Tractebel Energia

GDF SUEZ



Results Presentation – 2Q12

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Highlights, Shareholding Structure, Market Share, Assets and Sales

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Quarter highlights

- Financial and operational indexes:

(in millions of R$)	2Q12	2Q11	Chg.	6M12	6M11	Chg.
Net Revenue from Sales (NRS)	1,194.4	1,057.8	12.9%	2,347.8	2,080.0	12.9%
EBITDA [1]	779.9	725.5	7.5%	1,494.2	1,418.0	5.4%
EBITDA / NRS - (%)	65.3	68.6	-3.3 p.p.	63.6	68.2	-4.6 p.p.
Net Income	344.4	358.8	-4.0%	673.9	665.7	1.2%
Energy Sold (avg. MW)	3,782	3,886	-2.7%	3,819	3,877	-1.5%
Average Price of Energy Contracts (R$/MWh)	131.8	121.3	8.6%	130.2	120.7	7.8%
Production (avg. MW)	3,029	4,468	-32.2%	3,501	4,619	-24.2%

[1] EBITDA represents: operational results + financial results + depreciation and amortization.

Quarter highlights

• The sixth of the eight generating units at the Estreito HPP went into commercial operation on May 29. With the start-up of Generator Unit 6, 92.4% of the Plant's assured energy belonging to the Company will be available.

• Generated the first KWh from a site on the breakwater in the state of Ceará. This is a project conducted under Aneel's (National Electric Energy Agency) R&D Program and enjoys a partnership with the Postgraduate and Engineering Research Institute of the Federal University of the State of Rio de Janeiro (Coppe/UFRJ) and the government of the state of Ceará.

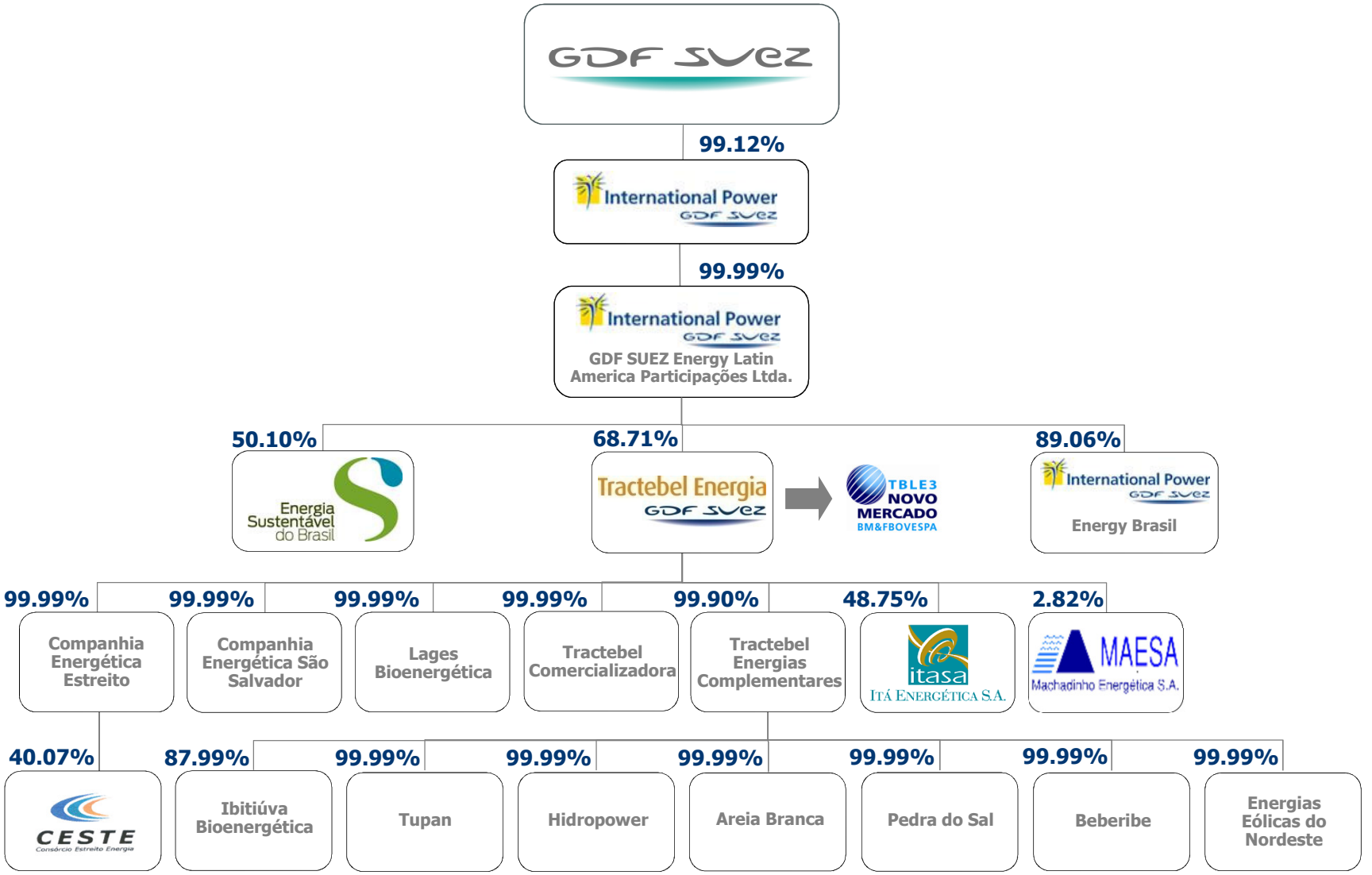
• Approved the distribution of R$ 693.8 million (payout of 100%) as interim dividends based on the results for 6M12, corresponding to R$ 1.0628376925 per share.

• Fitch Ratings uplifted the Company's international rating from 'BBB-' to 'BBB', as well as uplifting the National Long-Term Rating and the rating for the Second Debentures Issue from 'AA+(bra)' to 'AAA(bra)', both of which with a stable outlook.

• For the first time, Tractebel releases an on-line version of its Sustainability Report.



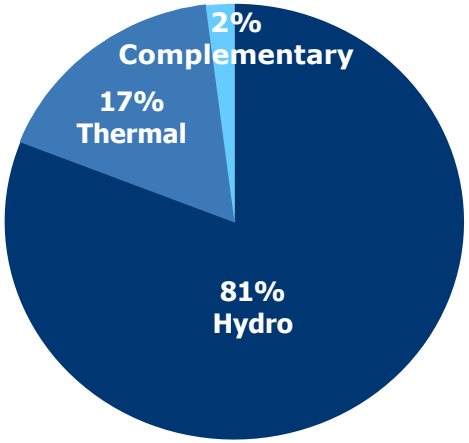
Tractebel is controlled by GDF SUEZ, world leader in energy

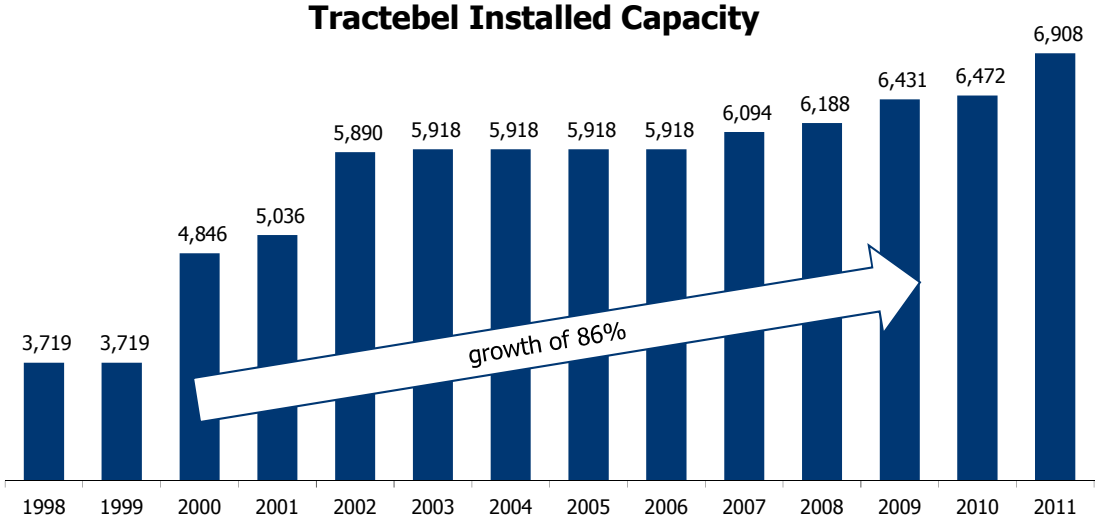


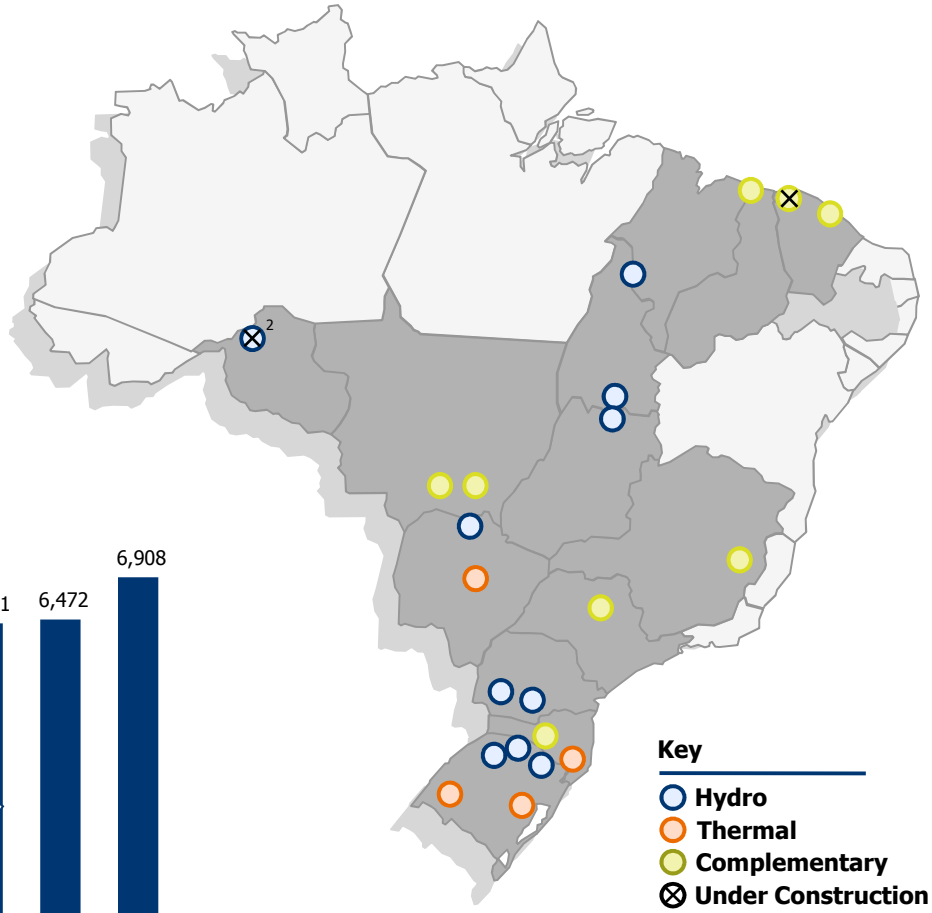
Note: Simplified version

Diversified portfolio of assets, with strategic location

Installed capacity of 6,907.6[1] MW from 22 plants operated by Tractebel Energia in a diversified portfolio.





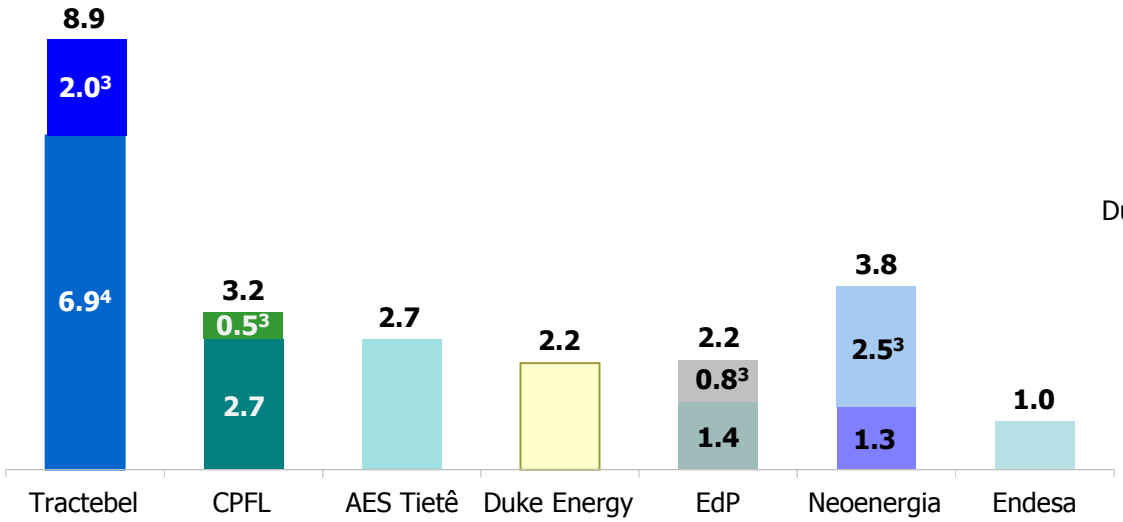


Note:
[1] Considers the complete Estreito HPP ramp-up, what is expected for 2H12.
[2] IPR owns a 50.1% stake in Jirau HPP which is foreseen to be transferred to Tractebel Energia.

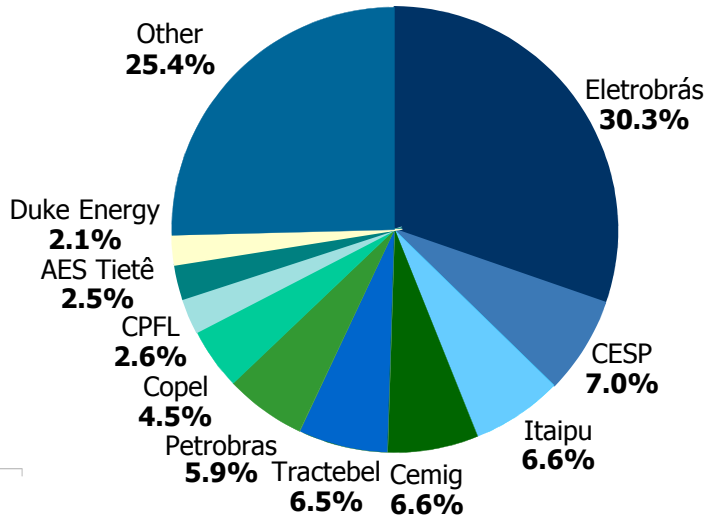
Leading position in the generation sector

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

Private Sector – Installed Capacity (GW)



Brazil – Existing Installed Capacity[1,2]



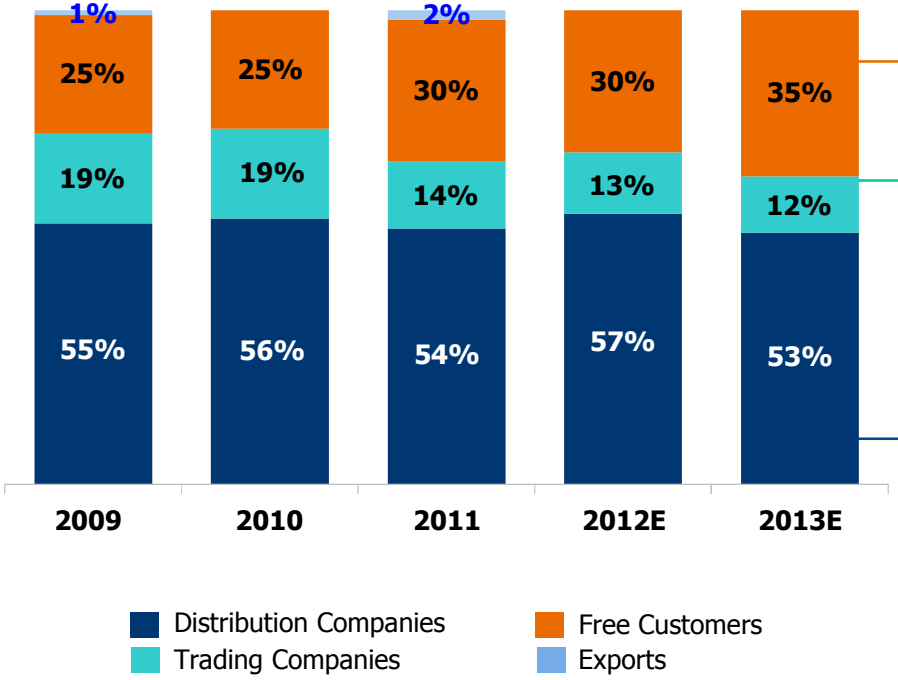
Source: Aneel , Companies' websites and in-house studies.

Notes:
[1] Amount corresponding to SIN – National Interlinked System.
[2] Includes only the Brazilian part of Itaipu.
[3] Installed capacity under construction based on information from Aneel, ONS and internal study. For Tractebel, the figure includes its parent company's stake (50.1%) in Jirau HPP.
[4] The complete Estreito HPP ramp-up is foreseen for 2H12.

...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...

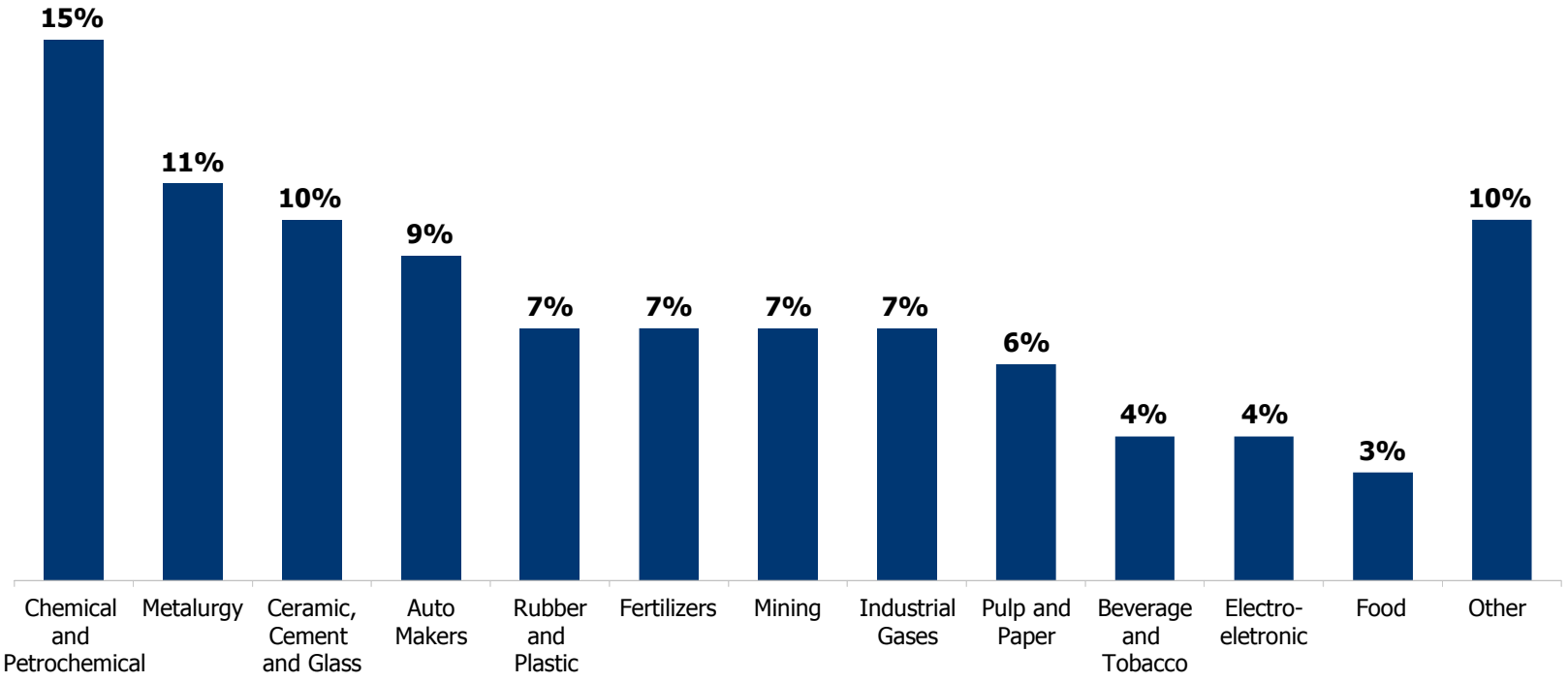
- Flexibility (prices, terms and conditions) → Maximizes portfolio's efficiency
- Solid client relationship → Liaison with some free customers
- Largest consumer market
- Regulated and unregulated contracts → Long-term cash flow predictability

...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 2012:
1,285 average MW



Source: Internal study based on IBGE's classification.

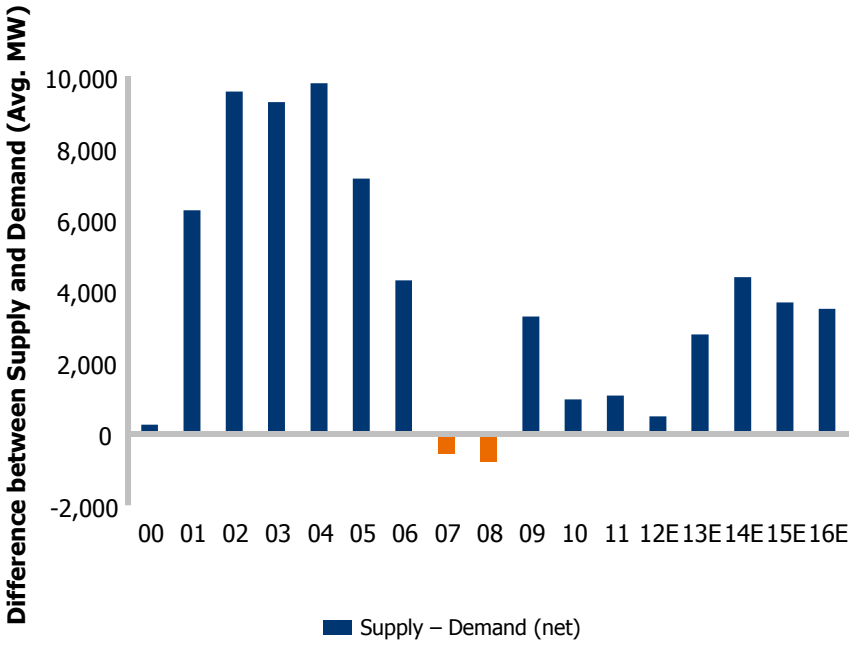
Energy Market in Brazil

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Strong economic growth will increase demand for electric energy

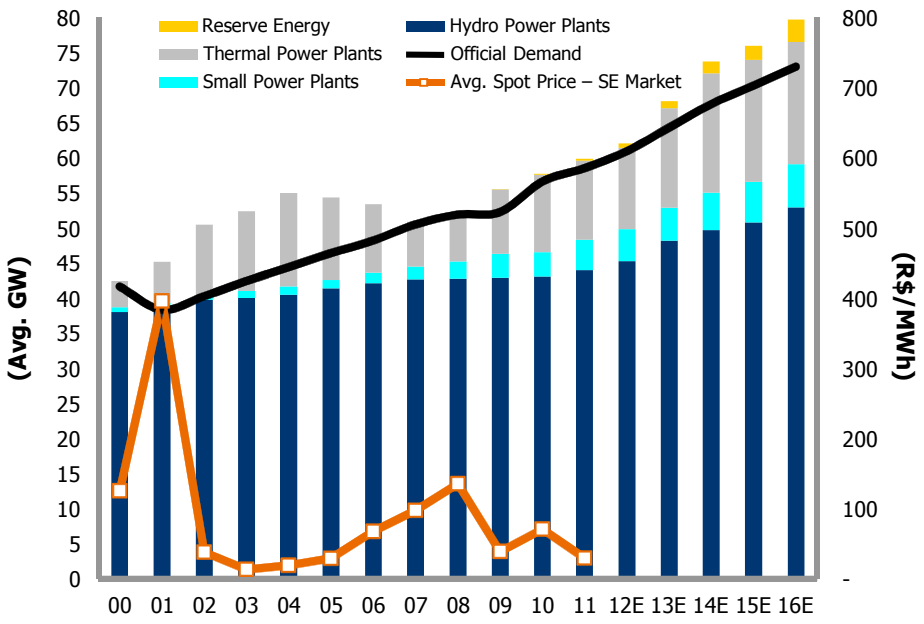
Increased thermal role, delays in the implementation of greenfield projects, preference for the construction of low storage capacity hydro power plants and adoption of risk aversion procedures may pressure up energy prices in the future.

Energy Market Outlook



Source: Tractebel Energia's internal study based on ONS' Operations Monthly Program of July 2012.

Supply Distribution by Source



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

Sales Strategy

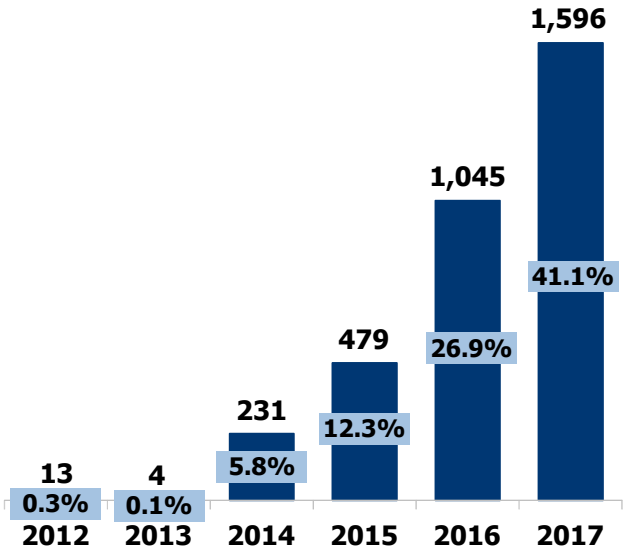
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The energy for delivery in the medium term is almost fully contracted

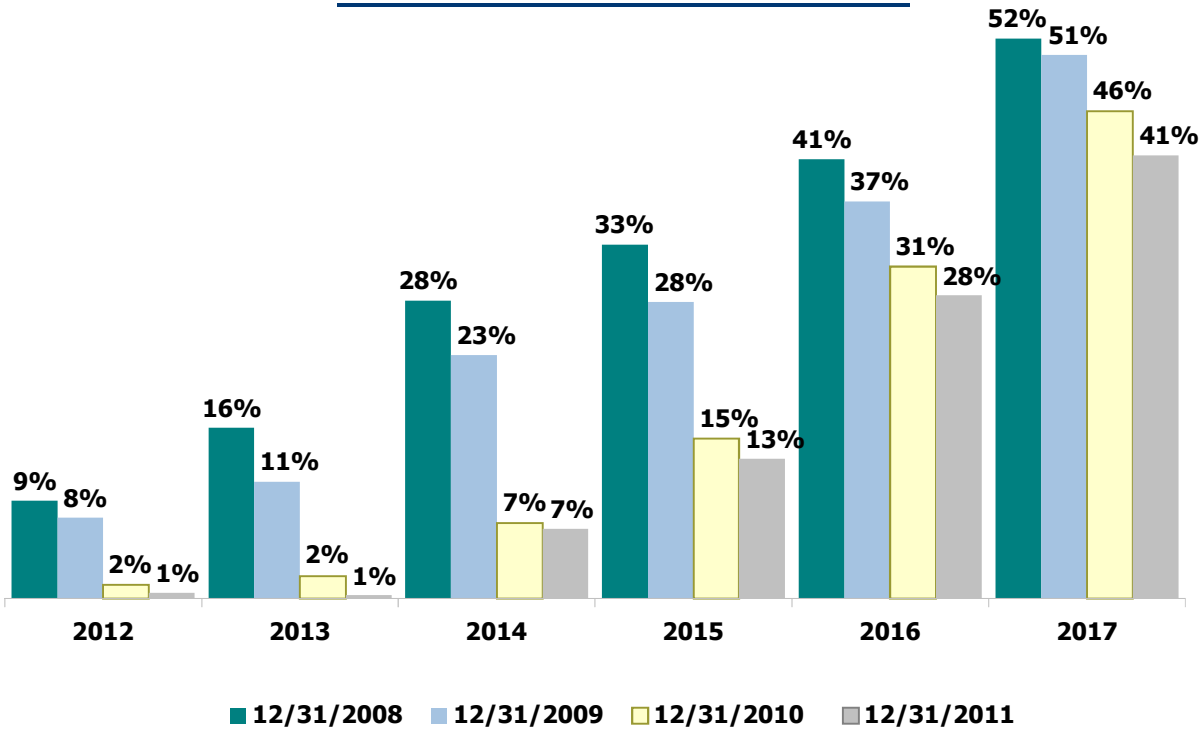
Tractebel's commercial strategy considers, among others aspects, the gradual sale of future availability. As the time goes by, the Company is able to better foresee the market conditions in a given year ahead and, as a result, to finetune the amount of uncontracted energy.

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 June 30, 2012

(in average MW)	2012	2013	2014	2015	2016	2017	Auction **Gross** Price (R$/MWh)	Reference Date	**Gross** Price Adjusted as of June 30, 2012 (R$/MWh)
Own Resources	3,575	3,658	3,681	3,681	3,681	3,681			
+ Purchases for Resale	601	441	333	215	205	200			
= Total Resources (A)	**4,176**	**4,099**	**4,014**	**3,896**	**3,886**	**3,881**			
Government Auction Sales*	1,669	1,669	1,669	1,659	1,513	1,154			
2004-EE-2007-08	10	10	10	-	-	-	70.9	Dec-04	99.7
2005-EE-2008-08	146	146	146	146	-	-	81.6	Apr-05	111.9
2005-EE-2009-08	359	359	359	359	359	-	94.0	Oct-05	125.9
2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	153.4
2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	168.7
2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	175.5
2007-NE-2012-30	256	256	256	256	256	256	126.6	Jun-07	158.4
Proinfa	44	44	44	44	44	44	147.8	Jun-04	232.7
1st Reserve Energy Auction	13	13	13	13	13	13	158.1	Aug-08	190.5
+ Bilateral Sales	2,494	2,426	2,114	1,758	1,328	1,131			
= Total Sales (B)	**4,163**	**4,095**	**3,783**	**3,417**	**2,841**	**2,285**			
Balance (A - B)	**13**	**4**	**231**	**479**	**1,045**	**1,596**			
Sales Average Price (R$/MWh) **(Net)***[1]:	132.0	132.1	132.8						
Purchases Average Price (R$/MWh) **(Net)***[2]:	123.3	126.7	128.4						

* 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 06/30/12, i.e. future inflation is not considered.

*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 06/30/12, i.e. future inflation is not considered.

Note:
The balance refers to the settlement point.
The average prices are considered simply estimates and are based on financial planning revisions, not capturing volume changes, which are updated quarterly.

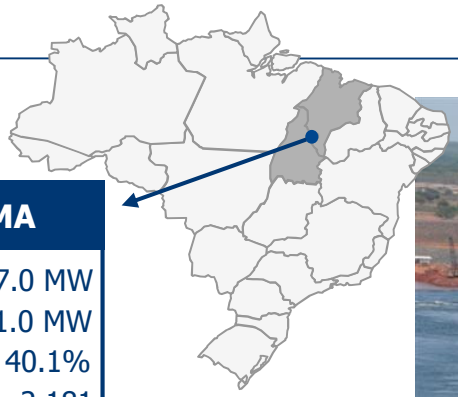
Growth

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Hydro project under construction: Estreito

Six of the eight operation units have entered into commercial operation. The other units are expected for the course of 2012.

Project Description



Estreito HPP - TO/MA	
Installed Capacity:	1,087.0 MW
Commercial Capacity:	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$ 158.4/MWh as of June 30, 2012.

Hydro project under construction: Estreito

Estreito HPP

Assembly of Generating Unit 8



Estreito Ramp-up and Commercial Capacity (aMW)

Tractebel Energia Stake

Unity	Assured Energy	Accumulated Assured Energy		Operating Date
Generating Unit 1 ✓	52.01	52.01	(20.2%)	04/29/2011
Generating Unit 2 ✓	51.69	103.71	(40.4%)	07/02/2011
Generating Unit 3 ✓	50.80	154.51	(60.1%)	09/30/2011
Generating Unit 4 ✓	38.38	192.88	(75.1%)	12/23/2011
Generating Unit 5 ✓	25.99	218.87	(85.2%)	03/02/2012
Generating Unit 6 ✓	18.50	237.37	(92.4%)	05/29/2012
Generating Unit 7	12.51	249.88	(97.3%)	-
Generating Unit 8	7.00	256.88	(100.0%)	-

Hydro project under construction: Jirau – project update

3,750 MW project – 50.1% owned by GDF SUEZ

- under construction: 50 units x 75 MW each
- assured energy: 2,185 aMW

73% contracted under 30-year PPAs – indexed to inflation

- first PPA starting January 2013 (ramp up to 1,383 aMW in 2016, then flat)
  - ✓ contract price: R$ 88.4/MWh (June 2012 price)
- second PPA starting March 2014 (209 aMW flat)
  - ✓ contract price: R$ 106.5/MWh (June 2012 price)

Uncontracted energy to be sold in the free market and/or via future auctions

Expected project CAPEX of BRL 15.4 billion (June 2012)[1]

- compares to June: BRL 15.2 billion[2]
- balance of BRL 0.2 billion relating to remedial actions following March 2012 events on site

Clean Development Mechanism registration underway[3]

Commercial Operation Date (COD) of units starting early 2013

Options to create additional value

- additional assured energy (90 aMW)
- additional long term tax incentives in the region

Enhancements on long term financing

- new credit line under advanced discussions with BNDES
- adjustments on financing ongoing and reducing interest rates trend in Brazil (e.g. TJLP[4] recently reduced from 6% to 5.5% p.a.)

Notes:

[1] CAPEX to completion, including inflation up to June 2012, not there after, it includes the receipt of certain tax credits (PIS/Cofins), excludes interest during construction.

[2] BRL 15.1 billion as at December 2011 re-stated for inflation.

[3] Registration with the United Nations Framework Convention on Climate Change (UNFCCC).

[4] TLJP is the reference interest rate used by BNDES for the cost of financings for power projects like Jirau HPP.

Hydro project under construction: Jirau – project update



Spillway and control room – downstream view



Right bank power house – upstream view



Left bank power house – downstream view

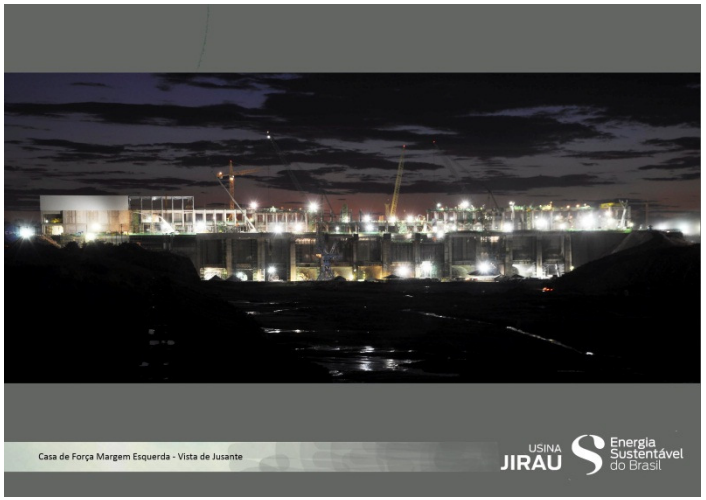


Spillway – dowstream view

Hydro project under construction: Jirau – project update



Left bank power house – downstream view



Left bank power house – dowstream view



Fish monitoring

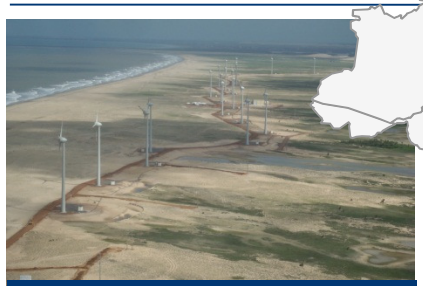


Nova Mutum Paraná

Wind projects under construction: Porto do Delta Wind Farm and Trairi Wind Complex

In 2011, the implementation activities of five wind farms totaling 145.4 MW from non-conventional renewables were started. Construction is in progress in the four farms located in Ceará state, operations expected for 1H13. The installation license for the farm located in Piauí state was granted on 06/18/12.

Project Description





Porto do Delta WF – PI

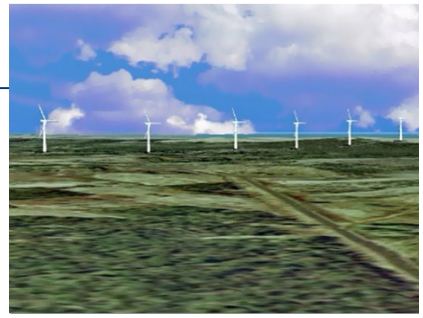
Installed Capacity:	30.0 MW
Commercial Capacity[1]:	16.5 aMW
Investment (R$mm)[2]:	136
Start of construction:	2012E
Start of operation:	2013/14E
Number of wind generators:	13

Picture of Pedra do Sal Wind Farm, just off Porto do Delta.

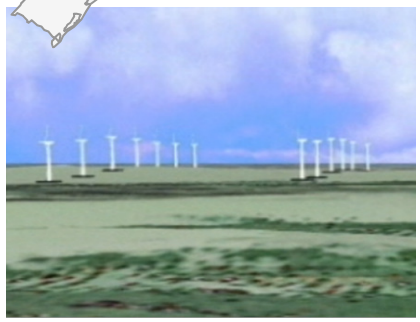
Trairi WC – CE

Installed Capacity:	115.4 MW
Commercial Capacity[1]:	58.2 aMW
Investment (R$mm)[2]:	490
Start of construction:	2011
Start of operation:	2013
Supplier:	Siemens

3D images from the projects.



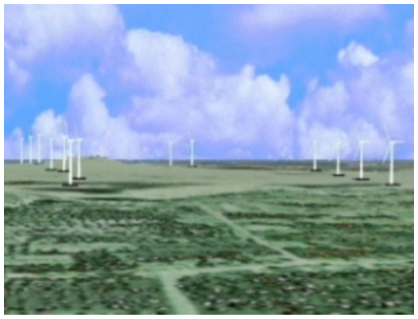
Trairi Wind Farm – 25.4 MW
11 wind generators



Fleixeiras I Wind Farm – 30.0 MW
13 wind generators



Guajirú Wind Farm – 30.0 MW
13 wind generators



Mundaú Wind Farm – 30.0 MW
13 wind generators

The output from the Ceará wind farms has been sold to the free market.

Note:
[1] Estimated value (awaiting MME definition).
[2] Approximate value.

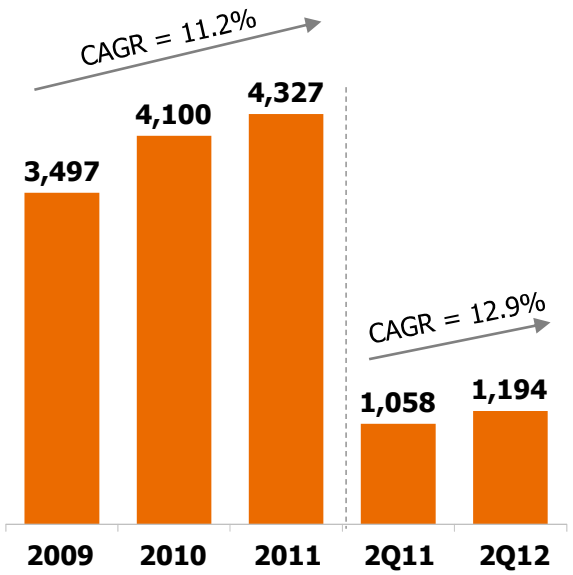
Financial Performance

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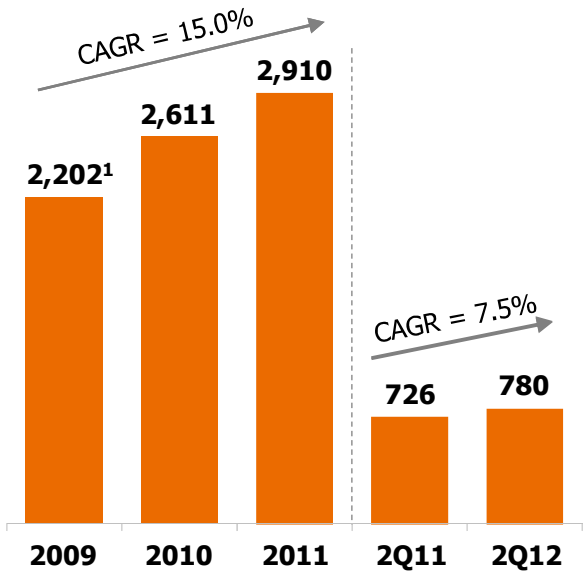
Consistent and constant growth of the financial performance

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

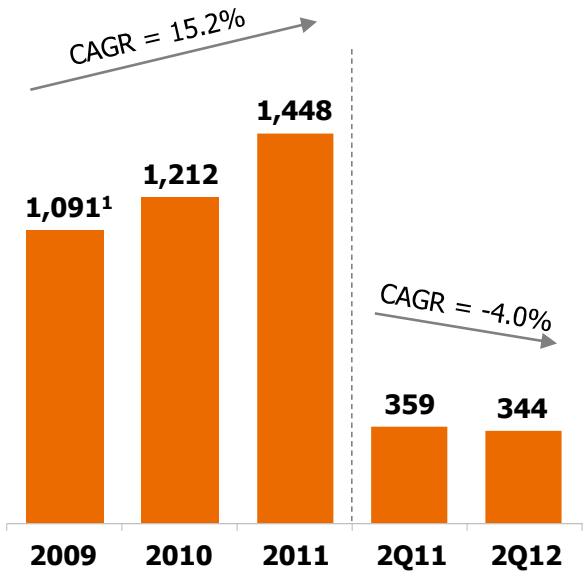
Net Revenue (R$ million)



EBITDA (R$ million)

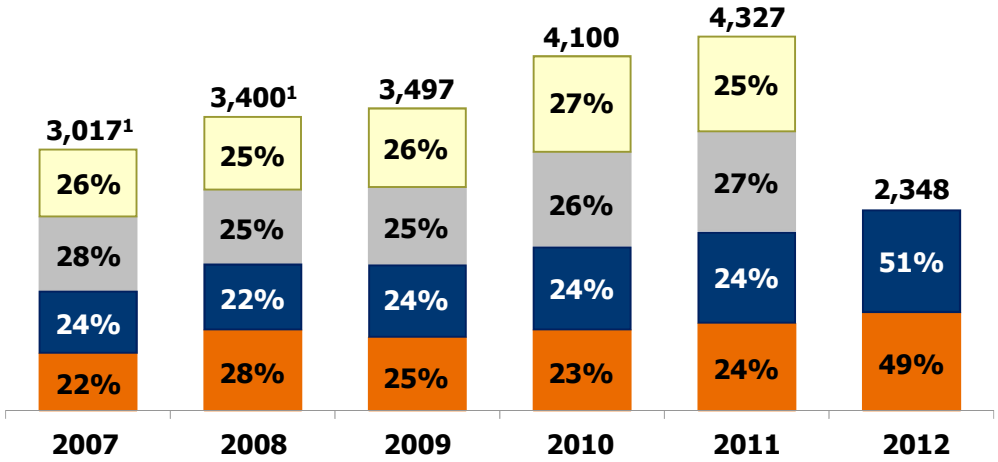


Net Income (R$ million)

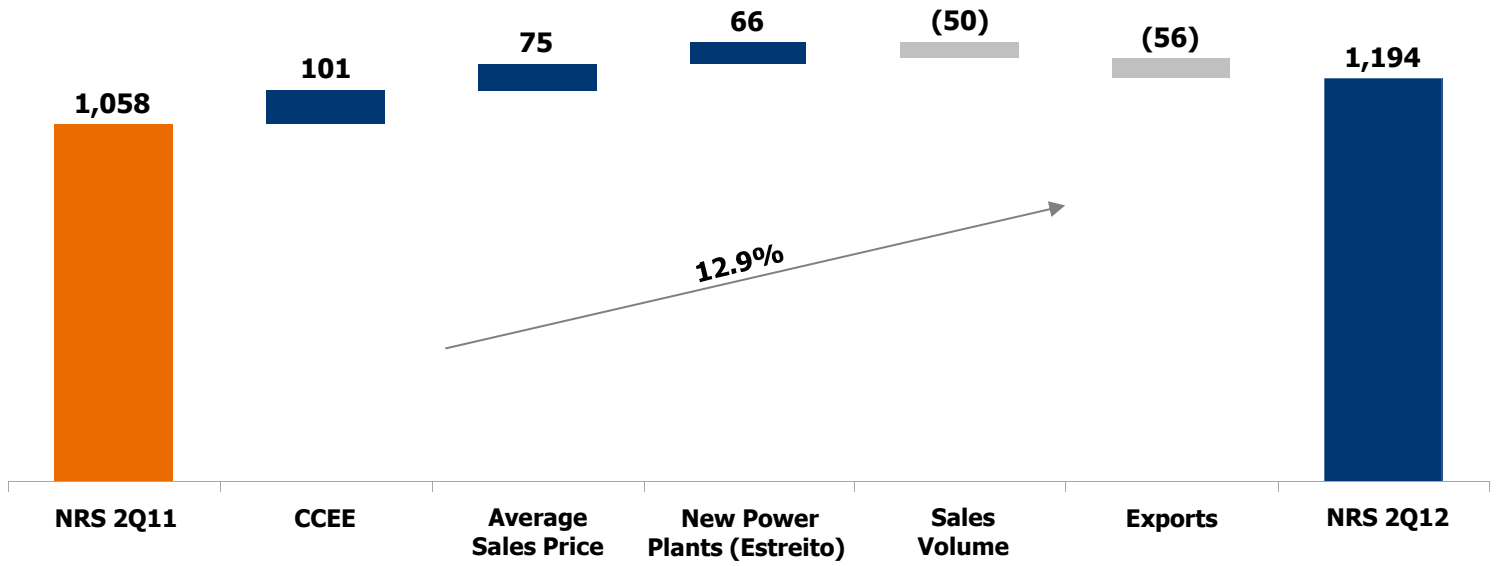


Notes:
[1] Considers new accounting procedures.

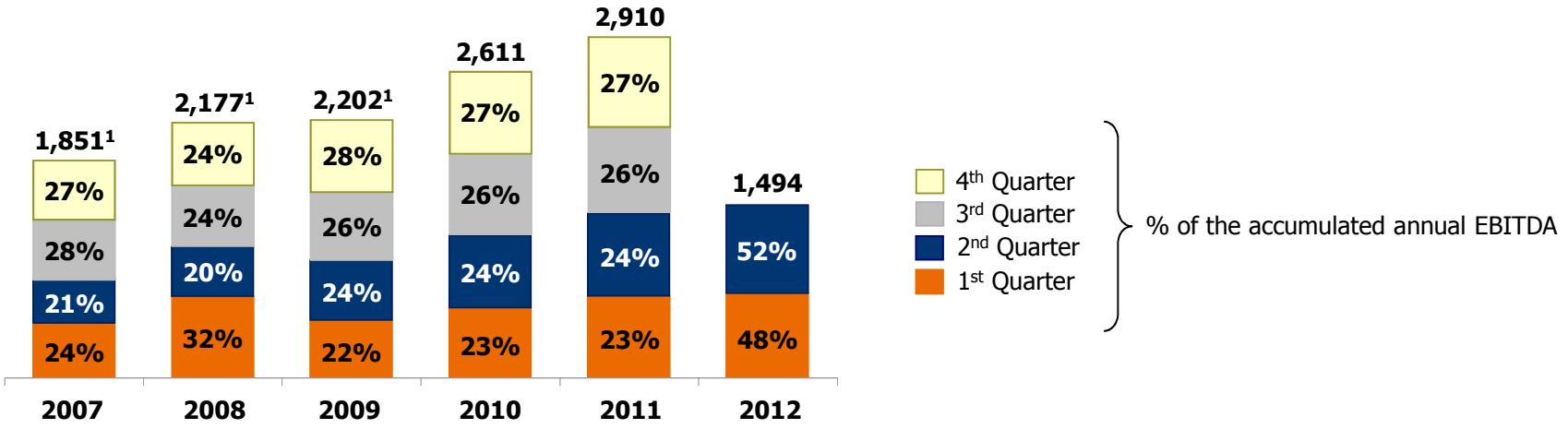
Net revenue from sales change (R$ million)

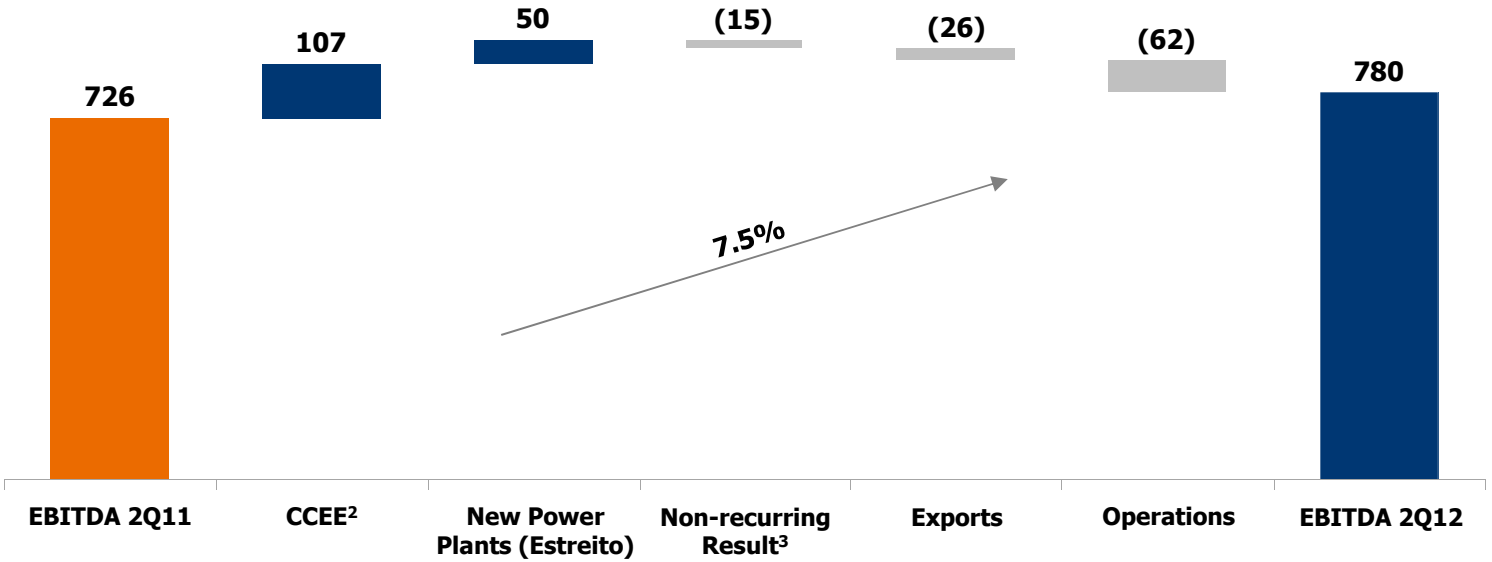


Note:
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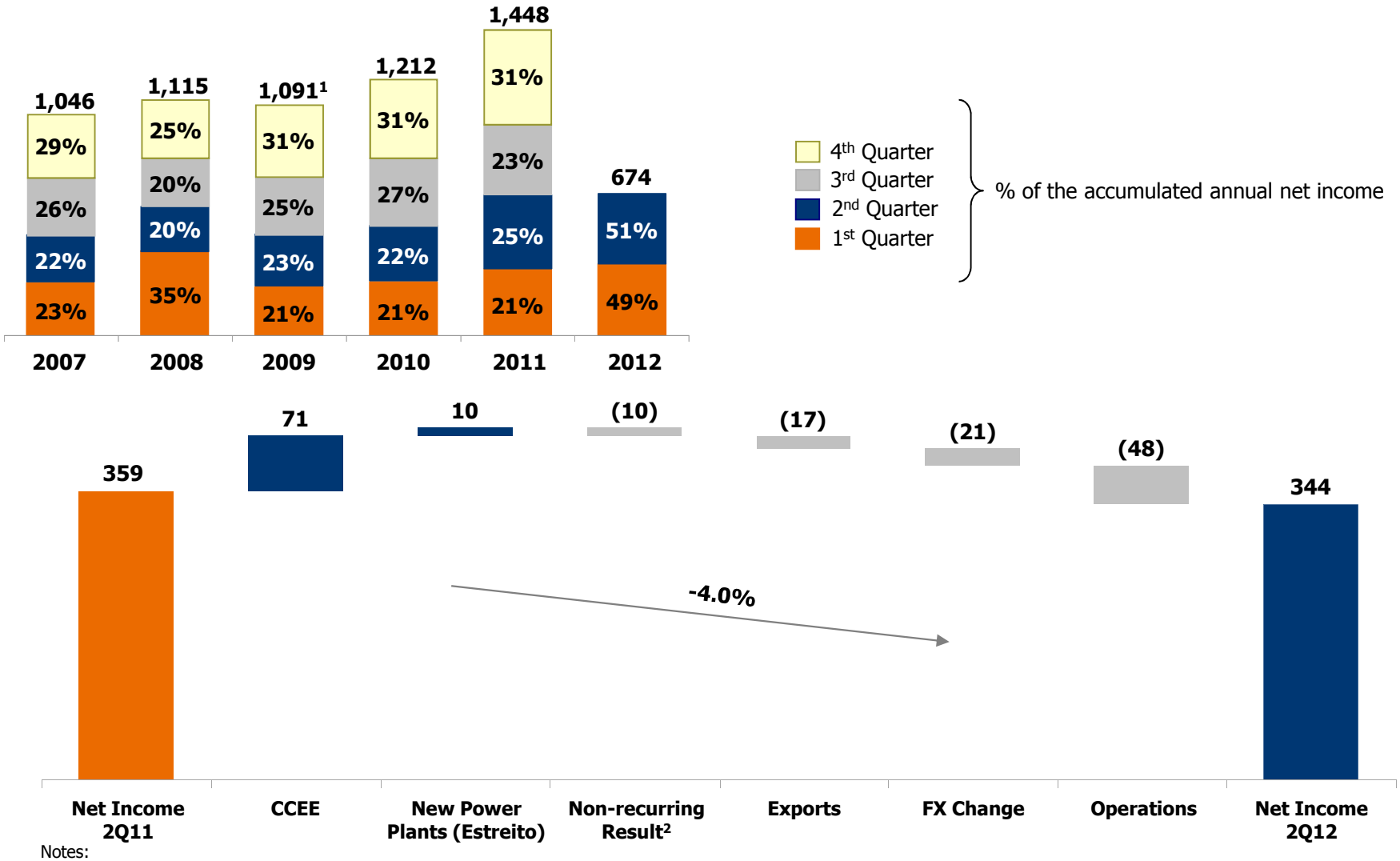
EBITDA change (R$ million)





Notes:
[1] Considers new accounting procedures.
[2] Considers the combined effect of changes in revenue and expenses.
[3] Sale of Seival TPP project in 2Q11.

Net income change (R$ million)

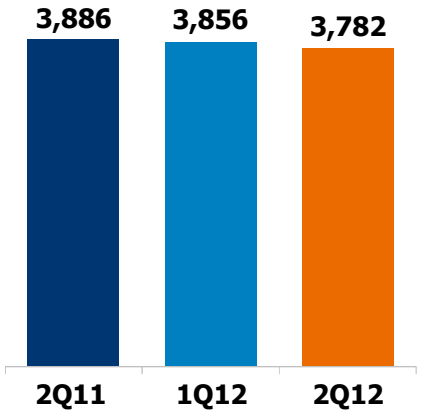


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[2] Sale of Seival TPP project in 2Q11.

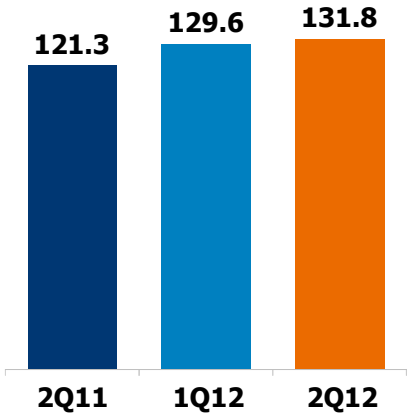
Quarterly financial drivers

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

Energy Sold (avg. MW)

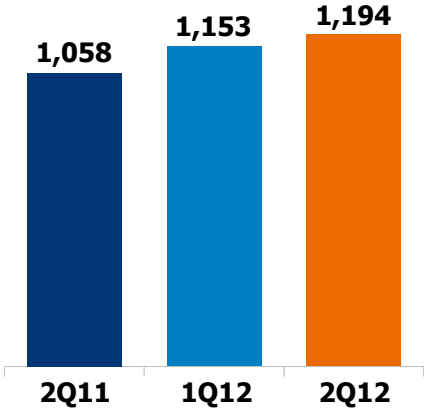


Average Price of Energy Sold (R$/MWh)

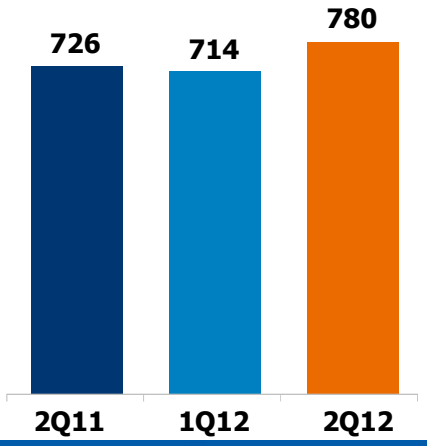


Note: Figures are net of exports and sales taxes.

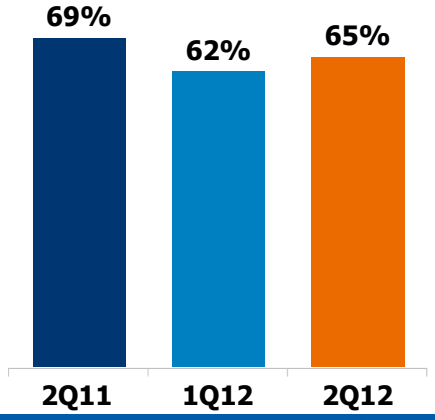
Net Revenue (R$ million)



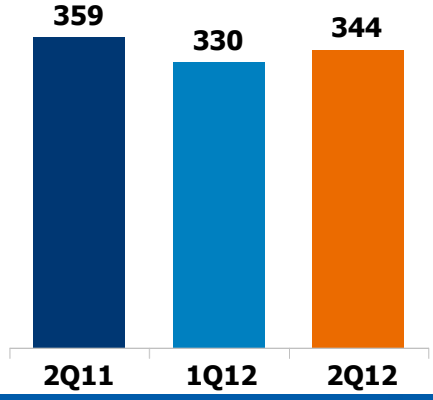
EBITDA (R$ million)



EBITDA Margin



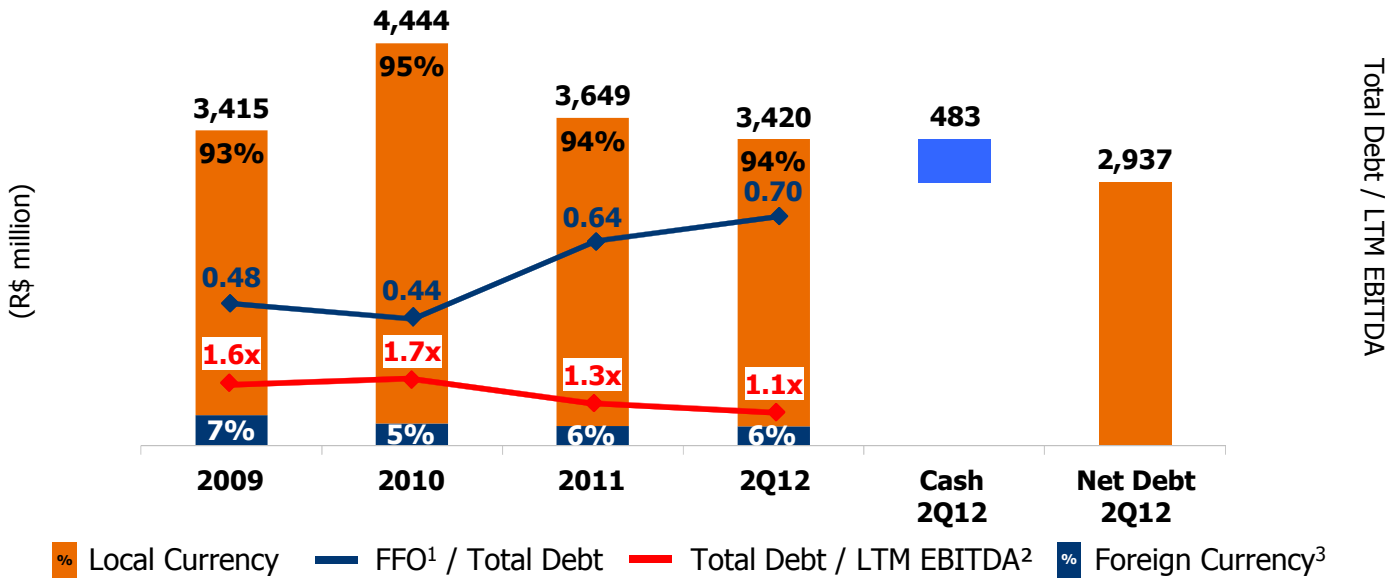
Net Income (R$ million)



Limited indebtedness and low exposure to foreign exchange

Low leverage enables Tractebel to benefit from growth opportunities.

Debt Overview (R$ million)



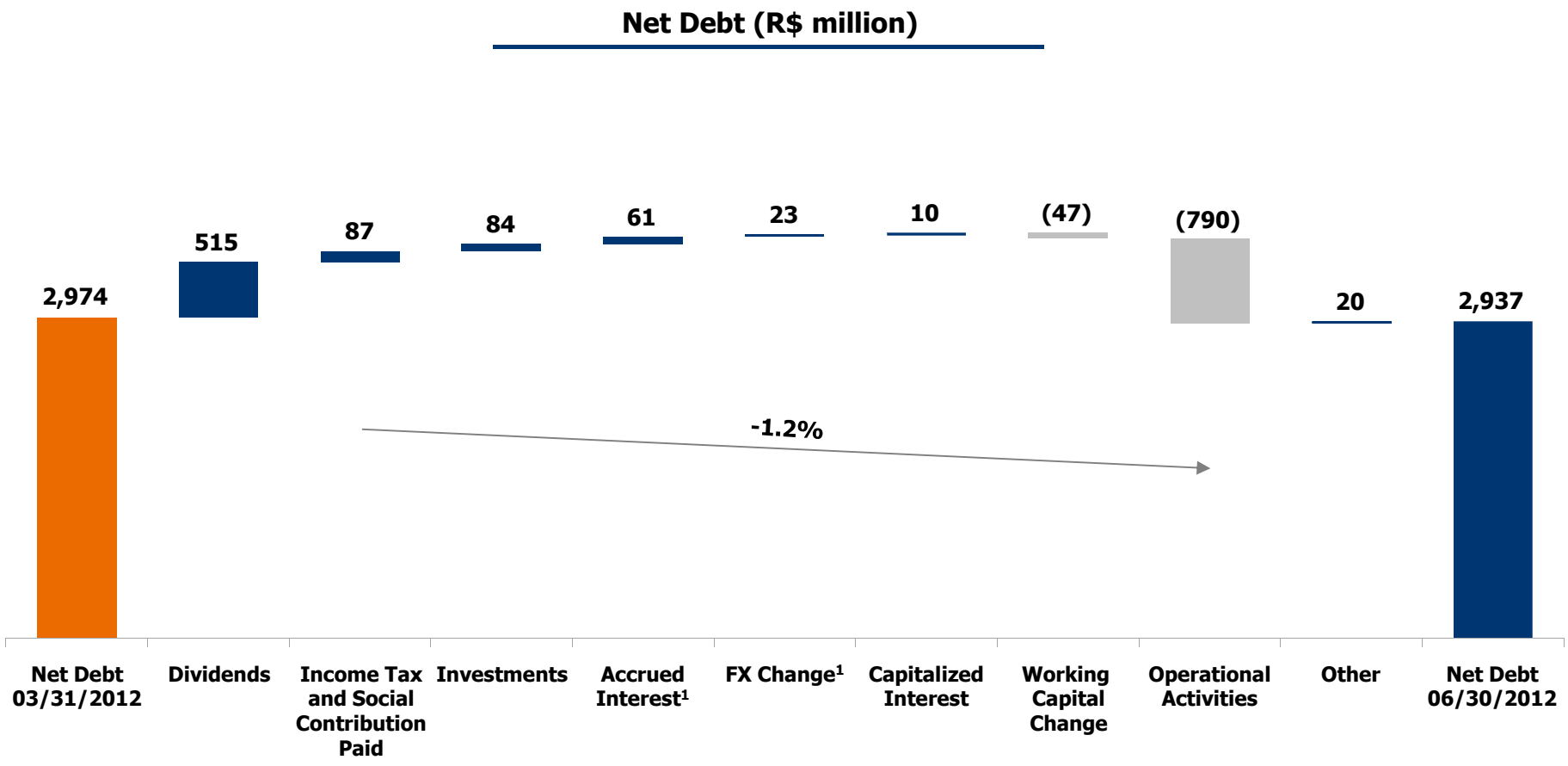
Notes:

[1] Funds from Operations. The figures for 2008, 2009 and 2010 have been adjusted.

[2] LTM EBITDA = last-twelve-month EBITDA.

[3] Not hedged.

Net debt change

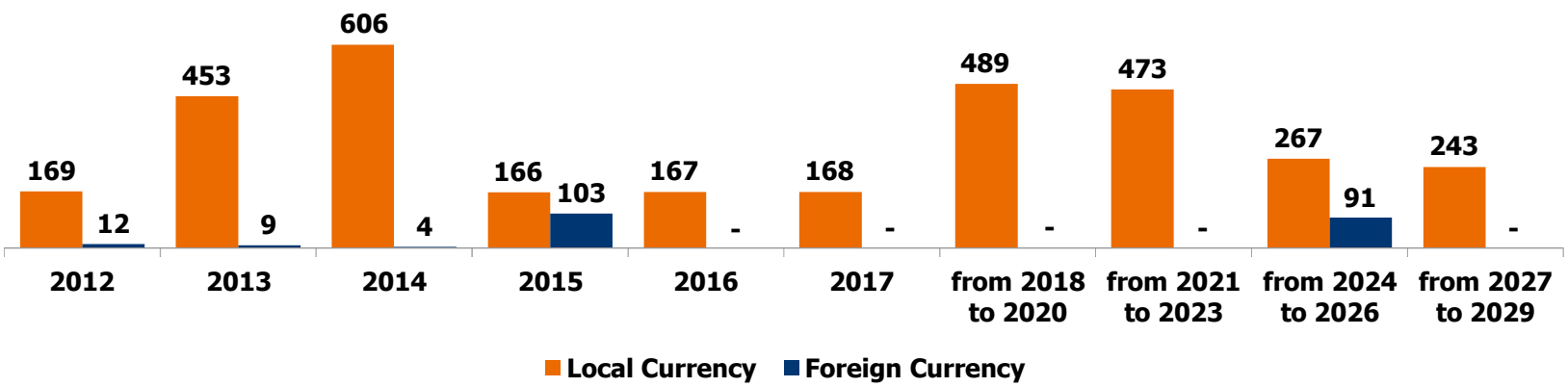


Note:
[1] The interests and FX change refer only to the Company's financial debt (loans, financing and debentures).

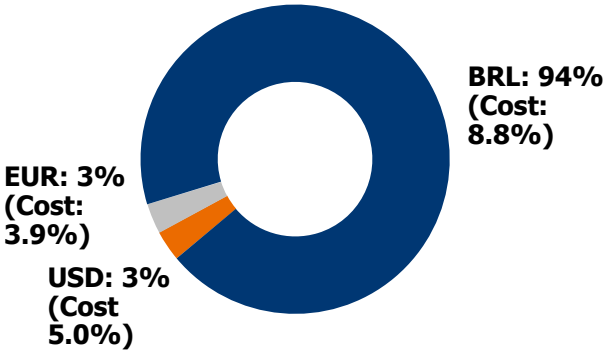
Medium and long-term debt, with low costs and defensive indexes

Debt profile and strong cash generation reduce refinancing risk.

Maturity Debt Schedule – R$ million



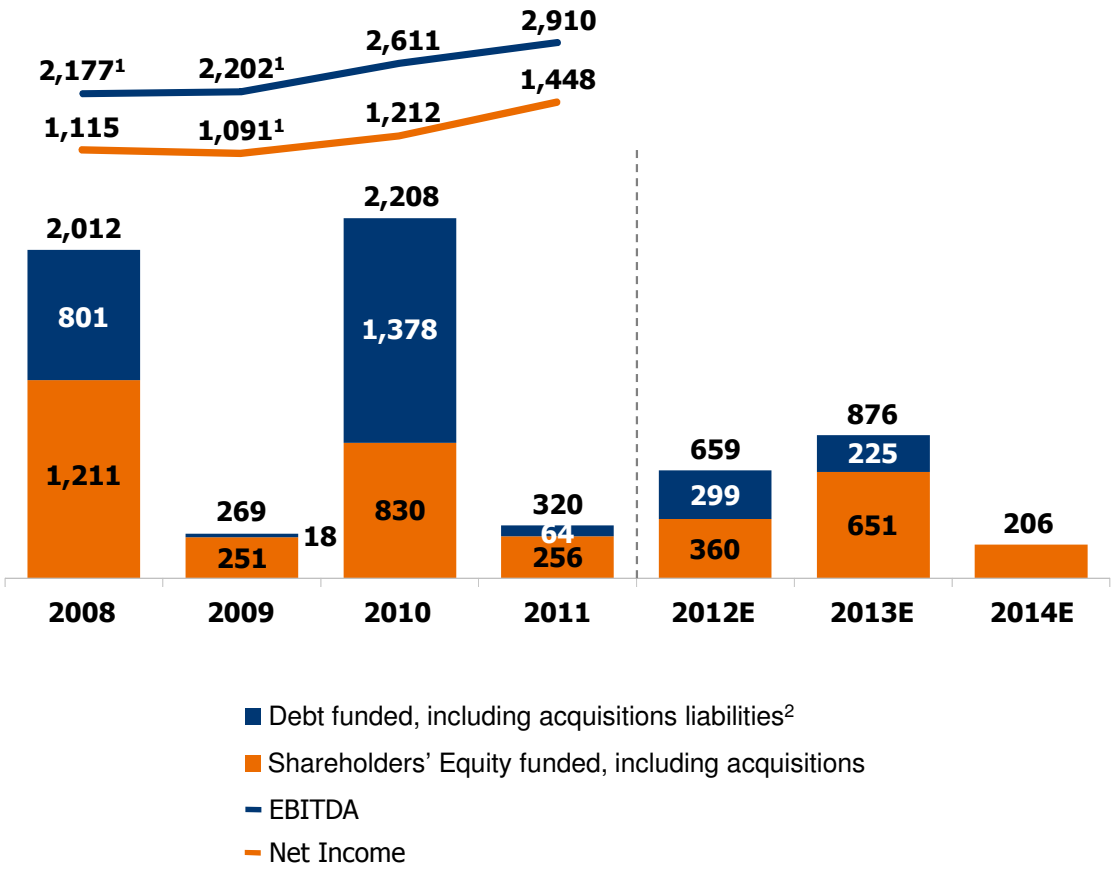
Cost of Debt



Composition of Debt			
Foreign Currency		**Local Currency**	
Fixed	55%	Fixed	2%
Floating	45%	TJLP	75%
Total	**100%**	CDI	13%
		IPCA	10%
		Total	**100%**

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

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

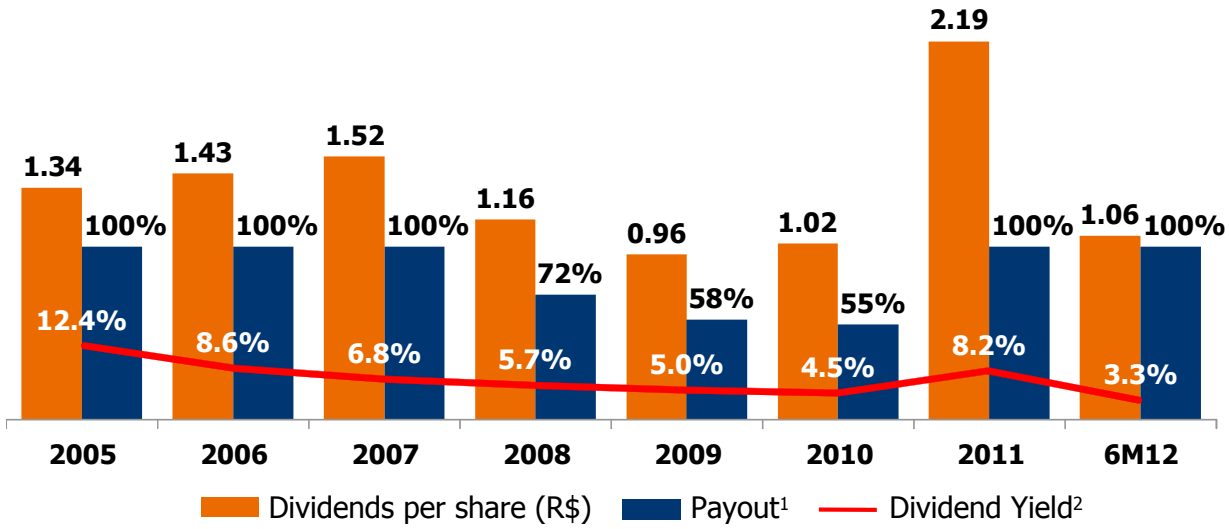


Note:
[1] Considers new accounting procedures.
[2] Does not consider interests incurred during the construction.

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 distributable net income)



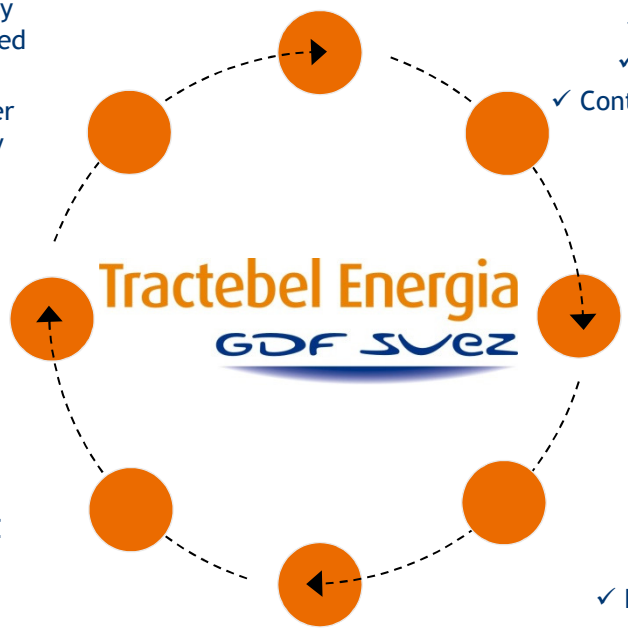
Notes:
[1] Considers the annual payable net income.
[2] Based on volume-weighted market price of ON shares in the period.

Competitive advantages

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

PREMIUM RATING
✓ "brAA+" by S&P and "AAA(bra)" by Fitch – Debentures and Corporate rated in long-term national scale
✓ In local and foreign currency issuer default ratings (IDRs) "BBB(bra)" by Fitch

INDUSTRY LEADERSHIP
✓ Largest private generator
✓ Market cap: R$ 24.2 billion
✓ Controlled by GDF SUEZ, world leader in energy



HIGH-CALIBER CORPORATE GOVERNANCE AND SUSTAINABILITY
✓ Experienced executives
✓ Discipline track record in investment decisions, based on triple bottom line concepts

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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+55 21 3974 5400

Attachments

Tractebel Energia
GDF SUEZ

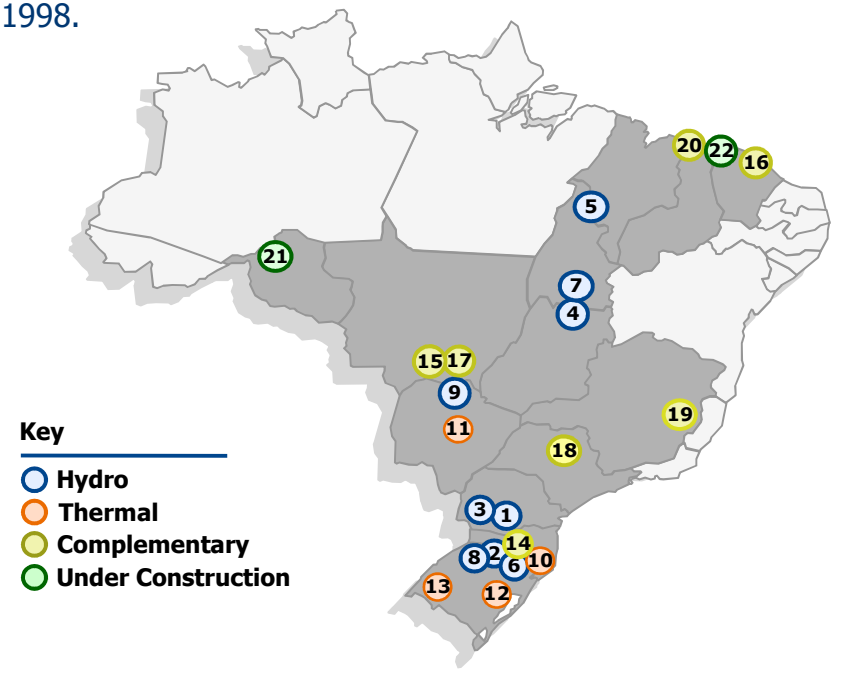
Diversified portfolio of assets, with strategic location

Installed capacity of 6,907.6[1] MW from 22 plants operated by Tractebel Energia: 81% hydro, 17% thermal and 2% complementary. This capacity stands for a 86% increase since 1998.

Hydro Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[2]
1 Salto Santiago	1,420.0	723.0
2 Itá	1,126.9[3]	544.2[3]
3 Salto Osório	1,078.0	522.0
4 Cana Brava	450.0	273.5
5 Estreito[1]	435.6[3]	256.9[3]
6 Machadinho	403.9[3]	147.2[3]
7 São Salvador	243.2	148.5
8 Passo Fundo	226.0	119.0
9 Ponte de Pedra	176.1	131.6
Total	**5,559.7**	**2,865.9**

Thermal Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[2]
10 Jorge Lacerda Complex[4]	857.0	649.9
11 William Arjona	190.0	136.1
12 Charqueadas	72.0	45.7
13 Alegrete	66.0	21.1
Total	**1,185.0**	**852.8**

Complementary Power Plants	Installed Capacity (MW)	Commercial Capacity (aMW)[2]
14 Lages (Biomass)	28.0	25.0
15 Rondonópolis (SHP)	26.6	10.1
16 Beberibe (Wind)	25.6	7.8
17 José Gelazio da Rocha (SHP)	23.7	9.2
18 Ibitiúva (Biomass)	21.2[3]	12.8[3]
19 Areia Branca (SHP)	19.8	11.1
20 Pedra do Sal (Wind)	18.0	5.7
Total	**162.9**	**81.7**



Power Plants Under Construction	Installed Capacity (MW)	Commercial Capacity (aMW)[2]
21 Jirau (Hydro)[5]	1,878.8[6]	1,094.5[6]
22 Wind Projects[7]	145.4	74.7[8]
Total	**2,024.2**	**1,169.2**

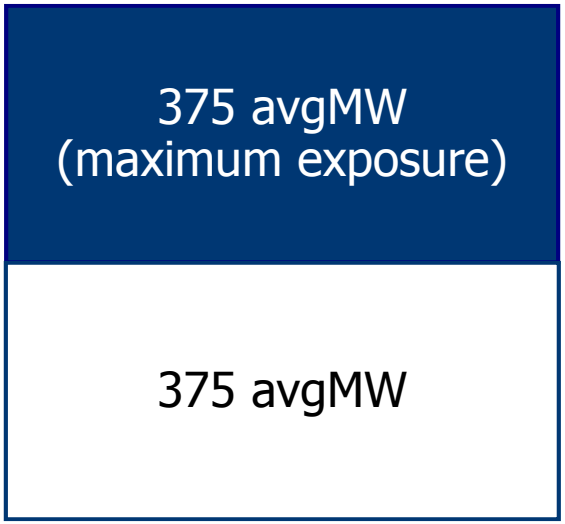
Notes: [1]Considers the complete Estreito HPP ramp-up, what is expected for 2012.
[2] Figures following specific legislation.
[3] Portion owned by Tractebel Energia.
[4] Complex comprised by 3 power plants.
[5] The Parent Company's stake is expected to be transferred to Tractebel Energia.
[6] Portion owned by the Parent Company, i.e., 50.1% of 3,750 MW total installed capacity.
[7] Considers the Porto do Delta and Trairi Complex projects which is comprised of the Mundaú, Fleixeiras I, Trairi and Guajirú wind farms.
[8] Estimated value (awaiting for MME definition).

Sustainability indexes

Sustainability Indexes[1]			
Index	**2Q12**	**2Q11**	**Change**
Number of licenced power plants	22	22	-
Number of certified power plants	15	15	-
Generating complex uptime, excluding scheduled stoppages (%)	96.6	98.7	-2.2 p.p.
Generating complex uptime, considering all stoppages (%)	87.8	89.5	-1.9 p.p.
Number of attendees at Power Plants Visit and Environmental Education Program	24,494	23,921	2.4%
Donation and seedling planting (planted and donated amount, not considering CESTE)	92,315	118,741	-22.3%
Frequency Rate (FR), not considering third parties services[2]	0.000	2.050	⇩
Severity Rate (SR), not considering third parties services[3]	0.000	0.016	⇩
Frequency Rate (FR), considering third parties[2]	1.630	2.550	-36.1%
Severity Rate (SR) , considering third parties[3]	0.000	0.050	⇩
Encouraged Investments by Childhood and Adolescence Fund and Rouanet Law (R$ thousand)	3,106	2,100	47.9%
Non Encouraged Investments, not considering Estreito Social Investment (R$ thousand)	1,258	506	148.8%

1) More indexes can be found in ITRs - Quarterly Information reports (www.tractebelenergia.com.br / investor / CVM files)
2) FR = number of labor accidents occurred per one million hours of risk exposure
3) SR = number of days lost with labor accidents occured per one thousand hours of risk exposure

Thermal side: exposure to spot prices



→ Estimated commercial capacity (on a yearly basis)

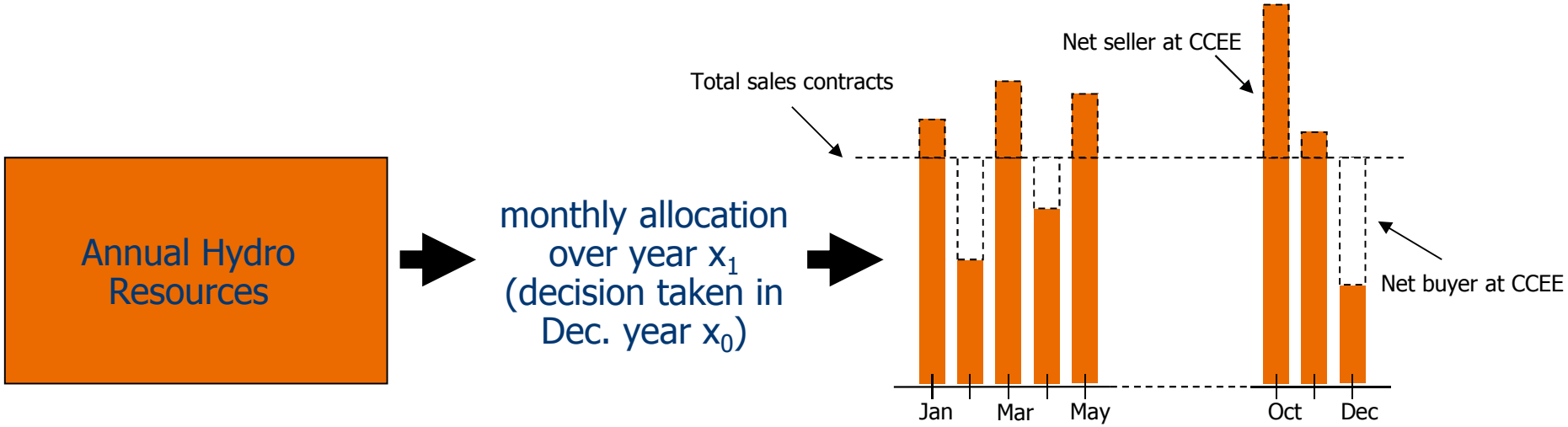
→ Thermal substitution energy → purchase in spot market

→ 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

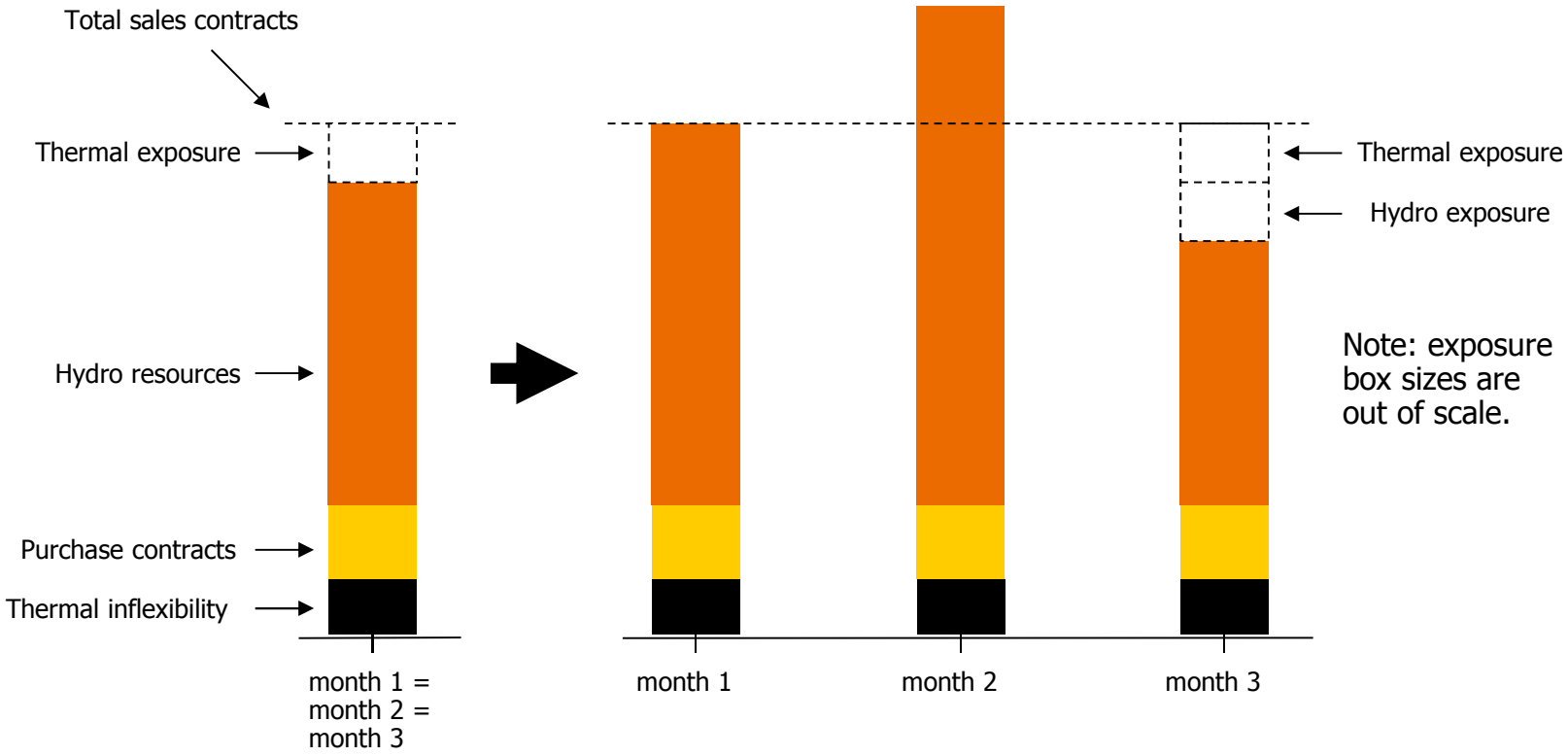
How does the allocation of resources at CCEE (the energy trading board) over the months interfere with a hydro genco quarterly results?



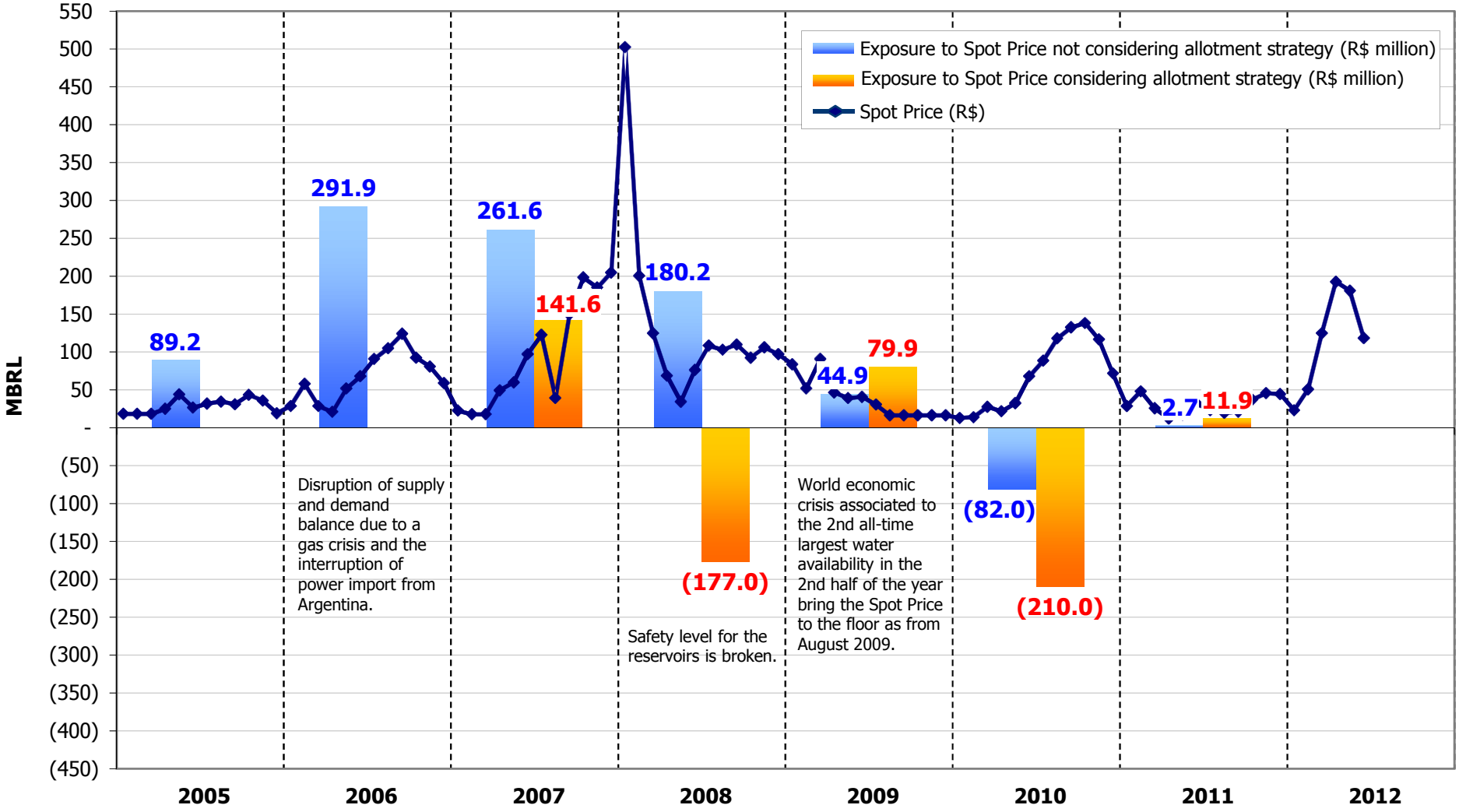
- Hydro gencos can freely allocate their resources over the following year's months;
- Monthly fluctuations on sales is also a driver for exposure to spot price;
- Monthly energy differences are settled at spot price, i.e., PLD (Price for Settlement of Differences);
- As penalties apply for a net buyer, 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:

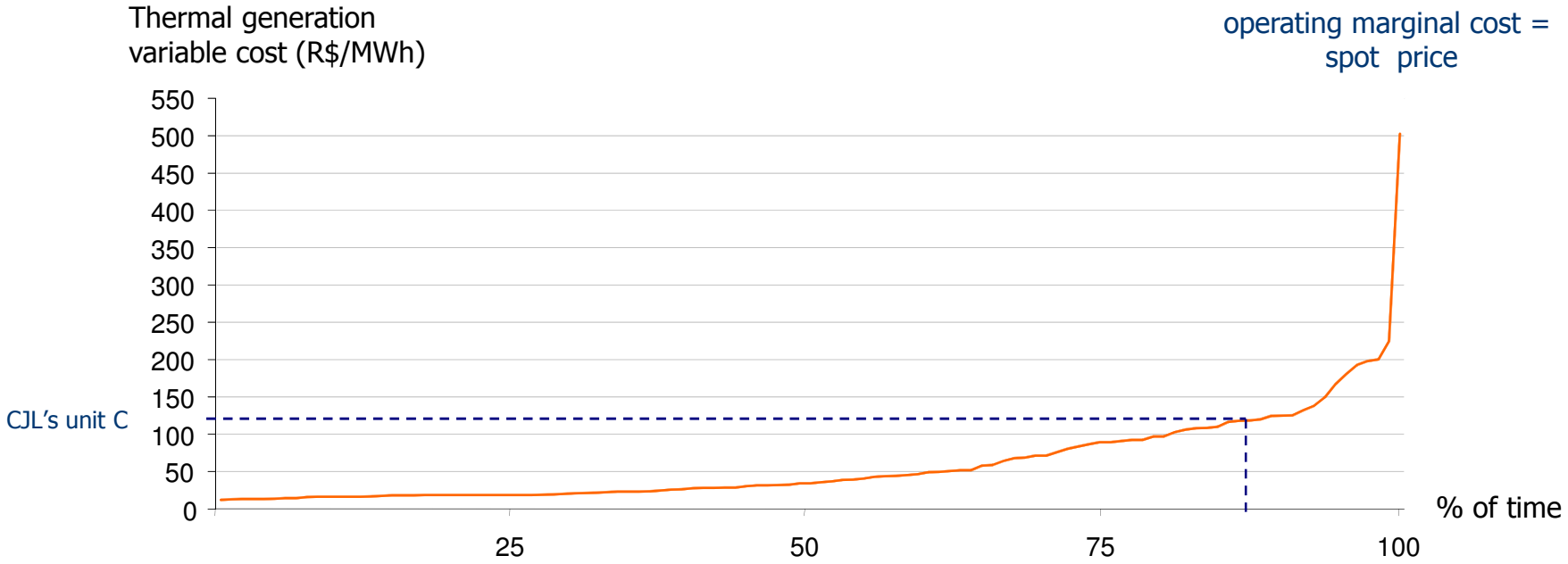


Expenses: impacts of energy allotment (2007 thru 2011)



Main drivers and distribution curve of spot prices

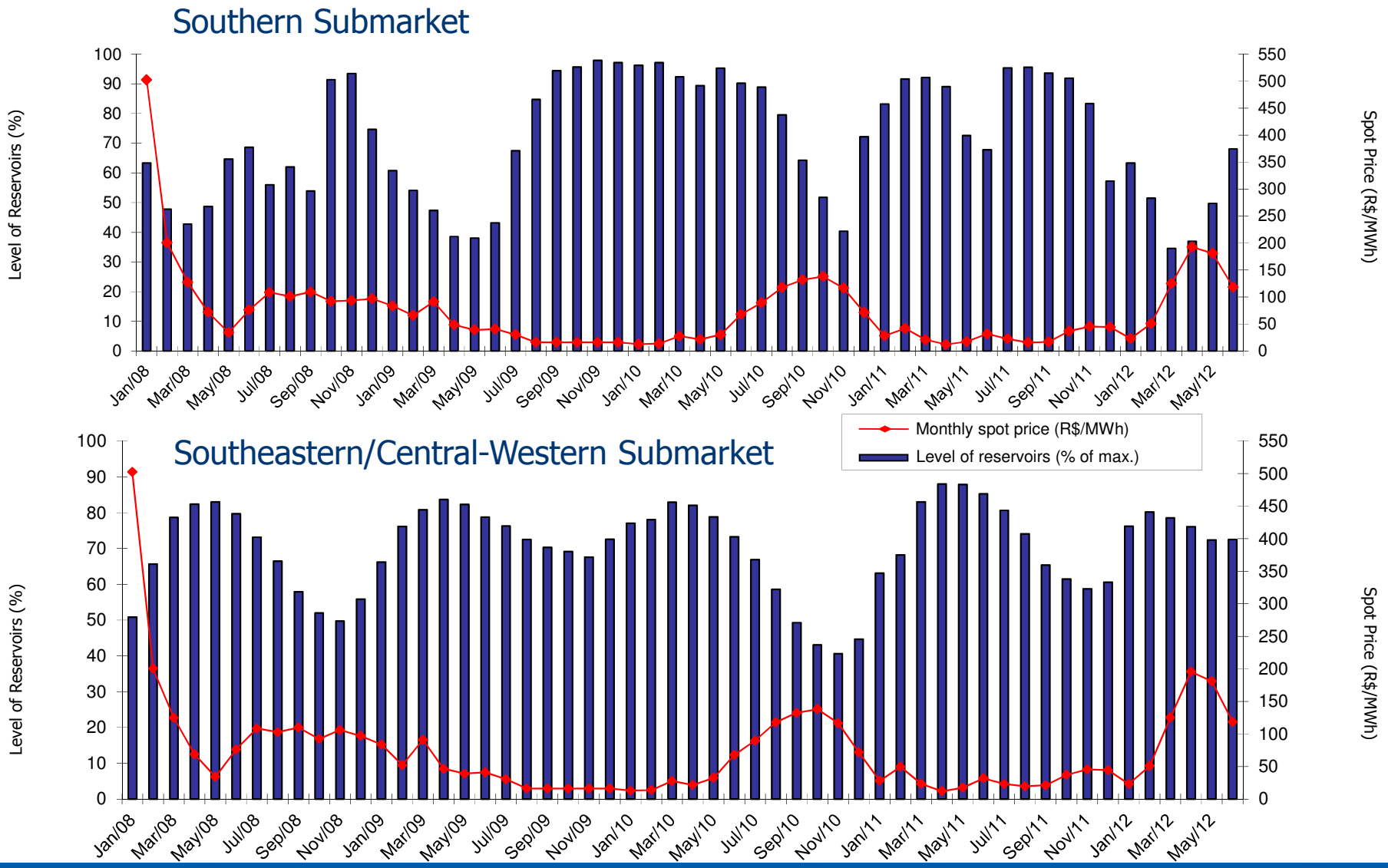
- Reservoir levels of hydro plants;
- Rainfall behavior;
- Forecast of demand for power;
- Current and future availability of power plants and transmission lines;
- Availability of natural gas.



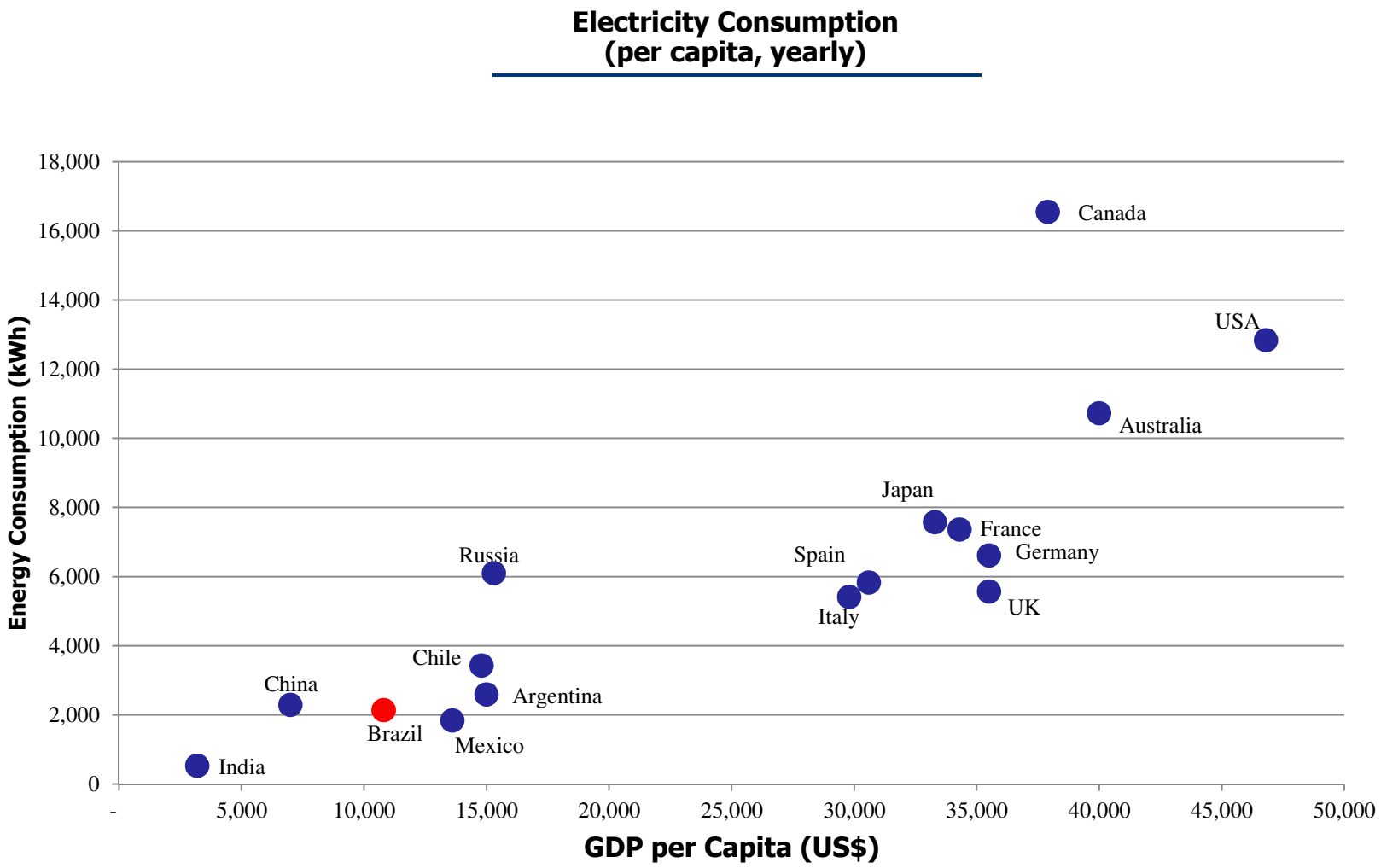
Note: spot market monthly prices for SE-CW submarket from May 2003 to June 2012.

Conclusion: For 61% of the time the spot price is lower than R$50/MWh, and for 88% of the time it is lower than R$120/MWh.

Correlation between reservoir levels and spot prices



Electricity: large growth potential



Fonte: IEA Energy Statistics, Sep/2011 (consolidated information for 2008)