

Paulo Henrique Laranjeiras da Silva
Board Member

Flavio Stamm
Board Member

Carlos Jurgen Temke
Board Member

Vania Andrade de Souza
Director

Mario Daud Filho
Board Member

Jorge Nagib Amary Junior
Alternate member

Gilberto Lerio
Alternate member

Vicente Moliterno Neto
Alternate member

Antonio Eduardo Bertolo
Alternate member

Gabriel Ricci Sanchez
Alternate member

Executive Board

Ricardo Perez Botelho
CEO

Mauricio Perez Botelho
CFO and Investor Relations Officer

Alexandre Nogueira Ferreira
Regulatory Affairs and Strategy Officer

José Marcos Chaves de Melo
Logistics and Supplies Officer

Daniele Araújo Salomão Castelo
Personnel Management Officer

Vicente Cortes de Carvalho
Accountant
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