Tractebel Energia
GDF SUEZ



# Results Presentation – 2Q13

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# Highlights, Shareholding Structure, Market Share, Assets and Sales

Tractebel Energia
GDF SUEZ

# Quarterly highlights

- Main financial and operational indexes:

| (in million of R$) | 2Q13 | 2Q12 | Chg. | 6M13 | 6M12 | Chg. |
|---|---|---|---|---|---|---|
| Net Revenue from Sales (NRS) | 1,273.4 | 1,194.4 | 6.6% | 2,664.2 | 2,347.8 | 13.5% |
| EBITDA (1) | 719.9 | 777.9 | -7.5% | 1,590.5 | 1,490.3 | 6.7% |
| EBITDA / NRS - (%) | 56.5 | 65.1 | -8.6 p.p. | 59.7 | 63.5 | -3.8 p.p. |
| Net Income | 324.0 | 342.1 | -5.3% | 748.9 | 669.4 | 11.9% |
| Energy Sold (avg. MW) | 4,023 | 3,782 | 6.4% | 4,074 | 3,819 | 6.7% |
| Average Price of Energy Contracts (R$/MWh) (2) | 138.5 | 131.8 | 5.1% | 137.4 | 130.7 | 5.1% |
| Production (avg. MW) | 4,322 | 3,029 | 42.7% | 4,405 | 3,501 | 25.8% |

(1) EBITDA represents: operational results + financial results + depreciation and amortization.
(2) Net of taxes and exports.

# Quarterly highlights

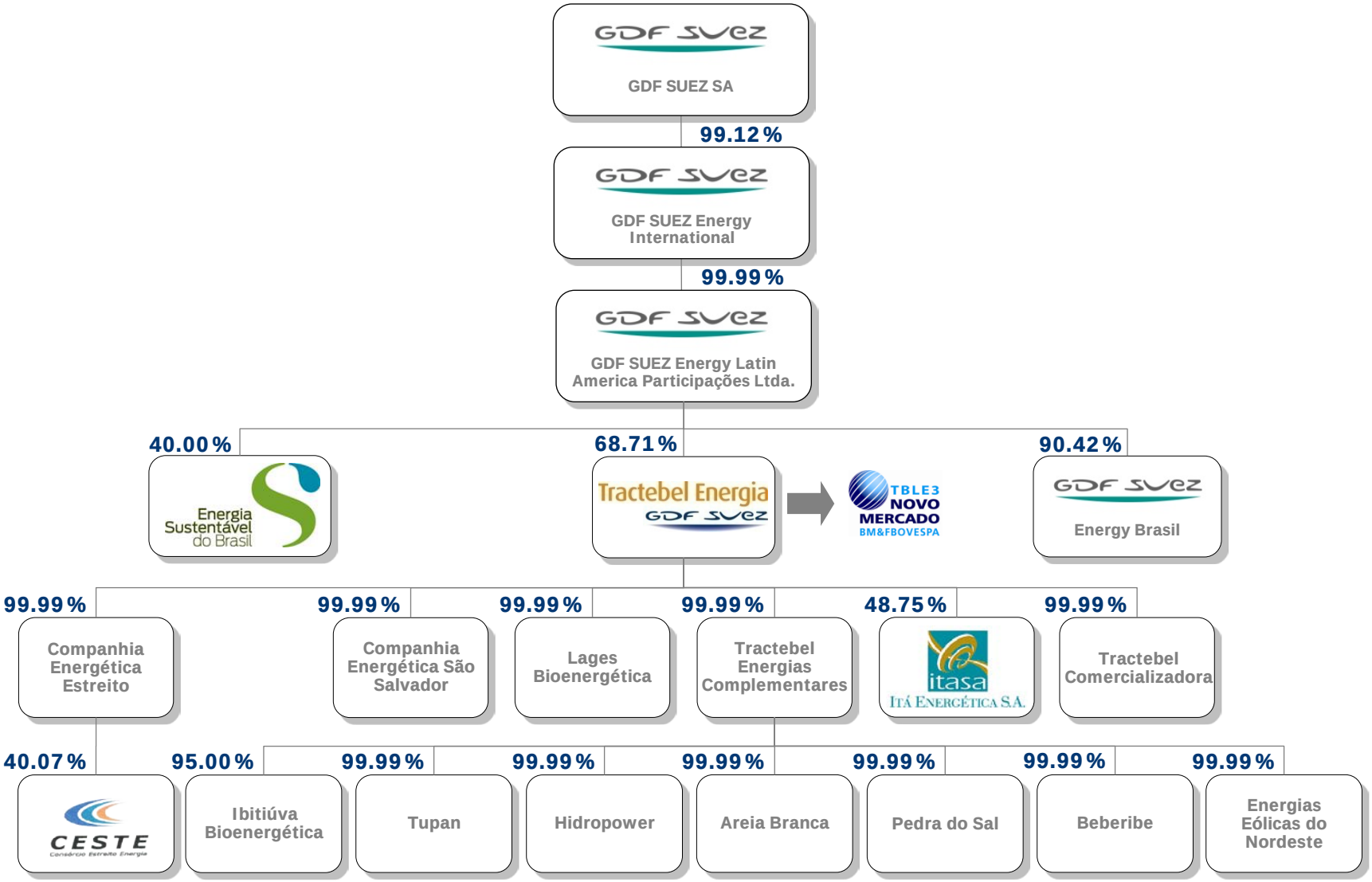
• The Company's Board of Directors approved the distribution of R$ 767.6 million (payout of 100%) in interim dividends based on 6M13 results, corresponding to R$ 1.1759 per share.

• On June 21, 2013, the Company concluded the assembly of all the wind generators at the Trairi Wind Farm, one of the wind farms under construction in the state of Ceará. The construction of other wind farms in the Complex continues to progress. All are scheduled to go into operation during the course of 2013.

• In May, Tractebel began the construction of the first 70 kWp trial module and the implementation of the Solar Photovoltaic Plant of 3 MWp, located in Capivari de Baixo, SC, adjacent to the Jorge Lacerda Thermoelectric Complex. This project is being developed under Aneel's R&D Program.

• Once again, Tractebel was a winner of the Transparency Trophy awards – 17th edition - granted by Anefac – Fipecafi – Serasa Experian for the quality of the Company's financial statements. Tractebel was ranked in the "Company with sales up to R$ 5 billion", category.

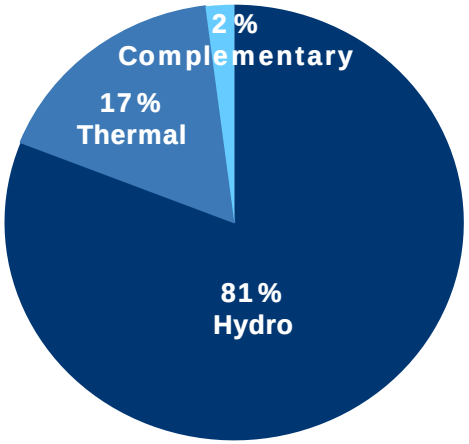
# Tractebel is controlled by GDF SUEZ, world leader in energy

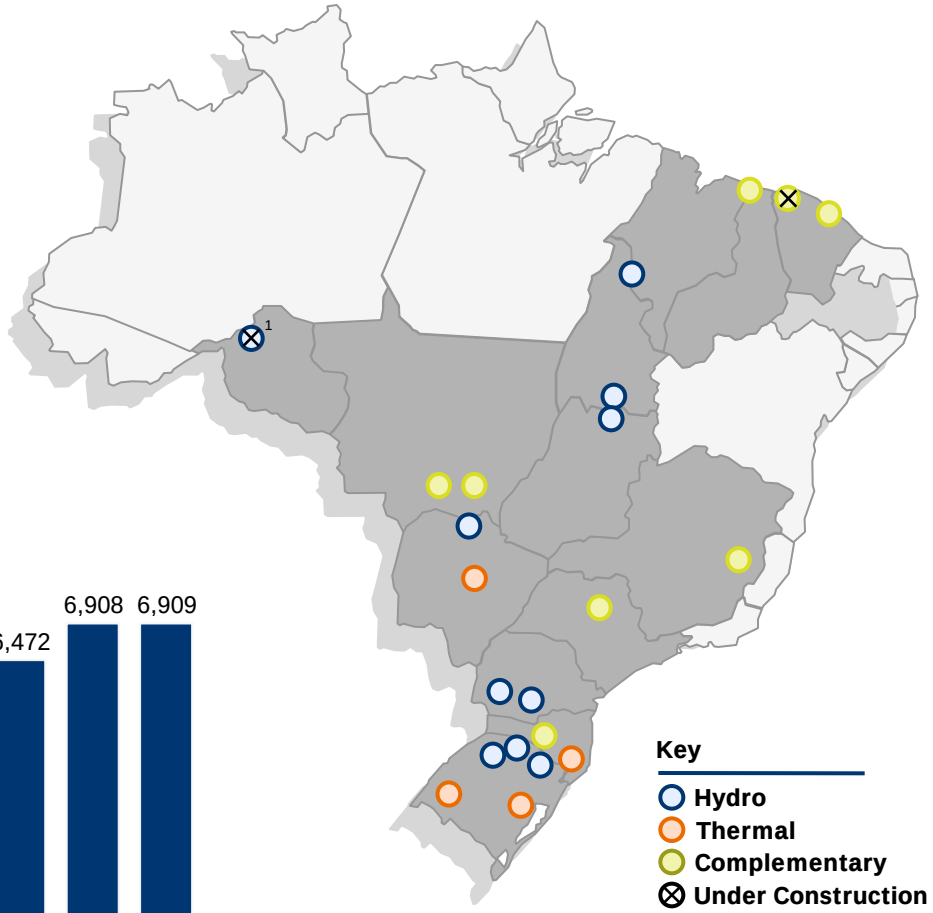



Note: Simplified version

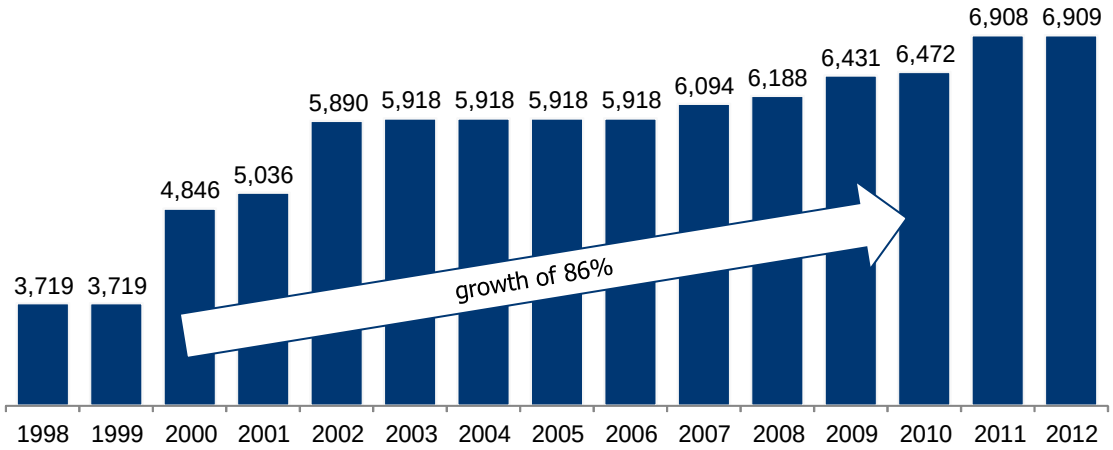
# Diversified portfolio of assets, with strategic location

Proprietary installed capacity of 6,909.3 MW from 22 plants operated by Tractebel Energia in a diversified portfolio.




**Tractebel Installed Capacity**

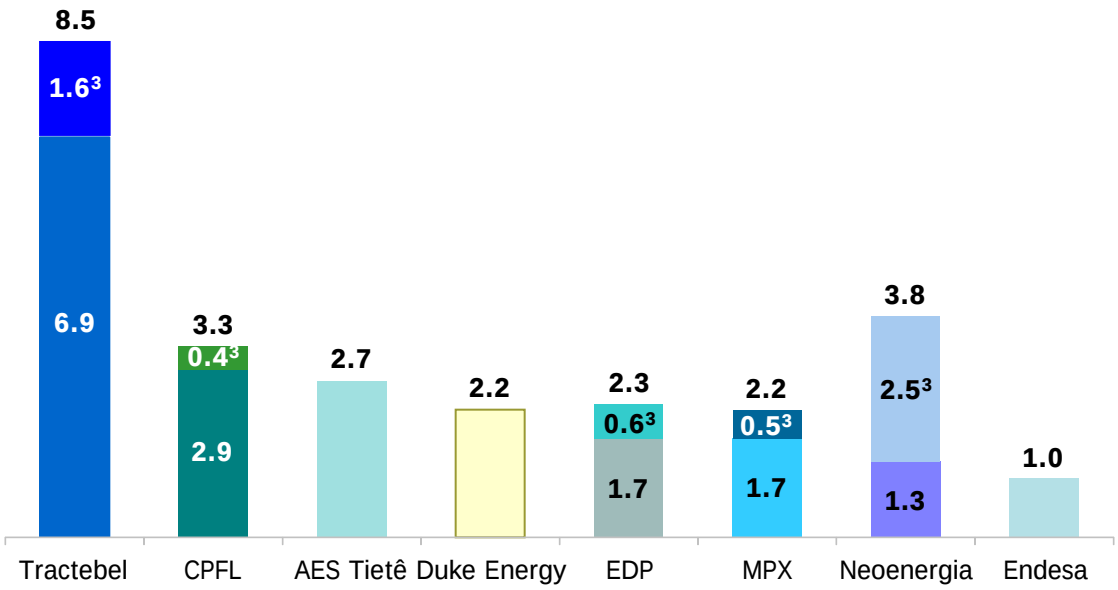



Note:
[1] GDF SUEZ owns a 40.0% stake in Jirau HPP which is foreseen to be transferred to Tractebel Energia.

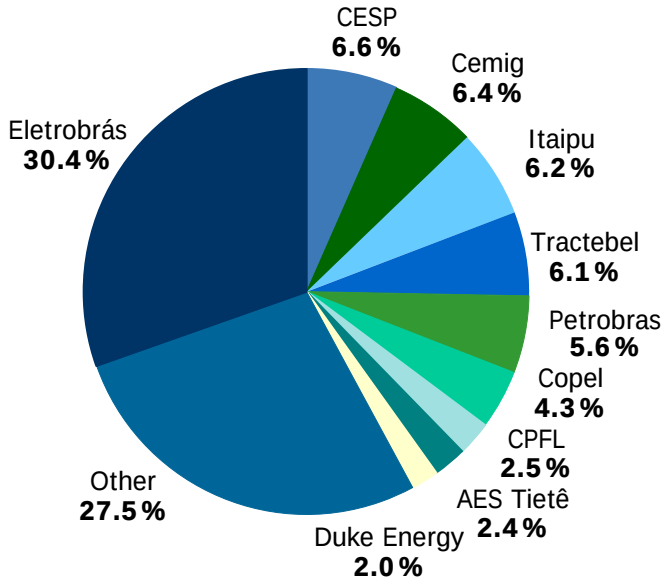
# Leading position in the generation sector

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

**Private Sector – Installed Capacity (GW)**




**Brazil – Existing Installed Capacity**[1,2]



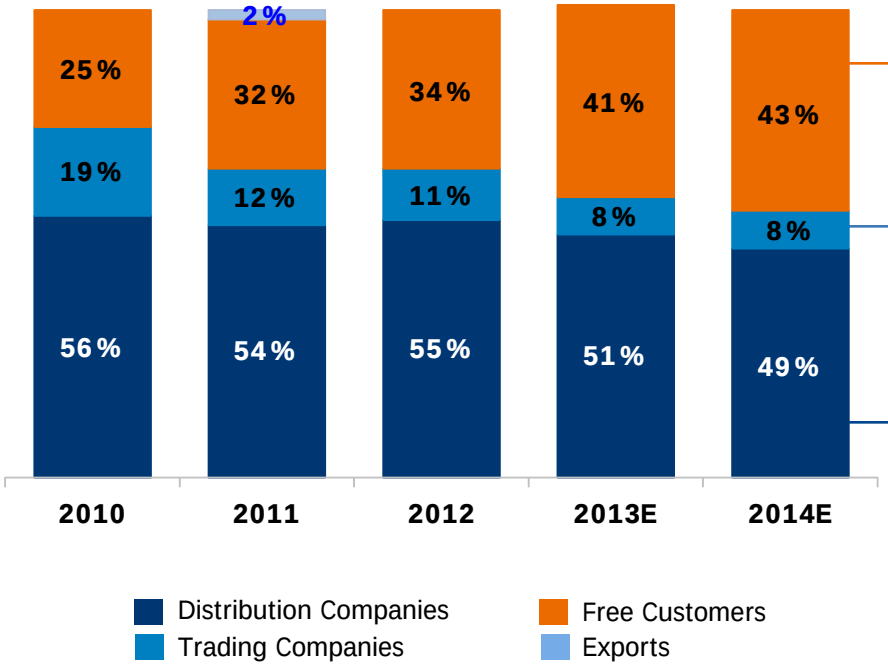

Source: Aneel , Companies' websites and in-house studies.

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 (40.0%) in Jirau HPP.

...and is well positioned to capture business opportunities.

# Diversified portfolio among free customers, distribution and trading companies

**Client Breakdown (based on contracted energy)[1]**




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

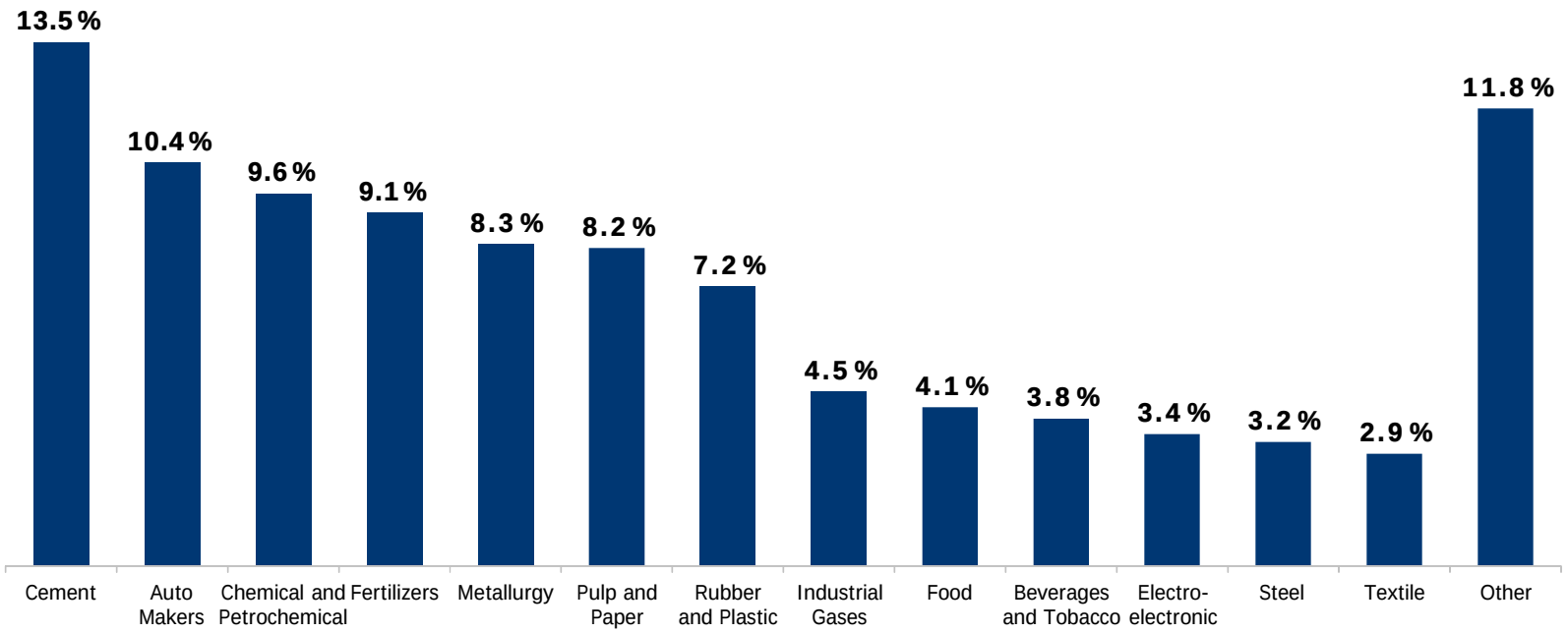
...to maximize portfolio's efficiency.

Note:
[1] The figures as from 2011, that year included, have been reclassified. Effective in the 3Q12, the Company is now showing sales to the trading companies which allocate purchased energy exclusively to their production units as sales to free consumers and no longer to trading companies.

# 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 2013:**
**1,721 average MW**



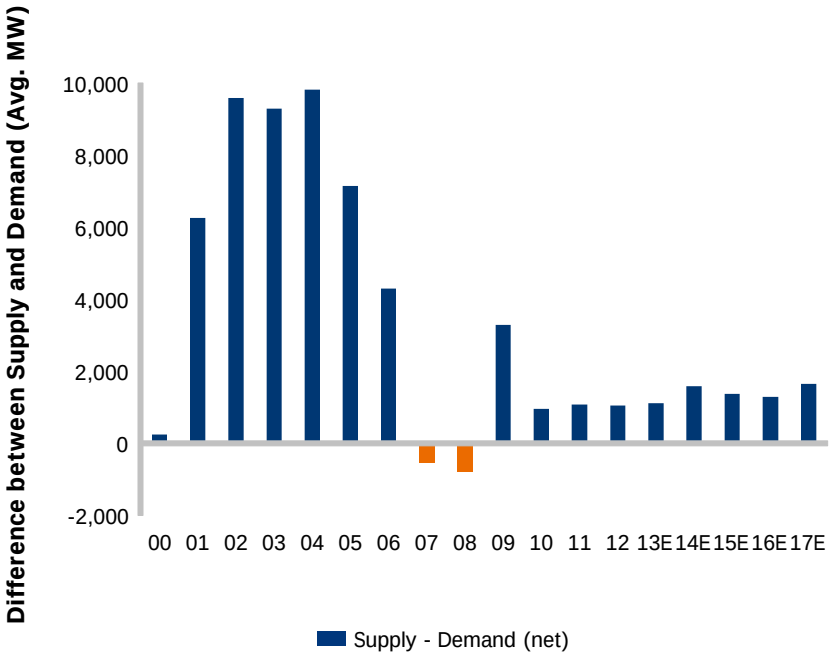

Source: Internal study based on IBGE's classification.

# Energy Market in Brazil

# Strong economic growth will increase demand for electric energy

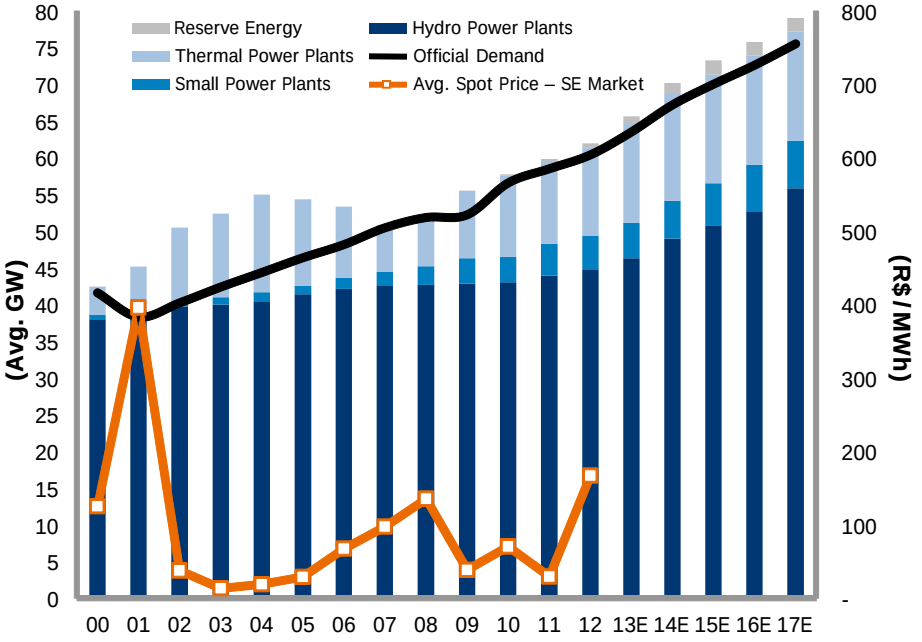
Increased thermal role, delays in the implementation of greenfield projects, preference for the construction of low storage capacity hydro power plants and adoption of risk aversion procedures may pressure up energy prices in the future.

## Energy Market Outlook




Source: Tractebel Energia's internal study based on ONS' Operations Monthly Program of July 2013.

## Supply Distribution by Source




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

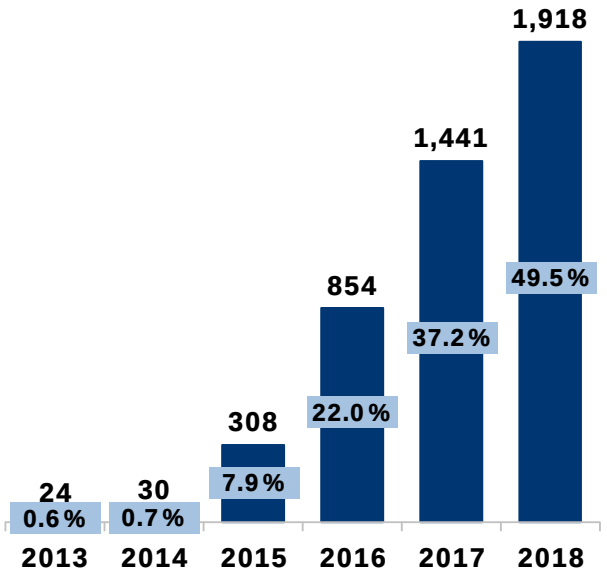
# Sales Strategy

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

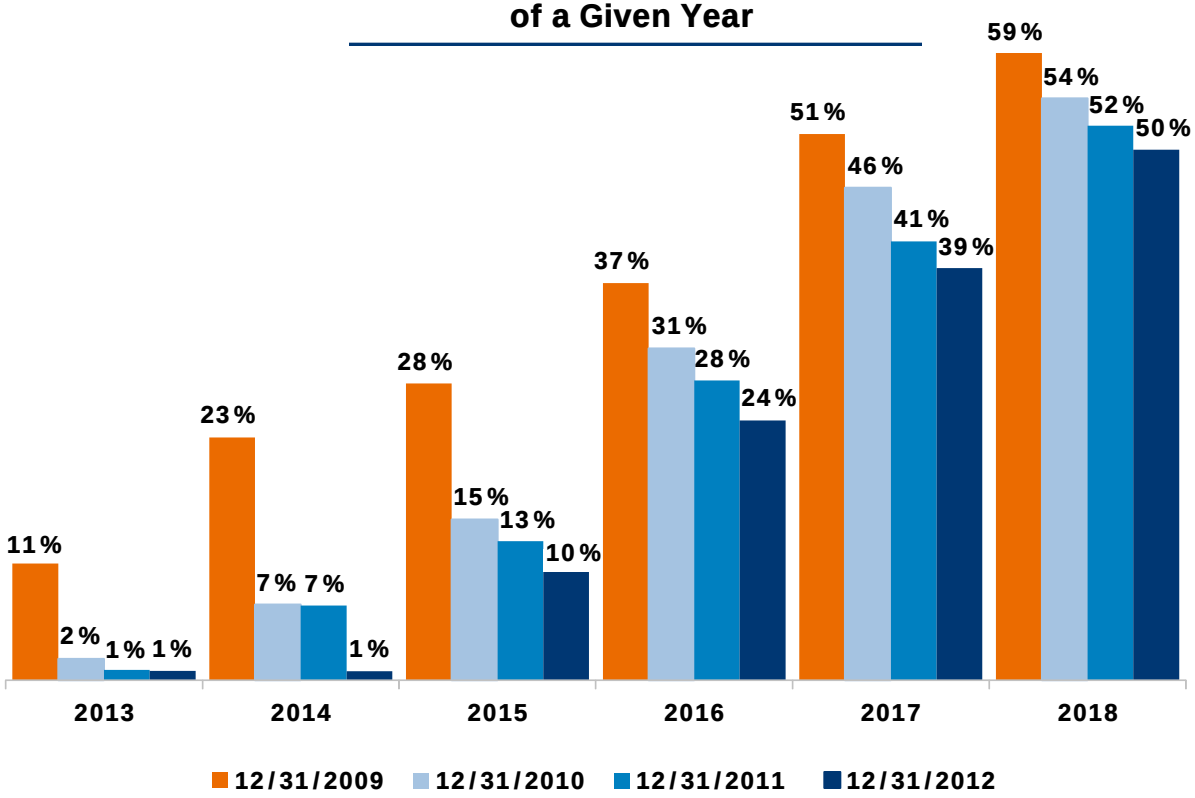
Tractebel's commercial strategy considers, among others aspects, the gradual sale of future availability. As the time goes by, the Company is able to better foresee the market conditions in a given year ahead and, as a result, to finetune the amount of uncontracted energy.

**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, 2013

| (in average MW) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Auction **Gross** Price (R$/MWh) | Reference Date | **Gross** Price Adjusted as of June 30, 2013 (R$/MWh) |
|---|---|---|---|---|---|---|---|---|---|
| Own Resources | 3,606 | 3,671 | 3,671 | 3,671 | 3,671 | 3,671 | | | |
| + Purchases for Resale | 597 | 453 | 241 | 205 | 200 | 200 | | | |
| **= Total Resources (A)** | **4,203** | **4,124** | **3,912** | **3,876** | **3,871** | **3,871** | | | |
| Government Auction Sales* | 1,661 | 1,661 | 1,651 | 1,508 | 1,155 | 1,155 | | | |
| 2004-EE-2007-08 | 10 | 10 | - | - | - | - | 70.9 | Dec-04 | 105.1 |
| 2005-EE-2008-08 | 143 | 143 | 143 | - | - | - | 81.6 | Apr-05 | 118.4 |
| 2005-EE-2009-08 | 353 | 353 | 353 | 353 | - | - | 94.0 | Oct-05 | 133.1 |
| 2005-NE-2010-30 | 200 | 200 | 200 | 200 | 200 | 200 | 115.1 | Dec-05 | 162.2 |
| 2006-NE-2009-30 | 493 | 493 | 493 | 493 | 493 | 493 | 128.4 | Jun-06 | 178.5 |
| 2006-NE-2011-30 | 148 | 148 | 148 | 148 | 148 | 148 | 135.0 | Nov-06 | 185.5 |
| 2007-NE-2012-30 | 256 | 256 | 256 | 256 | 256 | 256 | 126.6 | Jun-07 | 167.5 |
| Proinfa | 44 | 44 | 44 | 44 | 44 | 44 | 147.8 | Jun-04 | 258.3 |
| 1st Reserve Energy Auction | 14 | 14 | 14 | 14 | 14 | 14 | 158.1 | Aug-08 | 202.5 |
| + Bilateral Sales | 2,518 | 2,433 | 1,953 | 1,514 | 1,275 | 798 | | | |
| **= Total Sales (B)** | **4,179** | **4,094** | **3,604** | **3,022** | **2,430** | **1,953** | | | |
| **Balance (A - B)** | **24** | **30** | **308** | **854** | **1,441** | **1,918** | | | |
| Sales Average Price (R$/MWh) **(Net)***[1]: | 139.2 | 137.8 | 138.5 | | | | | | |
| Purchases Average Price (R$/MWh) **(Net)***[2]: | 126.1 | 123.2 | 139.4 | | | | | | |

* 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 revenue (PIS/Cofins, R&D), as of 06/30/13, i.e. future inflation is not considered.

*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 06/30/13, 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.

# Expansion

# Hydro project under construction: Jirau – project update

**3,750 MW project – 40.0 % GDF SUEZ[1]**

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

**73 % contracted under 30-year PPAs – indexed by inflation**

- first PPA[2] : ramp up to 1,383 aMW in 2016, then flat
  - ✓ contract price: R$ 94.4/MWh (June 2013)
- second PPA: starting March 2014; 209 aMW flat
  - ✓ contract price: R$ 113.6/MWh (June 2013)

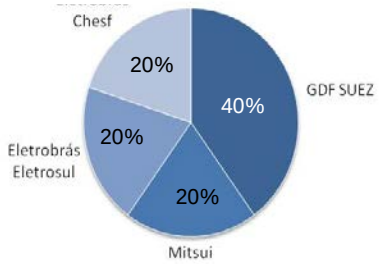
**Balance of energy available to be sold by the existing shareholders**

- PPAs were agreed between ESBR and existing shareholders in the proportion of their stake in the project

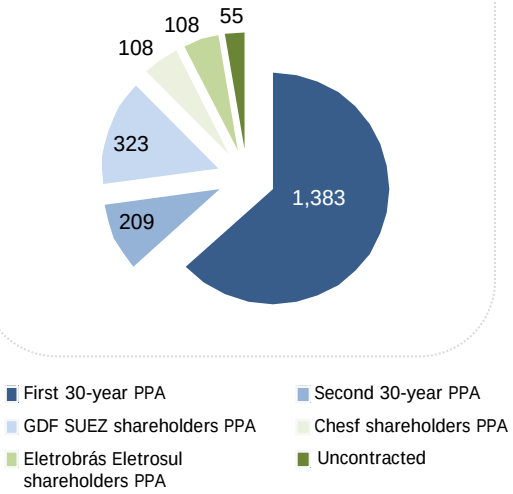
**Financing conditions**

- BNDES total financing: R$ 9.5 billion (initial R$ 7.2 billion + R$ 2.3 billion)
  - ✓ interest rate: TJLP + spread
  - ✓ amortization: 20 years
- TJLP (interest rate used by BNDES): reduced to 5.0%
- spread: from 2.1% to 2.6%
- 100% of the debt is financed by BNDES, from which 50% is indirectly financed through a syndicate of banks

**ESBR shareholders[1]**




**ESBR PPA's portfolio aMW (2016 view)**




Notes:

[1] On May 13, 2013, GDF SUEZ and Mitsui announced a partnership in the project, strengthening the long-term relationship between the two groups. The closing of the transaction is expected to occur during the second half of 2013, upon satisfaction of precedent conditions.

[2] Aneel conceded a waiver to ESBR, postponing the COD and start of PPA. The regulatory agency also expressed its intention to align the commencement of PPAs with plant's COD.

# Hydro project under construction: Jirau – project update

### Project status

- controlled flooding of the reservoir of left bank powerhouse concluded
- back-feed energizing achieved; completion of commissioning of the substation bay, 100 km transmission line LT3, Gas Insulated Switchgear; and first step-up transformer
- commissioning started and first COD foreseen for 3Q13

### Project CAPEX of R$ 16.3 billion (March 2013)[1]

### Partnership with Mitsui

- Mitsui acquired 20% equity interest in the project
- closing of the transaction expected to occur during second half of 2013, subject to the approval of Aneel, BNDES and commercial lenders
- approval from CADE[2] granted on July 1st, 2013

### Clean Development Mechanism (CDM) successfully concluded

- project was registered with the United Nations Framework Convention on Climate Change (UNFCCC)
- 6 Mt $CO_2$e per year (at full COD) carbon credits expected, with revenues beginning in 2014

### Options to create additional value

- additional assured energy (90 aMW)[3]
- additional long term tax incentives in the region
- MME approved Jirau HPP as a priority project with the purpose of issuing infrastructure debentures, thus creating other funding possibilities



Transformer – left bank


Power house – left bank – upstream view

Notes:

[1] CAPEX to completion, including inflation up to March 2013, not thereafter. It includes the receipt of certain tax credits (PIS/Cofins), excludes interest during construction (100% capitalized and not paid). Also includes over R$ 1 billion of socio-environmental programs.

[2] CADE stands for Administrative Council for Economic Defense, Brazil's antitrust authority.

[3] Minimum of 24.3 aMW already granted and further compensations expected, as proposed by Aneel.

# Hydro project under construction: Jirau – project update




Assembling area and control building – right bank




Electrical gallery – power house – left bank



Power house – left bank – upstream view



Spillway – downstream view

# Wind projects under construction: Trairi Wind Complex

With an investment of R$ 540 million[1], the construction of four wind farms at the State of Ceará totaling 115.4 MW (62.5 aMW) from non-conventional renewables is in progress.

## Project description



**Trairi Wind Farm - 25.4 MW**

- 11 wind generators
- status:
  - rotor installation concluded for the last wind generator
  - electro-mechanical assembly: 87% completed
  - more than 90% of the transmission lines settled.



**Guajiru Wind Farm - 30.0 MW**

- 13 wind generators
- status:
  - electro-mechanical assembly: 82% completed
  - transmission lines: progress of 81%



**Fleixeiras I Wind Farm - 30.0 MW**

- 13 wind generators
- status:
  - electro-mechanical assembly: 71% completed
  - transmission lines: progress of 49%



**Mundaú Wind Farm - 30.0 MW**

- 13 wind generators
- status:
  - electro-mechanical assembly: 72% completed
  - transmission lines: progress of 50%

The output from the wind farms has been sold to the free market and the start-up is expected for 2H13.

Note:
[1] Approximate updated value.

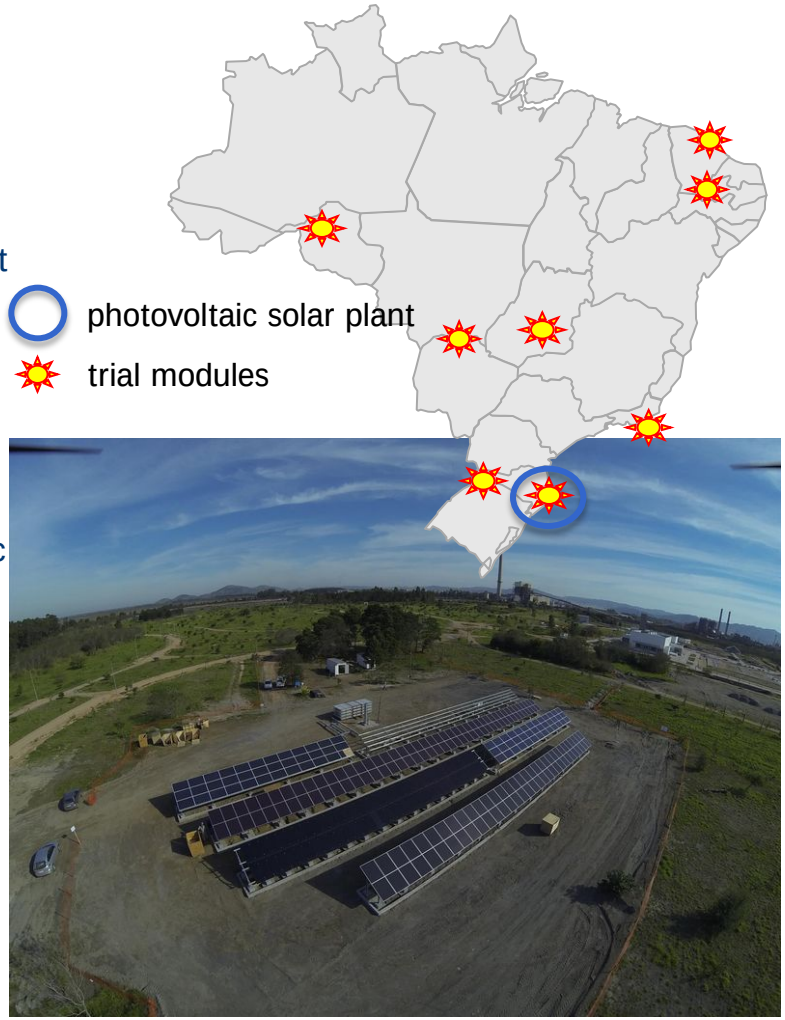
# Solar project under construction: Nova Aurora Photovoltaic Solar Plant

**Photovoltaic Solar Project**

- installed capacity of the photovoltaic solar plant: 3 MWp
- expected investment: R$ 56.3 million
- goal: to assess the solar generation potential in Brazil, its complementarity with another power sources and identify the most appropriate technologies matching the climate conditions for several regions
- installation of eight trial modules (70 kWp each), set in locations with diverse regional climate conditions, besides of Brazil's largest-to-be photovoltaic solar plant
- partnership with Federal University of Santa Catarina's Photovoltaic Research Group and other institutions
- developed under the Aneel's Technological Research and Development Program for the Electric Energy Sector

**Project status**

- first trial module under construction
- photovoltaic solar plant: ground preparation and drainage system installation



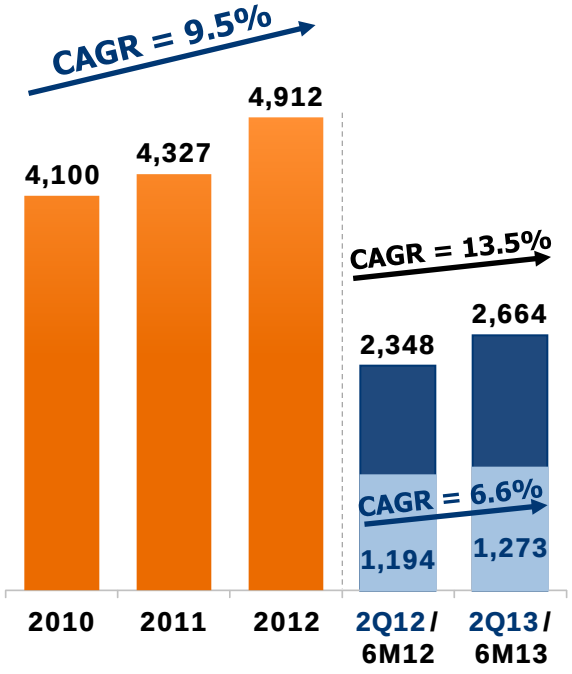

Trial module in Capivari de Baixo (SC)

# Financial Performance

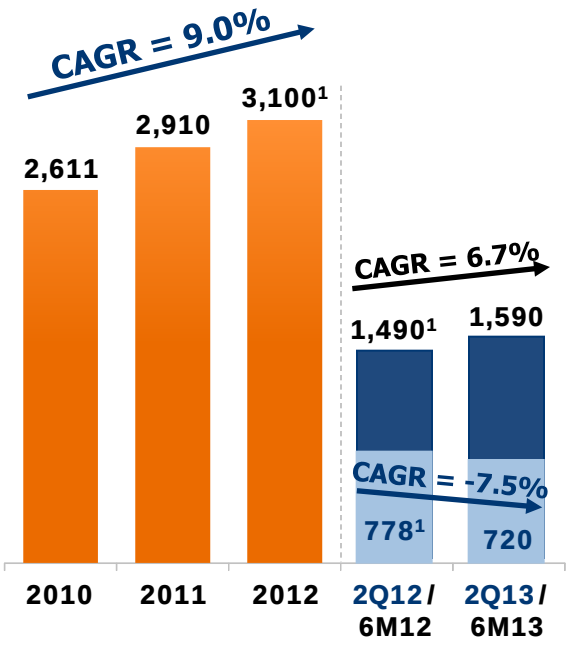
# Consistent and constant growth of the financial performance

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

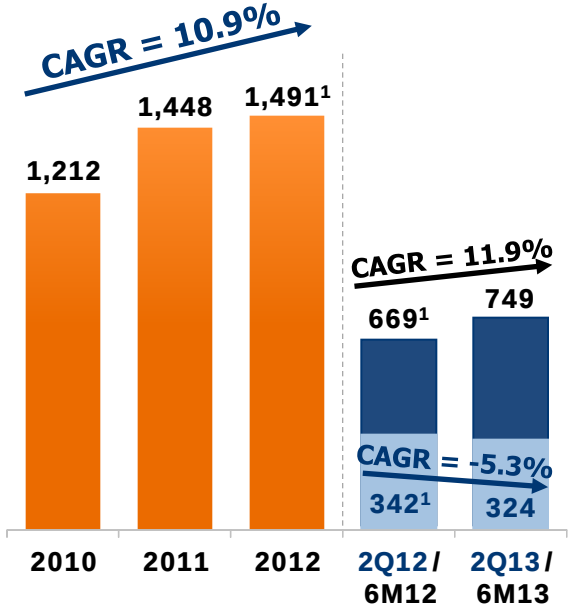
**Net Revenue (R$ million)**




**EBITDA (R$ million)**

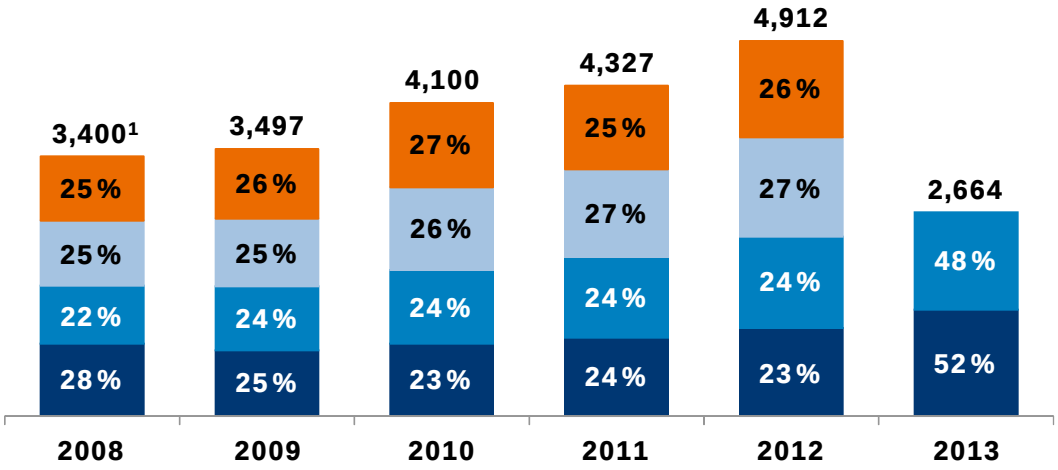



**Net Income (R$ million)**

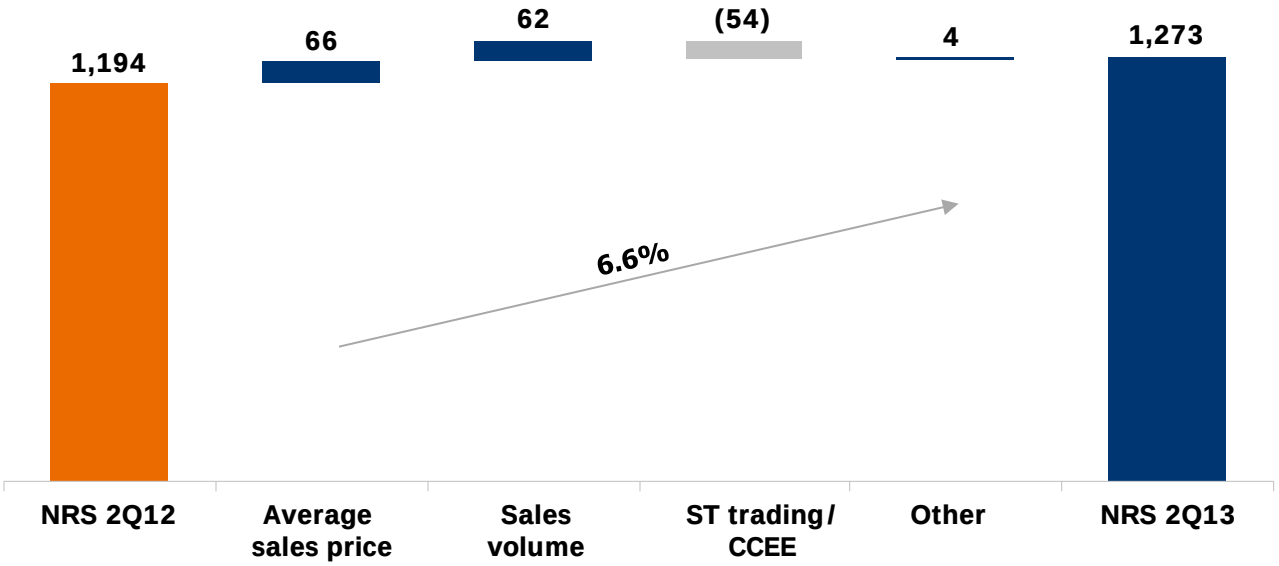



Notes:
[1] Considers the end of the post-employment benefit corridor.

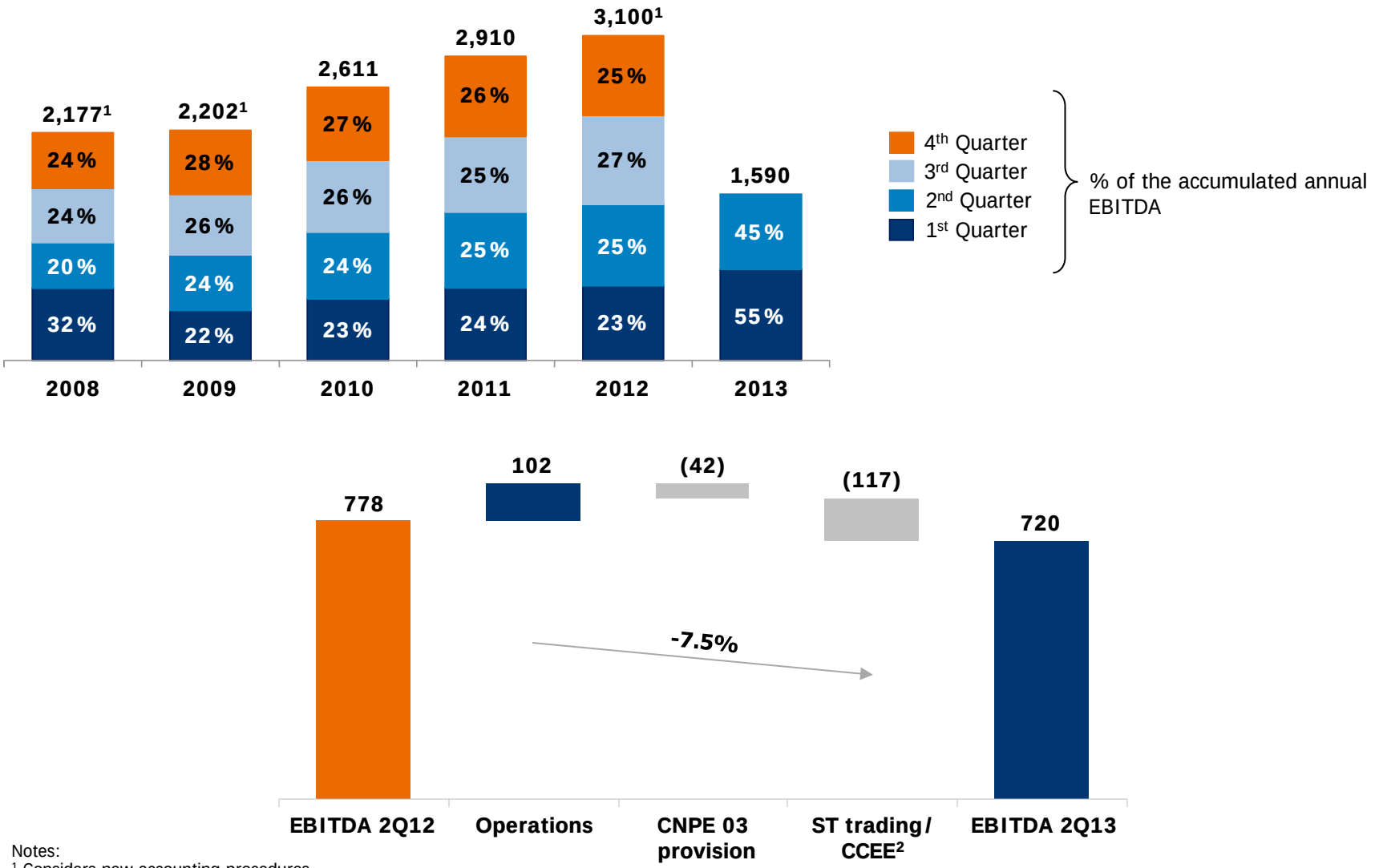
# Net revenue from sales change (R$ million)




Note:
[1] Considers new accounting procedures.

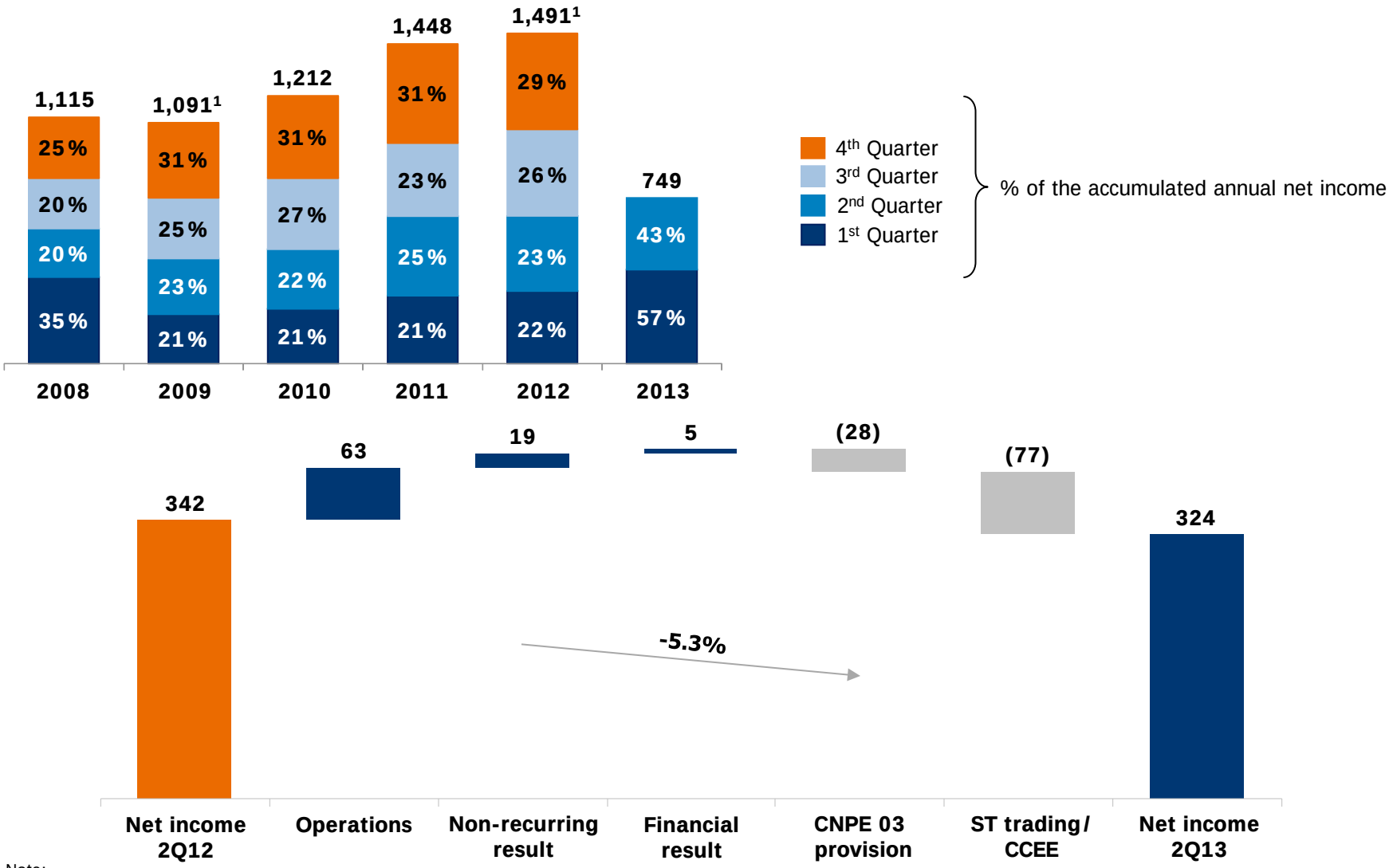


# EBITDA change (R$ million)




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

# Net income change (R$ million)

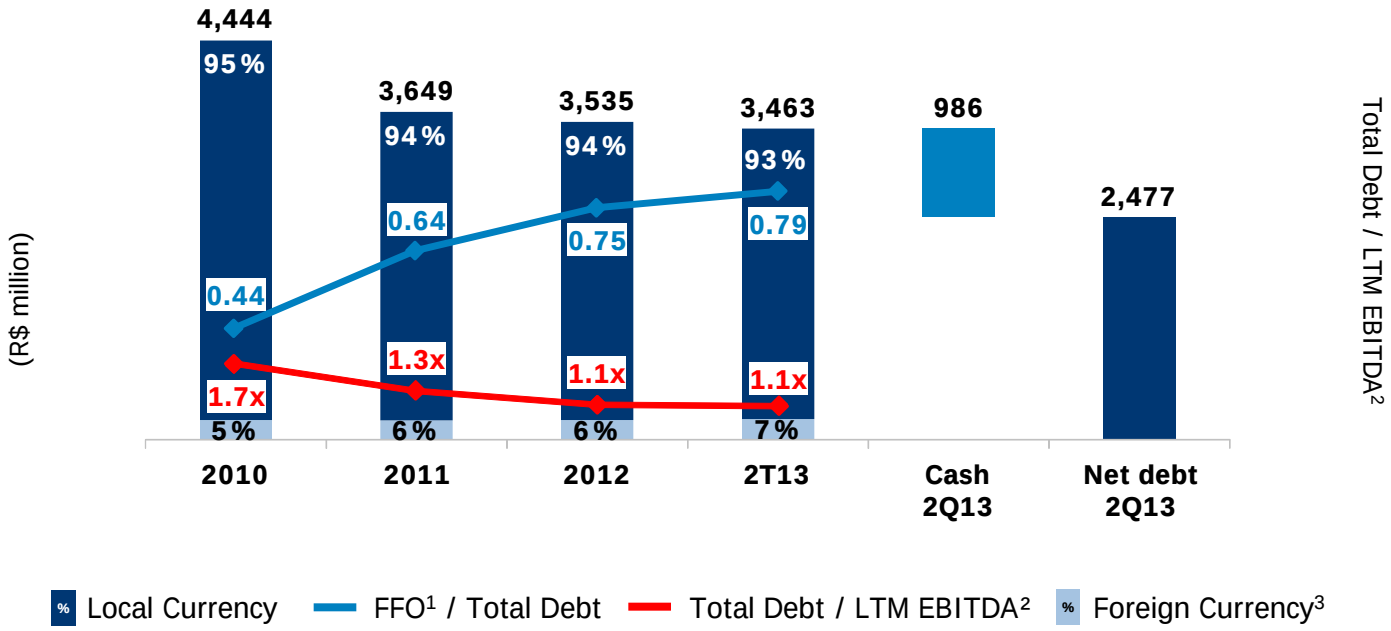



Note:
[1] Considers new accounting procedures.

# Limited indebtedness and low exposure to foreign exchange

Low leverage enables Tractebel to benefit from growth opportunities.

**Debt Overview (R$ million)**



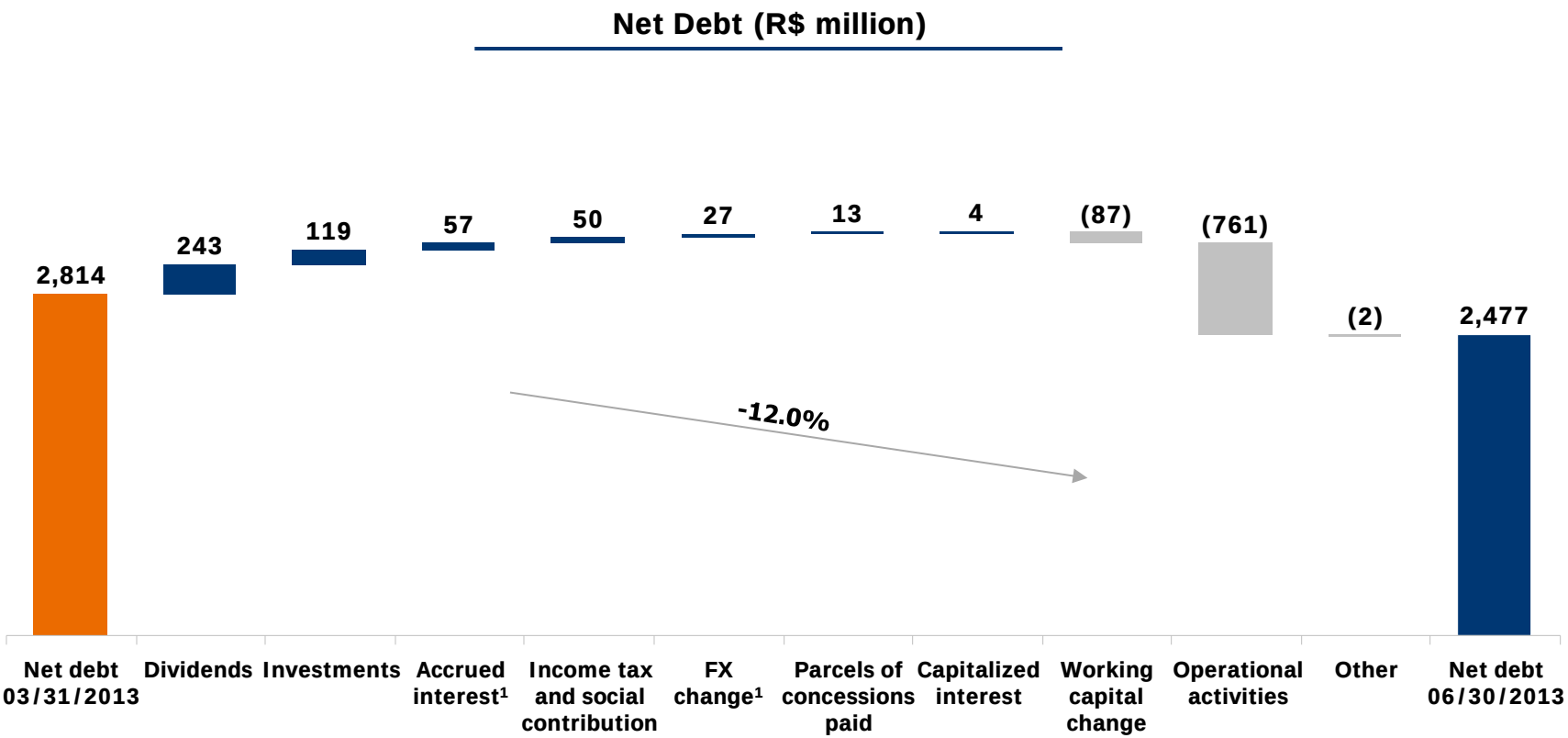

Notes:

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

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

[3] Not hedged.

# Net debt change

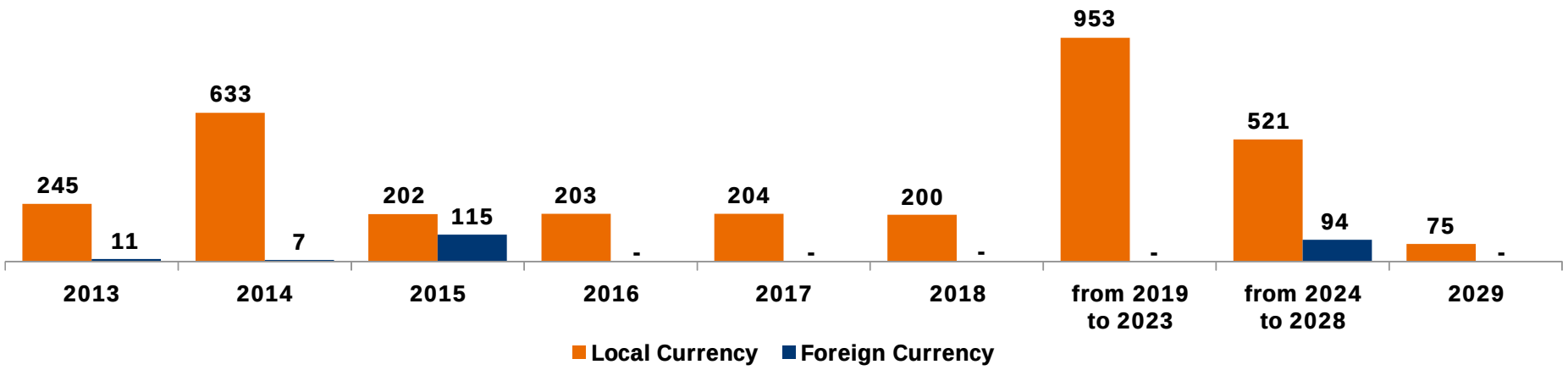



Note:
[1] The interests and FX change refer only to the Company's financial debt (loans, financing and debentures).

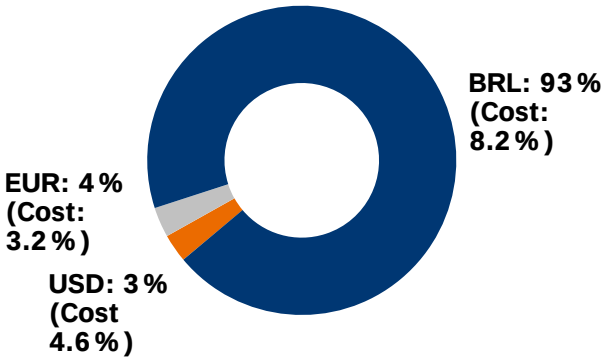
# Medium and long-term debt, with low costs and defensive indexes

Debt profile and strong cash generation reduce refinancing risk.

**Maturity Debt Schedule – R$ million**



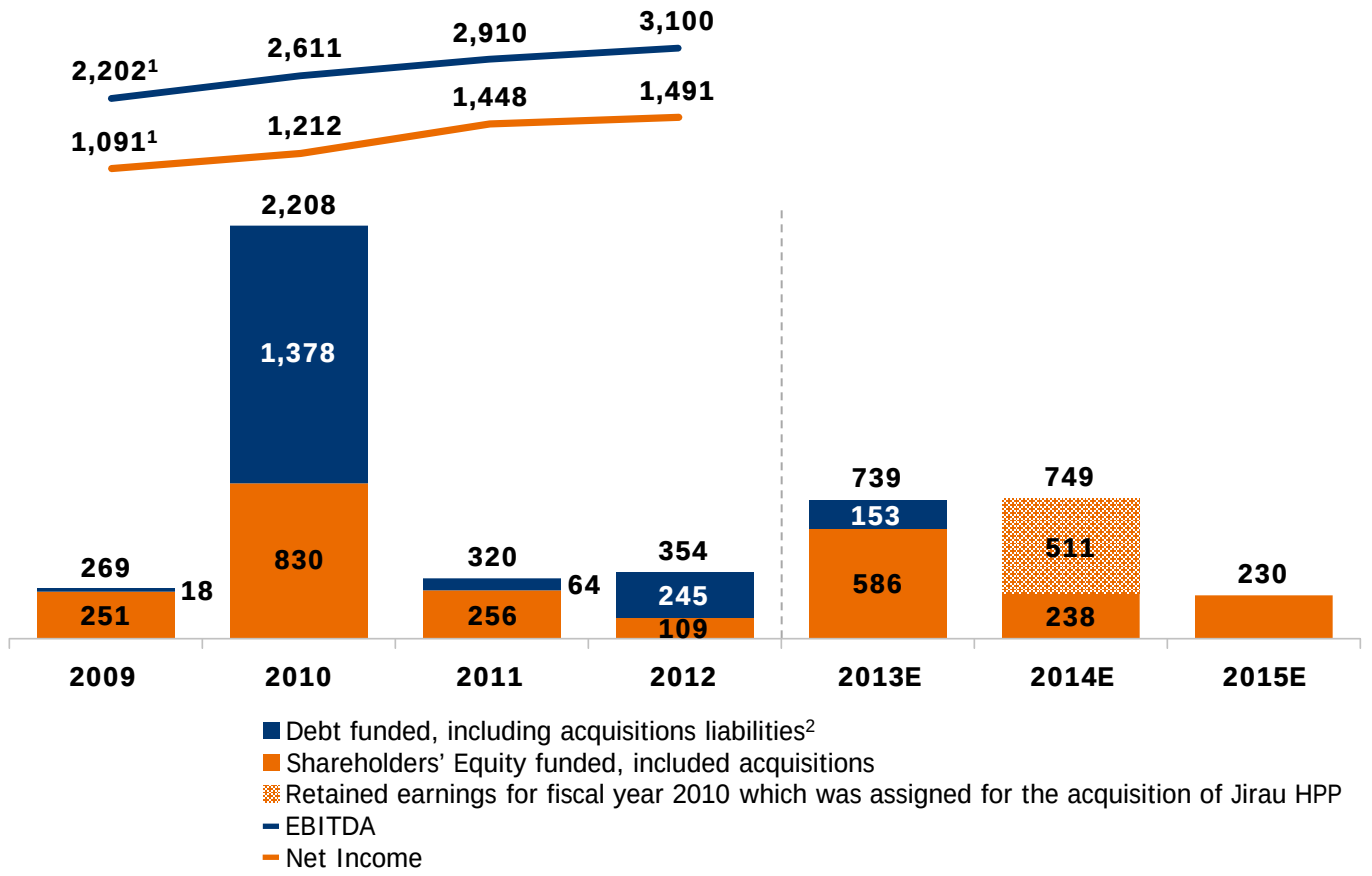

**Cost of Debt**




| Composition of Debt | | | |
|---|---|---|---|
| **Foreign Currency** | | **Local Currency** | |
| Fixed | 53% | Fixed | 2% |
| Floating | 47% | TJLP | 75% |
| **Total** | **100%** | CDI | 13% |
| | | IPCA | 10% |
| | | **Total** | **100%** |

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

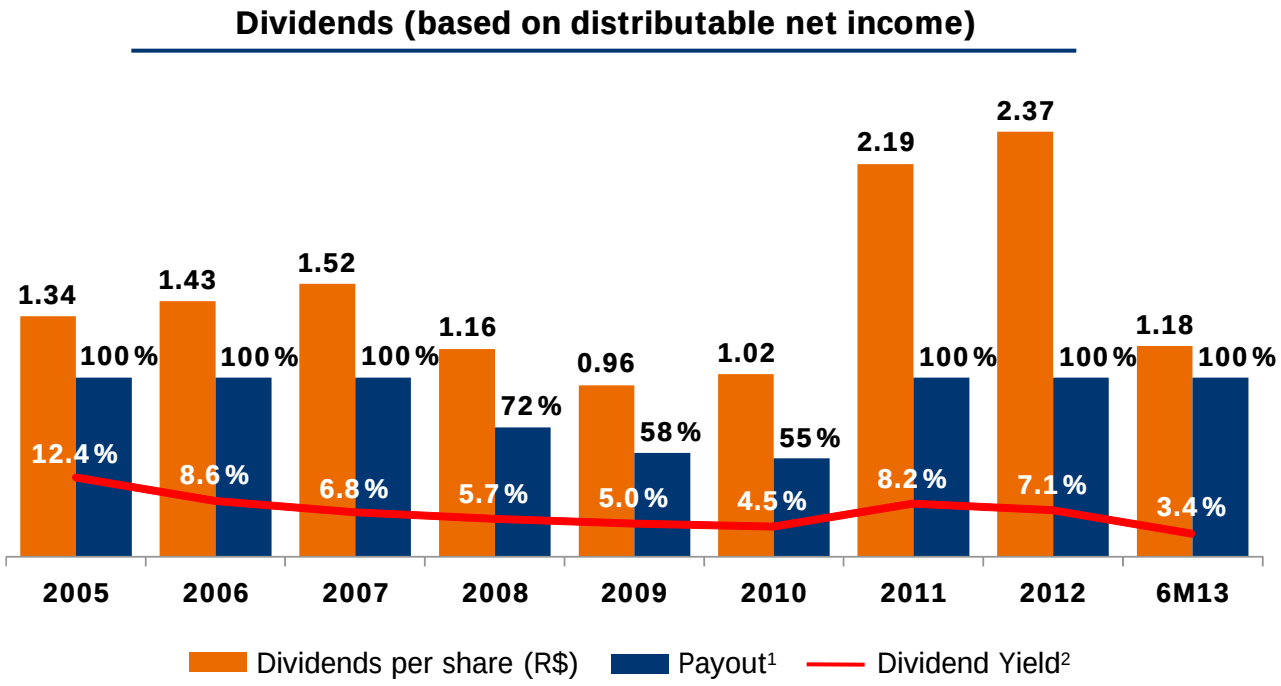
**Accomplished / expected CAPEX and corresponding financing sources (R$ million)**




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.
- Credit frequency: semi-annual.



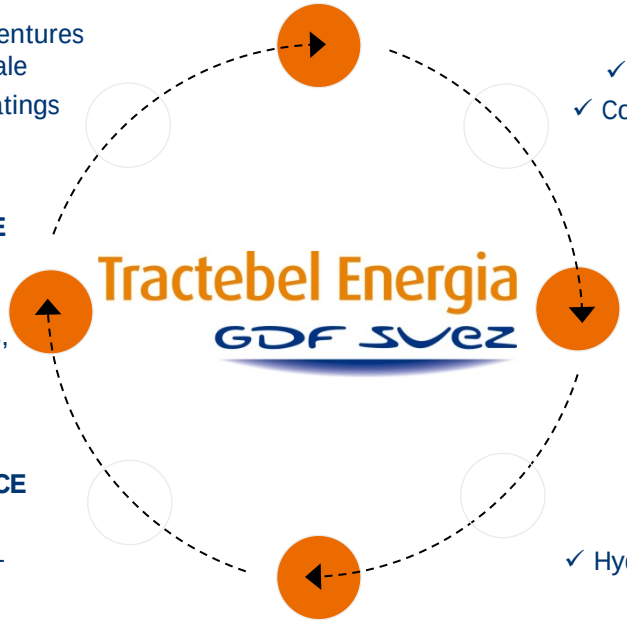

Notes:
[1] Considers the annual payable net income.
[2] Based on volume-weighted market price of ON shares in the period.

# Competitive advantages

**STRATEGIC INDUSTRY**
- ✓ Defensive profile in times of crisis
- ✓ Attractive funding conditions

**PREMIUM RATING**
- ✓ "brAAA" 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 in Brazil
- ✓ Market cap: R$ 22.6 billion as at 06/30/13
- ✓ 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
- ✓ First class controlling shareholder

**CLEAR COMMERCIAL STRATEGY**
- ✓ Heavily contracted in the next years
- ✓ Diversified portfolio between free customers (over different industries) and regulated ones (distribution companies)
- ✓ Windows of opportunities concept

**STABLE FINANCIAL PERFORMANCE**
- ✓ Strong cash flow
- ✓ Average EBITDA margin at 60% +
- ✓ Consistent net income
- ✓ Low FX exposure
- ✓ Active financial management

**CASH FLOW PREDICABILITY**
- ✓ Inflation-indexed contracts
- ✓ Hydro basis, complemented by thermal and wind
- ✓ Long-term contracting strategy

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

# Contacts


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# Attachment

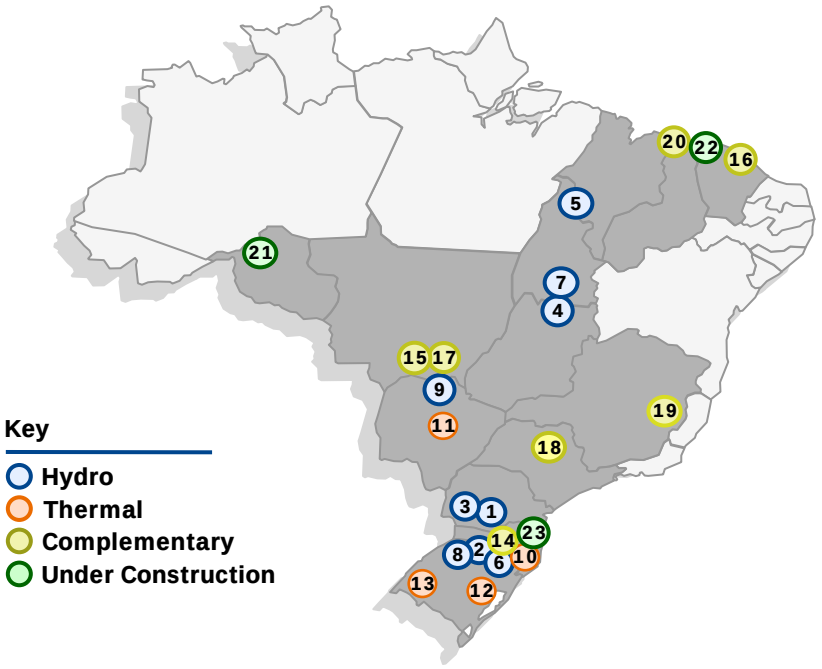
# Diversified portfolio of assets, with strategic location

Installed capacity of 6,909.3 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)[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 Estreito | 435.6[2] | 256.9[2] |
| 6 Machadinho | 403.9[2] | 147.2[2] |
| 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)[1] |
|---|---|---|
| 10 Jorge Lacerda Complex[3] | 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)[1] |
|---|---|---|
| 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) | 22.9[2] | 13.9[2] |
| 19 Areia Branca (SHP) | 19.8 | 11.1 |
| 20 Pedra do Sal (Wind) | 18.0 | 5.7 |
| **Total** | **164.6** | **82.8** |




| Power Plants Under Construction | Installed Capacity (MW) | Commercial Capacity (aMW)[1] |
|---|---|---|
| 21 Jirau (Hydro)[4] | 1,500.0[5] | 873.8[5] |
| 22 Trairi Complex (Wind) | 115.4 | 62.5 |
| 23 Nova Aurora (Solar) | 3.0 | 0.5 |
| **Total** | **1,618.4** | **936,8** |

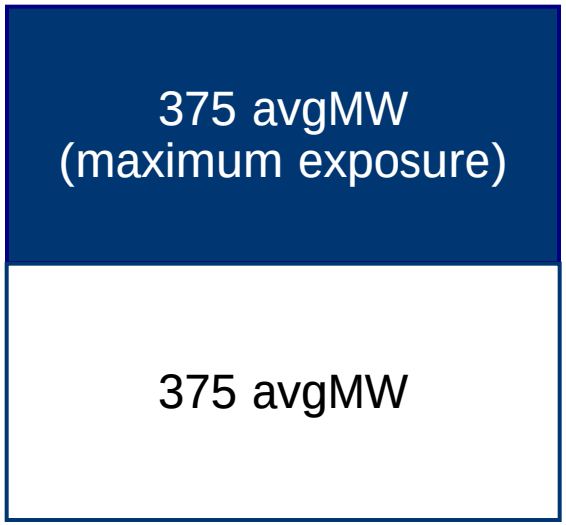
Notes: [1] Figures following specific legislation.
[2] Portion owned by Tractebel Energia.
[3] Complex comprised by 3 power plants.
[4] The Parent Company's stake is expected to be transferred to Tractebel Energia.
[5] Portion owned by the Parent Company, i.e., 40.0% of 3,750 MW total installed capacity.

# Sustainability Indicators

| Sustainability Indices[1] | | | | |
|---|---|---|---|---|
| | **Indices** | **2Q13** | **2Q12** | **Change** |
| Quality | Number of certified plants | 15 | 15 | - |
| | Generation plant uptime, except for scheduled stoppages (%) | 97.8 | 96.6 | 1.2 p.p. |
| | Generation plant uptime, including scheduled stoppages (%) | 91.1 | 87.8 | 3.3 p.p. |
| Environment | Number of licensed operating plants | 22 | 22 | - |
| | Saplings donated and planted (sum-total of planed and donated saplings)[2] | 61,856 | 92,315 | -33.0% |
| | Number of visitors at the plants | 31,912 | 27,433 | 16.3% |
| | CO2 Emissions (fossil fuel plants) (t/MWh) | 1.037 | 1.180 | -12.1% |
| | CO2 Emissions from the Tractebel Energia generation plant (t/MWh) | 0.173 | 0.188 | -8.0% |
| Occupational Heath and Safety and Social Responsibility | Number of employees at the end of the period | 1,108 | 1,074 | 3.2% |
| | Frequency Rate ("Taxa de Frequência" - TF), except for outsourced positions[3] | 3.810 | 0.000 | ⇧ |
| | Severity Rate ("Taxa de Gravidade" - TG), except for outsourced positions[4] | 0.065 | 0.000 | ⇧ |
| | Frequency Rate ("Taxa de Frequência" - TF), including outsourced positions[3] | 2.190 | 2.670 | ⇩ |
| | Severity Rate ("Taxa de Gravidade" - TG), including outsourced positions[4] | 0.030 | 0.185 | ⇩ |
| | Investments via Children and Teenagers Fund and Cultural Incentives Act (R$ thousands) | 5,097 | 3,106 | 64.1% |
| | Non-incentive investments, except for Estreito Social Investment (R$ thousands) | 1,322 | 1,258 | 5.1% |

Notes: 1) Additional indices available from ITR (Tractebel website / Investor / CVM information).
2) CESTE not included.
3) TF = number of occupational accidents for every million hours of exposure to hazards.
4) TG = number of days lost due to occupational accidents for every one thousand hours of exposure to hazards.

# 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)

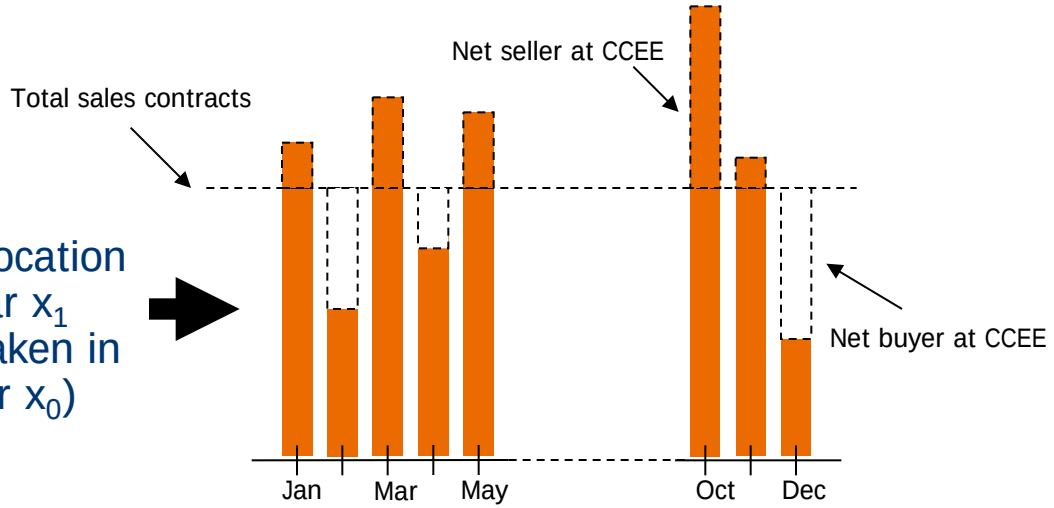
Notes: 1) Tractebel Energia has been fully contracted → purchase of thermal substitution energy.
2) On a monthly basis, inflexibility variations may occur.
3) Figures related to the Energy Trading Board (CCEE) settlement point.

# 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

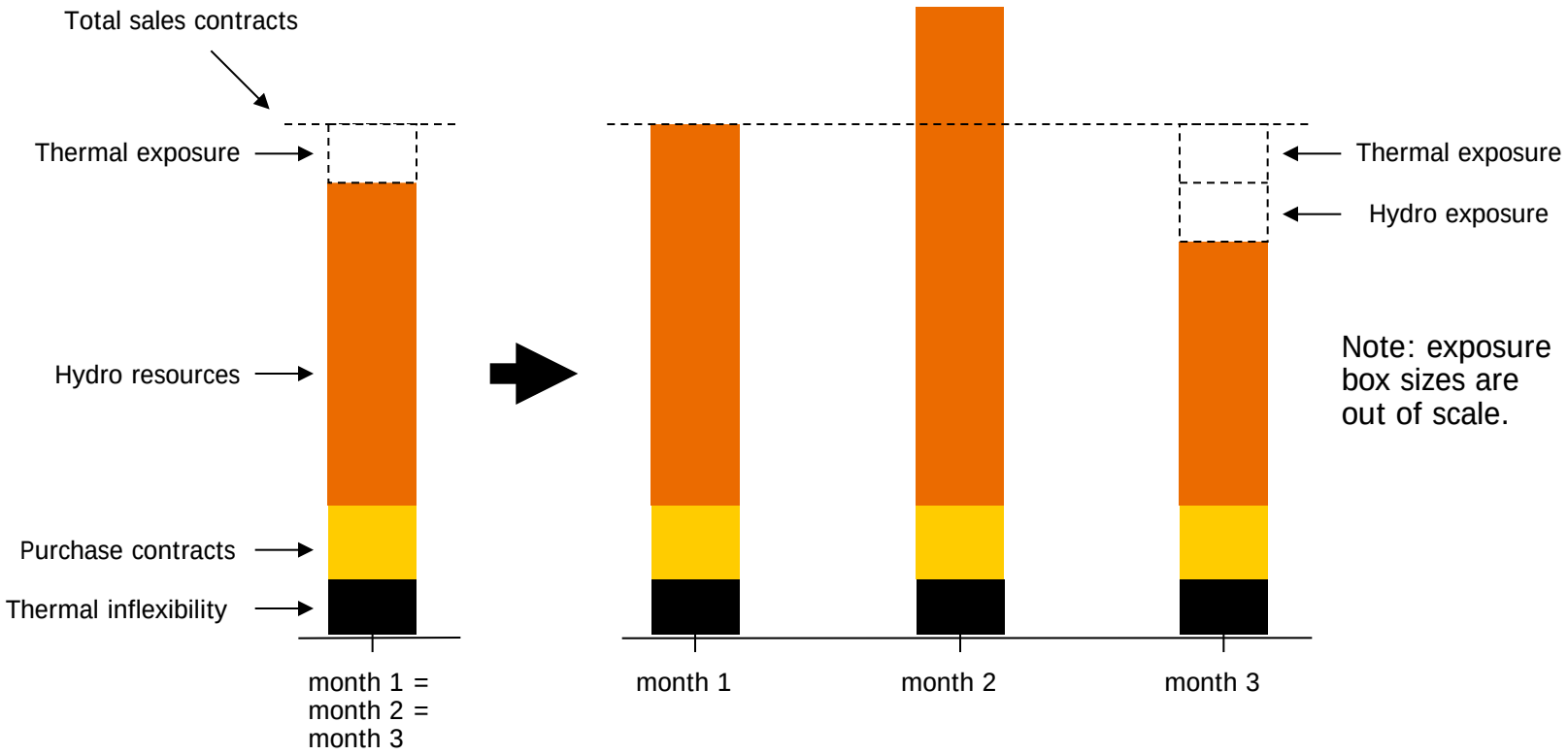
monthly allocation over year $x_1$ (decision taken in Dec. year $x_0$)



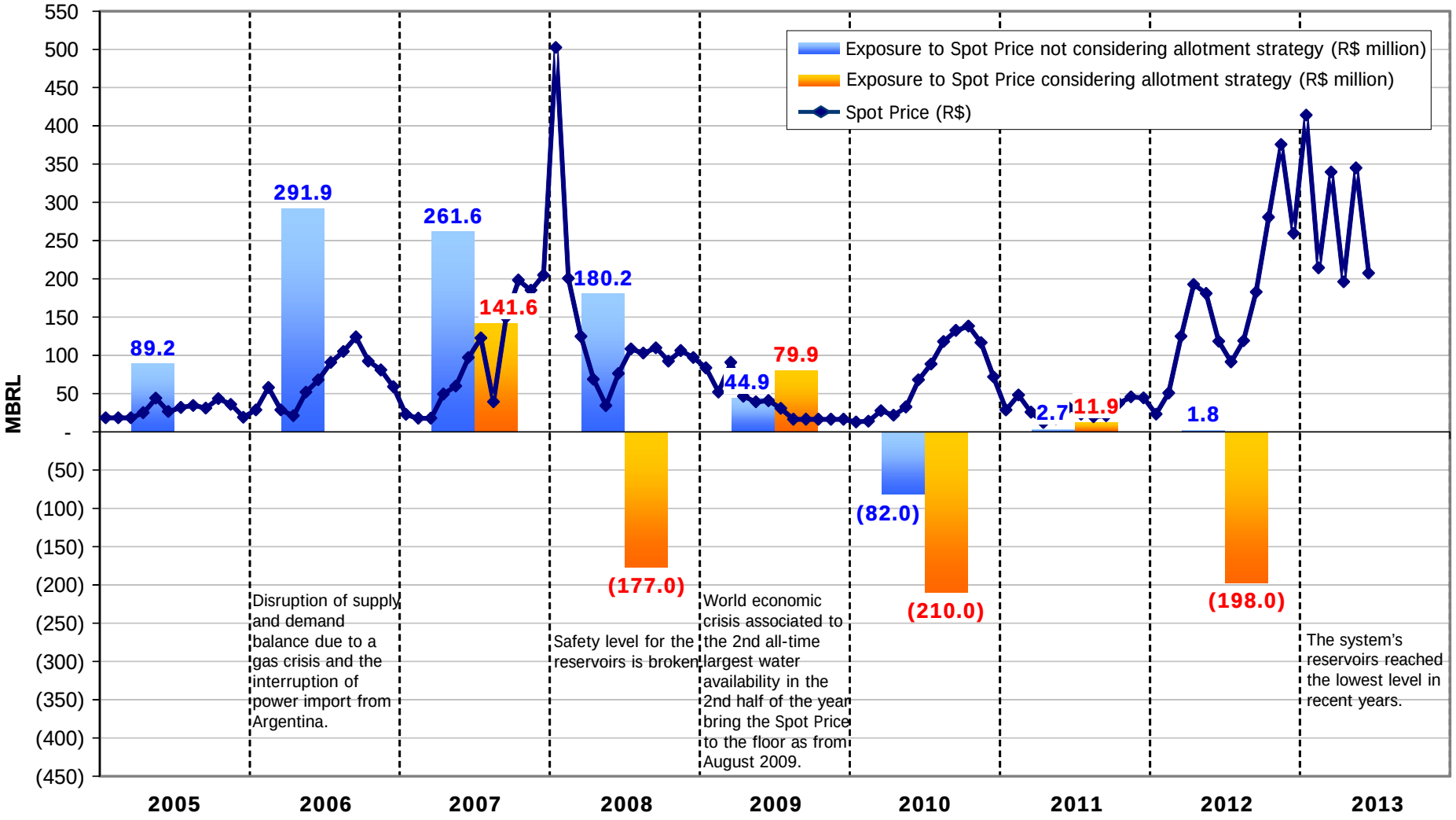

- Hydro gencos can freely allocate their resources over the following year's months;
- Monthly fluctuations on sales is also a driver for exposure to spot price;
- Monthly energy differences are settled at spot price, i.e., PLD (Price for Settlement of Differences);
- As penalties apply for a net buyer,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



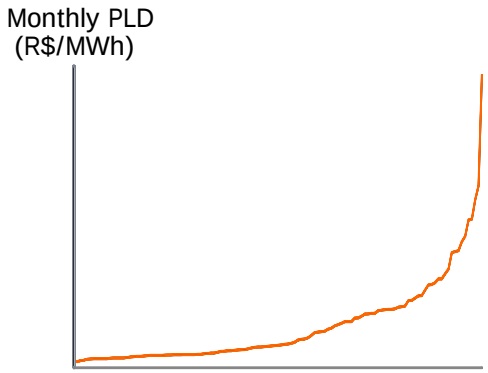
# Expenses: impacts of energy allotment (2007 thru 2012)



# 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.

**Permanence Curve***

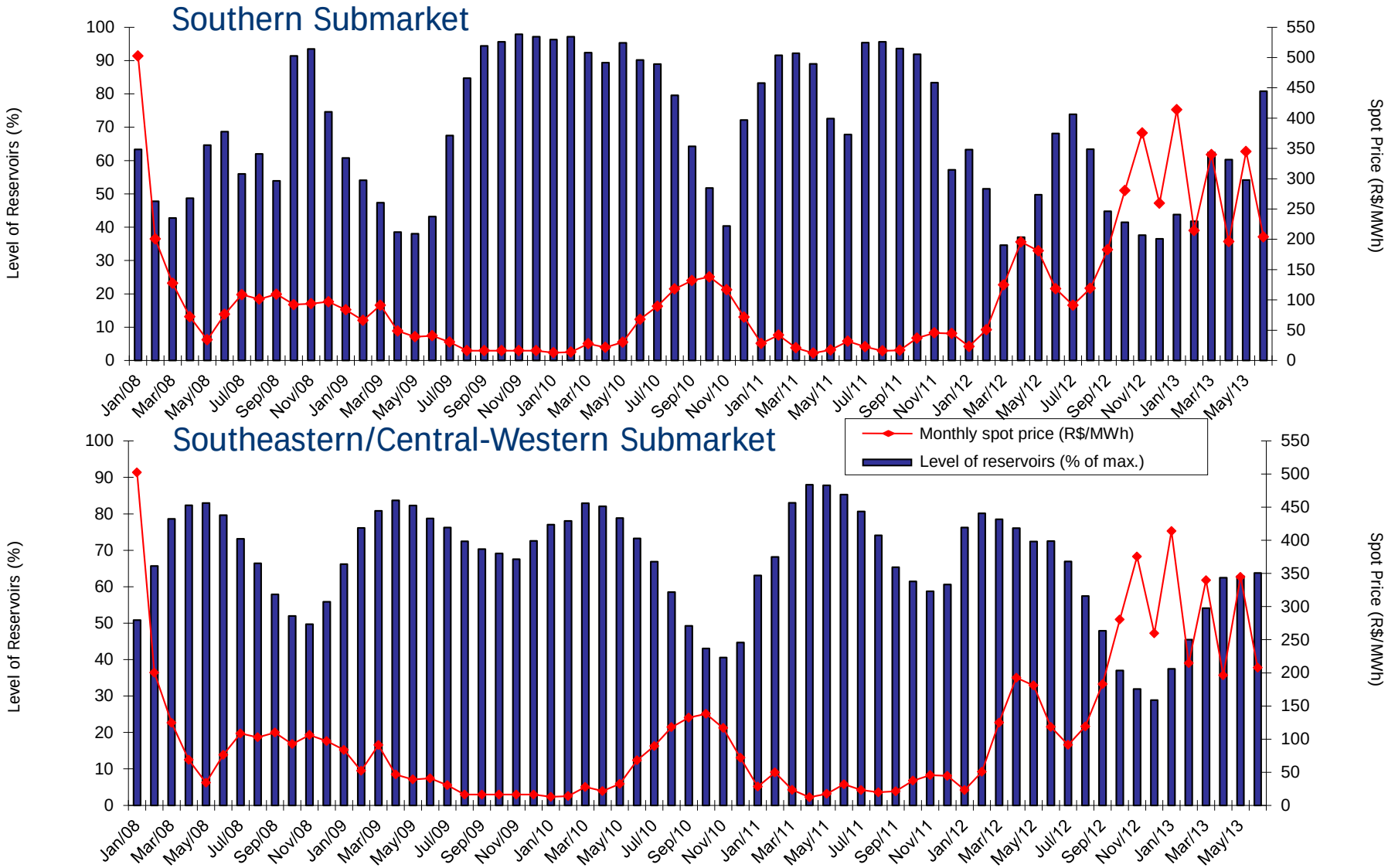



**Occurrence**

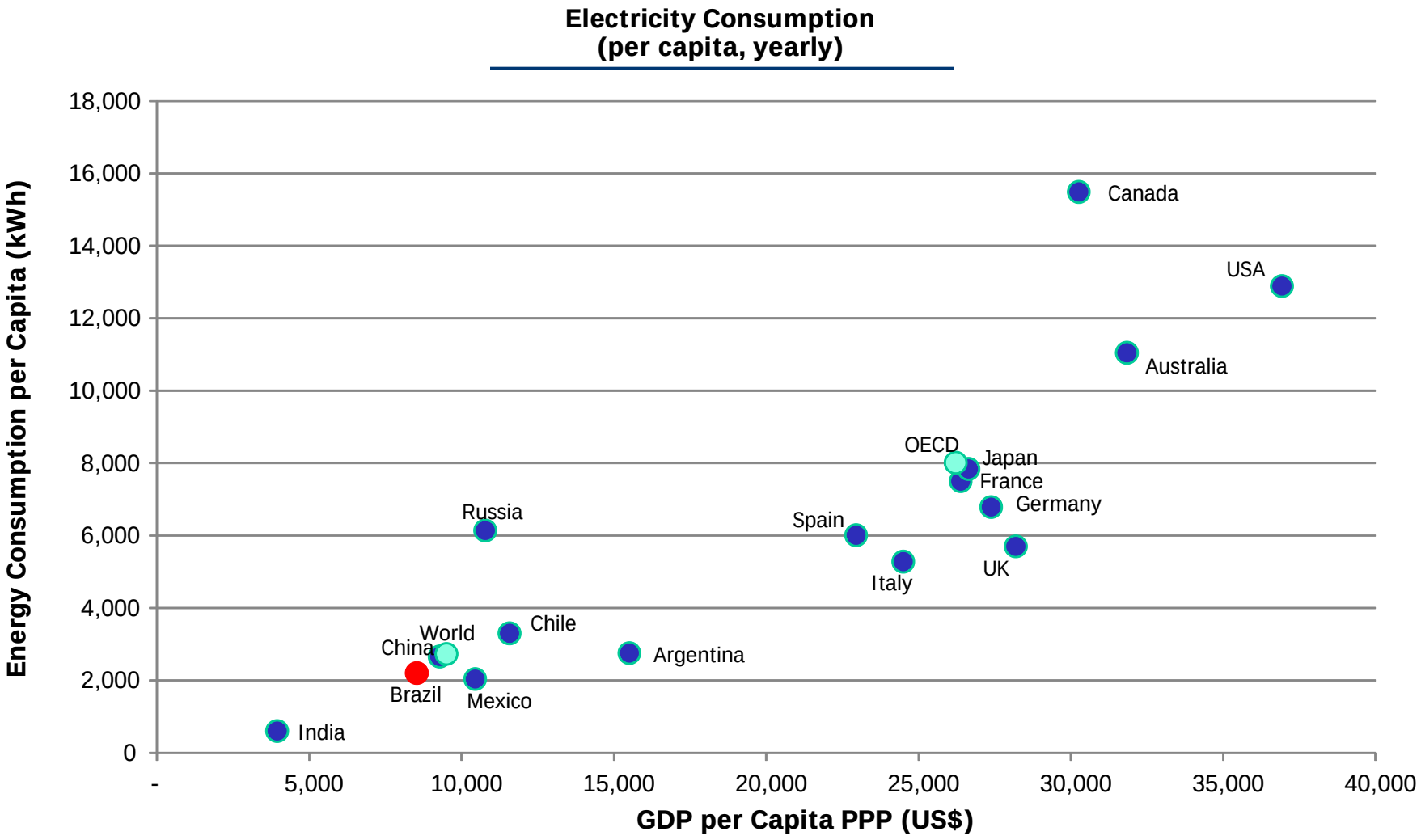
| Period | May/03-Jun/13 | Jan/11 - Jun/13 |
|---|---|---|
| Avg. PLD (in R$) | 52.55 | 111.46 |
| PLD Standard Dev. (in R$) | 101.35 | 124.97 |
| Monthly PLD > R$ 100.00 | 37% | 50% |
| Monthly PLD > R$ 150.00 | 20% | 40% |
| | | |

* Figures have been ordered from the lowest. Values adjusted by IPCA (inflation index).

# Correlation between reservoir levels and spot prices



# Electricity: large growth potential




Source: MME, Aug/2012 (consolidated information for 2009)