Tractebel Energia
GDF SUEZ



Results Presentation – 1Q11

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Highlights, Shareholding Structure, Market Share, Assets and Sales

Quarter highlights

- Financial and operational indexes:

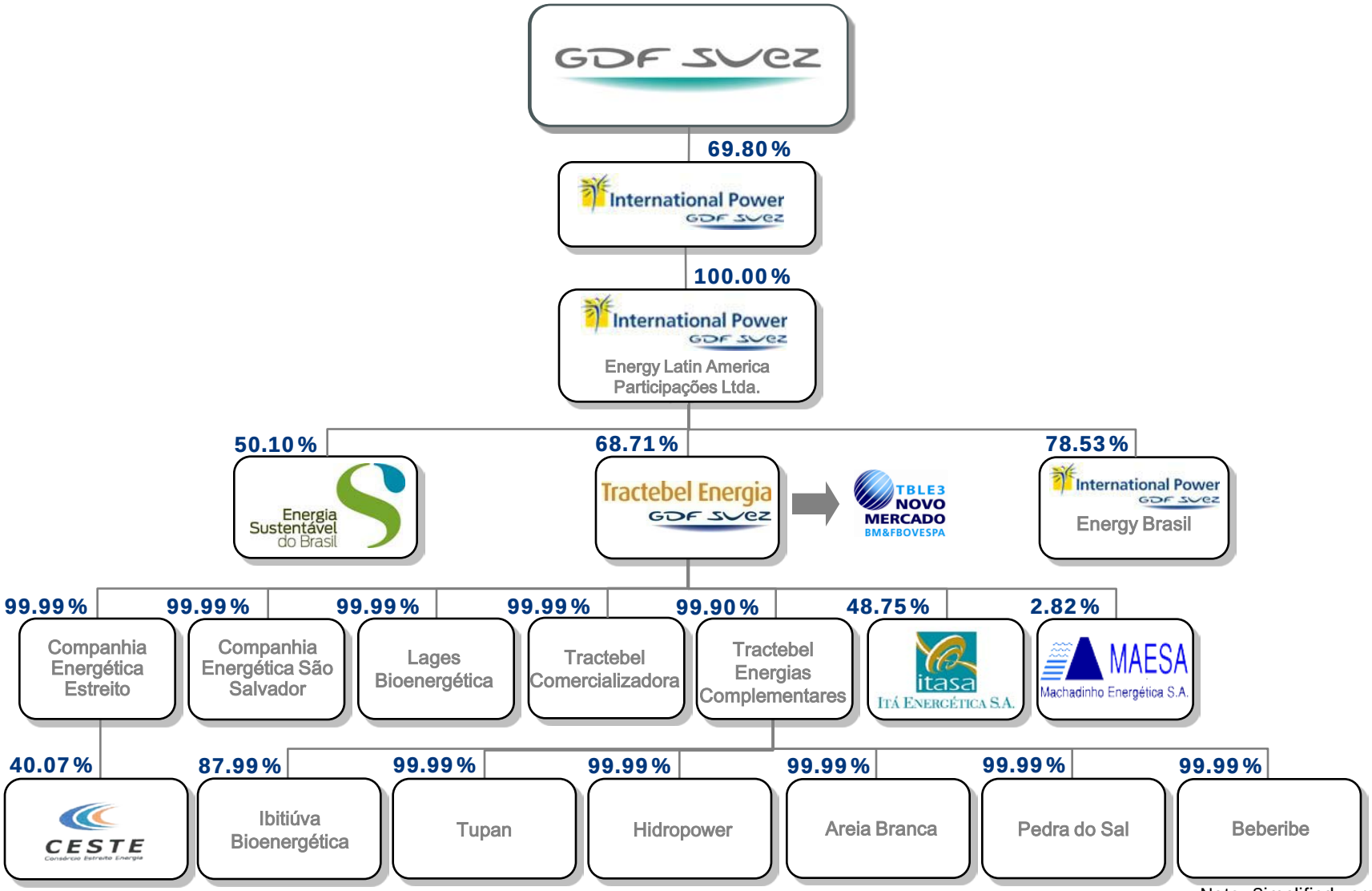
(in millions of R$)	1Q11	1Q10	Chg.
Net Operating Revenue (NOR)	1,022.1	945.5	8.1%
EBITDA [1]	692.5	587.3[2]	17.9%
EBITDA / NOR - (%)	67.7	62.1[2]	5.6 p.p.
Net Income	307.0	246.7[2]	24.4%
Energy Sold (avg. MW)	3,865	3,869	-0.1%
Average Price of Energy Contracts (R$/MWh)	120.1	111.7	7.5%
Production (avg. MW)	4,772	4,613	3.4%

[1] EBITDA represents: operational results + financial results + depreciation and amortization.
[2] Values adjusted on account of the IFRS adoption.

- EBITDA margin was positively impacted by: (i) greater sales prices, (ii) decrease in energy purchased for resale and (iii) allotment of higher volume of hydro resources.

- 1Q11 witnessed an increased level of hydro output, which was 8.9% higher for Tractebel's power plants, to the detriment of both thermal and so-called complementary sources.

Tractebel is controlled by GDF SUEZ, world leader in energy



Note: Simplified version

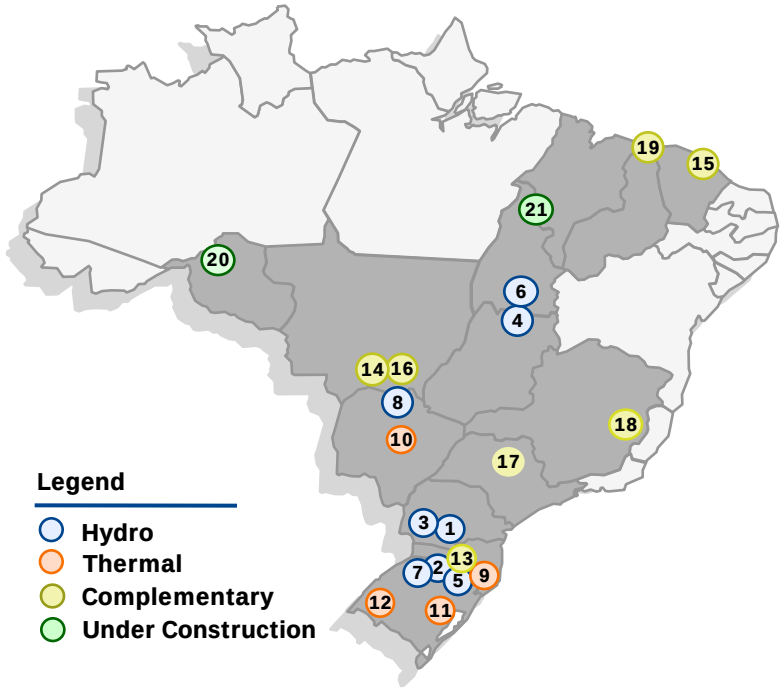
Diversified portfolio of assets, with strategic location

Installed capacity of 6,472.0 MW from 21 plants operated by Tractebel Energia: 79% hydro, 18% thermal e 3% complementary. This capacity stands for a 74% increase since 1998.

Hydro Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[1]
1 Salto Santiago	1,420.0	723.0
2 Itá	1,126.9[2]	544.2[2]
3 Salto Osório	1,078.0	522.0
4 Cana Brava	450.0	273.5
5 Machadinho	403.9[2]	147.2[2]
6 São Salvador	243.2	148.5
7 Passo Fundo	226.0	119.0
8 Ponte de Pedra	176.1	131.6
Total	**5,124.1**	**2,609.0**

Thermal Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[1]
9 Jorge Lacerda Complex[3]	857.0	649.9
10 William Arjona	190.0	136.1
11 Charqueadas	72.0	45.7
12 Alegrete	66.0	21.1
Total	**1,185.0**	**852.8**

Complementary Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[1]
13 Lages (Biomass)	28.0	25.0
14 Rondonópolis (SHP)	26.6	10.1
15 Beberibe (Wind)	25.6	7.8
16 José Gelazio da Rocha (SHP)	23.7	9.2
17 Ibitiúva (Biomass)	21.2[2]	12.8[2]
18 Areia Branca (SHP)	19.8	11.1
19 Pedra do Sal (Wind)	18.0	5.7
Total	**162.9**	**81.7**



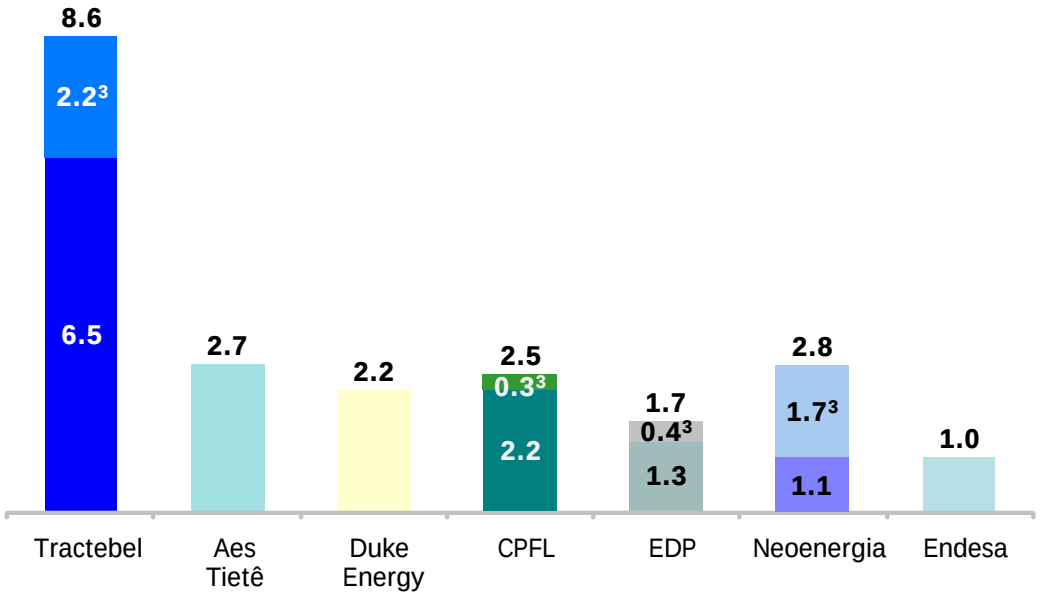
Power Plants Under Construction	Installed Capacity (MW)	Commercial Capacity (aMW)[1]
20 Jirau (Hydro)	1,728.5[4]	1,024.9[4]
21 Estreito (Hydro)	435.6[2]	256.9[2]
Total	**2,164.1**	**1,281.8**

Notes: [1] Figures following specific legislation.
[2] Portion owned by Tractebel Energia.
[3] Complex comprised of 3 power plants.
[4] Portion owned by GDF SUEZ, based on 3,450 MW total inst. capacity.

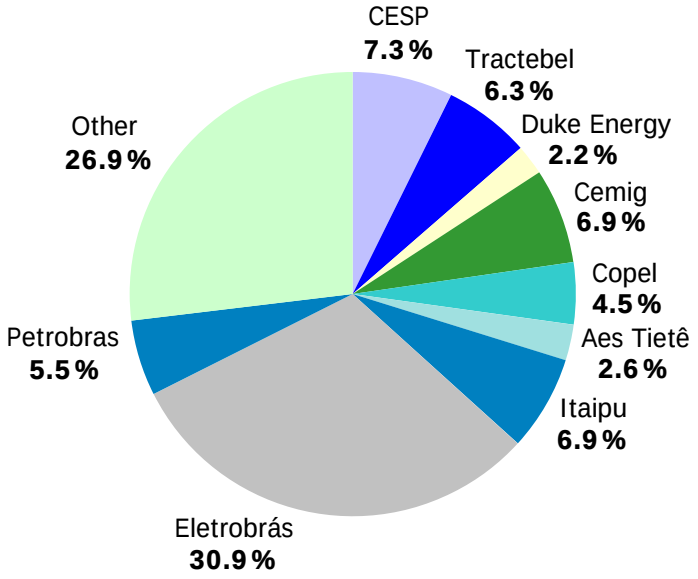
Leading position in the generation sector

Tractebel Energia is the largest private player in the Brazilian generating market...

Private Sector – Installed Capacity (GW)



Brazil – Installed Capacity[1,2]



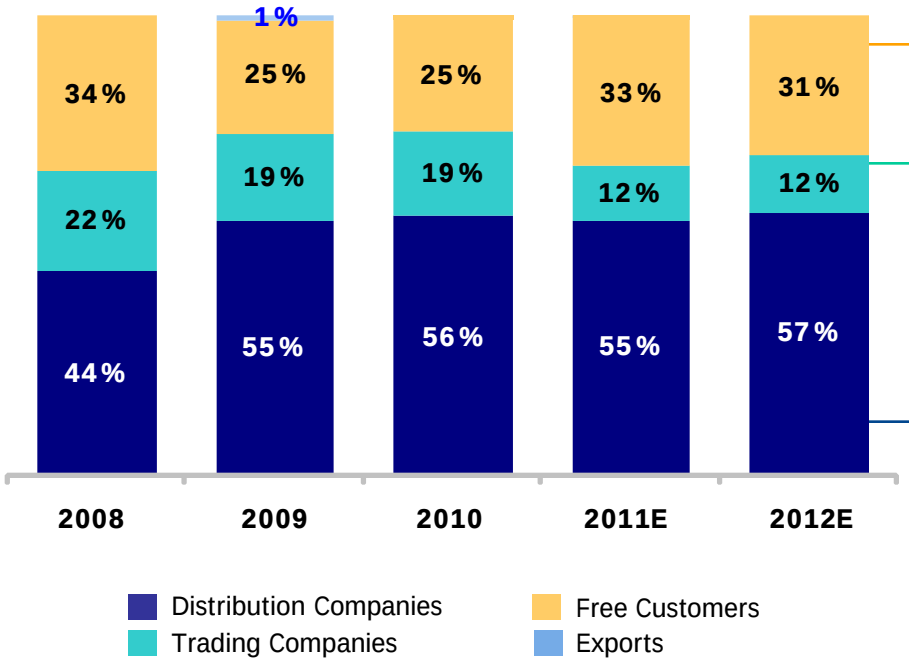
Source: Aneel , Companies' websites and in-house studies.

Notes:
[1] Amount corresponding to SIN – National Interlinked System.
[2] Includes only the Brazilian part of Itaipu.
[3] Installed capacity under construction .

...and is well positioned to play a consolidating role.

Diversified portfolio among free customers, distribution and trading companies

Client Breakdown (based on contracted energy)



First to consistently serve the free market...

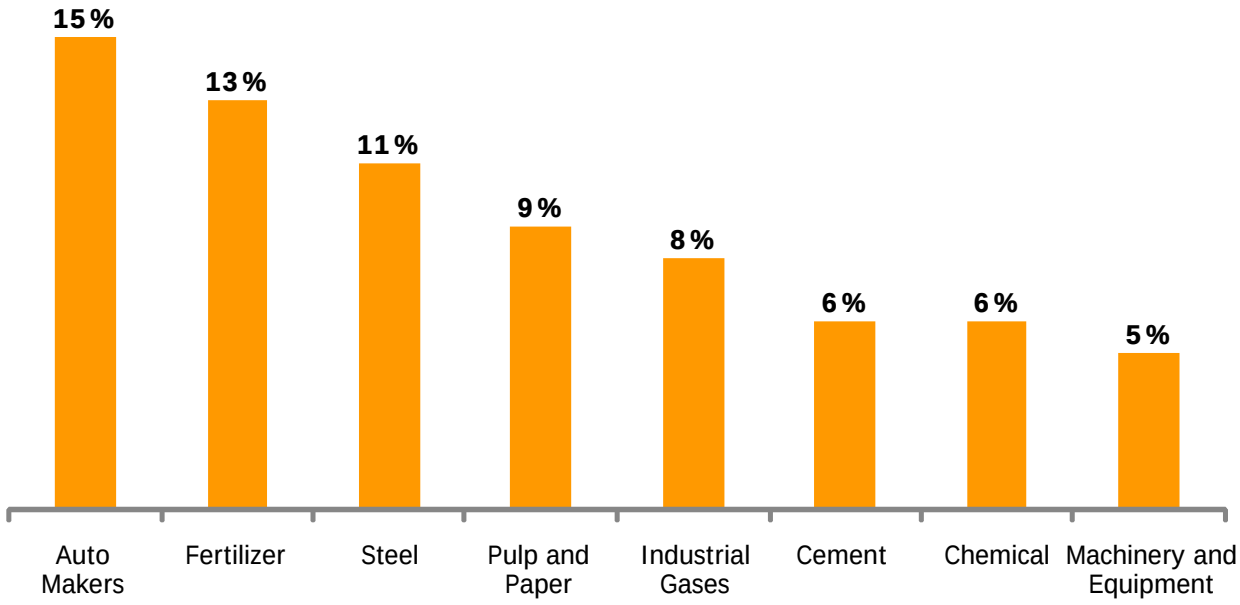
- Flexibility (prices, terms and conditions) → Maximizes portfolio's efficiency
- Solid client relationship → Liaison with some free customers
- Largest consumer market
- Regulated and unregulated contracts → Long-term cash flow predictability

...to maximize portfolio's efficiency.

Diversification also inside of free customers portfolio

Free customer industry diversification and a strict credit assessment policy allow for a zero default reality.

Free customers total sales volume for 2011:
1,188 average MW

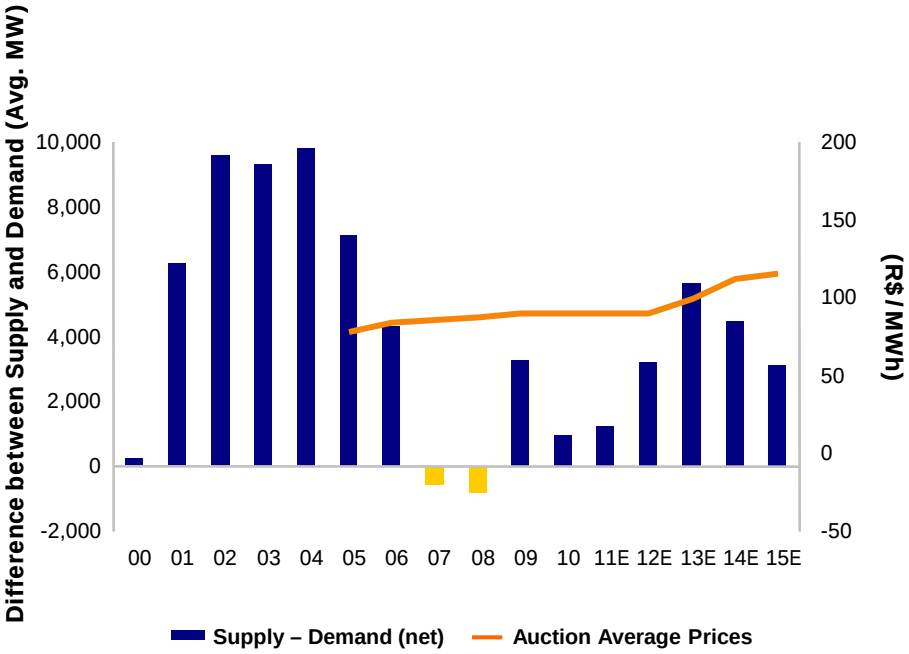


Energy Market in Brazil

Strong economic growth will increase demand for electric energy

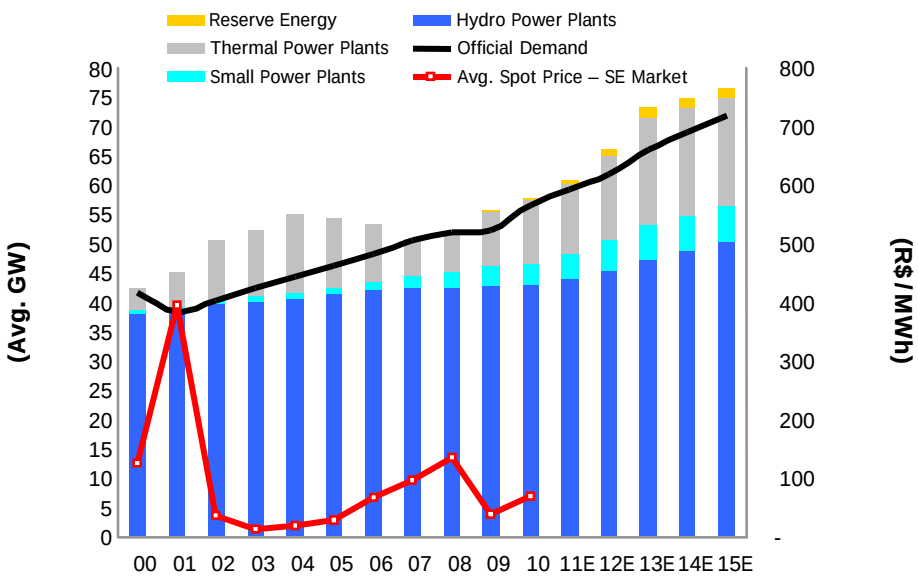
Increased thermal role and adoption of risk aversion procedures may pressure up energy prices in the future.

Energy Market Outlook



Source: Tractebel Energia's internal study based on ONS' Operations Monthly Program of March 2011.

Supply Distribution by Source



Source: Internal study based on information provided by Aneel and ONS.

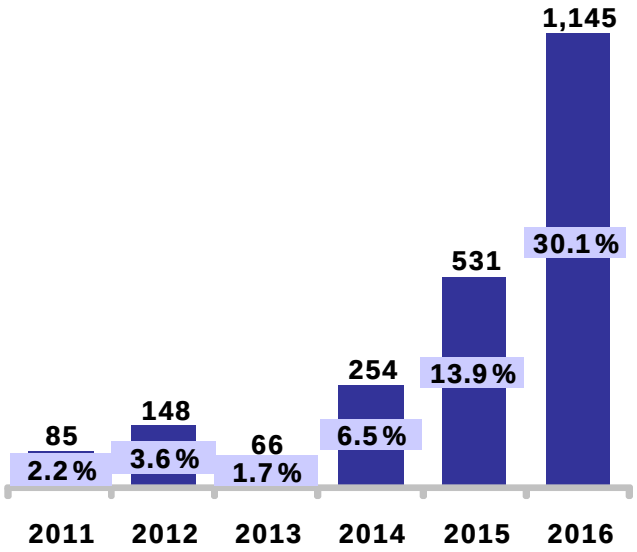
Sales Strategy

The energy for delivery in the medium term is almost fully contracted

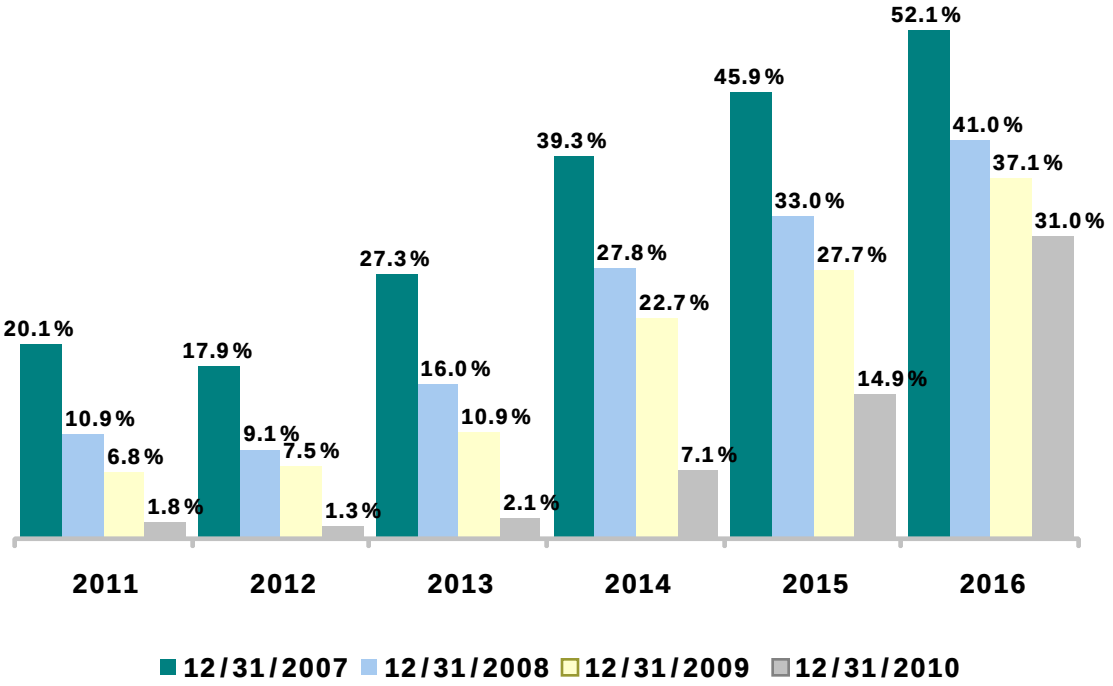
Tractebel's commercial strategy considers, among others aspects, the gradual sale of future availability. As the time goes by, the Company is able to better foresee the market conditions in a given year ahead and, as a result, to fine tune the amount of uncontracted energy.

Tractebel Energia's Uncontracted Energy[1]

(average MW)



Tractebel: Uncontracted Energy Compared to the Availability of a Given Year



Note:
[1] Percentage of total resources.

Energy balance

As of March 31, 2011

(in average MW)	2011	2012	2013	2014	2015	2016	Auction **Gross** Price (R$/MWh)	Reference Date	**Gross** Price Adjusted as of March 31, 2011 (R$/MWh)
Own Resources	3,440	3,598	3,608	3,608	3,608	3,608			
+ Purchases for Resale	436	541	390	274	201	201			
= Total Resources (A)	**3,876**	**4,139**	**3,998**	**3,882**	**3,809**	**3,809**			
Government Auction Sales*	1,439	1,695	1,695	1,695	1,685	1,535			
2004-EE-2007-08	10	10	10	10	-	-	70.9	Dec-04	91.9
2005-EE-2008-08	150	150	150	150	150	-	81.6	Apr-05	102.9
2005-EE-2009-08	381	381	381	381	381	381	94.0	Oct-05	116.1
2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	141.0
2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	154.6
2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	161.7
2007-NE-2012-30	-	256	256	256	256	256	126.6	Jun-07	153.4
Proinfa	44	44	44	44	44	44	147.8	Jun-04	201.7
1st Reserve Energy Auction	13	13	13	13	13	13	158.1	Aug-08	179.9
+ Bilateral Sales	2,352	2,296	2,237	1,933	1,593	1,129			
= Total Sales (B)	**3,791**	**3,991**	**3,932**	**3,628**	**3,278**	**2,664**			
Balance (A - B)	**85**	**148**	**66**	**254**	**531**	**1,145**			
Sales Average Price (R$/MWh) **(Net)***[1]:	121.5	126.7	126.8						
Purchases Average Price (R$/MWh) **(Net)***[2]:	119.3	115.3	117.4						

* XXXX-YY-WWW-ZZ, where:
XXXX -> year of auction
YY -> EE = existing energy or NE = new energy
WWWW -> year of delivery start
ZZ -> supply contract duration (in years)

*1: Sales price is net of ICMS and taxes over revenues (PIS/Cofins, R&D), as of 03/31/11.

*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 03/31/11.

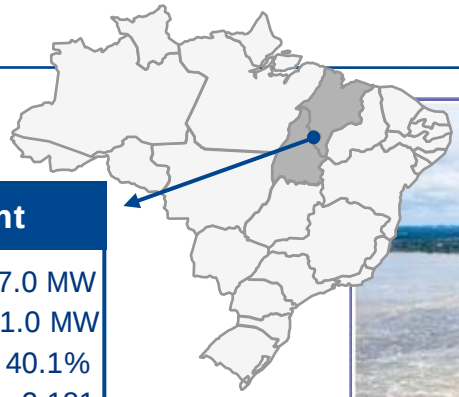
Note: The balance refers to the settlement point. It considers the energy generated by the Estreito, which start of operations is scheduled for 2Q11.

Growth

Hydro project under construction: Estreito

The asset transfer to Tractebel was unanimously approved by the Extraordinary Shareholders Meeting on Oct. 19, 2010. Estreito is scheduled to enter into operation in 2Q11.

Project Description



Estreito Hydro Plant	
Installed Capacity:	1,087.0 MW
Assured Energy:	641.0 MW
Ownership:	40.1%
Total investment (R$ mm):	2,181
Start of construction:	2007
Start of operations:	2011



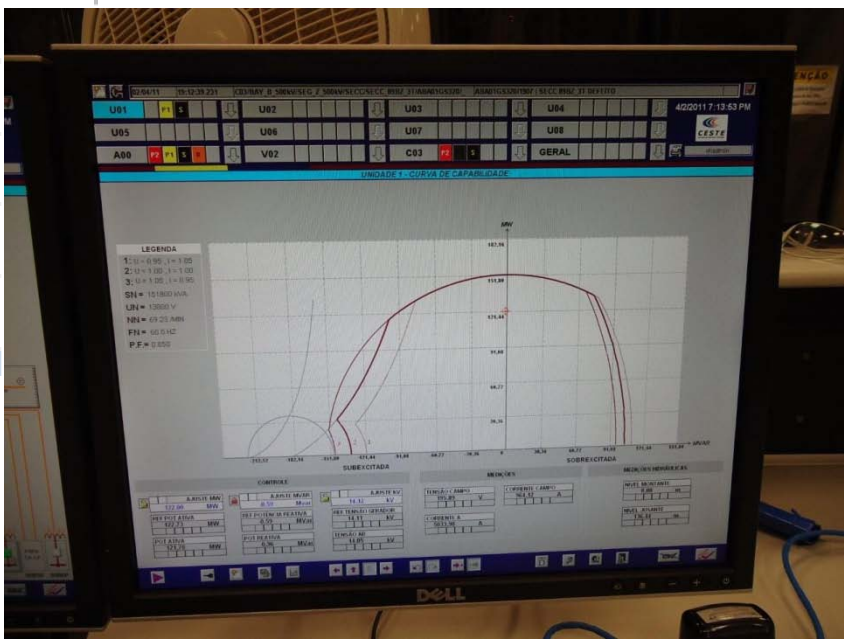
The commercial capacity associated to that share, 256 aMW, was sold at the new energy auction held in October 2007, for a 30-year period, as from 2012, at R$ 153.4/MWh as of March 31, 2011. The incremental output (from COD) is factored in Tractebel's energy balance.

Hydro project under construction: Estreito

Estreito Ramp-up (aMW)

Commercial Capacity (100%)	Unit	Commercial Capacity (40.07%)	Accumulated Commercial Capacity (40.07%)
129.80	Turbine 1	52.01	52.01
258.81	Turbine 2	51.69	103.71
385.59	Turbine 3	50.80	154.51
481.36	Turbine 4	38.38	192.88
546.22	Turbine 5	25.99	218.87
592.40	Turbine 6	18.50	237.37
623.61	Turbine 7	12.51	249.88
641.08	Turbine 8	7.00	256.88

Estreito synchronism - Turbine 1



Hydro project under construction: Jirau

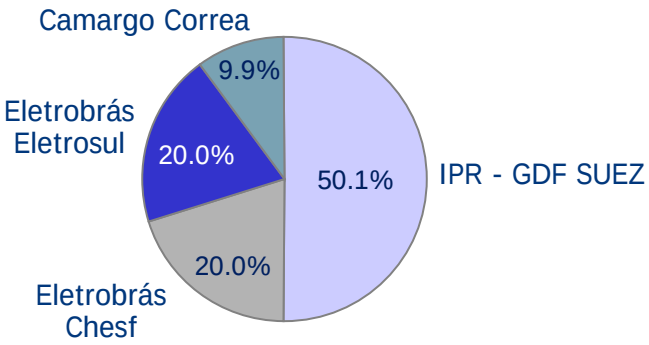
Technical Data

Location:	Madeira River
Reservoir:	269 km2
Capacity:	3,300 MW + 150 MW (committed)
	+ 300 MW (under investment analysis)
Assured Energy (avg):	1,975 MW (44 turbines[1])
Bulb turbines:	44 + 2 (committed) + 4 (under analysis)

Note:

[1] Additional Assured Energy under analysis

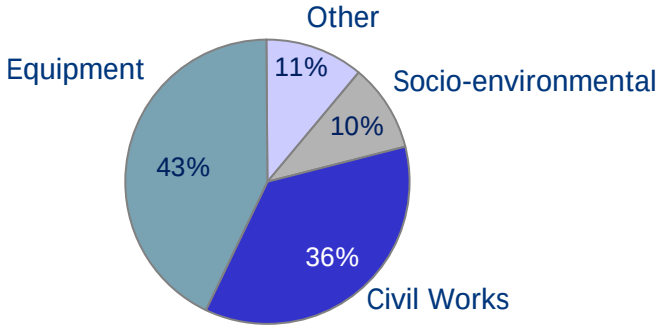
The company: ESBR



Relevant Facts

CAPEX:	R$ 11.9 billion (as of Dec/10)
	R$ 5.0 billion hard cost already invested
BNDES current financing:	25-year term (20-year amortization)
	R$ 7.2 billion
	Grace period (1st credit line): Sep/12
	Average financing costs: TJLP + 2.35%
	Additional financing under discussion

CAPEX Breakdown



Hydro project under construction: Jirau

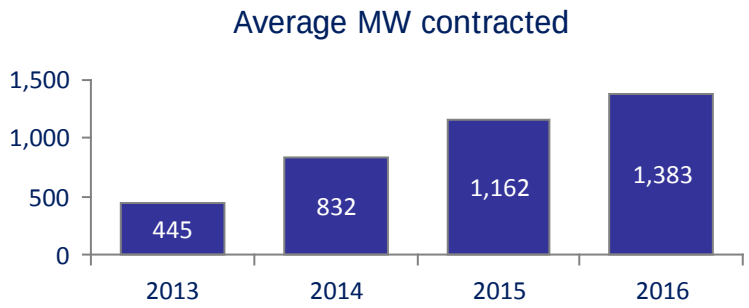
Energy commercialization

30-Year Power Purchase Agreement (PPA)

- ✓ PPA price (indexed to IPCA): R$ 71.4/MWh (as of May/08) equivalent to R$ 83.1/MWh (as of Mar/11)
- ✓ 30-year PPA for 70% of the energy, from 2013 onwards
- ✓ After 2016 the energy amount under the PPA is flat until 2042

Energy not contracted

- ✓ Tractebel is examining the possibility of a call option contract for a part of ESBR's non-contracted energy



Project Schedule

- ✓ On schedule: river deviation in 2H11 (Aug/Sep 2011)

Hydro project under construction: Jirau

Unrest on site

From March 15 thru 17, 2011 part of the lodging capacity at right bank was burned down:

- ✓ Several vehicles, accommodation, recreation areas, wastewater and sewage treatment plants, laundry facilities were burned down

- ✓ Outsourced services for cell phone sales were destroyed and eight ATMs were sacked

Hydro project under construction: Jirau - site conditions - Feb/2011

Gym – right bank



Male lodgings – left bank



Lan House – right bank



Games room – right bank



Games room – right bank



TV room – right bank



Site provides with restaurant, cafeteria, gym, pool table, tennis table, internet, cinema, sport courts, services and facilities. Air-conditioning in all accommodations.

Hydro project under construction: Jirau

Unrest on site

Main issues:

- No injuries or fatalities were registered. No damages to the power plant or equipment stored at the site
- Site was evacuated for security reasons
- Brazilian government sent federal forces to the site to restore security for the workers
- Responsibilities are being investigated by authorities
- As from March 24 site works were gradually resumed, focusing on the spillway
- Contracting of employees, site security, construction and maintenance of lodging and other facilities are contractually under responsibility of the contractor
- Infrastructure, including lodgings and leisure area, had its quality recognized by society and experienced professionals

Hydro project under construction: Jirau - Feb/2011







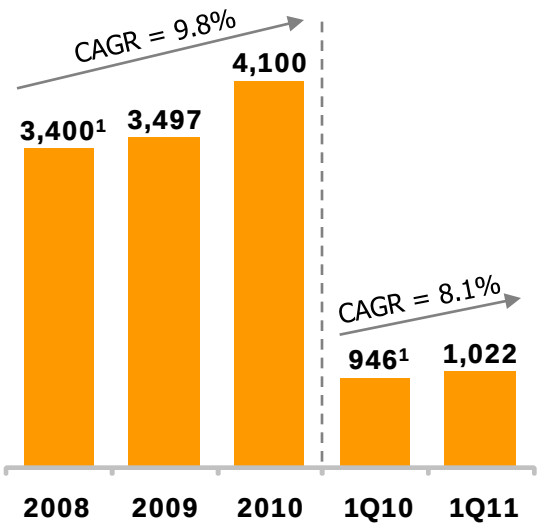


Financial Performance

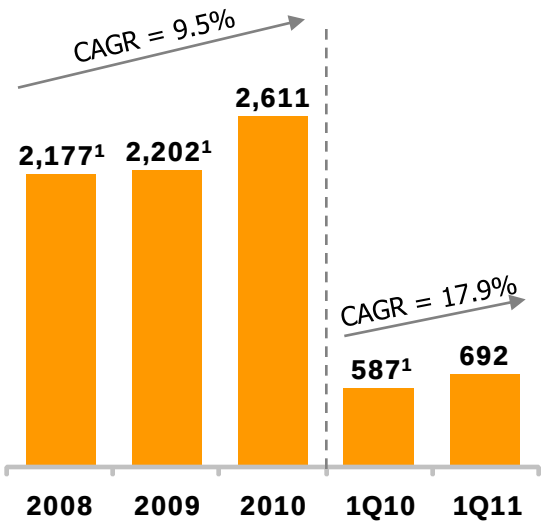
Consistent and constant growth of the financial performance

Efficient management of its client portfolio and focus on contracting strategies have paved the way for a substantial top line growth of both revenues and EBITDA over the years. Consistent net income has supported the Company's investment plan.

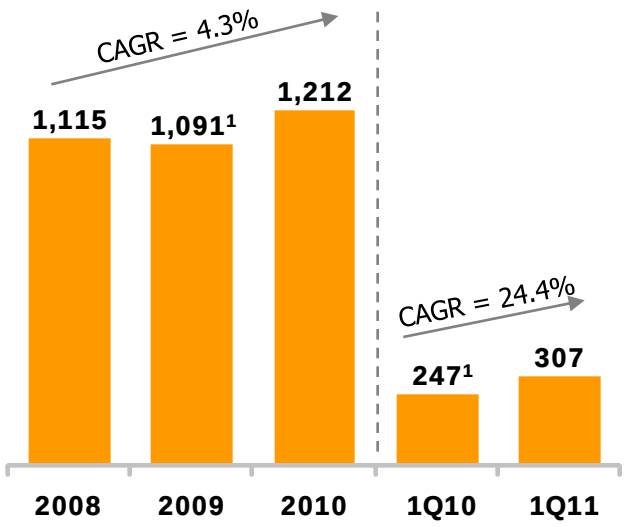
Net Revenues (R$ million)



EBITDA (R$ million)

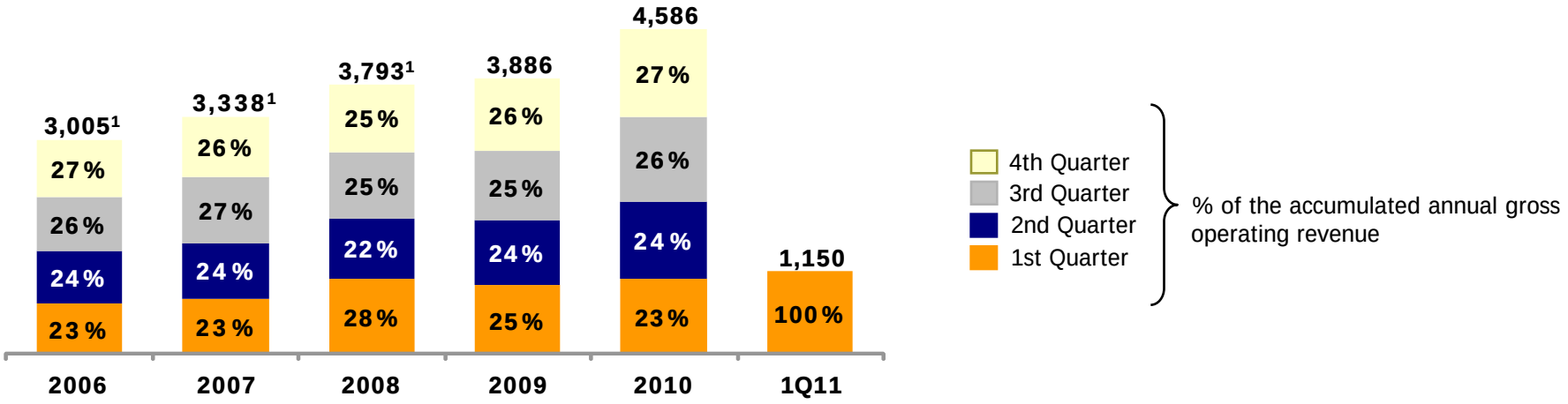


Net Income (R$ million)

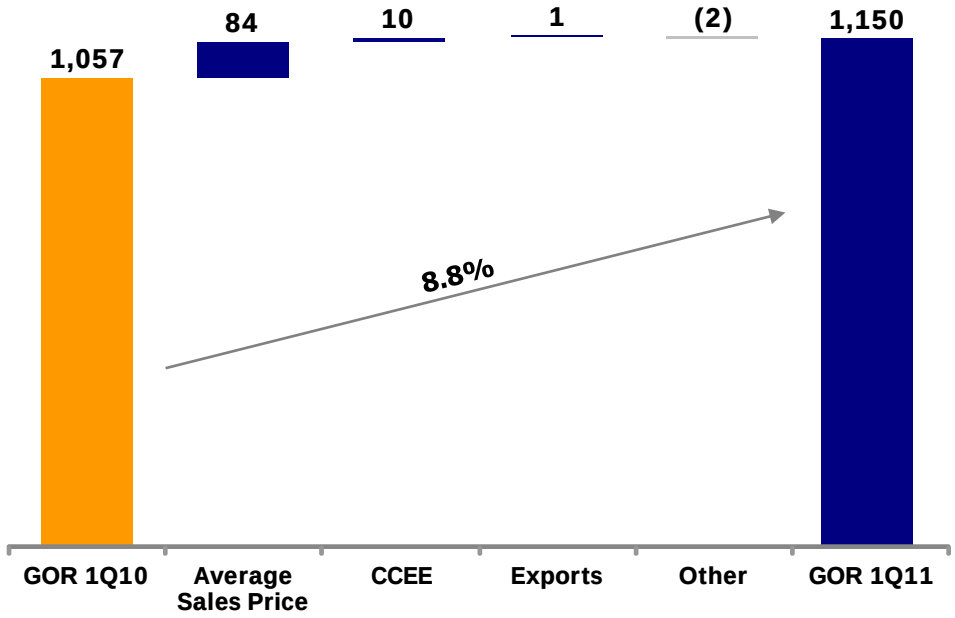


Note:
[1] Considers new accounting procedures.

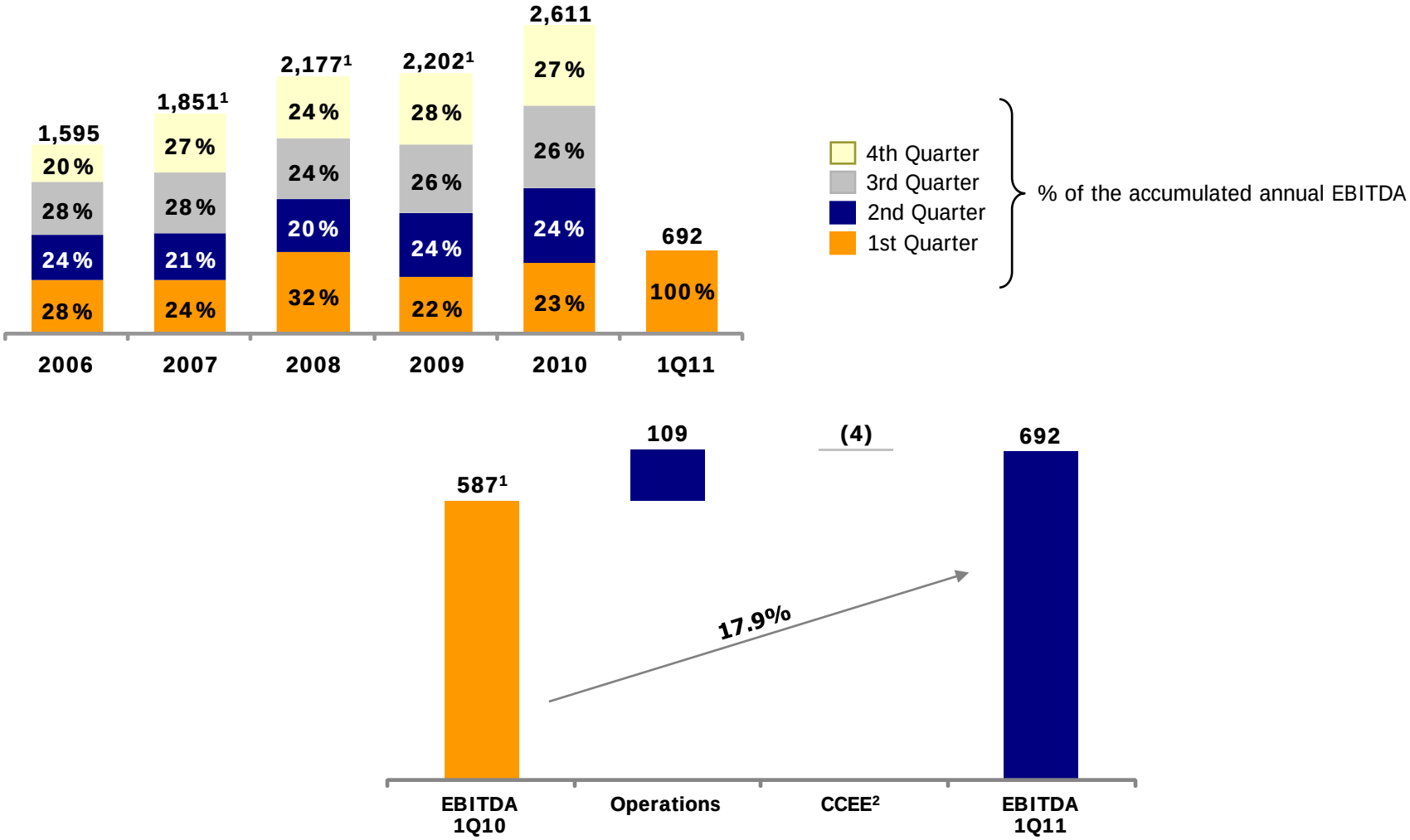
Gross operating revenues change (R$ million)



Note:
[1] Considers new accounting procedures.

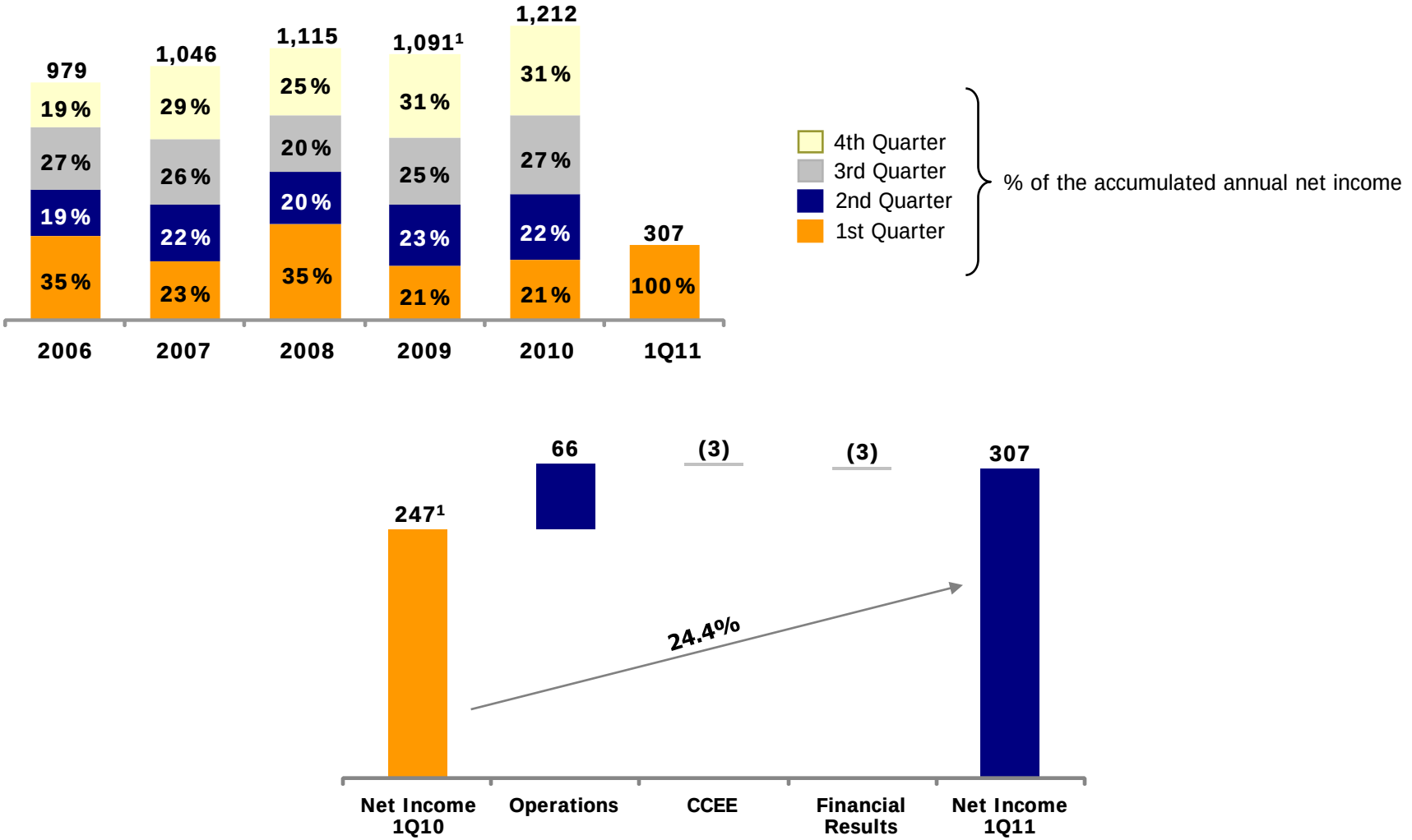


EBITDA change (R$ million)



Notes:
[1] Considers new accounting procedures.
[2] Considers the combined effect of changes in revenue and expenses.

Net income change (R$ million)

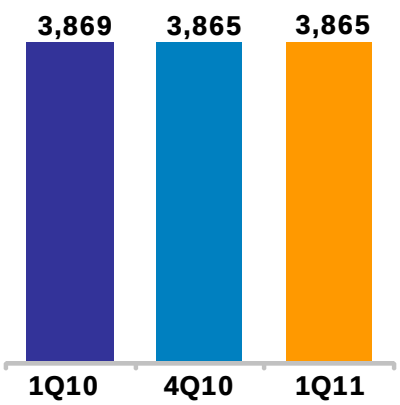


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[1] Considers new accounting procedures.

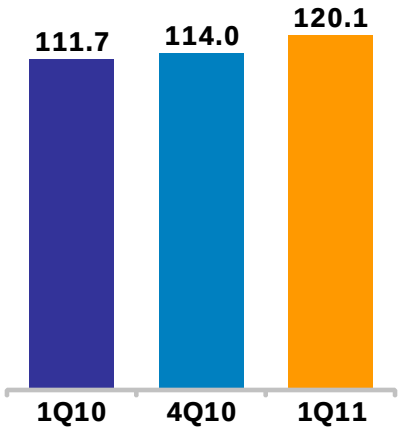
Quarterly financial drivers

Quarterly performance could be affected by allocation strategy of assured energy.

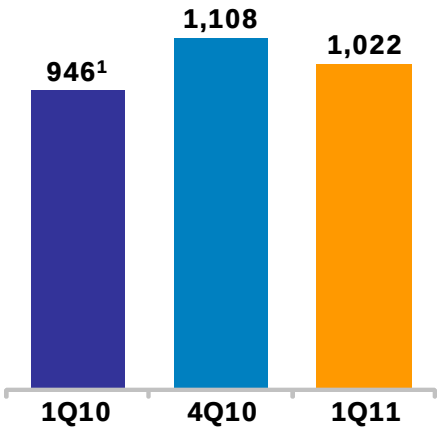
Energy Sold (avg. MW)



Average Price of Energy Sold (R$ / MWh)

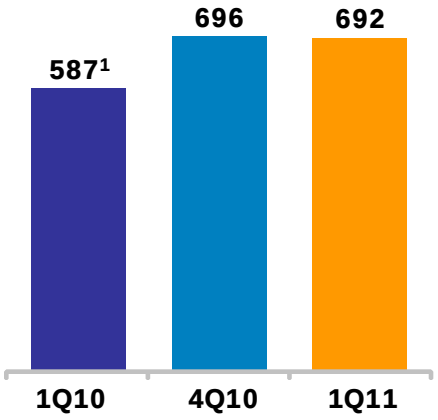


Net Revenues (R$ million)

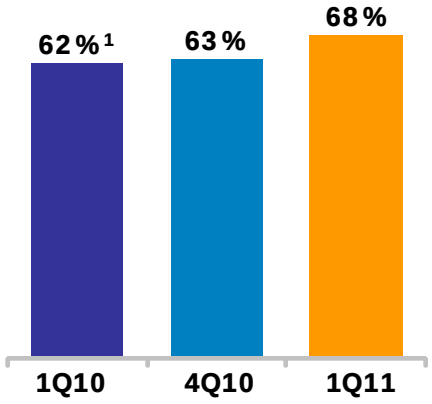


Note: Figures are net of deductions.

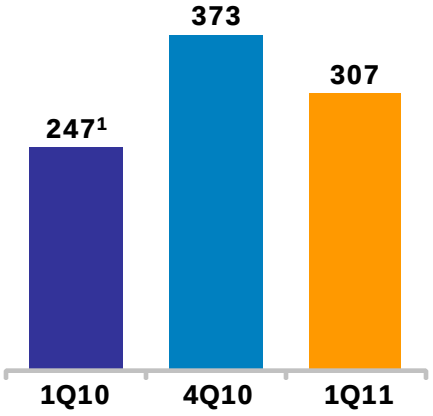
EBITDA (R$ million)



EBITDA Margin



Net Income (R$ million)

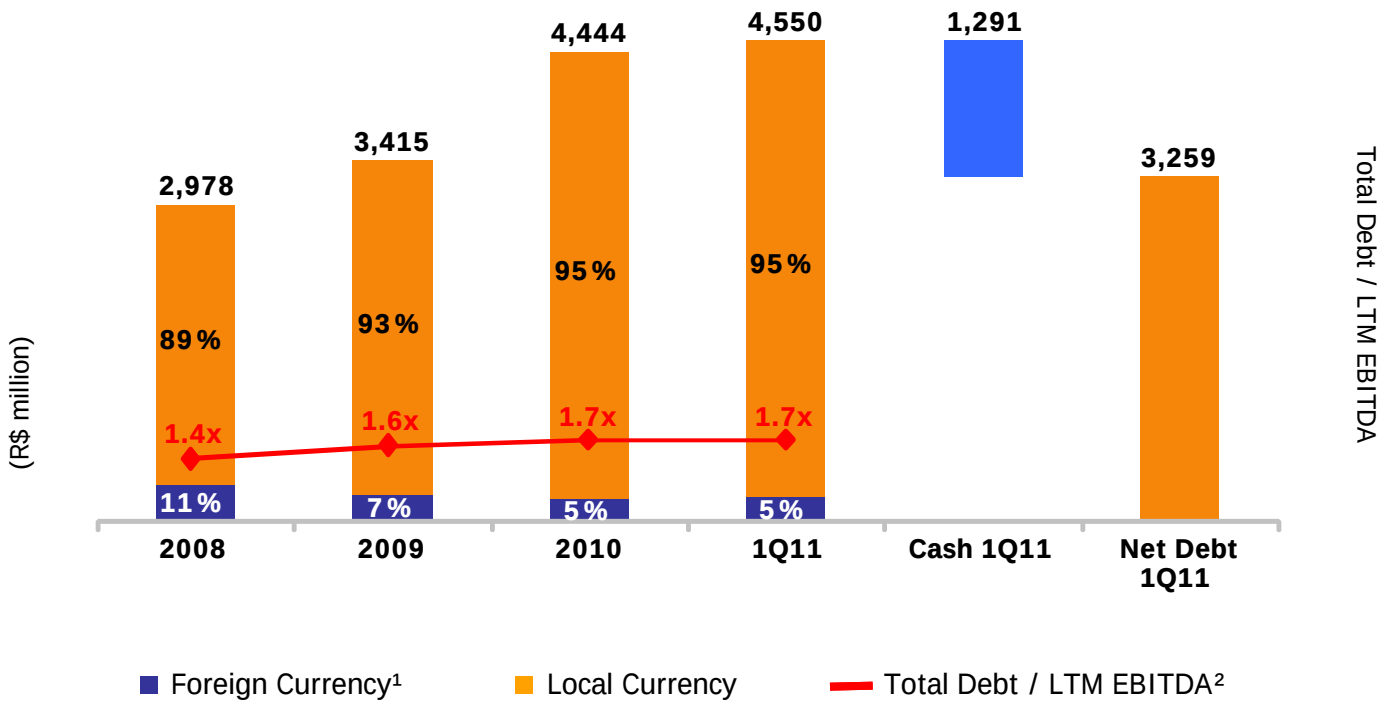


Note:
[1] Considers new accounting procedures.

Limited indebtedness and low exposure to foreign exchange

Low leverage enables Tractebel to benefit from growth opportunities.

Debt Overview (R$ million)

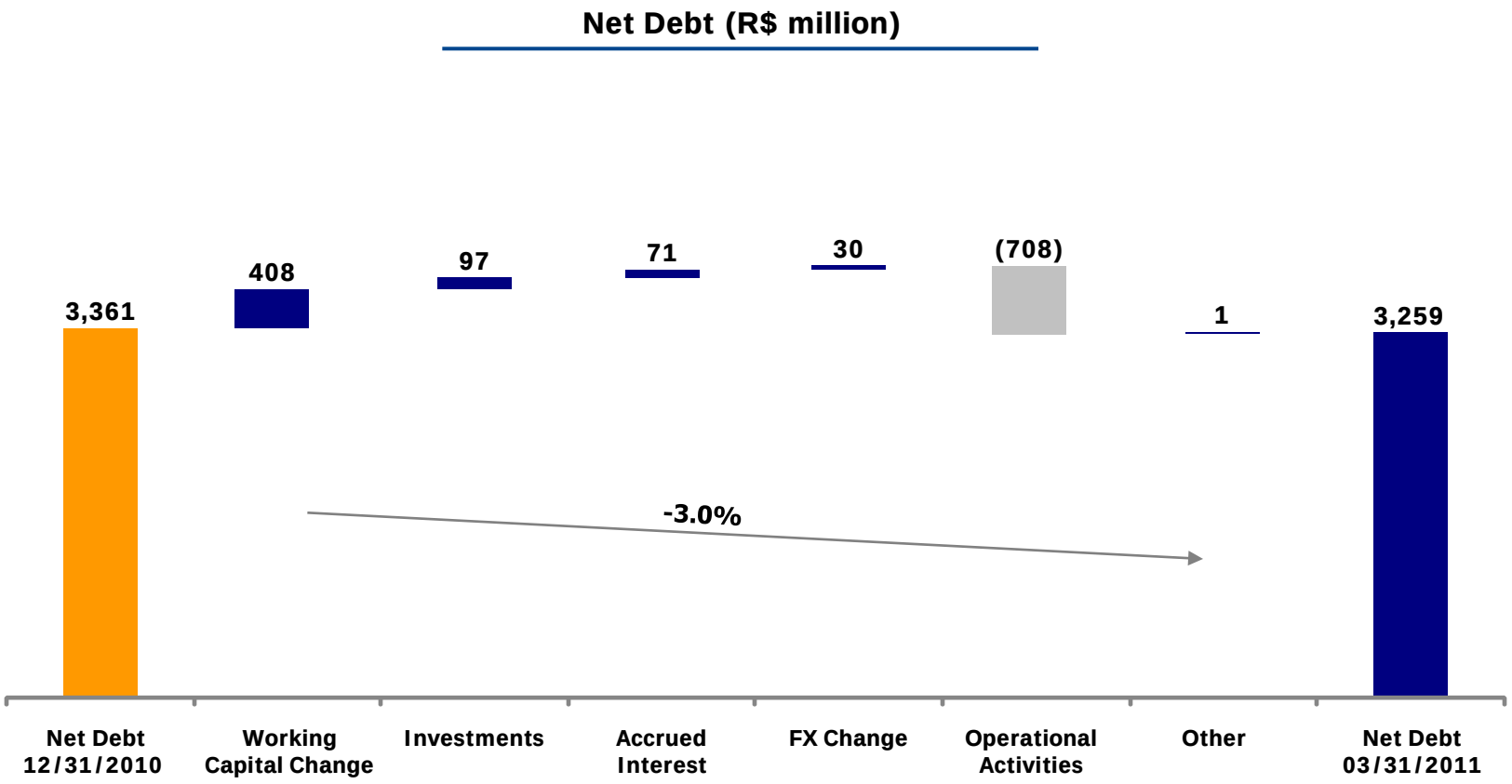


Notes:

¹ Not hedged.

² LTM EBITDA = last-twelve-month EBITDA.

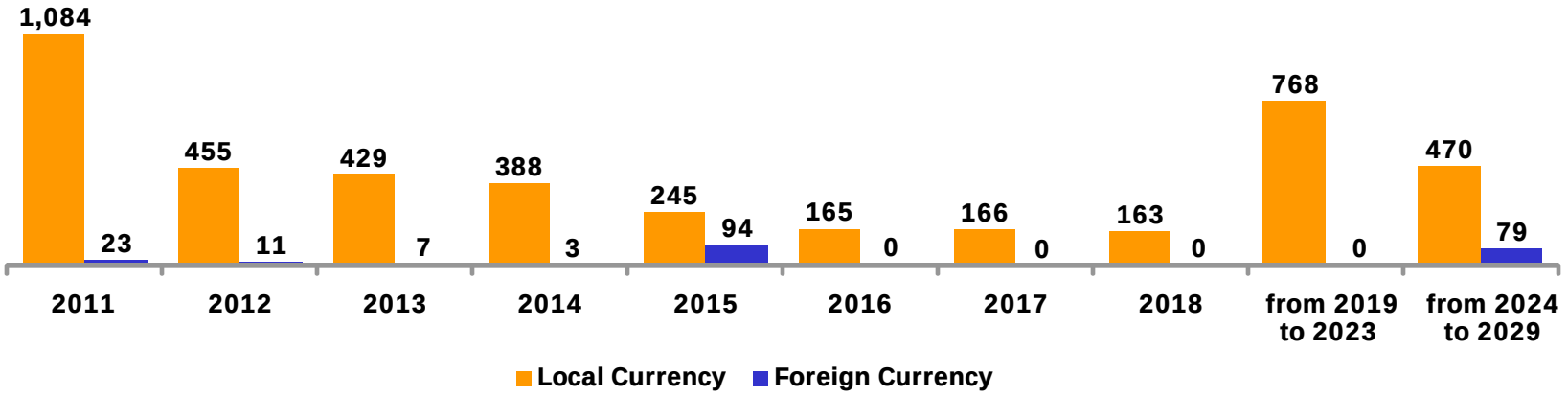
Net debt change



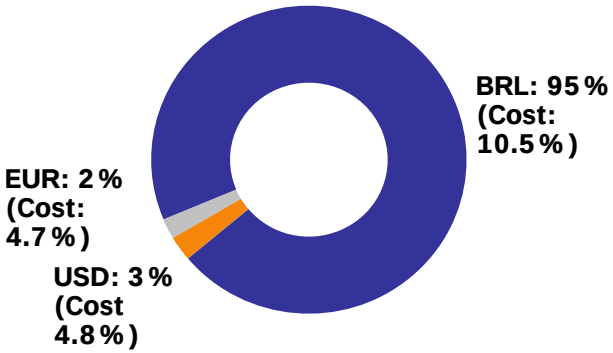
Medium and long-term debt, with low costs and defensive indexes

Debt profile and strong cash generation reduce refinancing risk.

Maturity Term Loans – R$ million



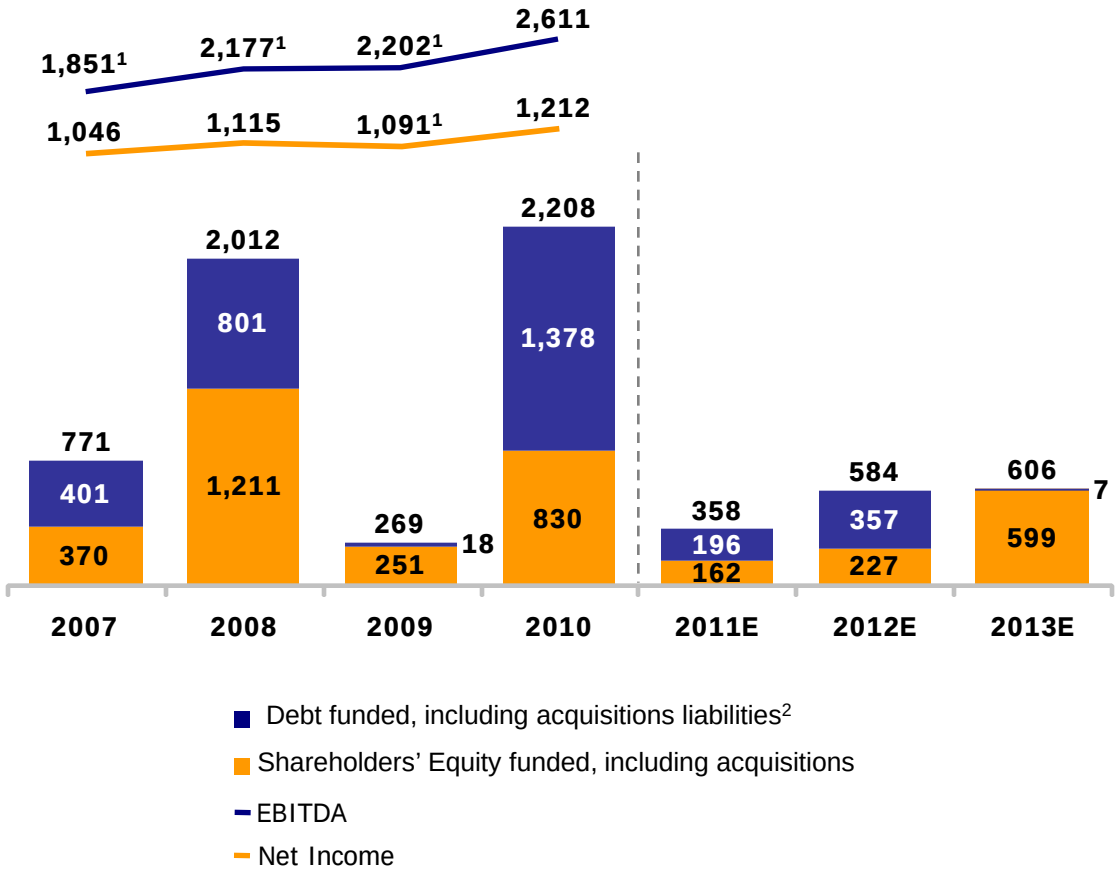
Cost of Debt



Composition of Debt			
Foreign Currency		**Local Currency**	
Fixed	51%	Fixed	2%
Floating	49%	TJLP	59%
Total	**100%**	IGPM	4%
		CDI	24%
		IPCA	11%
		Total	**100%**

Expansion plan and low maintenance CAPEX are supported by a high cash flow

Accomplished / expected CAPEX and corresponding financing sources (R$ million)

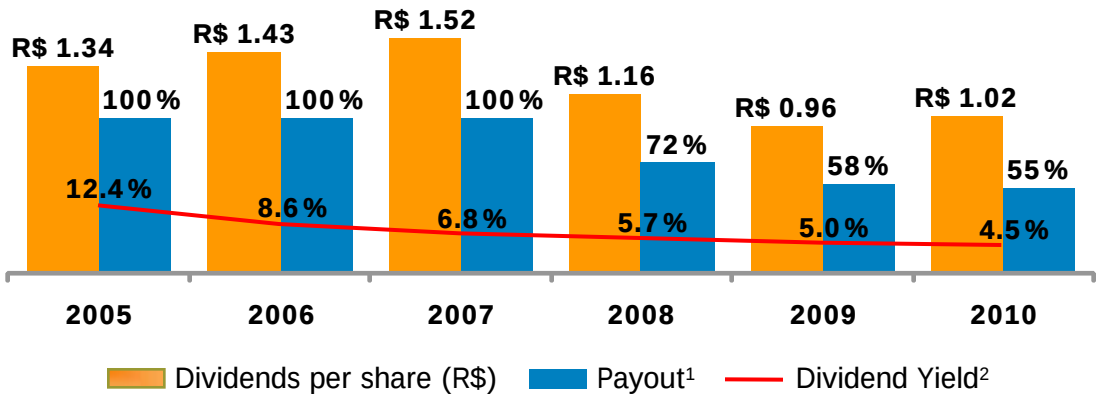


Note:
[1] Considers new accounting procedures.
[2] Does not consider interests incurred during the construction.

Dividend policy

- By-law minimum payout: 30% of payable net income.
- Management commitment: minimum payout of 55% of payable net income.
- Payment frequency: semi-annual.

Dividends (based on payable net income)



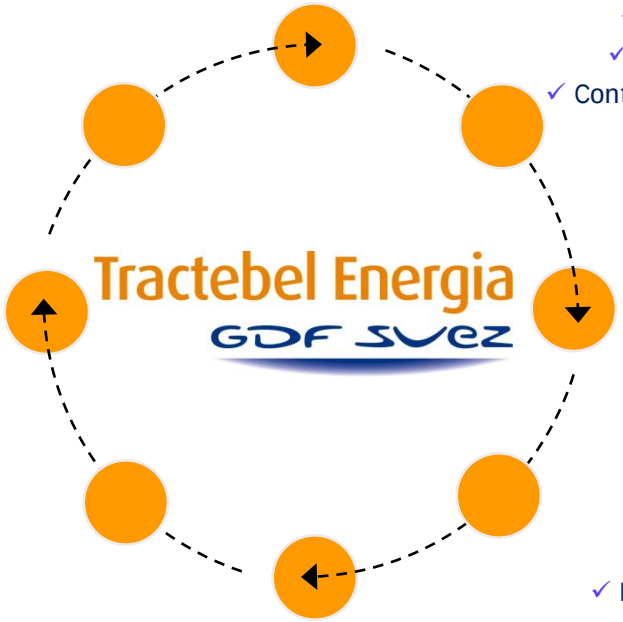
Note:
[1] Considers the annual payable net income.
[2] Based on volume-weighted market price of ON shares in the period.

Competitive advantages

ATTRACTIVE INDUSTRY
- ✓ Defensive profile in critical times
- ✓ Growing energy prices

PREMIUM RATING
- ✓ "brAA+" and "AA+(bra)" – Debentures rated by S&P and Fitch, respectively
- ✓ Also corporate AA+

INDUSTRY LEADERSHIP
- ✓ Largest private generator
- ✓ Market cap: R$ 18.0 billion
- ✓ Controlled by GDF SUEZ, world leader in energy



HIGH-CALIBER CORPORATE GOVERNANCE
- ✓ Experienced executives
- ✓ Discipline track record in investment decisions

CLEAR COMMERCIAL STRATEGY
- ✓ Heavy contracting in the next years
- ✓ Diversified portfolio between free customers (over different industries) and regulated ones (distribution companies)

STABLE FINANCIAL PERFORMANCE
- ✓ Strong cash flow
- ✓ Average EBITDA margin at 60% +
- ✓ Consistent net income

CASH FLOW PREDICABILITY
- ✓ Inflation-indexed contracts
- ✓ Hydro basis, complemented by thermal and wind

HIGH OPERATIONAL PERFORMANCE
- ✓ Benchmark indexes of availability
- ✓ ISO 9001 (quality management) and 14001 (environment management) certified plants

Contacts

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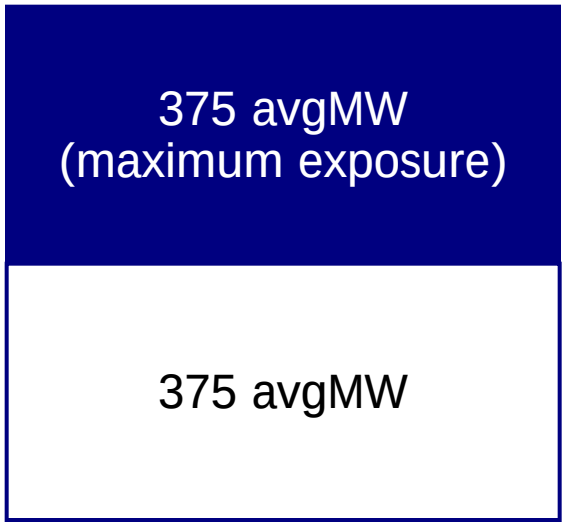
www.tractebelenergia.com.br

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Attachments

Thermal side: exposure to spot prices



→ Estimated commercial capacity (on a yearly basis)

→ Thermal substitution energy → purchase in spot market

→ Expected minimum dispatch due to an annual inflexibility (based on the purchase of some 230,000 tons of coal a month)

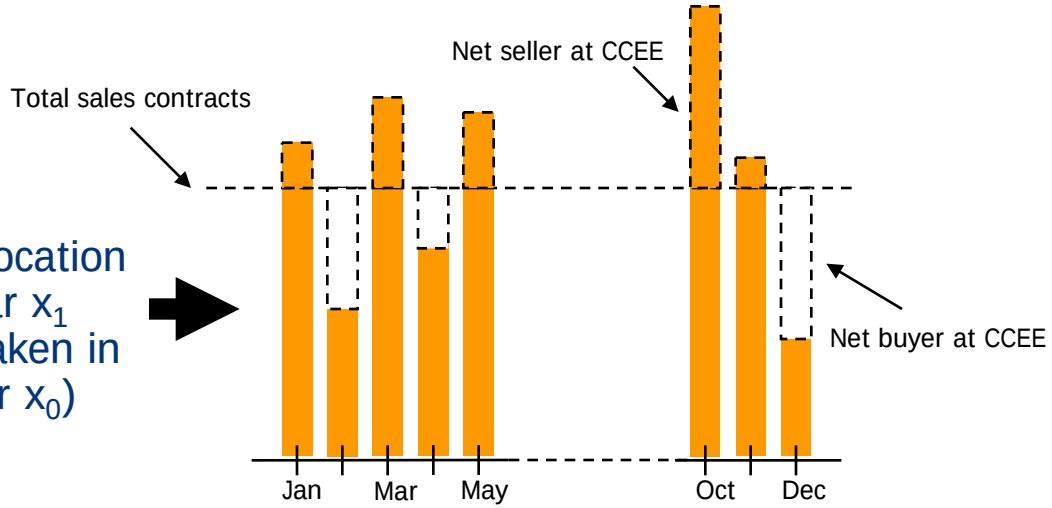
Notes: 1) Tractebel Energia has been fully contracted → purchase of thermal substitution energy.
2) On a monthly basis, inflexibility variations may occur.
3) Figures related to the Energy Trading Board (CCEE) settlement point.

Hydro gencos monthly allocation of resources

How does the allocation of resources at CCEE (the energy trading board) over the months interfere with a hydro genco quarterly results?

Annual Hydro Resources

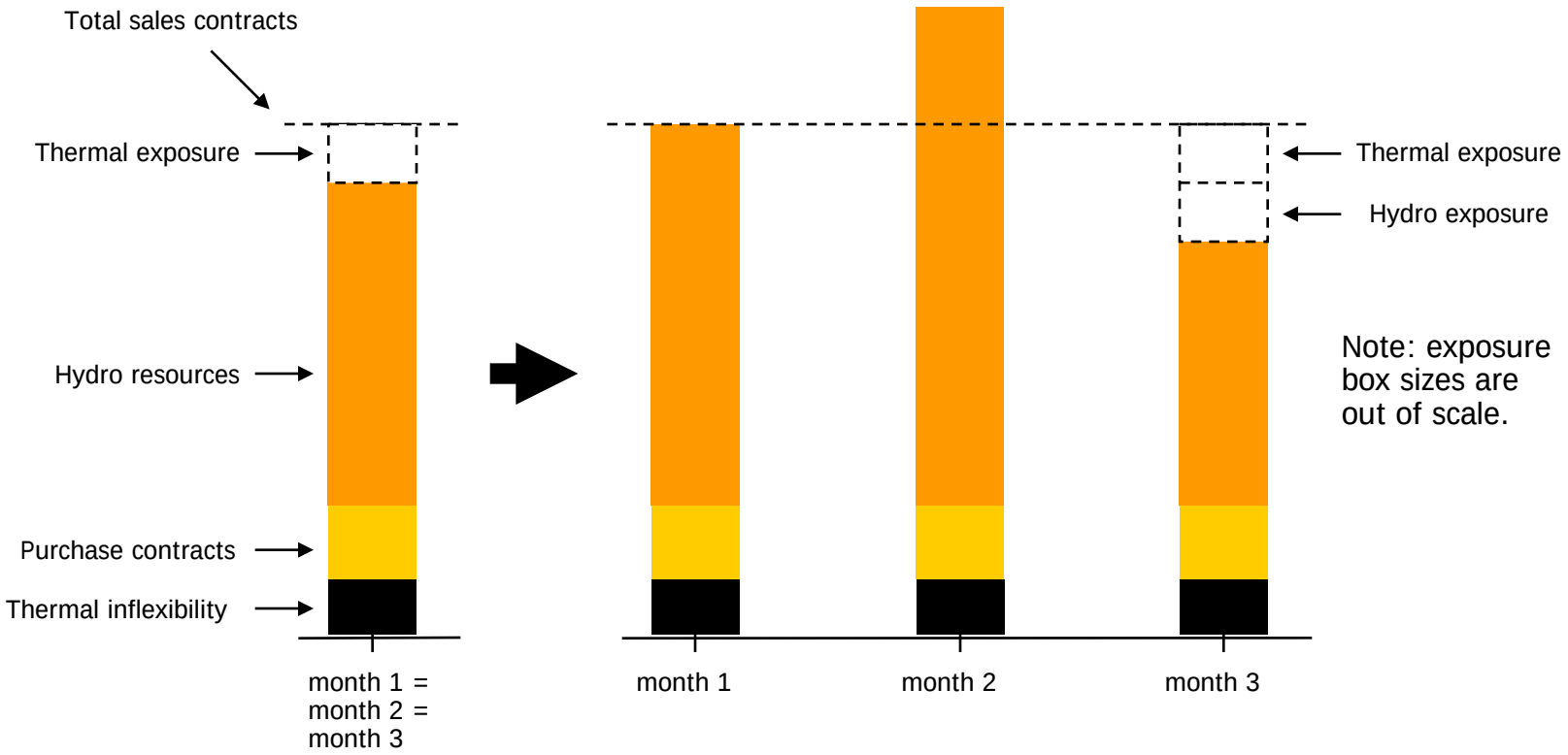
monthly allocation over year x_1 (decision taken in Dec. year x_0)



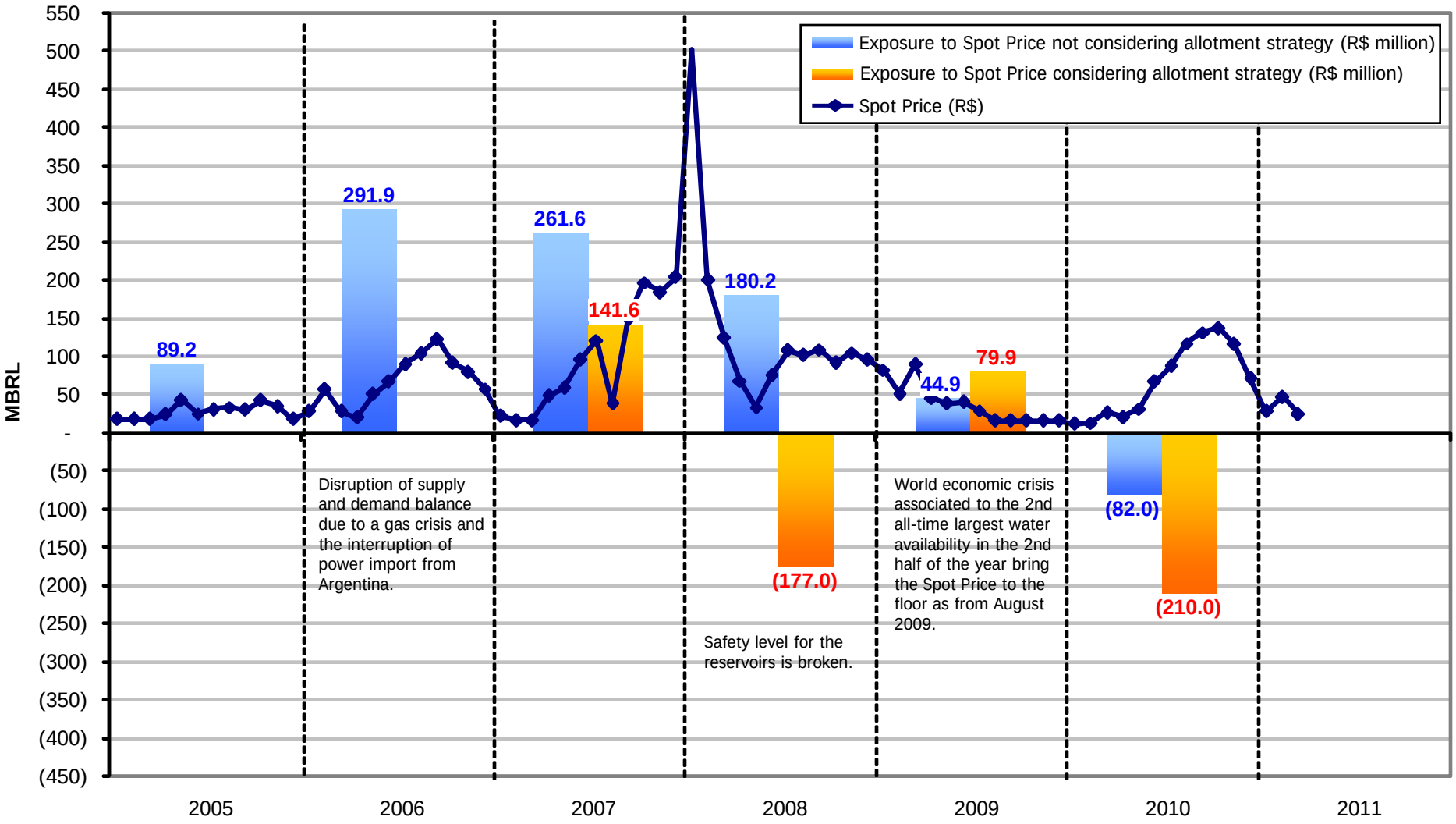
- Hydro gencos can freely allocate their resources over the following year's months;
- Monthly fluctuations on sales is also a driver for exposure to spot price;
- Monthly energy differences are settled at spot price, i.e., PLD (Price for Settlement of Differences);
- As penalties apply for a net buyer, a "monthly closing" market is available for those gencos who need to cover up their position;
- The pricing for the "monthly closing" market is strongly linked to the spot price.

Mechanisms to mitigate exposure from the thermal side

As a consequence of the two previous slides, an appropriate monthly allocation of the hydro resources over the year can mitigate the exposure arising from the thermal substitution energy to be purchased at spot price. An example follows:

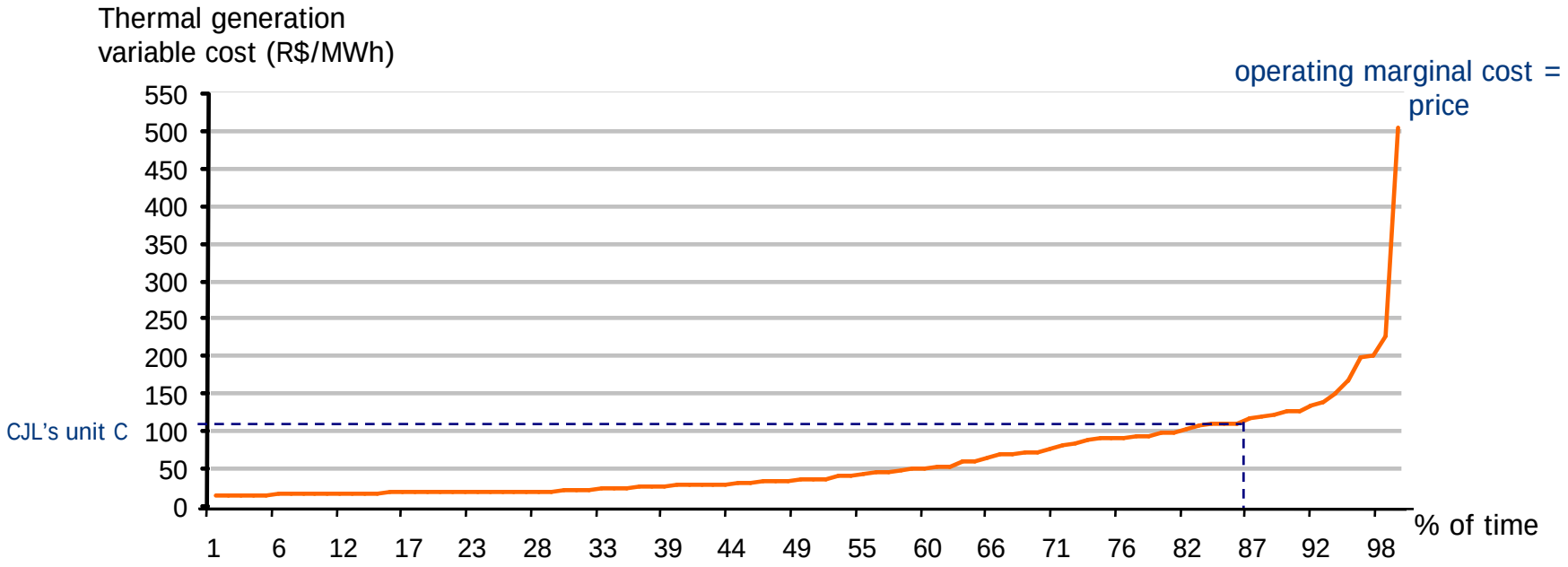


Expenses: impacts of energy allotment (2007 thru 2011)



Main drivers and distribution curve of spot prices

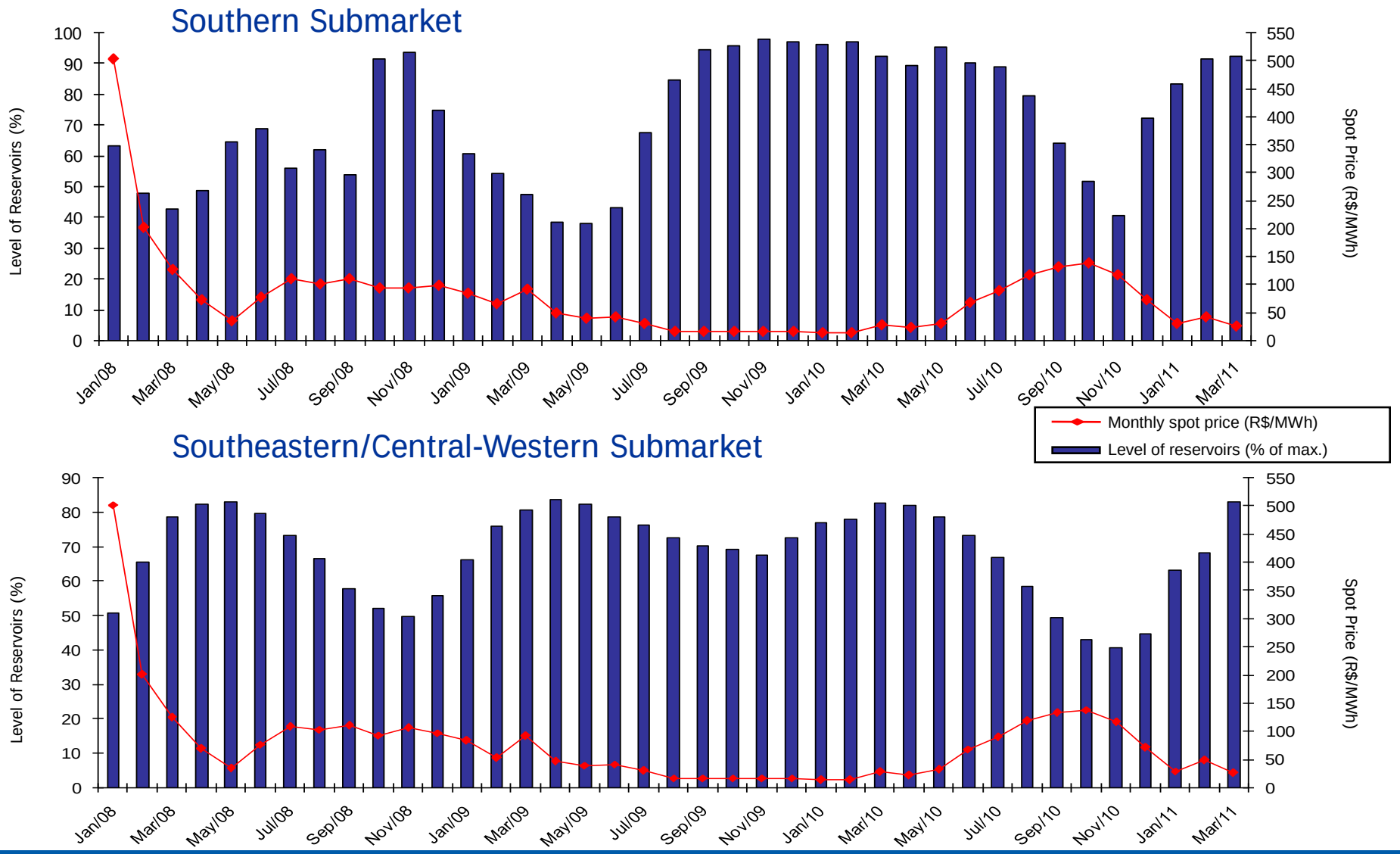
- Reservoir levels of hydro plants;
- Rainfall behavior;
- Forecast of demand for power;
- Current and future availability of power plants and transmission lines;
- Availability of natural gas.



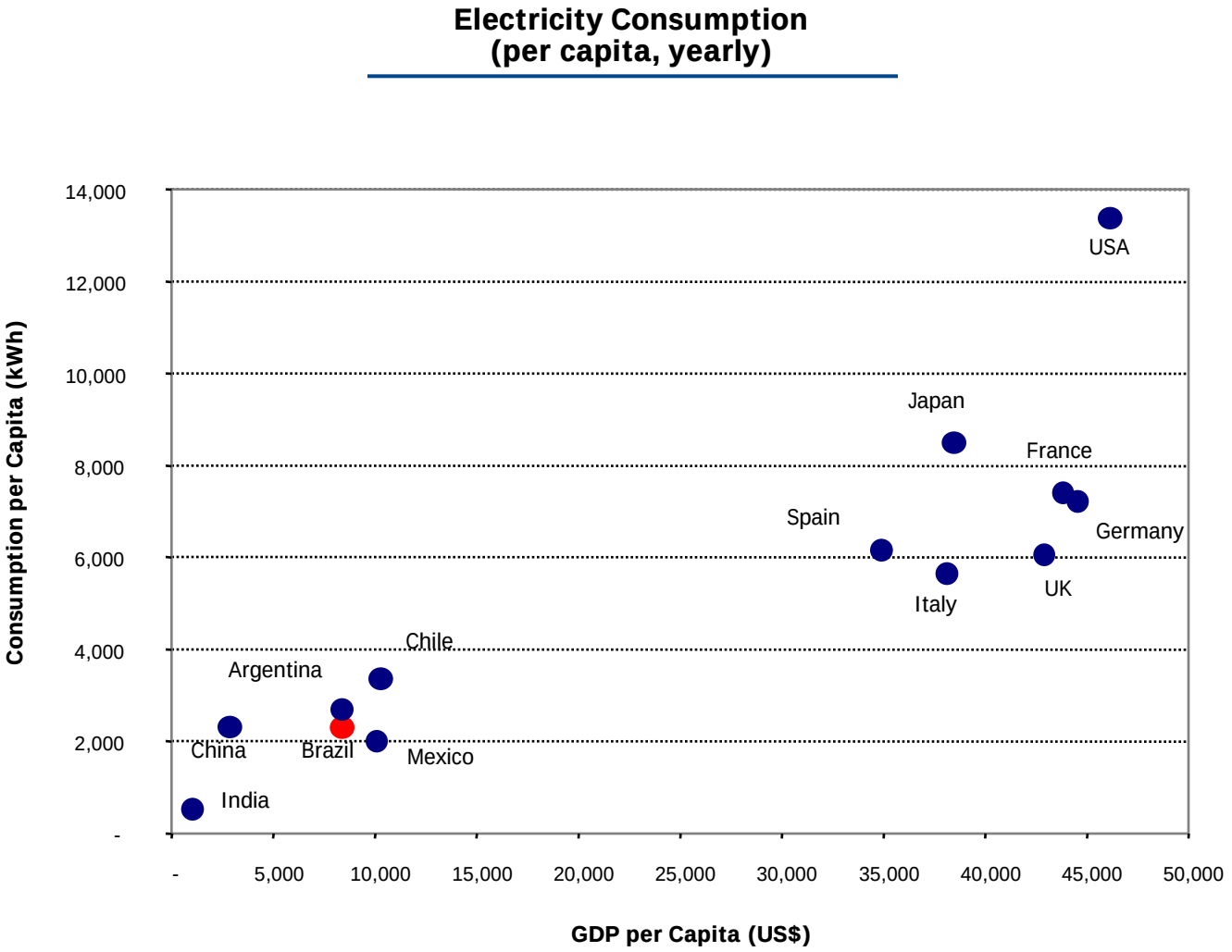
Note: spot market monthly prices for SE-CW submarket from May 2003 to March 2011.

Conclusion: For 60% of the time the spot price is lower than R$50/MWh, and for 87% of the time it is lower than R$110/MWh.

Correlation between reservoir levels and spot prices



Electricity: large growth potential



Source: IEA Energy Statistics, 2009.