

**Desenvix Energias
Renováveis S.A.**
**Quarterly Information (ITR) at
March 31, 2015
and independent auditor's report**



Report on review of quarterly information

To the Board of Directors and Stockholders
Desenvix Energias Renováveis S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Desenvix Energias Renováveis S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2015, comprising the balance sheet as at that date and the statements of operations, comprehensive income (loss), changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

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

Scope of review

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

Conclusion on the interim information

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



Desenvix Energias Renováveis S.A.

Other matters - statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2015. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Florianópolis, April 30, 2015

A handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers', is written over the printed name.

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" SC

A handwritten signature in dark ink, appearing to read 'Carlos Biedermann', is written over the printed name.

Carlos Biedermann
Contador CRC 1RS029321/O-4 "S" SC

Desenvix Energias Renováveis S.A.

Balance sheet

All amounts in thousands of reais

	Parent company		Consolidated			Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014		March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Assets					Liabilities and equity				
Current assets					Current liabilities				
Cash and cash equivalents (Note 5)	356	159	27,408	23,744	Trade payables	2,150	1,669	6,762	8,701
Trade receivables (Note 6)	1,140	1,087	36,471	30,452	Borrowings (Note 12)	53,233	58,192	109,816	109,646
Dividends receivable (Note 11(a))	19,001	22,036	10,934	10,934	Related parties (Note 11)	8,683	5,091	1,894	5,091
Taxes recoverable	1,851	1,845	9,353	9,780	Concessions payable (Note 13)			6,914	6,791
Inventories			1,240	1,233	Salaries and social charges	2,900	2,979	6,316	6,251
Prepaid expenses (Note 27)	2,634	3,016	3,359	4,015	Taxes and contributions (Note 14)	12,402	11,942	16,272	15,343
Other assets	994	946	1,863	2,684	Income tax and social contributions (Note 21)			3,001	2,814
	25,976	29,089	90,628	82,842	Provision for electric power contracts (Note 16)			12,948	11,788
					Proposed dividends			47	47
					Other liabilities (Note 15)	1,911	1,913	42,976	43,299
Non-current assets						81,279	81,786	206,946	209,771
Long-term receivables					Non-current liabilities				
Restricted financial investments (Note 7)	11,481	11,170	52,506	51,170	Borrowings (Note 12)	89,408	84,675	764,397	748,956
Related parties (Note 11)	105,550	106,990	12,047	14,061	Deferred income tax (Note 21(c))			7,819	7,783
Deferred income tax and social contributions (Note 21(c))	269	107	39,763	30,713	Concessions payable (Note 13)			58,420	57,702
Non-controlled investments at fair value (Note 28)	63,698	63,698	63,698	63,698	Provision for losses on investments	39,344	19,711		
Taxes recoverable			416	269	Income tax and social contributions			813	718
Trade receivables (Note 6)			26,382	23,314	Taxes and contributions (Note 14)			963	851
Other assets			275	1,355	Other liabilities (Note 15)	1,176	1,285	24,708	24,470
	180,998	181,965	195,087	184,580		129,928	105,671	857,120	840,480
Investments (Note 8)	639,325	618,069	184,309	180,990	Total liabilities	211,207	187,457	1,064,066	1,050,251
Property, plant and equipment (Note 9)	469	464	1,129,060	1,142,404	Equity				
Intangible assets (Note 10)	14,726	14,731	114,321	116,210	attributable to owners				
Investment properties	25,237	25,237	25,237	25,237	of the parent company (Note 17)				
	679,757	658,501	1,452,927	1,464,841	Share capital	725,312	725,312	725,312	725,312
					Carrying value adjustment	30,997	30,997	30,997	30,997
					Accumulated deficit	(80,785)	(74,211)	(80,785)	(74,211)
						675,524	682,098	675,524	682,098
					Non-controlling interests			(948)	(86)
					Total equity	675,524	682,098	674,576	682,012
Total assets	886,731	869,555	1,738,642	1,732,263	Total liabilities and equity	886,731	869,555	1,738,642	1,732,263

The accompanying notes are an integral part of these financial statements.

Desenvix Energias Renováveis S.A.

Statement of operations

Quarters ended March 31

All amounts in thousands of reais

	Parent company		Consolidated	
	2015	2014	2015	2014
Revenue				
Electric power supply			54,547	57,894
Services rendered	2,669	2,935	8,581	6,979
Operating revenue (Note 18)	<u>2,669</u>	<u>2,935</u>	<u>63,128</u>	<u>64,873</u>
Cost of electric power supply (Note 19)			(20,330)	(19,662)
Cost of services rendered (Note 19)	(1,084)	(989)	(6,176)	(4,591)
Gross profit	<u>1,585</u>	<u>1,946</u>	<u>36,622</u>	<u>40,620</u>
General and administrative (Note 19)	(2,250)	(2,265)	(8,064)	(6,724)
Other operating income (expenses), net		143		449
Provision for losses on investments	(19,633)	(1,025)		
Share of profit of subsidiaries	18,314	19,740		
Operating profit (loss)	<u>(1,984)</u>	<u>18,539</u>	<u>28,558</u>	<u>34,345</u>
Finance costs	(7,434)	(8,297)	(47,798)	(29,543)
Finance income	670	515	2,947	9,310
Finance result, net (Note 20)	<u>(6,764)</u>	<u>(7,782)</u>	<u>(44,851)</u>	<u>(20,233)</u>
Share of profit of associates and jointly-controlled subsidiaries	2,300	7,575	2,300	7,575
Dividends received		1,700		1,700
Gains on disposal of investments		940		940
Amortization of goodwill	(288)	(288)	(288)	(288)
	<u>2,012</u>	<u>9,927</u>	<u>2,012</u>	<u>9,927</u>
Profit (loss) before income tax and social contributions	<u>(6,736)</u>	<u>20,684</u>	<u>(14,281)</u>	<u>24,039</u>
Income tax and social contributions (Note 21)	162	169	6,845	(3,125)
Profit (loss) for the period	<u>(6,574)</u>	<u>20,853</u>	<u>(7,436)</u>	<u>20,914</u>
Attributable to:				
Owners of the parent company			(6,574)	20,853
Non-controlling interests			(862)	61
			<u>(7,436)</u>	<u>20,914</u>
Basic and diluted earnings (loss) per thousand shares (Note 26)			<u>(0.0562)</u>	<u>0.1782</u>

The statement of comprehensive income is not being presented in this quarterly information, since there have been no changes in comprehensive income.

The accompanying notes are an integral part of these financial statements.

Desenvix Energias Renováveis S.A.

Statement of changes in equity

All amounts in thousands of reais

	Attributable to owners of the parent company					Consolidated		
	Share capital	Unpaid capital	Total	Carrying value adjustments	Accumulated deficit	Total	Non-controlling interests	Total equity
At January 1, 2014	665,312		665,312	32,963	(55,255)	643,020	486	643,506
Capital increase	60,000	(30,000)	30,000			30,000		30,000
Loss for the period					20,853	20,853	61	20,914
At March 31, 2014	<u>725,312</u>	<u>(30,000)</u>	<u>695,312</u>	<u>32,963</u>	<u>(34,402)</u>	<u>693,873</u>	<u>547</u>	<u>694,420</u>
At January 1, 2015	725,312		725,312	30,997	(74,211)	682,098	(86)	682,012
Loss for the period					(6,574)	(6,574)	(862)	(7,436)
At March 31, 2015	<u>725,312</u>		<u>725,312</u>	<u>30,997</u>	<u>(80,785)</u>	<u>675,524</u>	<u>(948)</u>	<u>674,576</u>

The accompanying notes are an integral part of these financial statements.

Desenvix Energias Renováveis S.A.

Statement of cash flows

Quarters ended March 31

All amounts in thousands of reais

	Parent company		Consolidated	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit (loss) before taxation	(6,736)	20,684	(14,281)	24,039
Adjustments				
Finance income from long-term receivables	(311)	(252)	(1,353)	(1,160)
Equity in the results of subsidiaries	(20,614)	(27,315)	(2,300)	(7,575)
Gains on the disposal of properties for sale		(940)		(940)
Net book value of property, plant and equipment disposals				2,212
Depreciation and amortization	23	21	15,280	15,576
Amortization of goodwill	288	288	288	288
Provision for losses on investments	19,633	1,025		
Foreign exchange losses (gains) on financial activities			23,965	(3,756)
Financial charges capitalized in subsidiaries	90	85	89	87
Financial charges on borrowings	5,307	6,632	18,094	19,483
Provision for losses on electric power contracts			1,160	
	(2,320)	228	40,942	48,254
Changes in assets and liabilities				
Trade receivables	(53)	(374)	(9,087)	(645)
Taxes recoverable	(6)	(180)	280	(1,306)
Other changes in assets	334	205	2,551	(3,774)
Trade payables	481	(1,510)	(1,939)	(24,275)
Salaries and social charges	(79)	(665)	65	(810)
Taxes and contributions	460	(211)	1,041	(886)
Other changes in liabilities	(111)	(31)	756	(182)
	(1,294)	(2,538)	34,609	16,376
Cash used in operations				
Interest paid on borrowings	(533)	(2,714)	(11,628)	(14,075)
Income tax and social contribution paid			(1,887)	(6,463)
Net cash provided by (used in) operating activities	(1,827)	(5,252)	21,094	(4,162)
Cash flows from investing activities				
(Application) redemption of restricted financial investments			17	
Acquisition of investments and capital increases	(1,020)	(11,987)	(1,020)	(11,987)
Dividends received	3,035			
Purchases of property, plant and equipment and intangible assets	(23)	(6)	(424)	(160)
Sale of investment, net of cash received		4,000		4,000
Related-party transactions	5,032	(18,382)	(1,183)	986
Net cash provided by (used in) investing activities	7,024	(26,375)	(2,610)	(7,161)
Cash flows from financing activities				
Proceeds from borrowings		7		7
Repayment of borrowings – principal	(5,000)		(14,820)	(9,623)
Capital increase		30,000		30,000
Net cash provided by (used in) financing activities	(5,000)	30,007	(14,820)	20,384
Increase (decrease) in cash and cash equivalents	197	(1,620)	3,664	9,061
Cash and cash equivalents at the beginning of the period	159	3,225	23,744	28,803
Cash and cash equivalents at the end of the period	356	1,605	27,408	37,864

The accompanying notes are an integral part of these financial statements.

Desenvix Energias Renováveis S.A.

Statement of value added

Quarters ended March 31

All amounts in thousands of reais

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenue				
Sales of products and services	2,669	2,935	66,829	69,442
Inputs acquired from third parties (includes taxes – ICMS and IPI)				
Cost of electric power supply			(13,138)	(8,507)
Cost of services	(1,337)	(1,458)	(1,495)	(1,539)
	(1,337)	(1,458)	(14,633)	(10,046)
Gross value added (1–2)	<u>1,332</u>	<u>1,477</u>	<u>52,196</u>	<u>59,396</u>
Retentions				
Depreciation, amortization and depletion	(312)	(309)	(15,584)	(16,321)
Net value added generated by the entity (3–4)	<u>1,020</u>	<u>1,168</u>	<u>36,612</u>	<u>43,075</u>
Value added received through transfer				
Equity in the results of subsidiaries	980	26,290	2,300	7,575
Finance income	670	515	2,947	9,310
Gains on disposal of investments		940		940
Dividend income		1,700		1,700
	1,650	29,445	5,247	19,525
Total value added to distribute (5+6)	<u>2,670</u>	<u>30,613</u>	<u>41,859</u>	<u>62,600</u>
Distribution of value added				
Personnel and social charges	1,972	1,958	8,356	7,863
Taxes and contributions	(162)	(169)	(6,845)	7,694
Third-party capital remuneration (interest and rentals)	7,434	7,971	47,784	26,129
Profits reinvested/loss for the period	(6,574)	20,853	(6,574)	20,853
Non-controlling interest in profits reinvested			(862)	61
	<u>2,670</u>	<u>30,613</u>	<u>41,859</u>	<u>62,600</u>

The accompanying notes are an integral part of these financial statements.

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at

March 31, 2015

All amounts in thousands of reais unless otherwise stated

1 General information

(a) Operations

The activities of Desenvix Energias Renováveis S.A. (the "Company" or "parent company") and its subsidiaries (together the "Group"), headquartered in Florianópolis, Santa Catarina, include investing in other companies in the areas of electric power generation and transmission.

There were no changes between the complete financial statements for 2014 presented and these interim financial statements as regards the composition of investments or the projects in which the Company has invested.

In the first quarter of 2015 events associated with the generation of electric power occurred, which impacted the results of the Company, including the good performance of the Bahia wind farm, resulting in increased revenues in relation to the amount contracted. Despite the high availability and good performance of the hydroelectric power plants of Desenvix, the crisis faced by the Brazilian electric sector still remains, which has led to losses, as a result of the Generation Scaling Factor (GSF), of R\$ 1,521.

The effects of the GSF in the first quarter of 2015 were minimized by the seasonal strategy of the physical guarantee of hydroelectric power plants, where management decided to concentrate most of the resources in the first half of the year.

On February 13, 2015, the Company disclosed a significant event notice which stated that stockholders Statkraft Investimentos Ltda. (Statkraft) and Jackson Empreendimentos S.A. (Jackson) had reached an agreement whereby Jackson agreed to sell to Statkraft its entire equity interest in Desenvix. The completion of this transaction is subject to approval by the National Electric Power Agency (ANEEL), the Administrative Counsel of Economic Defense (CADE) and the Company's creditors.

On March 30, 2015, according to the significant event notice disclosed, Desenvix and its stockholder J. Malucelli Energia S.A. entered into an agreement regarding the sale of the controlling interest held in the transmission assets, comprising Goiás Transmissão S.A. and MGE Transmissão S.A. (the SPEs), to Empresa de Energia de Bogotá S.A. E.S.P. Each stockholder holds 25.5% interest in each SPE, which represents a total interest of 51%.

(i) Projects in operation

There were no changes between the financial statements for 2014 and these interim financial statements as regards the Group's projects in operation. Details of projects in operation can be found in Note 1 (i) to the complete financial statements for 2014.

(b) Financial position

At March 31, 2015, the Group had an excess of current liabilities over current assets (consolidated) of R\$ 116,318 (December 31, 2014 – R\$ 126,929).

During the last few years the Company has expanded, investing in assets with a high added value, thus requiring high volumes of financial resources. These resources have been obtained as follows: (i) capital contributions from our controlling stockholders, and (ii) long-term financing arrangements. Also, Desenvix Controladora issued two debentures, thus permitting the extension of the borrowing terms and a decrease in finance costs.

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at

March 31, 2015

All amounts in thousands of reais unless otherwise stated

The Company's management monitors the Group's cash position in order to anticipate any liquidity risks.

The significant event notices disclosed by the Company on February 13, 2015, and March 30, 2015, (according to item (a) above) represent important liquidity events for the Company, as they strengthen its cash position and improve its capital structure.

Also, the Company can renegotiate its current debt at favorable market conditions.

2 Summary of significant accounting policies and presentation of the Quarterly Information (ITR)

The parent company and consolidated interim accounting information included in this financial information is presented in accordance with the accounting standard CPC 21 (R1) – Interim Financial Reporting and International Accounting Standard (IAS) 34 – Interim Financial Reporting issued by the International Accounting Standards Board (IASB), and in a manner consistent with the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

The basis of preparation and the accounting policies are the same as those adopted in the annual financial statements for the year ended December 31, 2014. Accordingly, as determined in Official Letter CVM/SNC/SEP 03/2011, the Company has opted to present the explanatory notes to this Quarterly Information in a summarized manner when there are no changes in relation to the content already presented in its annual financial statements. In these cases, the full explanatory note in the annual financial statements is identified, in order not to prejudice the understanding of the financial position and performance during the interim period. Therefore, the corresponding information should be read in Note 2 – Summary of significant accounting policies to the aforementioned financial statements.

3 New standards, amendments and interpretations to existing standards

In the period between the disclosure of the complete financial statements for 2014 and these interim financial statements no new standards and/or interpretations were issued by IASB or the CPC, which might have any impact on the accounting policies applied in these interim financial statements.

4 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and other stakeholders and to maintain an optimal capital structure for that purpose.

In the period between December 31, 2014, and March 31, 2015, there were no changes in the Group's capital management or significant changes in the gearing ratios, as shown below:

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at March 31, 2015

All amounts in thousands of reais unless otherwise stated

	Parent company	
	March 31, 2015	December 31, 2014
Total borrowings (Note 12)	142,641	142,867
Less: cash and cash equivalents (Note 5)	356	159
Less: restricted financial investments (Note 7)	11,481	11,170
Net debt	130,804	131,538
Total equity	675,524	682,098
Total capital	806,328	813,636
Gearing ratio – %	16.22	16.17

	Consolidated	
	March 31, 2015	December 31, 2014
Total borrowings (Note 12)	874,213	858,602
Less: cash and cash equivalents (Note 5)	27,408	23,744
Less: restricted financial investments (Note 7)	52,506	51,170
Net debt	794,299	783,688
Total equity	674,576	682,012
Total capital	1,468,875	1,465,700
Gearing ratio – %	54.08	53.47

5 Cash and cash equivalents

	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Cash and banks	356	159	26,160	21,709
Financial investments (i)	356	159	1,248	2,035
	356	159	27,408	23,744

- (i) Financial investments include Bank Deposit Certificates (CDBs) and Fixed Income Funds, with a yield based on the Interbank Deposit Certificate (CDI) rate, at market competitive conditions, issued by Brazilian financial institutions. These financial investments are redeemable at any time, with no penalty.

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at

March 31, 2015

All amounts in thousands of reais unless otherwise stated

6 Trade receivables

	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Customers – electric power supply (i)			57,015	48,723
Customers – outsourced services (iii)			5,752	4,988
Customers – related parties (Note 11)	1,360	1,307	306	275
Provision for impairment of trade receivables (iv)	(220)	(220)	(220)	(220)
Total	<u>1,140</u>	<u>1,087</u>	<u>62,853</u>	<u>53,766</u>
Current assets	<u>1,140</u>	<u>1,087</u>	<u>36,471</u>	<u>30,452</u>
Non-current assets (ii)			<u>26,382</u>	<u>23,314</u>

- (i) Balances receivable recorded in current assets refer to electric power supply contracts in the ambit of the Incentive Program for Alternative Sources of Electric Power (PROINFA) and the Electric Power Trade Chamber (CCEE), and with third parties, having an average maturity of 35 days. The surplus of electric power generation above 130% of the amount contracted, as established in the Reserve Power Agreement (CER) entered into with CCEE and the subsidiaries that comprise the Bahia Wind Farm, which is received at the end of the determination of each year established in the contract (12 months), is also recorded in current assets.
- (ii) The balances presented in non-current assets relate exclusively to the surplus of electric power generation above 130% of the amount contracted, as established in the CER entered into with CCEE and the subsidiaries that comprise the Bahia Wind Farm, which is received at the end of the determination of each four-year period established in the contract (24 months).
- (iii) The balance at March 31, 2015, (consolidated) refers to receivables from the subsidiary Enex O&M de Sistemas Elétricos Ltda.
- (iv) The balance provided for at March 31, 2015, refers to 100% of outstanding receivables from Usina Hidrelétrica de Cubatão S.A.

7 Restricted financial investments

Because of the financing agreements entered into with BNDES to fund the construction of Esmeralda, Santa Laura, Santa Rosa and Moinho small hydroelectric power plants (PCHs), and the Alzir dos Santos Antunes hydroelectric power plant (UHE), and with Banco do Nordeste do Brasil S.A. ("BNB") to fund the construction of Novo Horizonte, Seabra and Macaúbas Wind Farms, the companies must maintain balances in remunerated or financial investment checking accounts, under a "reserve account", with sufficient funds to pay, at any time, at least an amount equivalent to the sum of the last three installments, including principal, interest and other charges. This amount will remain restricted during the entire amortization period of the related financing agreement (Note 12).

The investments are held with the banks Itaú S.A., Bradesco S.A., Banco do Nordeste do Brasil S.A. and Banco do Brasil S.A., and have a yield based on the CDI rate.

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at March 31, 2015

All amounts in thousands of reais unless otherwise stated

During the reporting period the changes in restricted financial investments in non-current assets were as follows:

	<u>Parent company</u>	
	<u>March 31, 2015</u>	<u>December 31, 2014</u>
At the beginning of the year	11,170	13,202
Income	311	1115
Redemptions		(3,147)
At the end of the year	<u>11,481</u>	<u>11,170</u>
	<u>Consolidated</u>	
	<u>March 31, 2015</u>	<u>December 31, 2014</u>
At the beginning of the year	51,170	52,119
Investments		24,878
Income	1,353	4,179
Redemptions	(17)	(30,006)
At the end of the year	<u>52,506</u>	<u>51,170</u>

8 Investments

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>March 31, 2015</u>	<u>December 31, 2014</u>	<u>March 31, 2015</u>	<u>December 31, 2014</u>
In subsidiaries	451,475	433,538		
In associates and other companies	<u>187,850</u>	<u>184,531</u>	<u>184,309</u>	<u>180,990</u>
	<u>639,325</u>	<u>618,069</u>	<u>184,309</u>	<u>180,990</u>

The analysis of investments in subsidiaries, associates and other companies is as follows:

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at March 31, 2015

All amounts in thousands of reais unless otherwise stated

	Parent company	
	March 31, 2015	December 31, 2014
Subsidiaries		
Enercasa – Energia Caiuá S.A.	2,626	2,649
Energen Energias Renováveis S.A.	1,726	1,740
Enex O&M de Sistemas Elétricos Ltda.	1,978	1,440
Esmeralda S.A.	29,712	30,045
Macaúbas Energética S.A.	42,852	41,807
Moinho S.A.	44,514	42,284
Monel Monjolinho Energética S.A.	127,081	112,690
Novo Horizonte Energética S.A.	45,052	43,508
Santa Laura S.A.	25,998	26,902
Santa Rosa S.A.	50,782	52,687
Seabra Energética S.A.	45,340	43,752
	<u>417,661</u>	<u>399,504</u>
Goodwill	39,322	39,609
Unrealized profits in the parent company	(5,508)	(5,575)
Total investments in subsidiaries	<u>451,475</u>	<u>433,538</u>
Associates		
Goiás Transmissão S.A.	81,244	81,244
MGE Transmissão S.A.	74,516	73,496
Passos Maia Energética S.A.	27,894	25,595
Usina Hidrelétrica de Cubatão S.A.	655	655
	<u>184,309</u>	<u>180,990</u>
Goodwill – concession right	3,541	3,541
Total investments in associates	<u>187,850</u>	<u>184,531</u>
Total investments	<u>639,325</u>	<u>618,069</u>

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at March 31, 2015

All amounts in thousands of reais unless otherwise stated

(a) The main information regarding equity investments is summarized as follows:

<u>March 31, 2015</u>	<u>Ownership interest – %</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Equity (net capital deficiency)</u>	<u>Profit (loss) for the year</u>	<u>Equity in results adjusted by profits realized of assets</u>
Subsidiaries						
Energen - Energias Renováveis S.A.	95	164,114	183,080	(18,966)	(17,243)	(16,381)
Enex O&M de Sistemas Elétricos Ltda.	100	10,976	8,998	1,978	539	539
Esmeralda S.A.	99.99	61,069	31,358	29,712	(333)	(330)
Macaúbas Energética S.A.	99.99	162,497	121,446	41,051	1,059	1,059
Moinho S.A.	99.99	98,392	54,497	43,895	2,237	2,254
Monel Monjolinho Energética S.A.	99.99	344,295	217,214	127,081	14,392	14,415
Novo Horizonte Energética S.A.	99.99	139,871	96,870	43,001	1,560	1,560
Santa Laura S.A.	99.99	55,446	29,448	25,998	(904)	(900)
Santa Rosa S.A.	99.99	123,444	72,662	50,782	(1,905)	(1,885)
Seabra Energética S.A.	99.99	140,301	96,490	43,811	1,601	1,602
Share of profit of subsidiaries						<u>1,933</u>
Enercasa – Energia Caiuá S.A.	100	68,703	90,029	(21,326)	(3,252)	(3,252)
Interest in losses on subsidiaries						<u>(3,252)</u>
Associates						
BBE Bioenergia S.A.	12.5					
Goiás Transmissão S.A.	25.5	845,797	388,397	457,400	58,240	
MGE Transmissão S.A.	25.5	493,156	154,981	338,175	1,897	
Passos Maia Energética S.A. (jointly-controlled entity)	50	137,875	77,486	60,388	4,599	2,300
Usina Hidrelétrica de Cubatão S.A.	20	5,620	3,971	1,649		
Share of profit of associates						<u>2,300</u>
Equity in results of associates and subsidiaries						<u>981</u>

The equity at March 31, 2015, of Monel Monjolinho Energética S.A., Esmeralda S.A., Santa Laura S.A., Santa Rosa S.A. and Moinho Energética S.A.

was adjusted, for equity accounting purposes, by the amount of unrealized profits arising from transactions carried out between the Company and the related subsidiaries of R\$ 2,132, R\$ 150, R\$ 227, R\$ 1,455 and R\$ 1,544 (2014 – R\$ 2,155, R\$ 153, R\$ 231, R\$ 1,475 and R\$ 1,561), respectively.

Desenvix Energias Renováveis S.A.

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The provisions for losses on investments are as follows:

	<u>Parent company</u>
Provision for losses on Enercasa – Energia Caiuá S.A.	(1,025)
At March 31, 2014	<u>(1,025)</u>
	<u>Parent company</u>
Provision for losses on Energen – Energias Renováveis S.A.	(16,380)
Provision for losses on Enercasa – Energia Caiuá S.A.	(3,253)
At March 31, 2015	<u>(19,633)</u>

Changes in investments in the first quarter of 2015 and in 2014 were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
	<u>2015</u>	<u>2015</u>
At January 1, 2015	618,069	180,990
Capital contributions or advances for future capital increase	1,020	1,020
Share of profit of subsidiaries	18,314	
Share of profit of associates and jointly-controlled subsidiaries	2,300	2,300
Amortization of goodwill	(288)	
Amortization of capitalized interest	(90)	(1)
At March 31, 2015	<u>639,325</u>	<u>184,309</u>
	<u>Parent company</u>	<u>Consolidated</u>
	<u>2014</u>	<u>2014</u>
At January 1, 2013	614,373	150,556
Capital contributions or advances for future capital increase	18,717	18,717
Share of profit of subsidiaries	13,496	
Share of profit of associates and jointly-controlled subsidiaries	12,214	12,214
Dividends	(39,233)	(500)
Amortization of goodwill	(1,150)	
Amortization of capitalized interest	(348)	3
At December 31, 2014	<u>618,069</u>	<u>180,990</u>

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at

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All amounts in thousands of reais unless otherwise stated

9 Property, plant and equipment

	Consolidated			
	Plants and other assets	Connectio n systems	Constructio n in progress	Total
At January 1, 2014	1,112,351	70,901	11,379	1,194,631
Additions	1,444		6,911	8,355
Amortization of financial charges capitalized	(344)			(344)
Transfer between accounts	3,183	1,938	(5,121)	
Depreciation	(51,519)	(3,088)		(54,607)
Disposals	(5,401)	(13)	(217)	(5,631)
At December 31, 2014	<u>1,059,714</u>	<u>69,738</u>	<u>12,952</u>	<u>1,142,404</u>
Additions	223		196	419
Amortization of financial charges capitalized	(89)			(89)
Transfer between accounts	(1,885)	(590)	2,475	
Depreciation	(12,907)	(767)		(13,674)
At March 31, 2015	<u>1,045,056</u>	<u>68,381</u>	<u>15,623</u>	<u>1,129,060</u>

Desenvix Energias Renováveis S.A.

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All amounts in thousands of reais unless otherwise stated

The annual depreciation rates of property, plant and equipment are as follows: _____ %

Weighted average rate

Plants and other assets

Reservoirs, dams and water mains	4.23
Buildings, civil construction work and improvements	3.99
Machinery and equipment	4.31
Furniture and fittings	6.25
IT and other equipment	14.29
Connection systems	
Buildings, civil construction work and improvements	3.66
Machinery and equipment	4.00

10 Intangible assets

The composition of intangible assets can be summarized as follows:

	<u>Parent company</u>			
			<u>2015</u>	<u>2014</u>
	<u>Contracts with a resolatory condition</u>	<u>Other contracts and costs</u>	<u>Total</u>	<u>Total</u>
Feasibility and environmental studies				
Riacho Seco Hydroelectric Power Plant (UHE) (i)	3,350	6,186	9,536	9,536
Torixoréu Hydroelectric Power Plant (UHE)	2,500		2,500	2,500
Itapiranga Hydroelectric Power Plant (UHE)	1,100		1,100	1,100
Basic projects and others				
Bonança Small Hydroelectric Power Plant (PCH)				
(ii)	1,493	9	1,502	1,502
Others		88	88	93
	<u>8,443</u>	<u>6,283</u>	<u>14,726</u>	<u>14,731</u>

- (i) Expenditures reviewed and approved by ANEEL in 2010, pursuant to Circular Letters 243/2010 and 453/2010.
- (ii) Basic project in the final phase of approval, supported by prior environmental license, and land for the reservoir.

Desenvix Energias Renováveis S.A.

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March 31, 2015

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	Consolidated			
			2015	2014
	Cost	Accumulated amortization	Net	Net
Use of Public Assets (UBP)	50,990	(11,031)	39,959	40,674
Goodwill on acquisition of investment (i)	30,349		30,349	30,349
Environmental feasibility and inventory studies and projects (iii)	14,726		14,726	14,731
Authorization right	10,511		10,511	10,511
Operating licenses (ii)	23,743	(13,700)	10,043	10,924
Firm contracts	5,751	(3,739)	2,012	2,300
Others	10,191	(3,471)	6,721	6,721
	<u>146,261</u>	<u>(31,941)</u>	<u>114,321</u>	<u>116,210</u>

Desenvix Energias Renováveis S.A.

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March 31, 2015

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The annual amortization rates of intangible assets are as follows:

	<u>%</u>
	<u>Average rate</u>
Use of Public Assets (UBP)	3.57
Environmental feasibility and inventory studies and projects	not defined
Operating licenses	20 to 25
Firm contracts	20

- (i) The balance refers to goodwill paid in expectation of future profitability of subsidiary Enex O&M de Sistemas Elétricos Ltda. The Group has carried out impairment tests, considering the discounted cash flow, and has not identified any impairment of this asset;
- (ii) Refers to goodwill of investees Passos Maia Energética S.A. and Energen Energias Renováveis S.A. (R\$ 3,541 and R\$ 6,971, respectively). These projects are operational and show no indication of impairment;
- (iii) Refers to a study of projects in progress; related changes are as follows:

	<u>Parent company</u>	<u>Consolidated</u>
At January 1, 2014	17,234	117,047
Addition to intangible assets	50	9,712
Amortization of goodwill on firm contracts		(1,150)
Write-off of intangible assets as losses	(1,820)	(1,820)
Transfer of intangible assets – BBE	(716)	(716)
Amortization of Use of Public Assets (UBP), licenses and others	(17)	(6,863)
At December 31, 2014	<u>14,731</u>	<u>116,210</u>

	<u>Parent company</u>	<u>Consolidated</u>
At January 1, 2015	14,731	116,210
Addition of intangible assets		5
Amortization of goodwill on firm contracts		(288)
Amortization of Use of Public Assets (UBP), licenses and others	(5)	(1,606)
At March 31, 2015	<u>14,726</u>	<u>114,321</u>

Desenvix Energias Renováveis S.A.

Notes to the quarterly information at March 31, 2015

All amounts in thousands of reais unless otherwise stated

11 Related parties

(a) Balances arising from sales and/or purchases of products or services

	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Current assets				
UHE Cubatão S.A.	220	220	220	220
Esmeralda S.A.	97	94		
Macaúbas Energética S.A.	64	62		
Moinho S.A.	268	267		
Monel Monjolinho Energética S.A.	296	288		
Novo Horizonte Energética S.A.	65	63		
Passos Maia Energética S.A.	86	55	86	55
Santa Laura S.A.	64	62		
Santa Rosa S.A.	130	127		
Seabra Energética S.A.	70	69		
	<u>1,360</u>	<u>1,307</u>	<u>306</u>	<u>275</u>
Dividends receivable				
Energen S.A.	890	890		
Enex O&M de Sistemas Elétricos Ltda.	2,875	2,875		
Esmeralda S.A.		1,906		
Goiás Transmissão S.A.	10,434	10,434	10,434	10,434
Moinho S.A.	176	176		
Monel Monjolinho Energética S.A.	217	217		
Novo Horizonte Energética S.A.	962	962		
Passos Maia Energética S.A.	500	500	500	500
Santa Laura S.A.	1,744	2,444		
Santa Rosa S.A.		429		
Seabra Energética S.A.	1,203	1,203		
	<u>19,001</u>	<u>22,036</u>	<u>10,934</u>	<u>10,934</u>
Non-current assets – long-term receivables				
Adami S.A. Madeiras	654	654	654	654
Água Quente Ltda. (vi)	884	884	884	884
Bom Retiro S.A.	703	703	703	703
Enercasa - Energia Caiuá S.A. (iii)	25,282	23,732		
Energen Energias Renováveis S.A. (iii)	24,944	24,919		
Engevix Engenharia S.A. (i)	3,087	3,087	3,087	3,087
Enex O&M de Sistemas Elétricos Ltda. (iii)	900			
FUNCEF (ii)	5,586	5,317	5,586	5,317
Jackson Empreendimentos Ltda. (ii)	161	2,444	161	2,444
JP Participações Ltda. (vi)	775	775	775	775
Macaúbas Energética S.A. (iii)	20,493	20,182		
Moinho S.A. (iii)	5,312	4,911		
Novo Horizonte Energética S.A. (iii)	7,877	9,809		
Seabra Energética S/A. (iii)	8,445	9,376		
Esmeralda S.A. (iii)	250			
UHE Cubatão S.A.	197	197	197	197
	<u>105,550</u>	<u>106,990</u>	<u>12,047</u>	<u>14,061</u>
Total assets	<u>125,911</u>	<u>130,333</u>	<u>23,287</u>	<u>25,270</u>

Desenvix Energias Renováveis S.A.

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	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Current liabilities				
Trade payables				
Engevix Engenharia S.A. (iv)			808	808
Related parties				
Engevix Engenharia S.A. (v)	1,414	2,752	1,414	2,752
Jackson Empreendimentos Ltda. (v)	386	2,209	386	2,209
Monel Monjolinho Energética S.A. (iii)	2,229			
Santa Rosa S.A. (iii)	4,560			
Statkraft (v)	94	130	94	130
	8,683	5,091	1,894	5,091
Total liabilities	8,683	5,091	2,702	5,899

- (i) Amount refers to the reimbursement for the development of the Baixo Iguaçu project, free of financial charges.
- (ii) Amounts due from the controlling stockholders refers to the intercompany loan agreement and amounts related to the reimbursement of the costs with respect to the sale of the ownership interest on March 8, 2012. The decrease in Jackson's amounts was due to the partial settlement of the balance of related parties, in accordance with the agreement signed in 2014.
- (iii) Account between the Company and its subsidiaries, free of financial charges.
- (iv) Outstanding balance refers to the turn-key services relating to the construction of the Company's electric power generation projects.
- (v) Includes, mainly, the outstanding balance that refers to the charges for guarantees and corporate sureties, in 2014 and 2015, in connection with the borrowing agreements of the Company and its subsidiaries.
- (vi) Balances related to intercompany loans arising from conditional clauses of the agreement for the purchase and sale of shares between Desenvix, Agua Quente and JP Participações, of the subsidiary Energen.

(b) Sales of goods and services

	Parent company		Consolidated	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Profit (loss) for the year				
Revenues from services rendered				
Energen Energias Renováveis S.A.		203		
Esmeralda S.A.	278	278		
Macaúbas Energética S.A.	184	184		
Moinho S.A.	152	152		
Monel Monjolinho Energética S.A.	851	850		
Novo Horizonte Energética S.A.	186	186		
Passos Maia Energética S.A.	256	320	256	320
Santa Laura S.A.	183	183		
Santa Rosa S.A.	374	374		
Seabra Energética S.A.	205	205		
	2,669	2,935	256	320

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Enex maintains contracts relating to the rendering of services related to operation and maintenance (O&M), and the management of operating activities, with Santa Laura, Santa Rosa, Esmeralda, Monel, Moinho, Passos Maia, Macaúbas, Seabra, Novo Horizonte, Enercasa and Energen, and prices are determined considering the internal costs.

The revenue billed (full amount) by the subsidiary Enex O&M de Sistemas Elétricos Ltda., considered as electric power service costs for small hydroelectric plants (PCHs), hydroelectric power plants (UHEs) and wind farms (UEEs) totaled R\$ 1,933 at March 31, 2015 (R\$ 1,949 at March 31, 2014).

(c) Key management compensation

The compensation of key management personnel, which includes board members and statutory directors, totaled R\$ 917 in the period ended March 31, 2015 (R\$ 1,002 in the period ended March 31, 2014).

12 Borrowings

	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Construction financing – BNDES (i)			334,079	342,140
Construction financing – BNB (ii)			257,643	259,414
Construction financing – CDB (iii)			139,793	114,105
Debentures (iv)	129,408	124,675	129,408	124,675
Working capital financing (v)	13,211	18,166	13,211	18,166
Other	22	26	79	102
	<u>142,641</u>	<u>142,867</u>	<u>874,213</u>	<u>858,602</u>
Current liabilities	<u>53,233</u>	<u>58,192</u>	<u>109,816</u>	<u>109,646</u>
Non-current liabilities	<u>89,408</u>	<u>84,675</u>	<u>764,397</u>	<u>748,956</u>

The changes in borrowings in the reporting period were as follows:

	Parent company	Consolidated
At January 1, 2014	174,305	923,254
New borrowings	45,005	45,033
Payments	(101,480)	(199,670)
Financial charges appropriated to results	25,234	76,121
Monetary variation gain		14,068
Other	(197)	(204)
At December 31, 2014	<u>142,867</u>	<u>858,602</u>
	Parent company	Consolidated
At December 31, 2014	142,867	858,602
Payments	(5,533)	(26,410)
Financial charges appropriated to results	5,354	18,094
Monetary variation gain		23,965
Other	(47)	(38)
At March 31, 2015	<u>142,641</u>	<u>874,213</u>

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The borrowings obtained by the Company and its subsidiaries have the following basic characteristics:

(i) Borrowing, for the construction of plants, from the National Bank for Social and Economic Development (BNDES)

Company	Maturity	Financial charges – % p.a.	Consolidated	
			March 31, 2015	December 31, 2014
Monel Monjolinho Energética S.A.	October 2026	TJLP + 2.1	141,284	144,442
Santa Rosa S.A.	February 2023	TJLP + 3.8	57,801	59,648
Enercasa – Energia Caiuá S.A.	June 2025	TJLP + 2.5	50,639	50,639
Moinho S.A.	August 2028	TJLP + 2.0	43,747	44,562
Esmeralda S.A.	April 2029	TJLP + 3.5	20,488	21,770
Santa Laura S.A.	July 2020	TJLP + 3.5	20,120	21,079
			<u>334,079</u>	<u>342,140</u>

(ii) Borrowing, for the construction of plants, from Banco do Nordeste do Brasil S.A. (BNB).

Company	Maturity	Financial charges – % p.a.	Consolidated	
			March 31, 2015	December 31, 2014
Macaúbas Energética S.A.	July 2028	9.5	94,442	95,169
Novo Horizonte Energética S.A.	July 2028	9.5	82,103	82,547
Seabra Energética S.A.	July 2028	9.5	81,098	81,698
			<u>257,643</u>	<u>259,414</u>

The loan agreement referred to provides for non-default bonuses of 25% on financial charges, from 9.5% p.a. to 7.125% p.a.

All the restrictive conditions in the loan agreements (covenants) with BNB have been complied with.

(iii) Construction financing – China Development Bank (CDB)

Company	Maturity	Financial charges – % p.a.	Consolidated	
			March 31, 2015	December 31, 2014
Energen Energias Renováveis S.A.	June 2027	LIBOR 6M + 5.1	<u>139,793</u>	<u>114,105</u>

(iv) Debentures

There were no changes in the structure of the debentures in the period between the issue of the complete financial statements for 2014 and these interim financial statements. Further details regarding these debentures can be found in the complete financial statements that have been issued.

Desenvix Energias Renováveis S.A.

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Company	Maturity	Financial charges – % p.a.	Consolidated	
			March 31, 2015	December 31, 2014
Desenvix	December 2016	CDI + 3.75	83,562	80,560
Desenvix	May 2019	CDI + 2.85	47,188	45,589
			<u>130,750</u>	<u>126,149</u>

First public issue of simple debentures, non-convertible into shares, of unsecured type, with additional guarantee, in single series

The deed of the debentures in force establishes the early maturity of the total obligation if a number of requirements is not met, including non-achievement of certain financial indices every other three-quarter period. The indices required and the results obtained at March 31, 2015, are summarized below:

Index description	Characterizes breach of the index:	Amount obtained
Total debt / income from dividends (Parent Company)	Higher than 4.0	3.6
Total debt / equity (Consolidated)	Higher than 1.5	1.3
Debt service coverage (ICSD) (Consolidated)	Lower than 1.0	1.0

As stated, all the restrictive conditions in the loan agreements (covenants) have been complied with.

Second issue of simple debentures, non-convertible into shares, of unsecured type, with personal guarantee and with additional secured guarantee under suspensive condition, in single series, for public offering with restricted efforts

There are no restrictive clauses for these debentures, and they are entitled to the guarantees detailed in the complete financial statements mentioned above.

(v) Working capital financing

The Company has a working capital contract with Banco do Brasil, with the following characteristics: (i) a contract in the amount of R\$ 20,000 entered into on November 14, 2013, with the payment of finance charges in 24 monthly installments; principal is to be repaid in 12 installments, the first installment maturing on December 13, 2014, and the last installment on November 13, 2015. A surety from Engevix Engenharia S.A. was provided as collateral for the total amount of the debt.

13 Concessions payable

The balance payable at December 31, 2014 amounted to R\$ 65,334 (R\$ 64,493 at December 31, 2014) and was fully represented by the obligation payable arising from the concession agreement entered into with ANEEL for the exploration of the hydroelectric potential of Alzir dos Santos Antunes UHE (Monel Monjolinho Energética S.A.), adjusted to present value, considering an interest rate of 9.50%. The corresponding obligation will be paid in monthly installments, adjusted annually based on the General Market Price Index (IGP-M) rate variation, as calculated by the Getúlio Vargas Foundation (FGV). Payments started in September 2009, the date the plant became operational, and will end in April 2037.

Desenvix Energias Renováveis S.A.

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14 Taxes and contributions

	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Tax on Financial Transactions (IOF) payable	12,389	11,917	12,389	11,917
Withholding taxes (ISSQN, IRRF, INSS, CSLL and others)	13	25	877	584
COFINS payable			2,688	2,544
ANEEL fees and contributions			699	597
PIS payable			582	552
	<u>12,402</u>	<u>11,942</u>	<u>17,235</u>	<u>16,194</u>
Current liabilities	<u>12,402</u>	<u>11,942</u>	<u>16,272</u>	<u>15,343</u>
Non-current liabilities			<u>963</u>	<u>851</u>

15 Other liabilities

	Parent company		Consolidated	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Provision for contingencies	1,177	1,285	1,619	1,793
Provision for environmental contingencies (i)			21,604	23,225
Owners of areas	1,905	1,905	3,181	3,176
Provisions for pre-operating expenses (ii)			5,991	5,750
Return of electric energy (CCEE)			6,559	5,772
Provision for GSF			27,021	27,070
Other sundry payables	5	8	1,709	983
	<u>3,087</u>	<u>3,198</u>	<u>67,684</u>	<u>67,769</u>
Current liabilities	<u>1,911</u>	<u>1,913</u>	<u>42,976</u>	<u>43,299</u>
Non-current liabilities	<u>1,176</u>	<u>1,285</u>	<u>24,708</u>	<u>24,470</u>

(i) This is an authorization issued by the environmental licensing agency, which attests that the project complies with the environmental legislation, and is ready to be implemented or to operate.

(ii) Amounts provisioned in the plant implementation phase are classified in construction in progress.

16 Provision for electric power contracts

For 2015, the subsidiary Enercasa has recorded a provision for penalties in the accumulated amount of R\$ 1,160. Considering amounts for 2012, 2013, 2014 and 2015, the total penalty amount is R\$ 12,948.

There were no changes between the provision presented in these interim financial statements and the amount reported in the complete financial statement for the year ended December 31, 2014.

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17 Equity

Share capital

Subscribed and paid-up capital at March 31, 2015, comprised 117,001,722 registered common shares with no par value.

18 Net operating revenue

	Parent company		Consolidated	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Gross revenue				
Electric power supply			57,056	61,532
Services rendered	2,669	2,935	9,773	7,910
Taxes on revenues				
Provision of services			(1,192)	(931)
Electric power supply			(2,509)	(3,638)
Net operating revenue	<u>2,669</u>	<u>2,935</u>	<u>63,128</u>	<u>64,873</u>

19 Costs and expenses by nature

	Parent company			
	March 31, 2015	March 31, 2014		
Personnel expenses	(1,055)	(956)		
Management compensation	(917)	(1,002)		
Outsourced services	(742)	(719)		
Travel and lodging	(149)	(102)		
Rentals	(68)	(77)		
Taxes and fees	(6)	(8)		
Depreciation and amortization	(23)	(22)		
Advertising and publicity	(29)	(88)		
Studies in progress	(188)	(194)		
Other	(157)	(86)		
	<u>(3,334)</u>	<u>(3,254)</u>		
			Consolidated	
	March 31, 2015	March 31, 2014		
Personnel expenses	(8,418)	(6,861)		
Management compensation	(917)	(1,002)		
Outsourced services	(3,753)	(3,333)		
Travel and lodging	(279)	(235)		
Rentals	(622)	(496)		
Taxes and fees	(57)	(24)		
Industry charges	(2,610)	(3,101)		
Depreciation and amortization	(15,280)	(15,864)		
Advertising and publicity	(35)	(89)		
Surety insurance and commissions	(317)	(393)		
Studies in progress	(188)	(194)		
Provision for losses on electric power contracts	(1,368)			
Reversal of the provision for the purchase of energy		957		
Other	(726)	(342)		
	<u>(34,570)</u>	<u>(30,977)</u>		

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20 Finance result

	Parent company		Consolidated	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
With borrowings	(5,354)	(6,315)	(18,094)	(19,157)
Bank guarantee letters	(778)	(1,258)	(778)	(2,151)
IOF, fines and interest on taxes	(518)	(321)	(543)	(375)
Monetary variation losses	(375)		(24,448)	(3,950)
Concessions payable			(2,806)	(2,627)
Other finance costs	(409)	(403)	(1,129)	(1,283)
	<u>(7,434)</u>	<u>(8,297)</u>	<u>(47,798)</u>	<u>(29,543)</u>
Financial investments	311	515	1,821	1,604
Monetary variation gain	359		1,126	7,706
	<u>670</u>	<u>515</u>	<u>2,947</u>	<u>9,310</u>
	<u>(6,764)</u>	<u>(7,782)</u>	<u>(44,851)</u>	<u>(20,233)</u>

21 Income tax and social contributions

(a) For the quarter

The Company, as well as its subsidiaries Enex O&M de Sistemas Elétricos Ltda., Enercasa Energia Caiua S.A. and Energen Energias Renováveis S.A., opted to compute taxable income in accordance with their accounting records (as adjusted for tax purposes). The other subsidiaries opted for the presumed profit system when calculating the corporate income tax (IRPJ) and social contributions (CSLL) due on their taxable income.

The IRPJ and CSLL charges in the periods ended March 31 can be summarized as follows:

	Consolidated	
	March 31, 2015	March 31, 2014
Income tax and social contributions		
Current	(2,008)	(2,621)
Deferred	8,853	(504)
	<u>6,845</u>	<u>(3,125)</u>

Current IRPJ and CSLL charges, by calculation system, in the quarters ended March 31, can be summarized as follows:

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(b) Reconciliation of the current income tax and social contribution expense

	<u>Consolidated</u>	
	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Profit (loss) before taxation	(14,281)	24,039
Loss before income tax, social contributions and result of equity investments in the parent company and subsidiaries, which presented a tax loss in the quarter		6,265
Adjustments and eliminations on consolidation	(1,384)	67
Exclusion of tax losses with no prospect of future realization	7,688	
Result of equity investments	2,300	(7,575)
	<u>(5,677)</u>	<u>22,796</u>
Combined nominal rate of income tax and social contributions – %	<u>34%</u>	<u>34%</u>
Income tax and social contributions at the statutory rates	1,930	(7,750)
Difference in the income tax and social contribution charge of subsidiaries computed under the deemed profit system at different rates and tax bases	4,753	4,792
Other deferred taxes accounted for in the period	162	(167)
Income tax and social contribution base in the period	<u>6,845</u>	<u>(3,125)</u>

(c) Deferred income tax and social contribution assets and liabilities

Total deferred tax assets at March 31, 2015, were R\$ 39,763 (R\$ 30,713 in 2014) and total deferred tax liabilities were R\$ 7,819 (R\$ 7,783 in 2014). The net changes of deferred taxes in 2015 amounted to R\$ 8,853, of which R\$ 8,312 related to the foreign exchange variation recognized in the period and R\$ 541 related to temporary differences.

22 Insurance and guarantees

(a) Bank guarantee letters and collateral

The Company contracted bank guarantee letters with BNDES as guarantees for the loan obtained by the subsidiary MGE Transmissão S.A., in the amount of R\$ 27,782.

(b) Civil liability insurance of directors and officers (D&O)

The Company is co-insured under the policy held by the stockholder Jackson Empreendimentos S.A., effective until March 31, 2015. The insurance has a supplementary coverage until March 31, 2017, for acts performed up to the expiration date.

(c) Operating risk insurance

The Company has also contracted operating risk insurance for its plants, to cover against material damages and loss of profits, at amounts and indemnity limits that are appropriate to ensure the continuity of its operations.

(d) Civil liability insurance

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Also, the Company has contracted civil liability insurance for its plants.

(e) Corporate guarantee of the controlling stockholders

At the meeting held on June 27, 2012, the Company's Board of Directors authorized Desenvix to make a payment to Jackson/Engevix as a fee for the sureties and guarantees provided. According to the proposal, Desenvix will pay 1.0% p.a. for the bank guarantees and 0.5% for the performance bonds at the end of each financial year. The total amount guaranteed by Jackson/Engevix is R\$ 219,171. The amount provisioned as payable in 2014 related to these guarantees and sureties was R\$ 606 in the parent company.

23 Financial instruments

The Company and its subsidiaries did not have off-balance sheet financial instruments at March 31, 2015.

The Company and its subsidiaries have various financial instruments, mainly cash and cash equivalents, trade receivables, financial investments, trade payables and financing.

23.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by a central treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks in close co-operation with the operating units. The Board provides overall principles for risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of surplus liquidity.

(a) Market risk

(i) Foreign exchange risk

At March 31, 2015, the Desenvix Group had liabilities in foreign currency related to the debt of the subsidiary Energen Energias Renováveis S.A. (Note 12(iii)), thereby exposing it to foreign exchange risk.

This risk is associated with the fluctuations of the U.S. dollar in relation to the functional currency used by Desenvix (the Brazilian real).

Foreign exchange risk

	<u>Consolidated</u>			
	<u>March 31, 2015</u>		<u>December 31, 2014</u>	
	<u>R\$</u>	<u>US\$</u>	<u>R\$</u>	<u>US\$</u>
China Development Bank (CDB)	<u>139,793</u>	<u>43,710</u>	<u>114,105</u>	<u>43,122</u>

With respect to the foreign exchange risk related to the financing arrangement mentioned above,

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management continuously monitors changes in the foreign exchange rates, and assesses the need to take any measures to hedge against currency fluctuations.

(ii) Cash flow and fair value interest rate risk

As the Group has no significant interest-earning assets, its income and operating cash flows are substantially independent of changes in market interest rates.

This associated risk arises from the possibility that the Group could incur losses due to fluctuations in interest rates which increase the finance costs related to borrowings obtained in the market.

(b) Liquidity risk

This risk relates to the risk of the Company having insufficient liquidity to meet its financial commitments, due to the mismatch of terms or volume between expected receipts and payments.

To manage cash liquidity, assumptions about future disbursements and receipts are determined, and these are monitored periodically by the treasury area.

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The table below summarizes the Group's non-derivative financial liabilities by maturity groupings based on the period remaining from the balance sheet date up to the contractual maturity date. The amounts disclosed in the table below are the undiscounted cash flows.

	Parent company			Consolidated			
	Less than one year	Between 1 and 3 years	Between 3 and 5 years	Less than one year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years
At March 31, 2015							
Trade payables	2,150			6,762			
Borrowings	71,737	75,906	29,202	150,879	250,946	202,086	887,073
Related parties	8,683			1,894			
Payables for land acquisitions	1,905			3,181			
Concessions payable				6,914	14,760	15,651	233,351
At December 31, 2014							
Trade payables	1,669			8,701			
Borrowings	58,192	100,873	29,202	152,853	275,804	203,411	911,653
Related parties	5,091			5,091			
Payables for land acquisitions	1,905			3,176			
Concessions payable				6,791	14,642	16,085	225,327

The Company understands that there is no significant liquidity risk.

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(c) Risk of accelerated maturity of financing

This risk relates to possible non-compliance with the restrictive covenants of the loan agreements entered into with BNDES, CDB, BNB, and debentures (Note 12), which, in general, require the maintenance of financial ratios at certain levels. The Group's management regularly monitors these financial ratios, with a view to taking the necessary actions to ensure that the maturity of the financing contracts will not be accelerated.

(d) Additional sensitivity analysis required by the Brazilian Securities Commission (CVM)

Pursuant to CVM Instruction 475/08, a sensitivity table is presented, which shows the sensitivity analysis of financial instruments, and discloses the effects of monetary variations and financial expenses calculated based on the estimated scenario at December 31, 2014, and March 31, 2015, in the event that variations in the risk components occur.

Simplifications were utilized to segregate the variability in the risk factor being analyzed. Consequently, the estimates presented below do not necessarily present the amounts that could be determined in future financial statements. The use of different assumptions and/or methodologies could have a material effect on the estimates presented.

(i) Methodology applied

Based on the balances of amounts exposed to risk, as shown in the tables below, and assuming that these amounts are held constant, the interest differential is estimated for each scenario.

For the evaluation of the amounts exposed to interest rate risk, only the risks related to the financial statements were considered, i.e., the fixed interest factors were segregated and excluded since they do not represent a risk to the financial statements due to variations in the economic scenarios.

The probable scenario is based on the Company's estimates, which are in line with the projections presented in the report issued by Banco BTG Pactual S.A. at December 31, 2014 for each of the variables indicated. Interest rates are in line with the projections included in the Focus report of the Central Bank of Brazil (BACEN), at December 31, 2014. Additionally, positive and negative stress variations of 25% and 50% were applied to the rates projected for December 31, 2015.

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(ii) Risk factor for changes in interest rates (consolidated)

		Additional variations in the book balance (*)						
Risk factor	Amounts exposed at March 31, 2015	Amounts exposed at December 31, 2014	-50%	-25%	Probable scenario	25%	50%	
Borrowings	CDI	(142,641)	(142,867)	(2,148)	(3,221)	(4,295)	(5,369)	(6,443)
Financial investments	CDI	1,248	2,035	8	13	17	21	25
Restricted financial investments	CDI	<u>52,506</u>	<u>51,170</u>	791	1,186	<u>1,581</u>	<u>1,976</u>	<u>2,372</u>
Net impact	CDI	<u>(88,887)</u>	<u>(89,662)</u>	<u>(1,349)</u>	<u>(2,022)</u>	<u>(2,697)</u>	<u>(3,372)</u>	<u>(4,046)</u>
Borrowings	TJLP	(334,079)	(342,140)	(2,251)	(3,376)	(4,502)	(5,627)	(6,753)
Borrowings	Libor	(139,793)	(114,105)	(2,105)	(3,157)	(140)	(5,262)	(6,314)
Rates considered – % per year	CDI	12.60%	9.77%	6.30%	9.45%	12.60%	15.75%	18.90%
Rates considered – % per year	TJLP	5.50%	5.00%	2.75%	4.13%	5.50%	6.88%	8.25%
Rates considered – % per year	Libor	0.40%		0.20%	0.30%	0.40%	0.50%	0.60%

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(iii) Risk factor for changes in foreign exchange rates (consolidated)

Risk factor	Amounts exposed at March 31, 2015	Amounts exposed at December 31, 2014	Additional variations in the book balance (*)					
			-50%	-25%	Probable scenario	25%	50%	
Borrowings	Dollar	(139,793)	(114,105)	46,306	27,609	(437)	(35,494)	(70,552)
Variations considered – R\$/US\$	Dollar	3.20	2.65	2.14	2.57	3.21	4.01	4.82

(*) The positive and negative variations of 25% and 50% were applied to the rates projected for December 31, 2015.

(e) Fair value estimation

The carrying values of trade receivables and payables, concessions payable and related parties, less the impairment provision, when applicable, are assumed to approximate their fair values. The fair values of assets and liabilities are determined using valuation techniques. These valuation techniques maximize the use of observable market data where available, and rely as little as possible on Company-specific estimates. If all significant inputs required to determine the fair value of an asset or liability are observable the asset or liability is included in Level 2.

The table below classifies financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities – Level 1.
- (ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) – Level 2.
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) – Level 3.

The following table presents the Group's assets that were measured at fair value at March 31, 2015.

At March 31, 2015

	Consolidated		
	Level 2	Level 3	Total balance
Assets			
Restricted financial investments	52,506		52,506
Available-for-sale financial assets		63,698	63,698
Investments			
Total assets	52,506	63,698	116,204

At December 31, 2014

	Consolidated		
	Level 2	Level 3	Total balance
Assets			
Restricted financial investments	51,170		51,170
Available-for-sale financial assets		63,698	63,698
Investments			
Total assets	51,170	63,698	114,868

The Company has investments that do not have a significant influence – namely, a 5% investment in Companhia

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Energética Rio das Antas and a 2.12% investment in Dona Francisca Energética S.A. – which are recorded at fair value in the amounts of R\$ 53,477 thousand and R\$ 10,221 thousand, respectively.

The Company has prepared future cash flows to evaluate the amount of its investment, considering as its expiration the date of termination of the concession contract. There is a possibility that the concession term of this investee will be extended for 20 more years after the end of the first concession period; however, an authorization from third parties is required for the concession to be renewed. Therefore, any extension may result in amounts that are different from the current ones.

(f) Financial instruments by category

	Consolidated			
	Assets and liabilities at fair value through profit or loss	Loans and receivables	Available for sale	Total
March 31, 2015				
Assets as per balance sheet				
Cash and cash equivalents		27,408		27,408
Trade receivables		62,853		62,853
Related parties		12,047		12,047
Other assets		2,138		2,138
Restricted financial investments	52,506			52,506
Investments Ceran and Dfesa			63,698	
Investment properties	25,237			25,237
	<u>77,743</u>	<u>104,446</u>	<u>63,698</u>	<u>182,189</u>
Consolidated				
	Assets and liabilities at fair value through profit or loss	Loans and receivables	Available- for-sale	Total
December 31, 2014				
Assets as per balance sheet				
Cash and cash equivalents		23,744		23,744
Trade receivables		52,206		52,206
Related parties		14,061		14,061
Other assets		4,039		4,039
Restricted financial investments	51,170			51,170
Investments Ceran and Dfesa			63,698	63,698
Investment properties	25,237			25,237
	<u>76,407</u>	<u>94,050</u>	<u>63,698</u>	<u>234,155</u>

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	<u>Consolidated</u>
March 31, 2015	
Liabilities as per balance sheet	
Trade payables	6,762
Borrowings	874,213
Related parties	1,894
Payables for land acquisitions	3,181
Concession payable	65,334
	<u>951,384</u>
	<u>951,384</u>
December 31, 2014	
Liabilities as per balance sheet	
Trade payables	35,771
Borrowings	858,602
Related parties	5,091
Payables for land acquisitions	3,176
Concession payable	64,493
	<u>967,133</u>
	<u>967,133</u>

24 Other operational risks

(a) Hydrological risk

This risk arises due to the possibility of an extended period of drought. Pursuant to Brazilian regulations, revenue from electric energy sales by generating companies does not depend directly on the energy actually produced, but on the amount of electric energy and capacity sold by them, which is limited by reference to the assured energy, the amount of which is fixed and determined by the concession authority and is included in the authorization issued by it, and any subsequent amendments.

Differences between energy generated and assured energy are covered by the Energy Reallocation Mechanism (MRE), the main purpose of which is to mitigate hydrologic risks, to ensure that all the participating generating plants receive their income from the amount of assured energy sold, regardless of the amount of electric energy actually generated by them.

(b) Risk of not having the authorization or concession extended

The Company has authorization to develop and operate electric energy generation services, without any payments related to the use of public assets (Note 1). If the extension of the authorization is not approved by the regulatory agencies or is subject to additional costs being imposed on the Company, the current profitability and activity levels could be reduced. There can be no guarantee that the authorization granted to the Company will be extended, upon maturity, by the concession authority.

25 Contingencies

The Company and its subsidiaries have contingencies with a probable risk of future disbursement, the amounts of which have been provisioned, as presented in Note 15. The amounts considered as having a probable risk of disbursement do not have a related accounting provision, but are only mentioned in the explanatory note, as described below.

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	Parent company	
	2015	2014
	Possible risk	Possible risk
Civil	200	200
		Consolidated
	2015	2014
	Possible risk	Possible risk
Civil	2,172	2,012
Administrative	454	454
	<u>2,626</u>	<u>2,466</u>

Social security contributions and other social charges and taxes on revenues and other income, as well as the income tax returns of the Company and its subsidiaries, are subject to review and final approval by the tax authorities for variable periods of time, and to possible additional assessments.

The Company and its subsidiaries are subject to federal, state and municipal environmental laws and regulations, and they comply with them. Therefore, management does not expect to incur restoration costs or fines of any nature.

Operating licenses establish certain conditions and restrictions in relation to the environment, which are complied with by the Company and its subsidiaries.

26 Basic and diluted earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the profit (loss) attributable to the stockholders of the Company by the average number of shares outstanding during the period. The Company has no common share categories with dilutive effects and, therefore, the basic and diluted earnings (loss) per share are the same.

	Consolidated	
	2015	2014
Profit (loss) attributable to common stockholders of the Company	(6,574)	20,853
Weighted average number of outstanding common shares	<u>117,002</u>	<u>117,002</u>
Earnings (loss) per share	<u>(0.05619)</u>	<u>0.17823</u>

Outstanding shares, in accordance with the relevant accounting standards, refer to the total shares issued by the Company less the shares held in treasury, when applicable.

27 Prepaid expenses

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The total balance at March 31, 2015, in the parent company relates to expenses involved in the issue of debentures, and, in the consolidated, to expenses involved in the issue of debentures of the parent company and prepayment of insurance by subsidiaries.

28 Non-controlled investments at fair value

In this account investments without significant influence are recorded at fair value: namely, investments in Companhia Energética Rio das Antas (5%) and Dona Francisca Energética S.A. (2.12%). At December 31, 2014, these investments amounted to R\$ 53,477 and R\$ 10,221, respectively. The Company revalued the fair value of these investments as at March 31, 2015, and has not identified any changes in relation to the amounts presented at the end of 2014.

* * *