UTE GNA I Geração de Energia S.A.

(Privately held)

Interim financial information as of September 30, 2018

Contents

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Report on the review of the interim financial information

(A free translation of the original report in Portuguese prepared in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards - IFRS)

To the Board of Directors and Management of

UTE GNA I Geração de Energia S.A.

Rio de Janeiro – RJ

Introduction

1. We have reviewed the balance sheet of UTE GNA I Geração de Energia S.A. ("the Company"), as of September 30, 2018, and the respective statements of operations and comprehensive loss for the three and nine months periods then ended and of statement of changes in shareholders' equity and of cash flows for the nine-month period then ended, including the explanatory notes.

   Management is responsible for the preparation of the interim financial information in accordance with the accounting pronouncement CPC 21(R1) and the international accounting standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

2. We conducted our review in accordance with Brazilian and International Interim Information Review Standards (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists on making inquiries, primarily to the management responsible for financial and accounting matters, and applying analytical procedures and other review procedures. The scope of a review is significantly less than an audit conducted in accordance with auditing standards and, consequently, it did not enable us to obtain assurance that we were aware of all the significant matters that would have been identified in an audit. Therefore, we do not express an audit opinion.

Conclusion

3. Based on our review, nothing has come to our attention that causes us to believe that the interim financial information referred to above was not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, issued by IASB.

Emphasis of matter - Pre-operational Stage

4. As mentioned in Note 1 the Company is in the pre-operational stage and, consequently has not generated cash flow for the maintenance of its activities. Therefore, the investments and expenses incurred by the Company depends on the financial support of its shareholders. The interim financial statements should be read in this context. Our conclusion is not modified in respect of this matter.

Other matters - Review of amounts corresponding to the previous period

5. The amounts of the respective statements of operations, comprehensive loss for the three and nine-months periods ended on September 30, 2017 and statement of changes in shareholders' equity and of cash flows for the nine-month period ended on September 30, 2017, presented for comparison purposes, were not reviewed by us or by other independent auditors and, consequently, we are not expressing a conclusion on the amounts corresponding to the previous period.

Rio de Janeiro, November 12, 2018

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ
(Original report in Portuguese signed by)
Luis Claudio França de Araújo
Accountant CRC RJ-091559/O-4

UTE GNA I Geração de Energia S.A.

Balance sheet

September 30, 2018 and December 31, 2017

(In thousands of Reais)

	Note	09/30/2018	12/31/2017
Asset			
Current			
Cash and cash equivalents	3	32,522	260
Escrow account	4	200	-
Other advances		3	-
Recoverable taxes	6	367	-
Income taxes and contributions recoverable	6	355	-
Prepaid expense	5	15,399	2,084
Other receivables		2	-
Total current assets		**48,848**	**2,344**
Non-current			
Prepaid expense	5	14,078	-
Property, plant and equipment	7	646,600	12,060
Intangible assets	8	30,000	30,000
Total non-current assets		**690,678**	**42,060**
Total assets		**739,526**	**44,404**

Liabilities	Note	09/30/2018	12/31/2017
Current			
Suppliers	9	42,049	1,461
Salaries and charges payable		448	-
Accounts payable to related party	10	1,773	623
Taxes payable	11	2,522	-
Income and social contribution taxes payable	11	354	-
Trade accounts payable		-	10,000
Total current liabilities		**47,146**	**12,084**
Non-current			
Trade accounts payable	12	20,000	20,000
Total non-current liabilities		**20,000**	**20,000**
Shareholders´ equity	13		
Share capital		393,161	1
Advance for future capital increase		126,456	12,320
Capital reserve		153,763	-
Retained earnings (Accumulated losses)		(1,000)	(1)
Total Shareholders´ equity		**672,380**	**12,320**
Total liabilities and Shareholders´ equity		**739,526**	**44,404**

See the accompanying notes to the interim financial information.

UTE GNA I Geração de Energia S.A.

Statement of operations

Nine-month periods ended September 30, 2018 and 2017 (not reviewed)

(In thousands of Reais)

	Note	Nine months period ended in 09/30/2018	Nine months period ended in 09/30/2017 (not reviewed)	Three months period ended in 09/30/2018	Three months period ended in 09/30/2017 (not reviewed)
Operating expenses					
Administrative expenses	13	(2,245)	-	(1,942)	-
Impairment and other losses	1, 2d and 3	(3)	-	20	-
Net income before net financial revenue (expense)		**(2,248)**	**-**	**(1,922)**	**-**
Financial Revenue/Expense	14				
Finance income		1,891	-	1,05	-
Finance expenses		(190)	-	(113)	-
Profit before tax		**(547)**	**-**	**(985)**	**-**
Current income and social contribution taxes	11	(452)	-	(278)	-
Net income for the period		**(999)**	**-**	**(1,263)**	**-**

UTE GNA I Geração de Energia S.A.

Statement of comprehensive loss

Nine-month periods ended September 30, 2018 and 2017 (not reviewed)

(In thousands of Reais)

	Nine months period ended in 09/30/2018	Nine months period ended in 09/30/2017 (not reviewed)	Three months period ended in 09/30/2018	Three months period ended in 09/30/2017 (not reviewed)
Net income for the period	(999)	-	(1,263)	-
Total compreehensive income for the period	**(999)**	**-**	**(1,263)**	**-**

See the accompanying notes to the interim financial information.

UTE GNA I Geração de Energia S.A.

Statements of changes in shareholders' equity

Nine-month periods ended September 30, 2018 and 2017 (not reviewed)

(In thousands of Reais)

	Share capital	Capital reserve		Accumulated loss	Equity
		Advance for future capital increase	Capital reserve		
Balance at January 01, 2017 (not reviewed)	**1**	**-**	**-**	**-**	**1**
Balance at September 30, 2017 (not reviewed)	**1**	**-**	**-**	**-**	**1**
Loss for the period	-	-	-	(1)	**(1)**
Advance for future capital increase	-	12,320	-	-	**12,320**
Balance as of December 31, 2017	**1**	**12,320**	**-**	**(1)**	**12,320**
Net income for the period	-	-	-	(999)	**(999)**
Capital increase and capitalization of AFAC - Infra	263,417	(12,320)	-	-	**251,097**
Capital increase - Siemens	129,743	-	-	-	**129,743**
Capital reserve increase - Infra	-	-	103,021	-	**103,021**
Capital reserve increase - Siemens	-	-	50,742	-	**50,742**
Advance for future capital increase - Infra	-	84,726	-	-	**84,726**
Advance for future capital increase - Siemens	-	41,730	-	-	**41,730**
Balance as of September 30, 2018	**393,161**	**126,456**	**153,763**	**(1,000)**	**672,380**

See the accompanying notes to the interim financial information.

UTE GNA I Geração de Energia S.A.

Statements of cash flows

Nine-month periods ended September 30, 2018 and 2017 (not reviewed)

(In thousands of Reais, unless stated otherwise)

	09/30/2018	09/30/2017 (not reviewed)
Cash flows from operating activities		
Income before tax	(547)	-
Adjusted net income	**(547)**	**-**
(Increase) decrease in assets and increase (decrease) in liabilities:		
Recoverable taxes	(1,174)	-
Prepaid expense	(27,393)	-
Other advances	(3)	-
Other receivables	(2)	-
Escrow account	(200)	-
Suppliers	(8,106)	-
Accounts payable to related parties	1,150	-
Taxes payable	2,876	-
Salaries and charges payable	448	-
Net cash provided by operating activities	**(32,404)**	**-**
Cash flows produced by investment activities		
Acquisition of PPE	(595,846)	-
Net cash used in investments	**(595,846)**	**-**
Cash flows from financing activities		
Capital increase by controlling shareholder	251,097	-
Capital increase by non controlling shareholder	129,743	-
Capital reserve by controlling shareholder	103,021	-
Capital reserve by non controlling shareholder	50,742	-
Advance for future capital increase by controlling shareholder	84,726	-
Advance for future capital increase by non controlling shareholder	41,730	-
Net cash provided by financing activities	**661,059**	**-**
Increase in cash and cash equivalents	**32,262**	**-**
At beginning of period	260	1
At end of period	32,522	1
Increase in cash and cash equivalents	**32,262**	**-**

See the accompanying notes to the interim financial information.

Notes to the interim financial information

(In thousands of Reais, unless stated otherwise)

1 Operations

UTE GNA I Geração de Energia S.A. ("GNA 1" or "Company") was incorporated on September 17, 2015 and on October 20, 2017 the company was changed from a limited company to a privately held corporation. Its core activities are studying, planning, protecting, constructing, operating, maintaining and exploring of electricity generation systems awarded to it by concession or authorization of any nature; trading electricity; activities associated with the electricity service, including the management of energy transmission and generation systems; construction, maintenance, operation and exploration of liquefied natural gas (LNG) terminals and natural gas pipelines; transportation of gases and liquids through pipelines and transfer lines acquiring interests in other companies, and representing Brazilian and foreign companies. Its direct parent company is Gás Natural Açu Infraestrutura S.A. ("GNA Infra") and indirect parent company is Gás Natural S.A ("GNA HoldCo"), a subsidiary of Prumo Logística S.A (Prumo).

In the registered share transfer book of GNA 1, on December 15, 2017 the shareholder GNA HoldCo transferred 320,990 shares and the shareholder Prumo transferred 10 shares to GNA Infra.

On June 16, 2017, GNA HoldCo signed an agreement with Termelétrica Novo Tempo S.A. ("UTE Novo Tempo"), the company prevailing at New Energy Auction A-5 in 2014 (Auction 06/2014 - ANEEL), for the transfer of the authorization issued by the Ordinance of the Ministry of Mines and Energy 210 on May 14, 2015, for the construction and operation of a 1,298 MW thermal power plant ("Authorization") to UTE GNA 1. The agreement entails the transfer of the 37 energy trading agreements in the regulated environment (CCEARs) entered into with energy distribution companies.

On December 19, 2017 ANEEL authorizing resolution 6,769 transferred the exploration rights of Usina Termelétrica (UTE) Novo Tempo to GNA 1. The concession term was then 23 years, with operations commencing in 2021.

The project of UTE GNA I Geração de Energia S.A. ("UTE GNA I") entails the construction of a combined-cycle gas-fired thermoelectric power station with an output of approximately 1,300 MW which will handle the contractual obligations of UTE Novo Tempo under its energy trading contracts, an LNG regasification terminal ("Regasification Terminal"), with the capacity to import natural gas for the UTE GNA I project and future power plants and other potential projects in the industrial complex of Porto do Açu, in addition to comprising the development of the "Açu Gas Hub", strategically located in the north-east of Rio de Janeiro state, which offers efficient logistical solutions for the sale and consumption of natural gas and related products.

On August 13, 2017 GNA HoldCo signed an investment agreement with Siemens, with Prumo as guarantor and the parent company Gás Natural Açu Infraestrutura S.A. ("GNA Infra") as the intervening party, to make this project feasible.

Subject to the performance of certain precedent conditions, the investment agreement states that Siemens shall subscribe new shares issued by GNA Infra in the amount of USD 21,000 thousand, accounting for 33% of its share capital (“Initial Contribution”). After the Initial Contribution, the share capital of GNA Infra will consist of 67% of the shares held by GNA HoldCo and 33% of the shares held by Siemens. Siemens will have certain governance rights, such as the right to appoint a member to the Board of Directors of GNA Infra.

The agreement establishes other conditions, such as relevant regulatory approvals, the performance of a shareholders' agreement between GNA HoldCo and Siemens, the approval of the Business Plans for developing UTE GNA I and the Regasification Terminal, the implementation of an EPC agreement (Engineering, Procurement and Construction), the performance of the LTSA (long-term services agreement) consisting of maintenance services and supplying spare parts to ensure the performance and availability of thermal power plant, the performance of an O&M contract (operation and maintenance).

On December 22, 2017 GNA HoldCo and BP Global Investments Limited (BP) entered into an investment agreement establishing:

(i) The terms and conditions for BP to acquire 30% of GNA's capital via the subscription of new shares in the amount of USD 7,500 thousand, which will occur in the course of FY 2018.

(ii) The rules governing the investment by Prumo and BP, in GNA 1, a subsidiary of GNA Infra, and the capital commitment necessary for this investment, proportional to its equity interests in GNA HoldCo, subject to the USD 79,200 thousand limit on BP’s capital investment in the project’s construction capex;

The rules of the company and potential investment by BP in future projects to be created by Gás Natural or its subsidiaries.

BP Agreement

On May 4, 2018 Prumo and BP signed a Shareholders' Agreement by which BP ratified the commitment to invest up to USD 79,200 thousand for GNA 1, a subsidiary of GNA HoldCo, to build a 1,298 MW thermal power plant. Under the Shareholders' Agreement, BP is entitled to appoint up to two members to the GNA HoldCo Board of Directors and one member to GNA 1's Board of Directors, indirectly by way of GNA Infra, in addition to GNA HoldCo's Compliance Officer.

Siemens Agreement

On May 4, 2018 the following agreements were made (i) Shareholders' Agreement of GNA Infra between GNA HoldCo and Siemens Energy Inc., which established Siemens Energy Inc.’s right to appoint two members to the Board of Directors of GNA Infra; and (ii) the Shareholders' Agreement of GNA 1 between GNA Infra and Dresser-Rand Participações Ltda., a wholly-owned subsidiary of Siemens (“Siemens”). In addition to confirming Siemens’ investment commitment to have the 1,298 MW thermal power plant built by GNA 1, amongst other things the Shareholders' Agreement establishes Siemens' right to appoint up to two members to the Board of Directors of GNA 1, in addition to its CFO.

2 Basis of presentation, preparation of the interim financial information and significant accounting practices

a. Statement of compliance

The interim financial information has been prepared and is being presented in accordance with CPC 21 (R1) - Interim Statements issued by the Accounting Pronouncements Committee (CPC) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB.

The interim financial statements should be read in conjunction with the financial statements as of December 31, 2017, approved on September 17, 2018, prepared in accordance with the accounting practices adopted in Brazil and international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB).

Authorization for the conclusion of the preparation of this interim financial information was given by Management on November 12, 2018. This interim financial information considers subsequent events to be events that could have an impact up to the reporting date.

b. Basis of preparation

The interim financial information has been prepared on the historical cost basis, except for certain financial instruments which have been measured at fair value through profit and loss.

c. Functional and presentation currency

This interim financial information is reported in Reais, which is the Company’s functional currency.

The accounting practices used to prepare this interim financial information for the six-month period ended September 30, 2018 are consistent with those used to prepare the financial statements as of December 31, 2017, except for the adoption of the standards IFRS 9, as described in note 2.d.

d. Employee benefits

Judgments, estimates and assumptions are used for the measurement and recognition of certain assets and liabilities of the Company's interim financial information. The determination of these estimates took into account experiences from past and current events, assumptions regarding future events and other objective and subjective factors.

Significant items subject to estimates include the evaluation of the useful life of property, plant and equipment, the analysis of the recovery of fixed assets, intangible assets, the evaluation of the recoverable value of deferred income tax and social contribution, financial instruments, among others. The future settlement of transactions involving these estimates may result in amounts that are different from those recorded in the Interim Financial Information due to the inaccuracies inherent in the determination process. The Company reviews its estimates and assumptions at least annually.

When preparing these Interim Financial Information for the nine-month period ended September 30, 2018, the accounting policies adopted are consistent with those used when preparing the Financial Statements as of December 31, 2017, except for the new accounting policies related to the adoption of IFRS 9 - Financial Instruments that are described in this note, letter (c) - Changes in significant accounting policies.

e. New accounting pronouncement

IFRS 9 (CPC 48) - Financial Instruments

This standard sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces CPC 38 / IAS 39 Financial Instruments: Recognition and Measurement.

Impairment - Financial assets and contract assets

IFRS 9 replaces the ‘incurred loss’ model in CPC 38 (IAS 39) with a forward-looking ‘expected credit loss’ (ECL) model. This will require considerable judgment as to how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

Under CPC 48 / IFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs, i.e. ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs. These are ECLs that result from all possible default events over the expected life of a financial instrument.

– **Classification and measurement -** Under IFRS 9, financial assets are initially measured at fair value (and include the transaction costs if they are not measured at fair value through profit or loss).

Investments in financial debt instruments are subsequently measured at fair value through profit or loss (“FVTPL”), amortized cost or fair value through comprehensive income (“FVOCI”). The classification is based on two conditions: the Company's business model in which the asset is held; and whether the contractual terms generate the cash flows on specified dates that solely constitute payments of principal and interest on the outstanding principal.

The FVOCI category only includes equity instruments not available-for-sale, for which the Company has irrevocably elected designation upon initial recognition. Gains or losses on equity instruments classified as FVOCI are not reclassified to profit and loss when written off nor are they subject to impairment assessments under IFRS 9.

The Company created policies and methodologies to measure the credit risks posed by financial instruments as of September 30, 2018. The established methodology considers information and studies available in the market, coupled with internationally established standards.

(i) Cash and cash equivalents and securities

The estimated financial losses were calculated based on the loss rates in a Corporate Default study published by S&P on April 13, 2017, based on 15 years of data gathered by it regarding the corporate default risk in each rating level.

Cash and cash equivalents are held at banking and financial institutions grouped into 5 levels ranging from AAA to BB, according to their rating at Fitch Ratings, Moody's and Standard & Poor's. As shown in the table below, the institutions in which the company holds outstanding balances at September 30, 2018 are rated between AAA, based on their average classifications at the rating companies listed above.

The estimated position of losses in cash and cash equivalents was calculated based on the 12-month expected loss rate and reflects the maturities of the risk exposures. The effects as of September 30, 2018 are stated in note 3 - Cash and cash equivalents and securities.

In thousands of Reais

Risk Level	Rating	Gross balance	Rate loss (1)	Provision for loss
Level 1	AAA	33	0.01%	3

(1) Loss Rate includes the Global Corporate Average Default Rate for 1 year published by S&P on 4/13/2017

3 Cash and cash equivalents

	09/30/2018	12/31/2017
Cash and bank deposits	35	260
Short-term investments		
CDB	32,490	-
	32,490	**-**
	32,525	**260**
Provision for expected loss	(3)	-
Total	**32,522**	**260**

The balance of cash and banks as of September 30, 2018 consists of a current account and a CDB application in Santander, which are readily convertible into a known amount of cash and are subject to an insignificant risk of change in value.

4 Escrow account

As of September 30, 2018, the balance of bank deposits is R$ 200, consisting of the guarantee pledge for competitive tenders 3/2018 of the public notice, containing the construction and exploration of port facilities in the region of São João da Barra by Antaq.

5 Prepaid expenses

	9/30/2018	12/31/2017
Insurance premium (a)	23,918	1,461
Transaction cost (b)	5,559	623
Total	**29,477**	**2,084**
Current	15,399	2,084
Non-current	14,078	-
Total	**29,477**	**2,084**

a) Insurance premiums: engineering risks, civil liability, transportation and bail.
b) Transaction cost to obtain borrowing.

6 Recoverable taxes

	9/30/2018	12/31/2017
Income tax withheld at source (“IRRF”)	367	-
Income tax and social contribution (“IRPJ/CSLL”)	355	-
Total	**722**	**-**

7 Property, plant and equipment

	9/30/2018	12/31/2017
UTE GNA I	646,600	12,060
Total	**646,600**	**12,060**

a. Balance breakdown

	Annual rate of weighted depreciation %	Cost	Accumulated depreciation	Net 9/30/2018	Net 12/31/2017
Advances for property, plant and equipment formation		266,477	-	266,477	8,138
Works in progress and equipment under construction		380,123	-	380,123	3,922
		646,600	**-**	**646,600**	**12,060**

	Annual rate of weighted depreciation %	Cost	Accumulated depreciation	Net 12/31/2017	Net 12/31/2016 (not reviewed)
Advances for property, plant and equipment formation		8,138	-	8,138	-
Works in progress and equipment under construction		3,922	-	3,922	-
		12,060	**-**	**12,060**	**-**

b. Change in the cost

	12/31/2017	Change		9/30/2018
	Cost	Additions	Transfers	Cost
Cost				
Advances for property, plant and equipment formation	8,138	283,232	(24,893)	266,477
Works in progress and equipment under construction	3,922	351,308	24,893	380,123
	12,060	**634,540**	**-**	**646,600**

	12/31/2016	Change		12/31/2017
	Cost	Additions	Transfers	Cost
Cost				
Advances for property, plant and equipment formation	-	8,138	-	8,138
Works in progress and equipment under construction	-	3,922	-	3,922
	-	**12,060**	**-**	**12,060**

Advance for formation of fixed assets: The balance of advances on September 30, 2018 consists of advances made to suppliers for equipment delivery.

The works in progress as of September 30, 2018 consists of expenses incurred on works on the thermal power plant;

The amount of R$ 38,693 of additions have not already have a cash flow effect in the period and is provisioned in the Company's liability balances in September 30, 2018.

8 Intangible assets

	Useful life	9/30/2018	12/31/2017
Energy sale receivable (*)	23 years	31,234	30,652
AVP - adjustment to present value		(1,234)	(652)
Total		**30,000**	**30,000**

(*) By way of authorizing resolution 6769, on December 19, 2017 ANEEL transferred the energy trading right, as mentioned in note 01 - Operations.

The amount of R$ 10,000 was paid in the period but was related to the additions of intangible provisioned in trade accounts payable in the previous year.

9 Suppliers

	9/30/2018	12/31/2017
Consórcio térmica do Açu (*)	40,373	-
Tókio Marine	-	1,461
Hardner and Gullison associados	195	-
KFW Inpex	165	-
S3B Ingenieria SPA	135	-
Others	1,181	-
Total	**42,049**	**1,461**

(*) Thermal values of equipment and construction.

10 Related parties

The Company adopts practices of Corporate Governance and/or recommendations required by law. Furthermore, the Company´s Corporate Governance Policy establishes that the members of the Board of Directors must monitor and administrate any potential conflicts of interest among the executive officers, the members of the Board and the partners, in such a way as to avoid the inappropriate use of Company assets and, especially, abusive conduct in transactions between related parties.

In compliance with Corporation Law, all members of the Company's Board of Directors are prohibited from voting in any assembly or meeting of the Board, or from acting in any operation or business transaction in which there are interests in conflict with those of the Company.

The main balances of related-party assets and liabilities as of September 30, 2018 and December 31, 2017, as well as the related-party transactions that affected income for the period, are the result of transactions between the Company and its subsidiaries, members of Management and other related parties, as follows:

	9/30/2018	12/31/2017
Accounts payable - Debit notes		
Gás Natural	1,280	-
GNA Infra	493	-
Lakeshore	-	623
Total	**1,773**	**623**

11 Taxes and contributions payable

	9/30/2018	12/31/2017
Services tax (“ISS”)	1,115	-
INSS third parties	1,252	-
Tax on the circulation of goods and services ("ICMS")	62	-
Income tax withheld at source (“IRRF”)	37	-
PIS/COFINS	22	-
PIS/COFINS/CSLL - Withheld	34	-
	2,522	**-**
Income tax and social contribution (“IRPJ/CSLL”)	354	-
Total	**2,876**	**-**

The reconciliation between the tax expense as calculated by the combined statutory rates and the income and social contribution tax expense charged to net income is presented below:

	9/30/2018	9/30/2017 (not reviewed)
Profit before income and social contribution taxes	(547)	-
Adjusted net income	**(547)**	**-**
Income and social contribution taxes at the nominal rate (34%)	186	-
Adjustments to determine the effective rate		
Unrecorded tax loss	(284)	-
Prepayment of income tax and social contribution	(354)	-
Total income and social contribution taxes in the period	**(452)**	**-**
Effective rate	82.58%	-
Current	(452)	-
Total income and social contribution taxes in the period	**(452)**	**-**

12 Trade accounts payable

	9/30/2018	12/31/2017
Bolognesi Energia (*)	21,234	30,652
AVP - adjustment to present value	(1,234)	(652)
Total	**20,000**	**30,000**
Current	-	10,000
Non-current	20,000	20,000
Total	**20,000**	**30,000**

(*) In the contract the payable amounts are divided into fixed installments. R$ 30,000 has already been provisioned for, which will be restated annually by the IPCA price index until the effective payment. The variable installments will be recognized at the start of the operation and will be paid annually, on the first business day of the month of April, based on the audited financial statements for the previous year with installments equal to 3% calculated on the free cash flow from the shareholder, defined as:

- = EBITDA
- (+/-) working capital variation;
- (-) IR/CSSL paid;
- (-) finance expenses
- (+) financial revenue from reserve accounts *;
- (-) investment in maintenance;
- (-) amortization of financing;
- (+) disbursement of financing
- (+/-) change in reserve accounts *

If the reserve accounts are funded with operating cash generation, the formula above will not include the variation in the reserve account and corresponding finance income.

The nonpayment of any of the amounts established in this contract shall trigger monetary restatement according to the variance of the CDI rate until the effective payment date, in addition to arrears interest at 1% (one percent) a month, in addition to an arrears fine of 2% (two percent) of the debit balance.

13 Shareholders' equity

a. Share capital

As of September 30, 2018 the Company's capital is comprised of R$ 393,161, consisting of 393,161 registered common shares with no par value (R$ 1 as of December 31, 2017).

Payment date	Shareholder	Amount paid in
03/16/2018	GNA Infra	82,920
04/05/2018	GNA Infra	169,050
04/05/2018	Siemens	124,105
08/20/2018	GNA Infra	11,448
08/20/2018	Siemens	5,638
Total		**393,161**

b. Advance for future capital increase - ("AFAC")

As of August 30, 2018 the parent company GNA Infra had an advance for future capital increase of R$ 84,726 (R$ 12,320 as of December 31, 2017) and R$ 41,730 at Siemens. These contributions are irrevocable and irreversible, and convertible into the corresponding number of shares, subject to the par value.

c. Capital reserve

On August 20, 2018, the parent company GNA Infra constitutes the capital reserve in the amount of R $ 103,021 and R $ 50,742 by Siemens.

d. Dividends

The Company's shares have an equal participation in dividend payments, interest on shareholders' equity and other shareholder benefits. The corporate by-laws determine the distribution of a minimum compulsory dividend of 25% of the net income for the year, adjusted in accordance with article 202 of Law 6404/76. The Company reported a loss in the financial year ended December 31, 2017 and did not pay out dividends.

14 General and administrative expenses

	Nine months period ended in 9/30/2018	Nine months period ended in 9/30/2017 (not reviewed)	Three months period ended in 9/30/2018	Three months period ended in 9/30/2017 (not reviewed)
Advocative hours	(824)	-	(824)	-
Salaries and charges	(634)	-	(333)	-
Consulting	(618)	-	(618)	-
Audit	(110)	-	(110)	-
Maintenance / IT support	(22)	-	(22)	-
Taxes and fees	(3)	-	(1)	-
Other	(34)	-	(34)	-
Total	**(2,245)**	**-**	**(1,942)**	**-**

15 Finance income

As of September 30, 2018, the balance of finance income, amounted to R$ 1,701, as follows:

	Nine months period ended in 9/30/2018	Nine months period ended in 9/30/2017 (not reviewed)	Three months period ended in 9/30/2018	Three months period ended in 9/30/2017 (not reviewed)
Finance costs				
Bank expenses	(3)	-	(2)	-
Commissions and brokerages	(15)	-	(15)	-
IOF	(20)	-	(15)	-
Fine and interest	(152)	-	(81)	-
	(190)	**-**	**(113)**	**-**
Finance income				
Interest on investments	1,891	-	1,050	-
	1,891	**-**	**1,050**	**-**
Net finance income	**1,701**	**-**	**937**	**-**

16 Insurance coverage

The Company has a policy of taking out insurance coverage for assets subject to risks in amounts considered sufficient by Management to cover possible damages, considering the nature of its activity.

The policies are in force and the premiums have been paid. The company considers its insurance coverage is consistent with other companies of similar sizes operating in the sector.

As of September 30, 2018 and December 31, 2017, the main risks covered are:

	9/30/2018	**12/31/2017**
Material damages	3,581,974	2,762,453
Civil Liability and Environmental Damages	82,578	-
Lost Earnings	3,597,154	1,449,121
Transportation of Imported Equipment	1,508,072	-

17 Commitments

On September 30, 2018 the Company had commitments for future purchases in the amount of R$ 2,433,082 (R$ 2,330,111 as of December 31, 2017), which should be fulfilled in the course of the works.

18 Subsequent events

On October 3, 2018, the controlling shareholder GNA Infra realized, in the form of an advance for future capital increase ("AFAC"), the amount of R $ 76,720 and R $ 37,787 by Siemens. Such contributions are irrevocable and irreversible, and convertible into a fixed amount of shares, respecting their nominal value.

*   *   *

Members of the Executive Board

Bernardo de Araújo Chaves Perseke
CEO

Claúdio Furutani Hamada
CFO

Fábio Herllain de Cerqueira
Accountant CRC RJ 106.747/O-7