

Tractebel Energia
GDF SUEZ

Results Presentation – 4Q09

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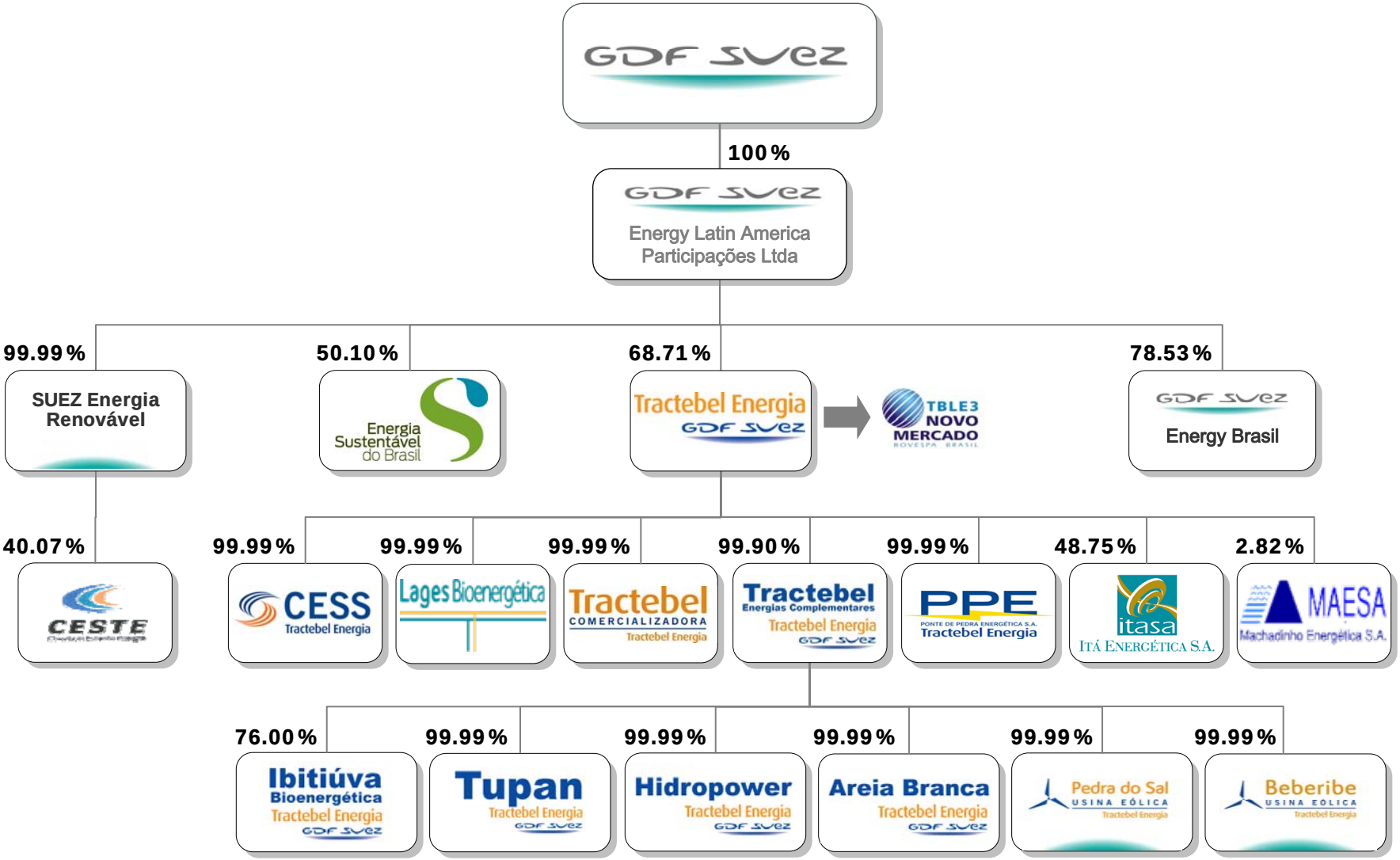
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Highlights, Shareholding Structure, Market Share, Assets and Sales

Quarter highlights

- Net income hits R$ 1,134.4 million for the year, a 1.7% growth over 2008. Sixth yearly record in a row.
- Proposed complementary dividends in the amount of R$ 81.9 million. 55.0% total payout for 2009, i.e., R$ 623.9 million.
- 2009 EBITDA unchanged y-o-y: R$ 2,177.7 million, an implied margin of 62.3%.
- Net revenues in 2009 amounts to R$ 3,496.7 million, 2.8% higher year-on-year.
- Average sales price in 2009 net of sales tax and exports reaches R$ 108.81/MWh, 8.1% higher than previous year.
- Operational efficiency:
    - instantaneous generation new record: 6,807 MW at a 90.9% capacity factor;
    - yearly uptime new record: 98.9%.
- Materializing expansion: Company pays R$ 604.4 million for 1,087 MW Estreito hydro plant. The project is currently undergoing an advanced construction stage.

Tractebel is controlled by GDF SUEZ, world leader in energy



Note: Simplified version

Diversified portfolio of assets, with strategic location

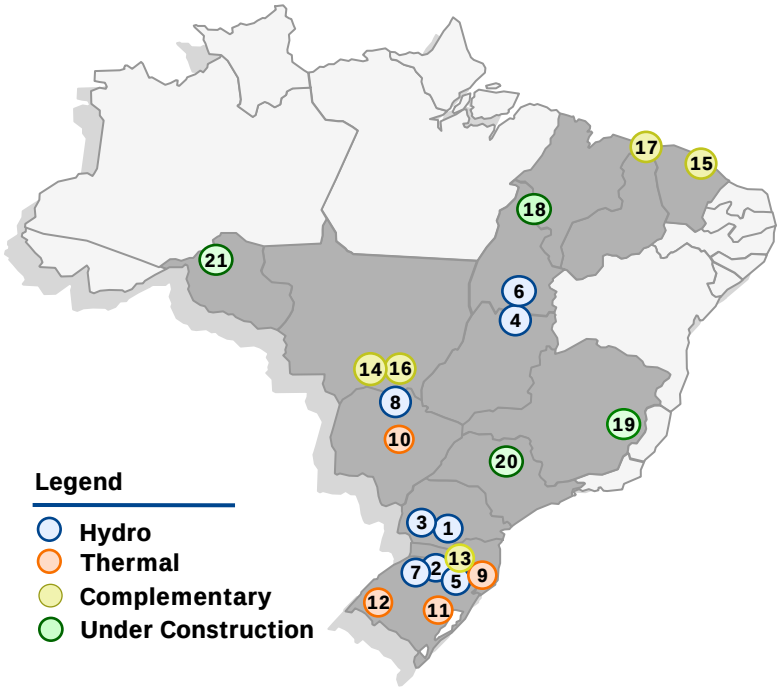
Installed capacity of 6,430.9 MW from 19 plants operated by Tractebel Energia: 80% hydro, 18% thermal e 2% complementary.

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	14.0
15 Beberibe (Wind)	25.6	9.8
16 José Gelazio da Rocha (SHP)	23.7	11.9
17 Pedra do Sal (Wind)	18.0	7.8
Total	**121.9**	**68.5**

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

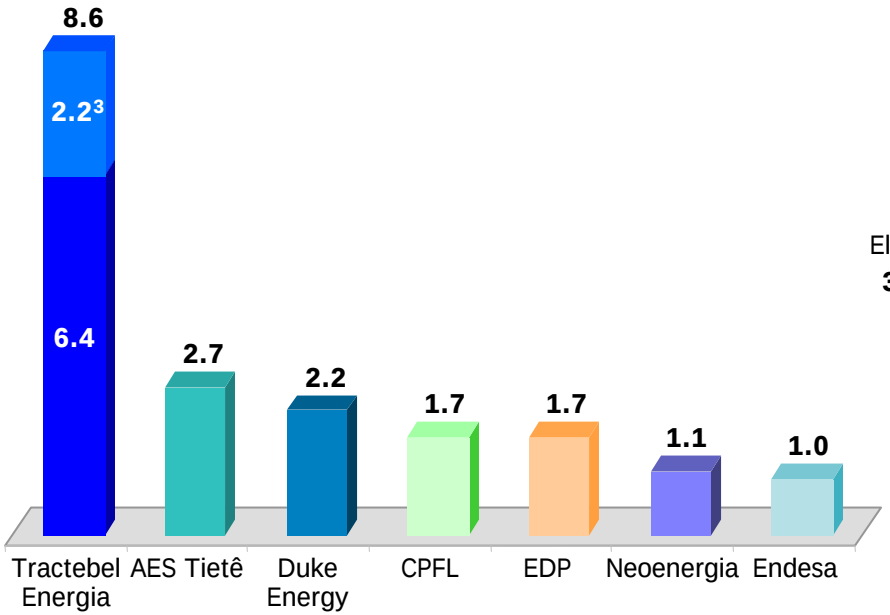


Power Plants Under Construction	Installed Capacity (MW)	Commercial Capacity (aMW)[1]
18 Estreito (Hydro)	435.6[2]	256.9[2]
19 Areia Branca (SHP)	19.9	10.9
20 Andrade (Biomass)	18.3[2]	11.1[2]
21 Jirau (Hydro)	1,728.5[4]	1,024.9[4]
Total	**2,202.3**	**1,303.8**

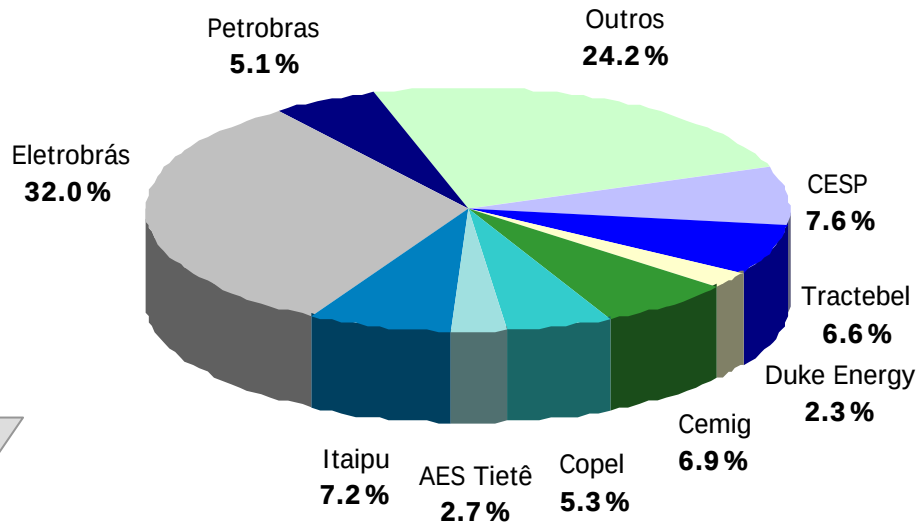
Leading position in the generation sector

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

Private Sector – Installed Capacity (GW)



Brazil – Installed Capacity[1,2]



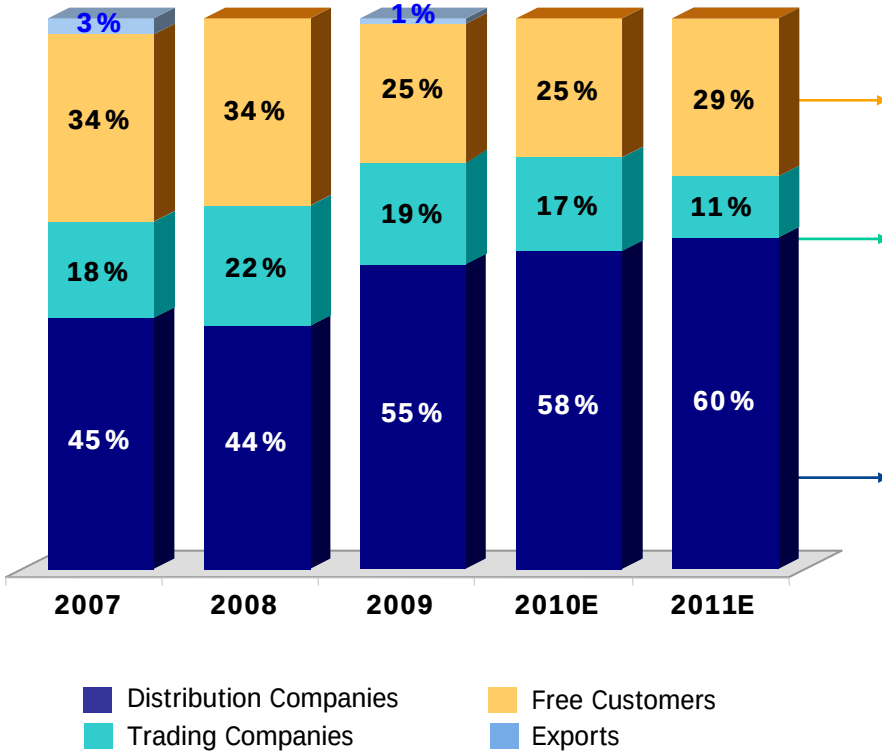
Source: Aneel and Companies' websites.

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...

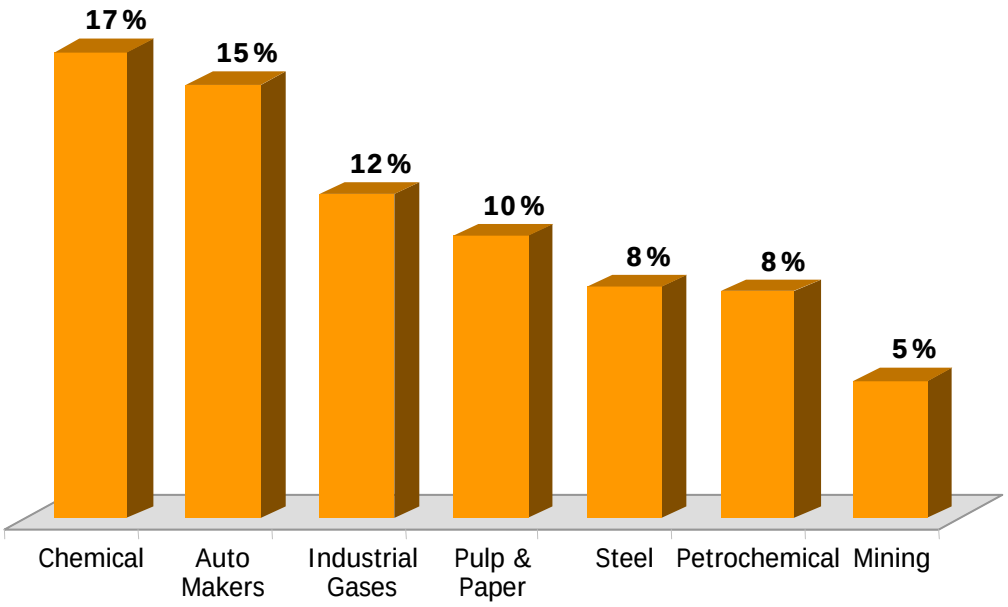
- Flexibility (prices, terms and conditions) → Maximizes portfolio's efficiency
- Solid client relationship → Liaison with some free customers
- Largest consumer market
- Regulated and unregulated contracts → Long-term cash flow predictability

...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 2010:
981 average MW

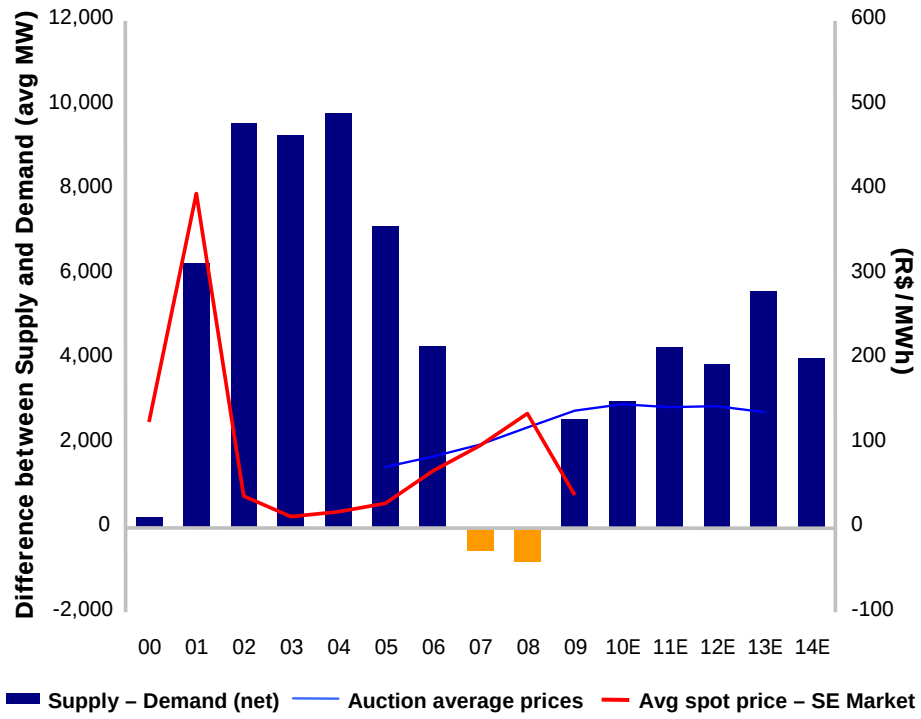


Energy Market in Brazil

New expensive thermal plants and the (still) low level of consumption support the prices

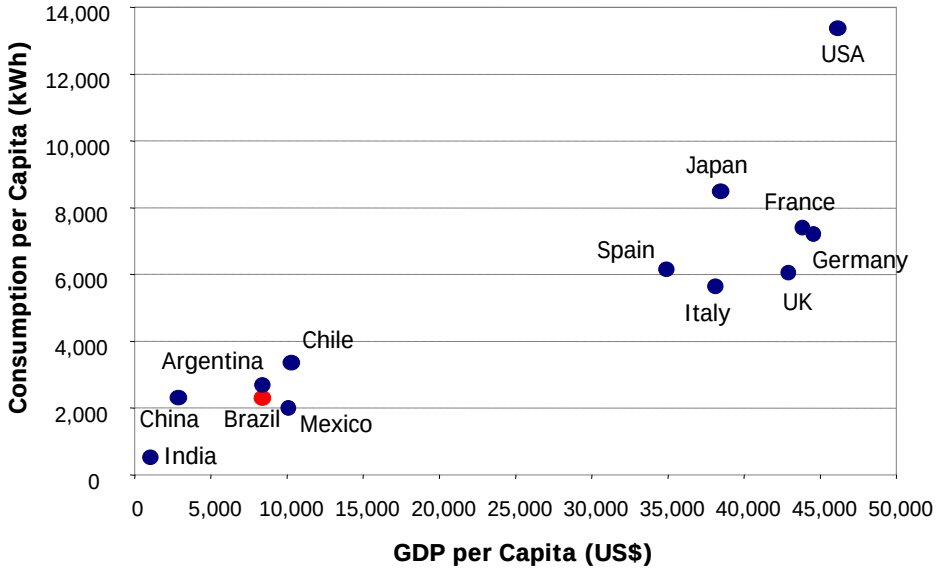
The recent offer of thermal power plants enabled the increase of supply compared to demand of energy for the next years. However, the perspective of prices rising still exists due to the high cost of generation from those new plants.

Energy Market Outlook



Source: Tractebel Energia's internal study based on ONS' Operations Monthly Program of February 2010.

Electricity Consumption (per capita, yearly)



Source: IEA Energy Statistics, 2009.

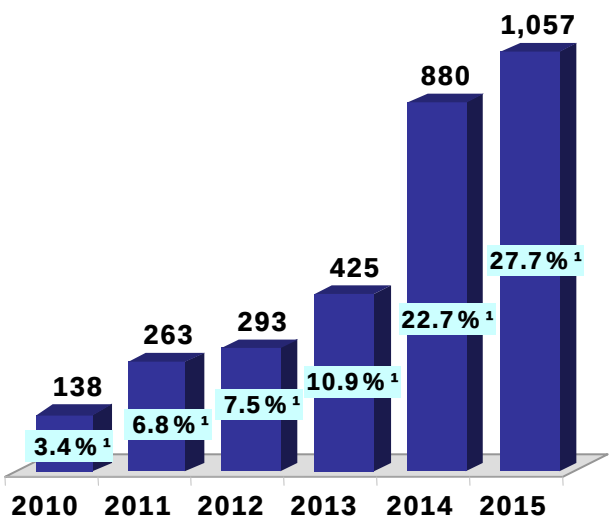
Sales Strategy

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.

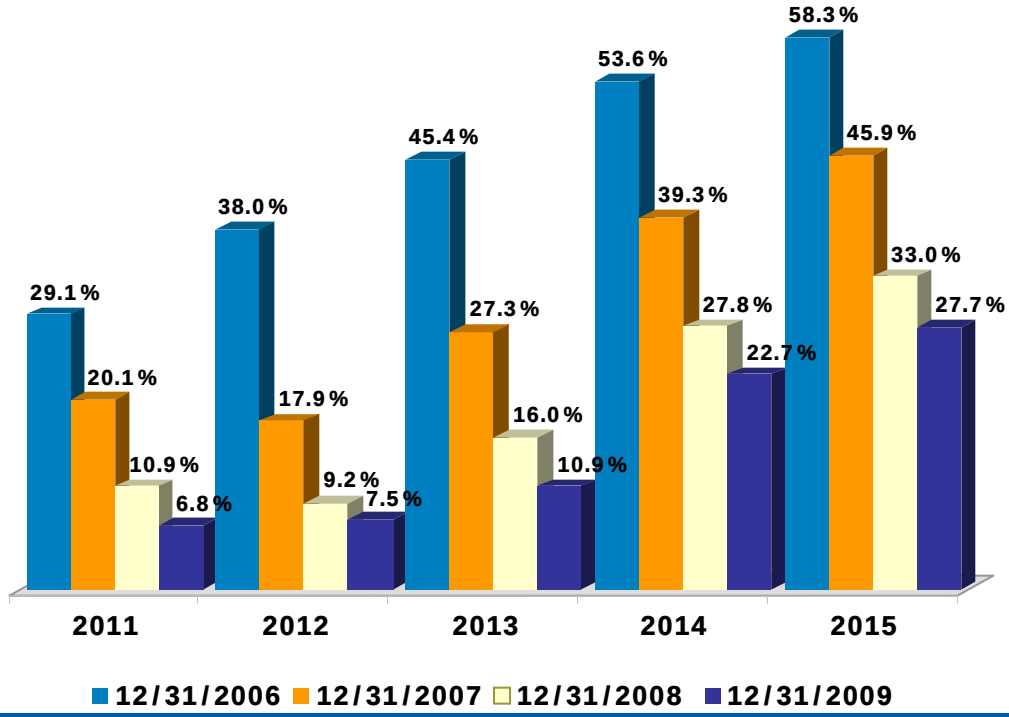
Tractebel Energia's Uncontracted Energy

(average MW)



Nota:
¹ Percentage of total resources.

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



Energy balance

As of December 31, 2009

	(in average MW)	2010	2011	2012	2013	2014	2015	Auction **Gross** Price (R$/MWh)	Reference Date	**Gross** Price Adjusted as of December 31, 2009 (R$/MWh)
	Own Resources	3,365	3,504	3,617	3,617	3,617	3,617			
+	Purchases for Resale	680	352	306	278	253	200			
=	Total Resources (A)	4,045	3,856	3,923	3,895	3,870	3,817			
	Government Auction Sales*	1,298	1,446	1,701	1,702	1,702	1,692			
	2004-EE-2007-08	10	10	10	10	10	-	70.9	Dec-04	87.5
	2005-EE-2008-08	150	150	150	150	150	150	81.6	Apr-05	97.8
	2005-EE-2009-08	381	381	381	381	381	381	94.0	Oct-05	110.7
	2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	136.8
	2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	147.3
	2006-NE-2011-30	-	148	148	148	148	148	135.0	Nov-06	157.0
	2007-NE-2012-30	-	-	256	256	256	256	126.6	Jun-07	141.4
	Proinfa	53	53	52	53	53	53	147.8	Jun-04	193.4
	1st Reserve Energy Auction	11	11	11	11	11	11	158.1	Aug-08	167.2
+	Bilateral Sales	2,609	2,147	1,929	1,768	1,288	1,068			
=	Total Sales (B)	3,907	3,593	3,630	3,470	2,990	2,760			
	Balance (A - B)	138	263	293	425	880	1,057			
	Sales Average Price (R$/MWh) **(Net)***[1]:	112.3	115.1							
	Purchases Average Price (R$/MWh) **(Net)***[2]:	114.0	116.4							

* 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 12/31/09.
*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 12/31/09.

Note: The balance refers to the settlement point. It considers the energy generated by the Estreito, which start of operations is scheduled for 1Q11.

Growth

Hydro project under construction: Estreito

On December 21, 2009, Tractebel's Board of Directors approved the acquisition of GDF SUEZ's share in Estreito Hydro Power Plant, i.e. 435 MW.

Project Description





Estreito Hydro Plant	
Installed Capacity:	1,087.0 MW
Assured Energy:	641.0 MW
Ownership:	40.1%
Investment (R$mm)[1]:	1,758
Start of construction:	2007
Start of operations[2]:	2011
End of construction[2]:	2011

Notes:
[1] Estimated Tractebel Energia's investment in the project. Does not consider the goodwill paid.
[2] Tractebel Energia's estimates.

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.

Complementary energy projects under construction: Destilaria Andrade and Areia Branca

Currently, Tractebel is also building two complementary energy plants: Destilaria Andrade (biomass, in partnership with Açúcar Guarani) and the Areia Branca SHP.

Project Description







TPP Destilaria Andrade	
Biomass-fueled (sugar cane bagasse)	
Installed Capacity:	33.0 MW
Assured Energy:	18.3 MW
TBLE Stake :	55%
Investment (R$mm)[1]:	95
Start of construction:	2008
Start of operation:	2010
15 year-term contract at R$ 158/MWh	

Note:
[1] Tractebel's share. Generally, a stake of 60 to 70% of the total investment for power projects is financed.

Areia Branca SHP	
Installed Capacity:	19.9 MW
Commercial Capacity[1]:	10.9 MW
Load Factor:	52%
Investment (R$mm)[2]:	95
Start of operation:	2010
20 year-term contract at R$ 159/MWh	

Note:
[1] Energy contracted with Eletrobrás, through Proinfa.
[2] Generally, a stake of 60 to 70% of the total investment for power projects is financed.

Hydro project under construction: Jirau

Energia Sustentável do Brasil, from which GDF SUEZ holds 50.1%, is responsible for the construction, maintenance, operation and sale of the energy from Jirau Power Plant. 70% of the power to be generated by Jirau was sold at the new energy auction held in May 2008, for a 30-year period, as from 2013.

Project Description



Jirau Hydro Plant	
Installed Capacity:	3,450.0 MW
Assured Energy:	2,045.7 MW
Ownership:	50.1%
Start of construction:	2009
Start of operations[1]:	2012
End of construction[1]:	2014

Note:
[1] Energia Sustentável do Brasil's estimates.

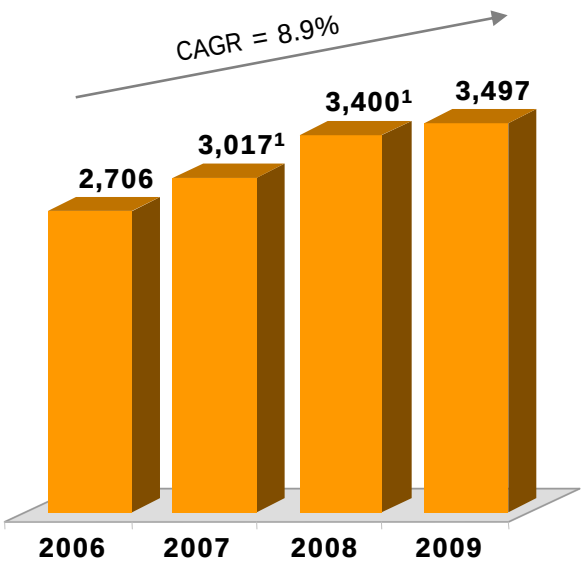
For further information please visit www.energiasustentaveldobrasil.com.br.

Financial Performance

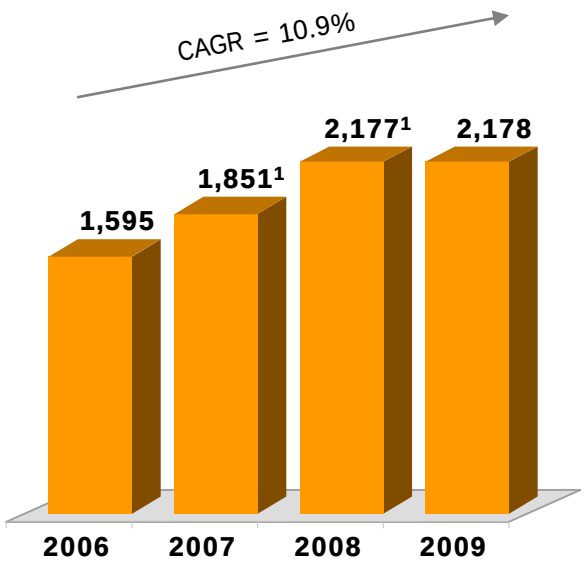
Consistent and constant growth of the financial performance

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. Consistent net income allows for a new growth cycle.

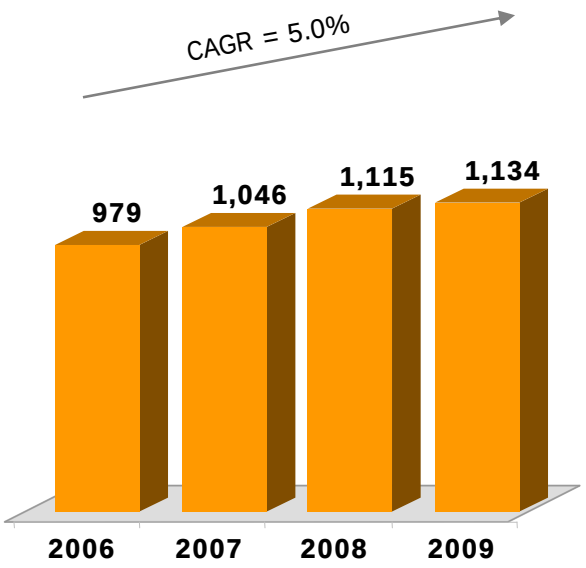
Net Revenues (R$ million)



EBITDA (R$ million)

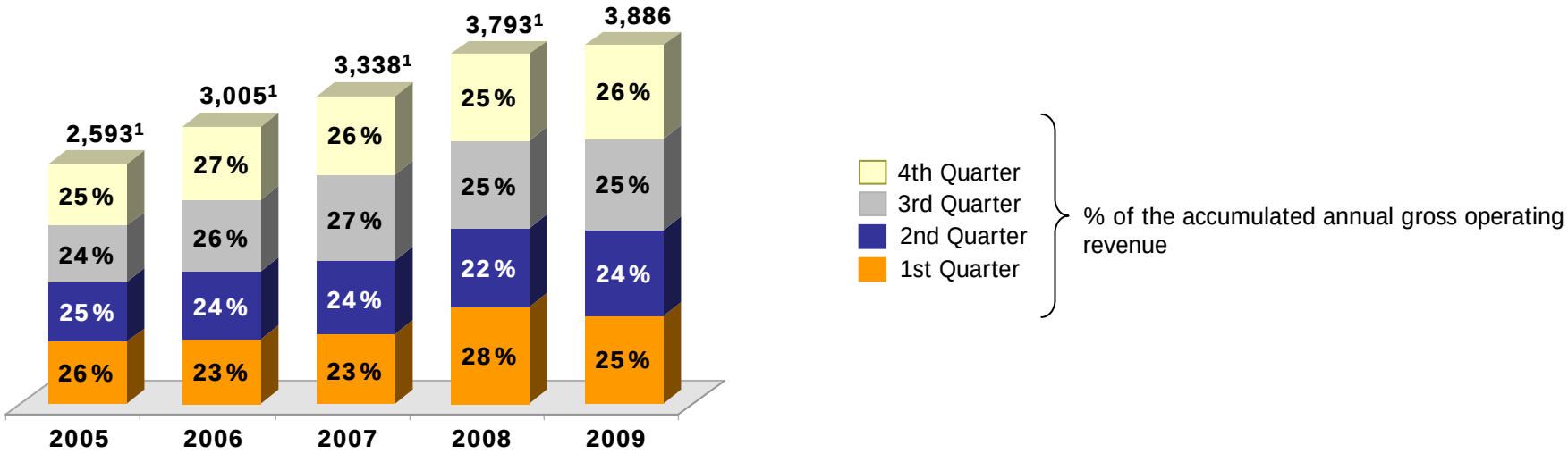


Net Income (R$ million)

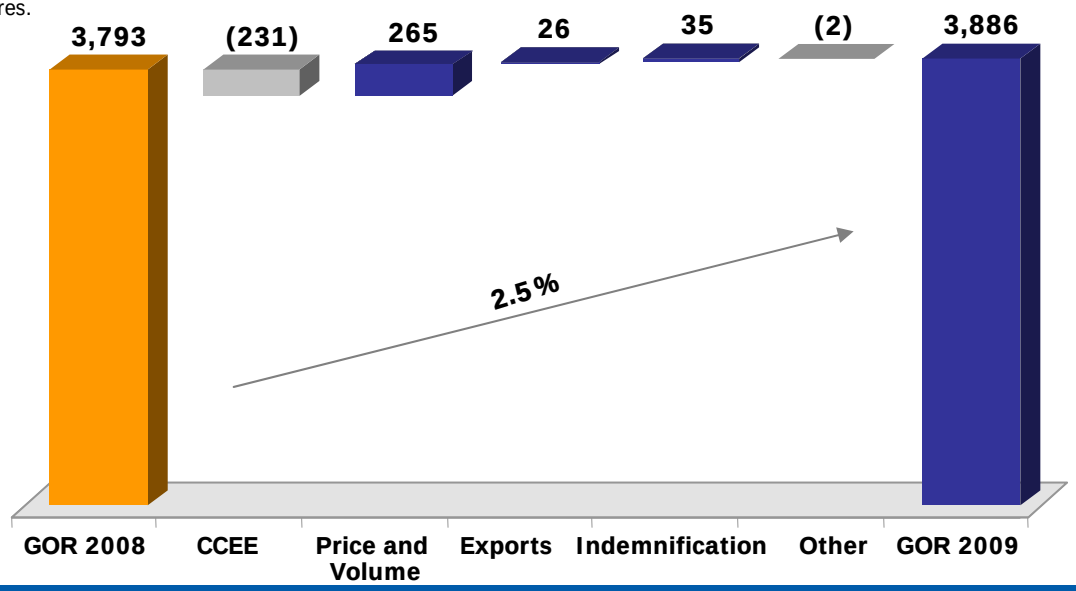


Note:
[1] Considers new accounting procedures.

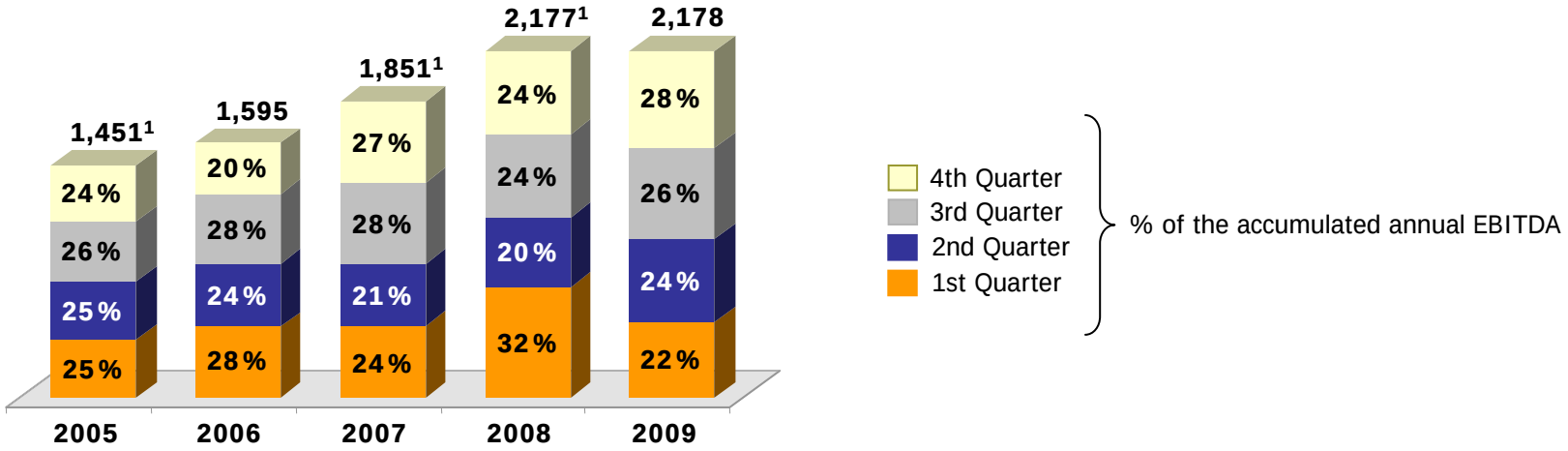
Gross operating revenues change (R$ million)



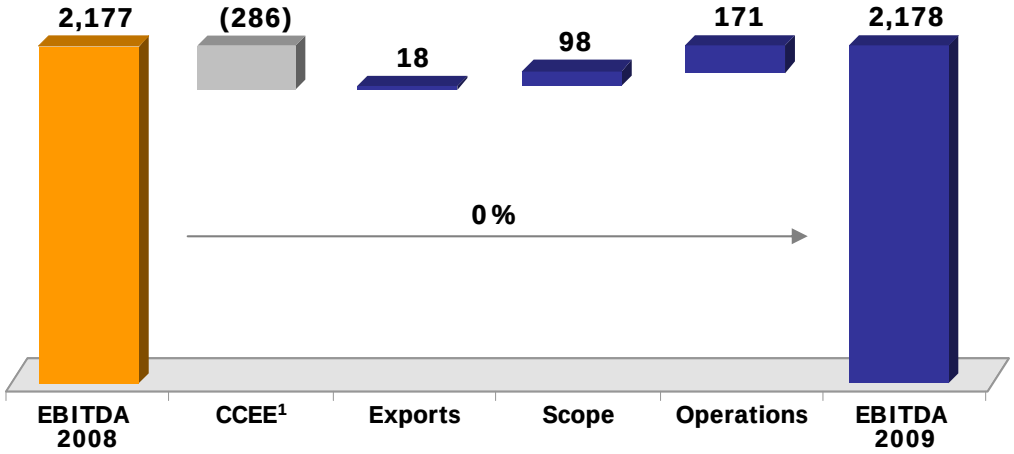
Note:
[1] Considers new accounting procedures.



EBITDA change (R$ million)

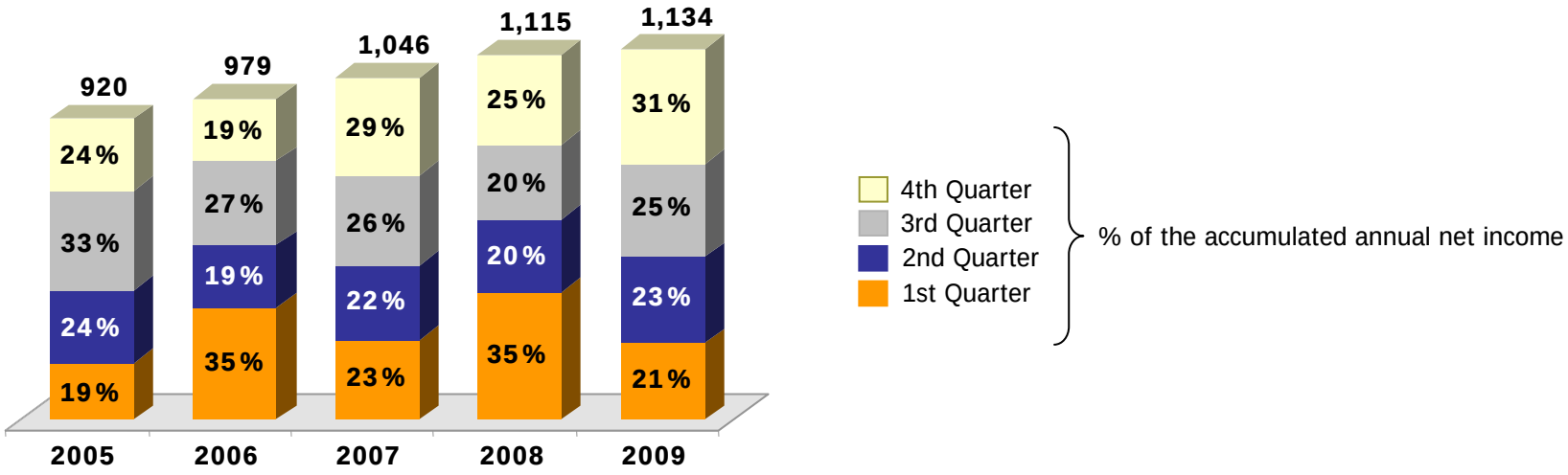


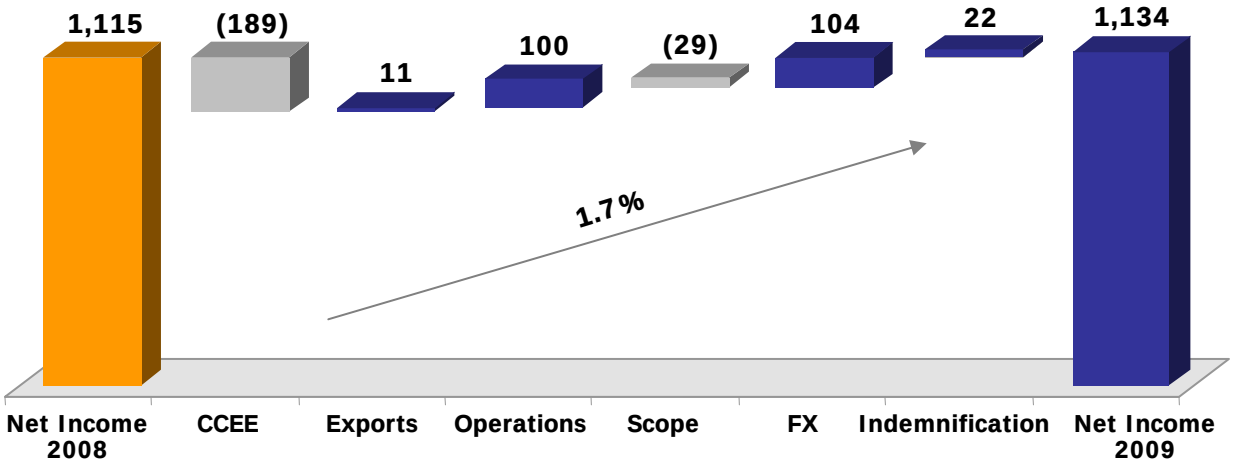
Note:
[1] Considers new accounting procedures.



Note:
[1] Considers the combined effect of revenue increase and expenses decrease.

Net income change (R$ million)

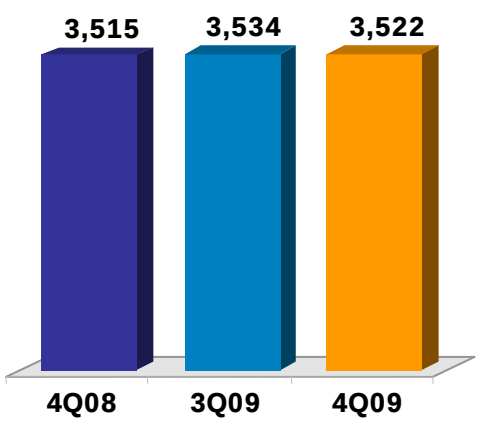




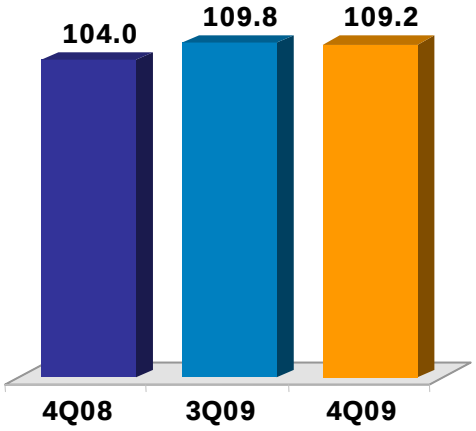
Quarterly financial drivers

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

Energy Sold (avg. MW)

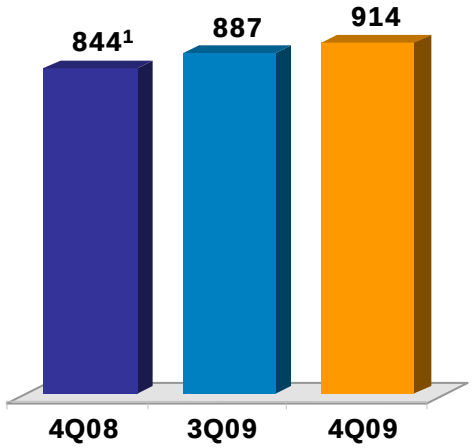


Average Price of Energy Sold (R$ / MWh)

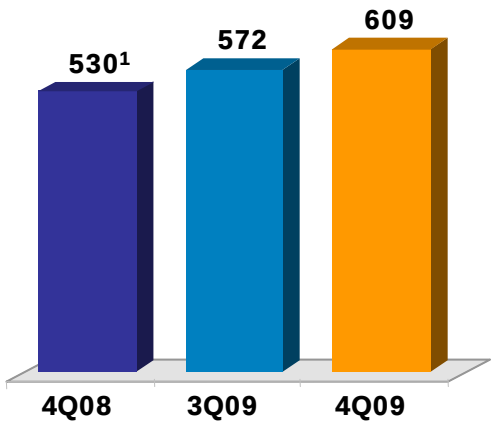


Note: Figures are net of deductions.

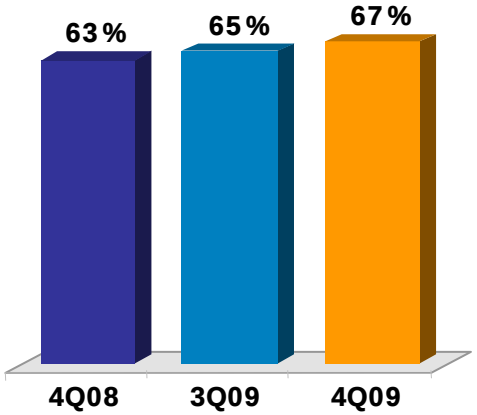
Net Revenues (R$ million)



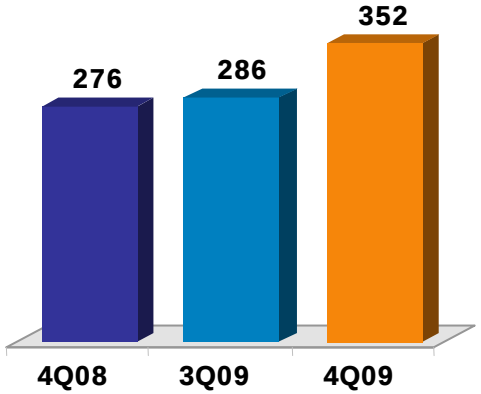
EBITDA (R$ million)



EBITDA Margin



Net Income (R$ million)

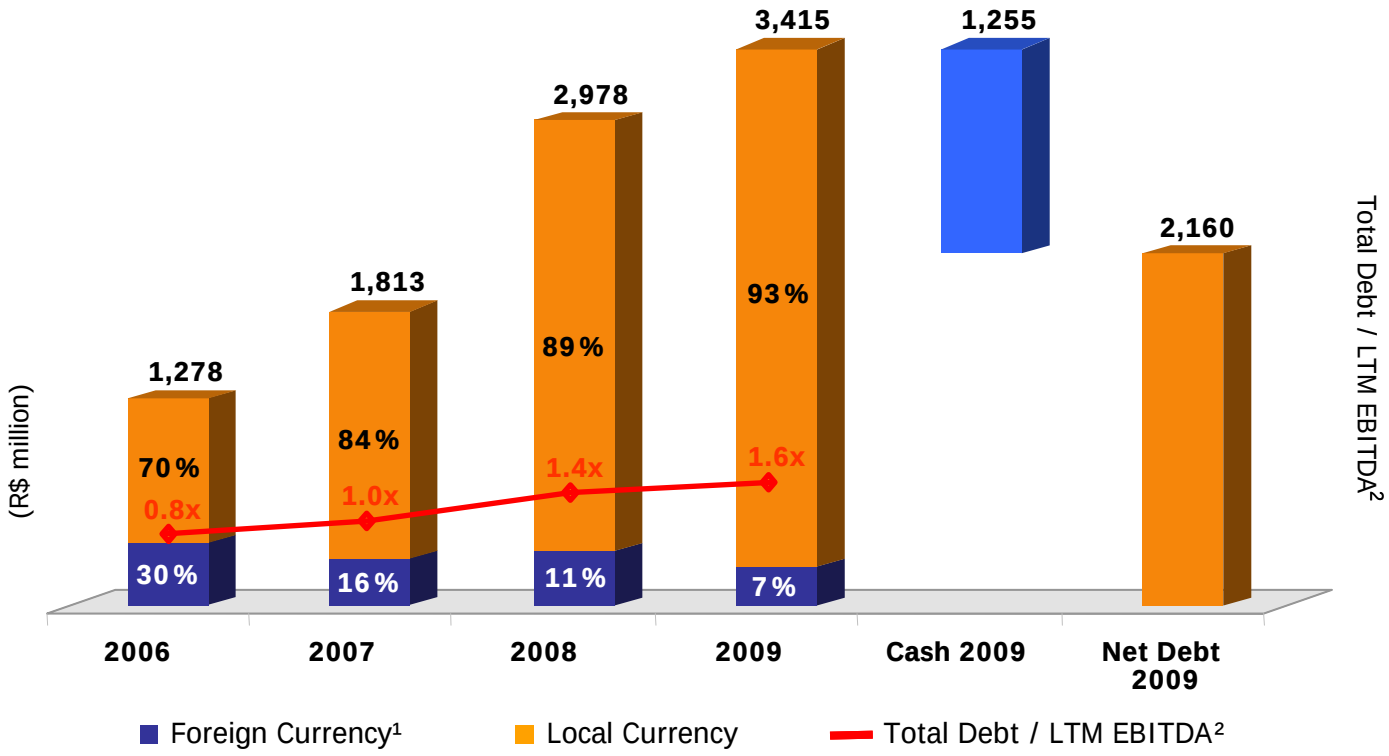


Note:
[1] Considers new accounting procedures.

Limited indebtedness and low exposure to foreign exchange

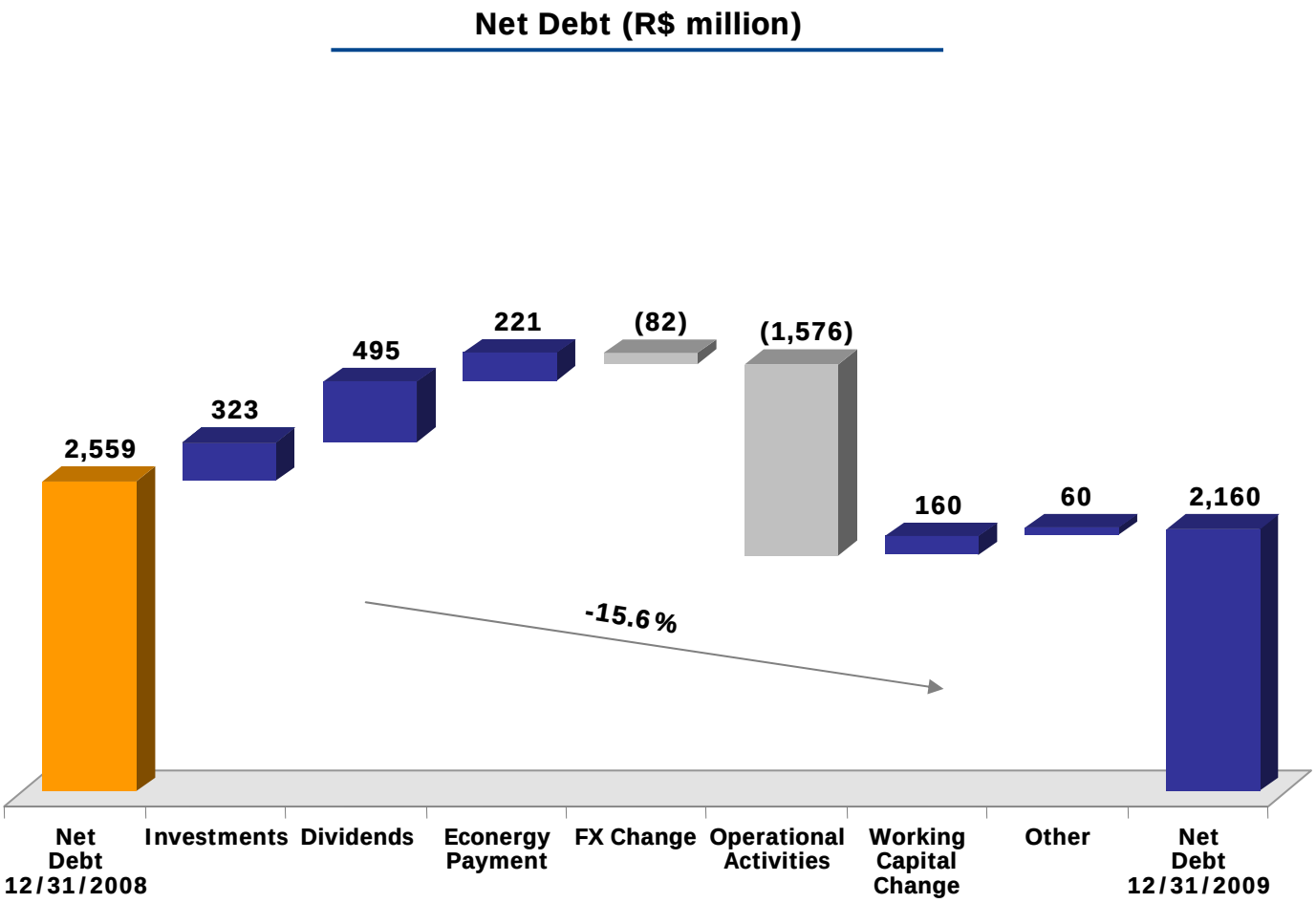
Tractebel's low leverage translates into growth opportunity potential.

Debt Overview (R$ million)



Note:
¹ Not hedged.
² LTM EBITDA = last-twelve-month EBITDA.

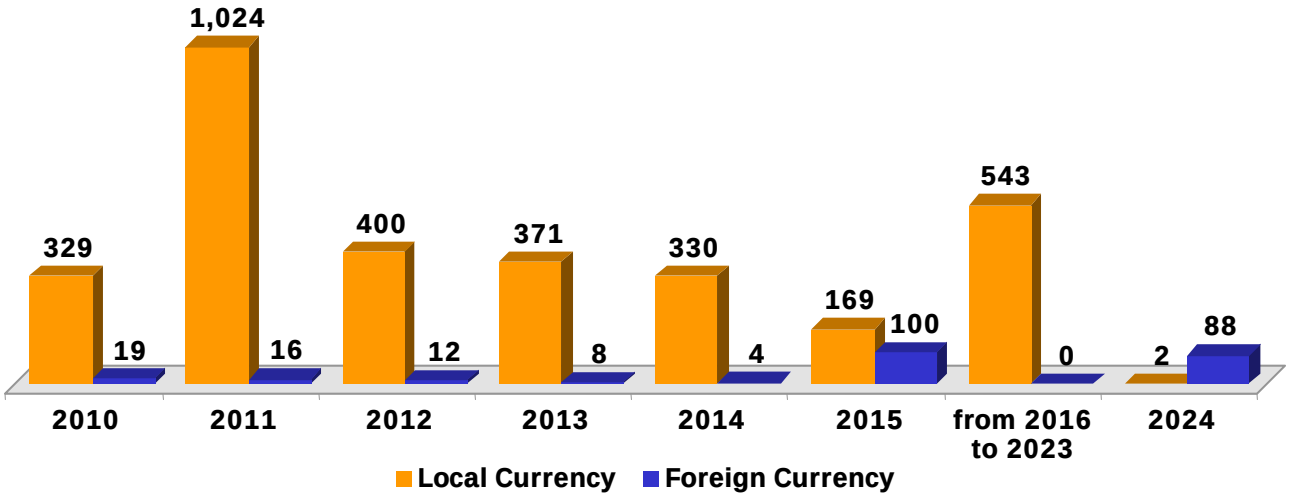
Net debt change



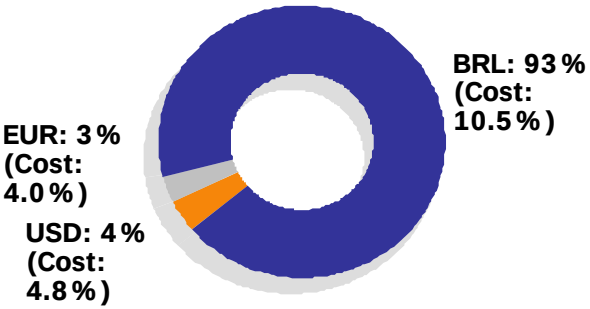
Medium and long-term debt, with low costs and defensive indexes

Debt profile and strong cash generation reduce refinancing risk.

Maturity Term Loans – R$ million



Cost of Debt

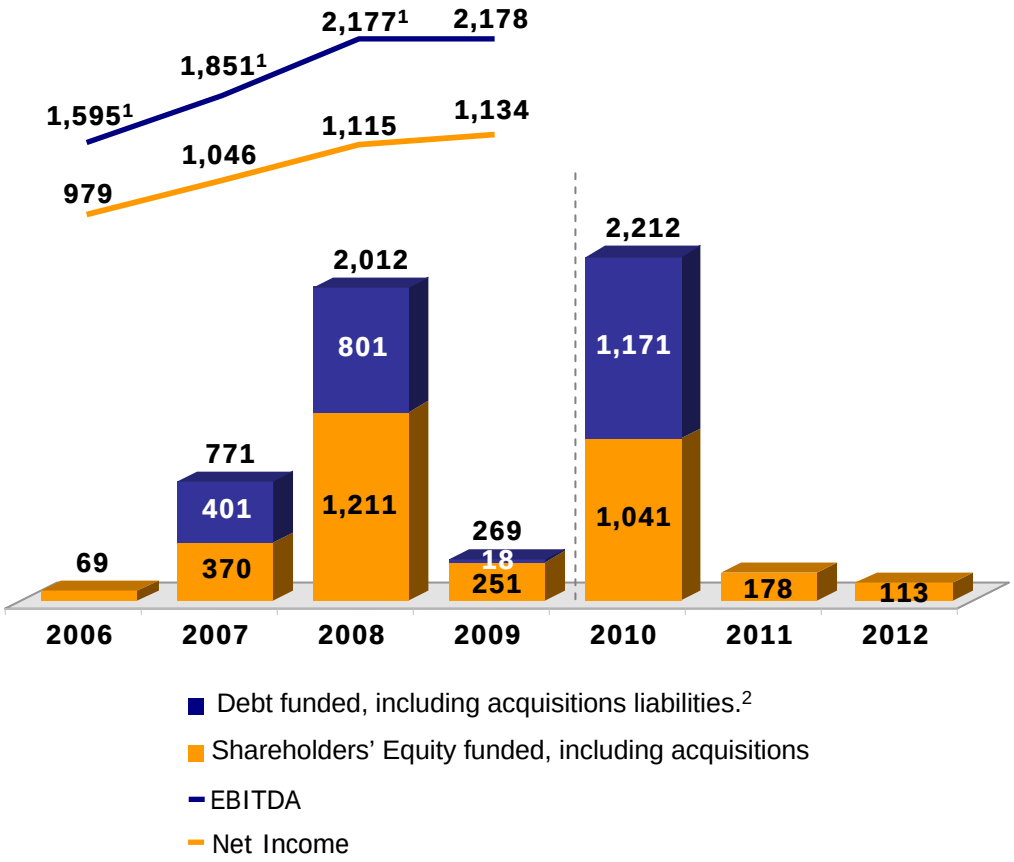


Composition of Debt	
Foreign Currency	
Fixed	50%
Floating	50%
Total	**100%**

Local Currency	
Fixed	3%
TJLP	44%
IGPM	6%
CDI	34%
IPCA	13%
Total	**100%**

Low recurring and expansion CAPEX are supported by a high cash flow

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

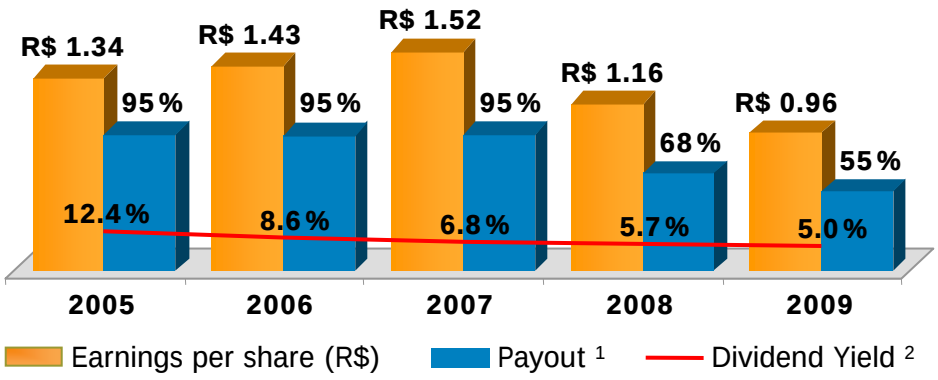


Note:
[1] Considers new accounting procedures.
[2] Does not consider interests incurred during the construction.

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



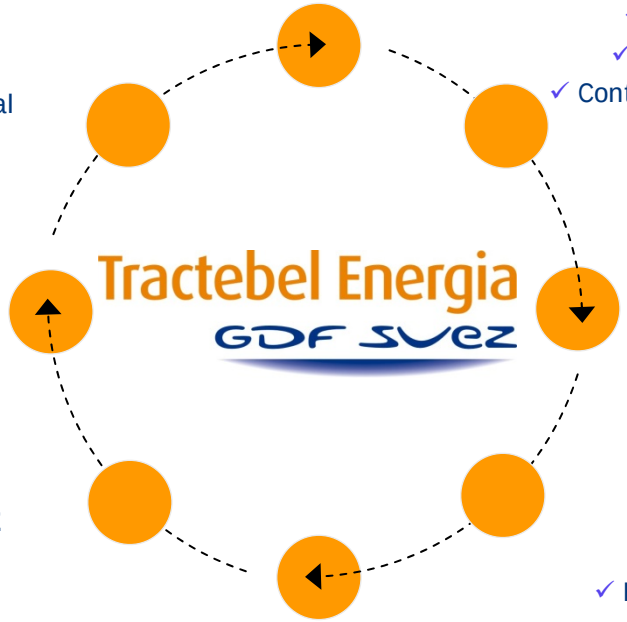
Note:
[1] Considers the annual net income, which is higher than the payable value.
[2] Based on volume-weighted market price of ON shares in the period.

Competitive advantages

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

PREMIUM RATING
- ✓ AA-rated recent issue in national scale by S&P and Fitch
- ✓ Also corporate AA-rated for several years

INDUSTRY LEADERSHIP
- ✓ Largest private generator
- ✓ Market cap: R$ 14.1 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

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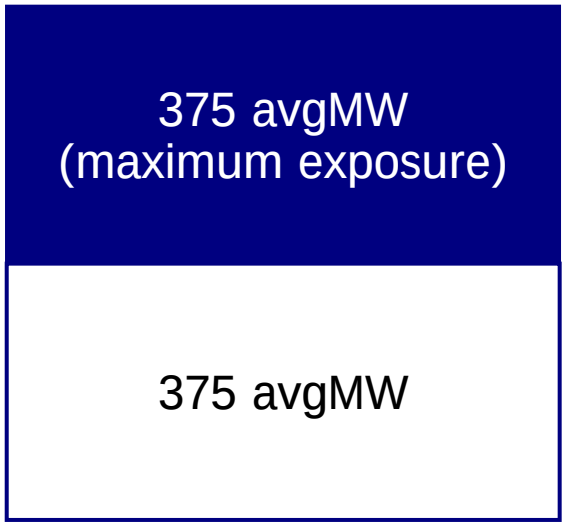
www.tractebelenergia.com.br

Attachments

Exposure to Spot Price due to:

- **Thermal Generation**
- **Hydro Monthly Allocation**

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)

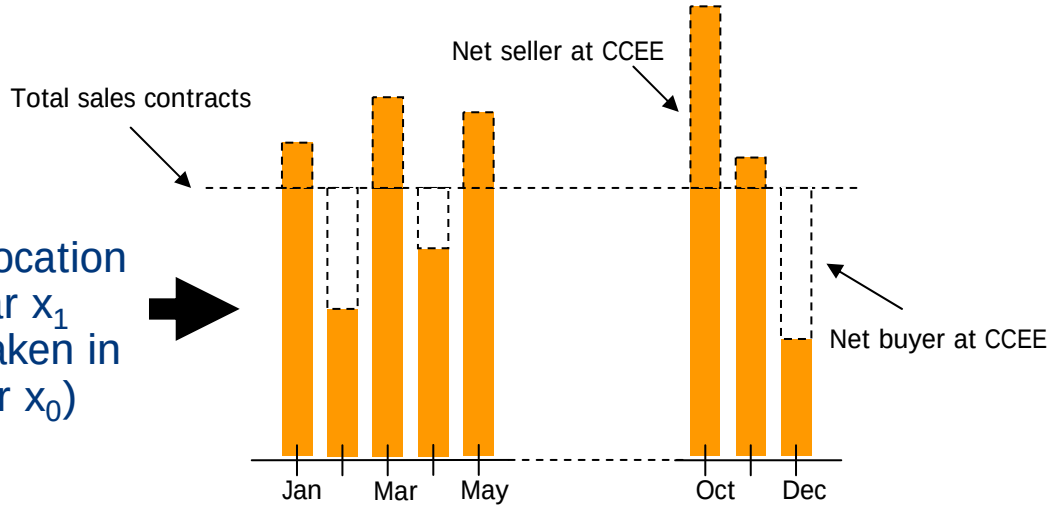
Notes: 1) Tractebel Energia has been fully contracted → purchase of thermal substitution energy.
2) On a monthly basis, inflexibility variations may occur.
3) Figures related to the Energy Trading Board (CCEE) settlement point.

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

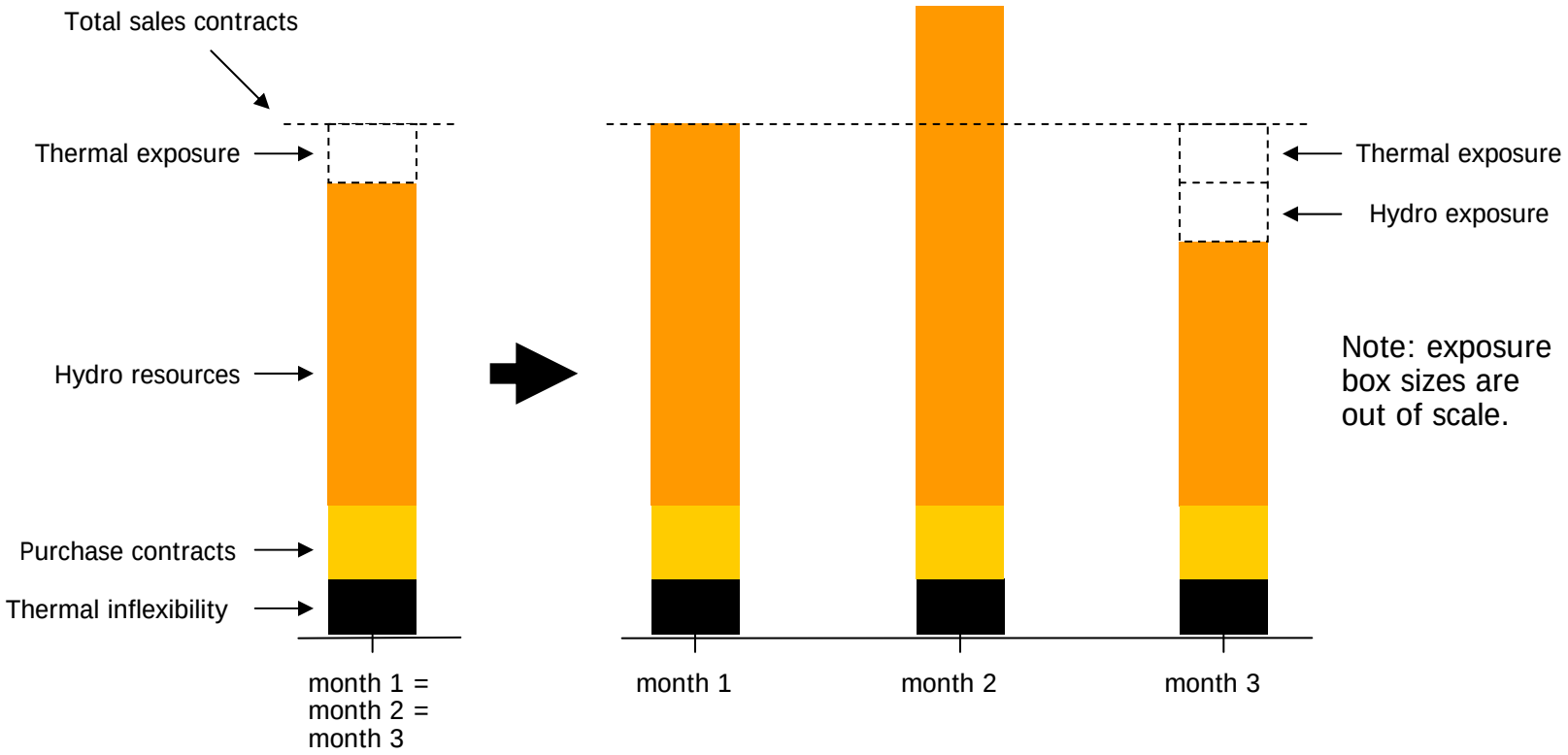
monthly allocation over year x_1 (decision taken in Dec. year x_0)



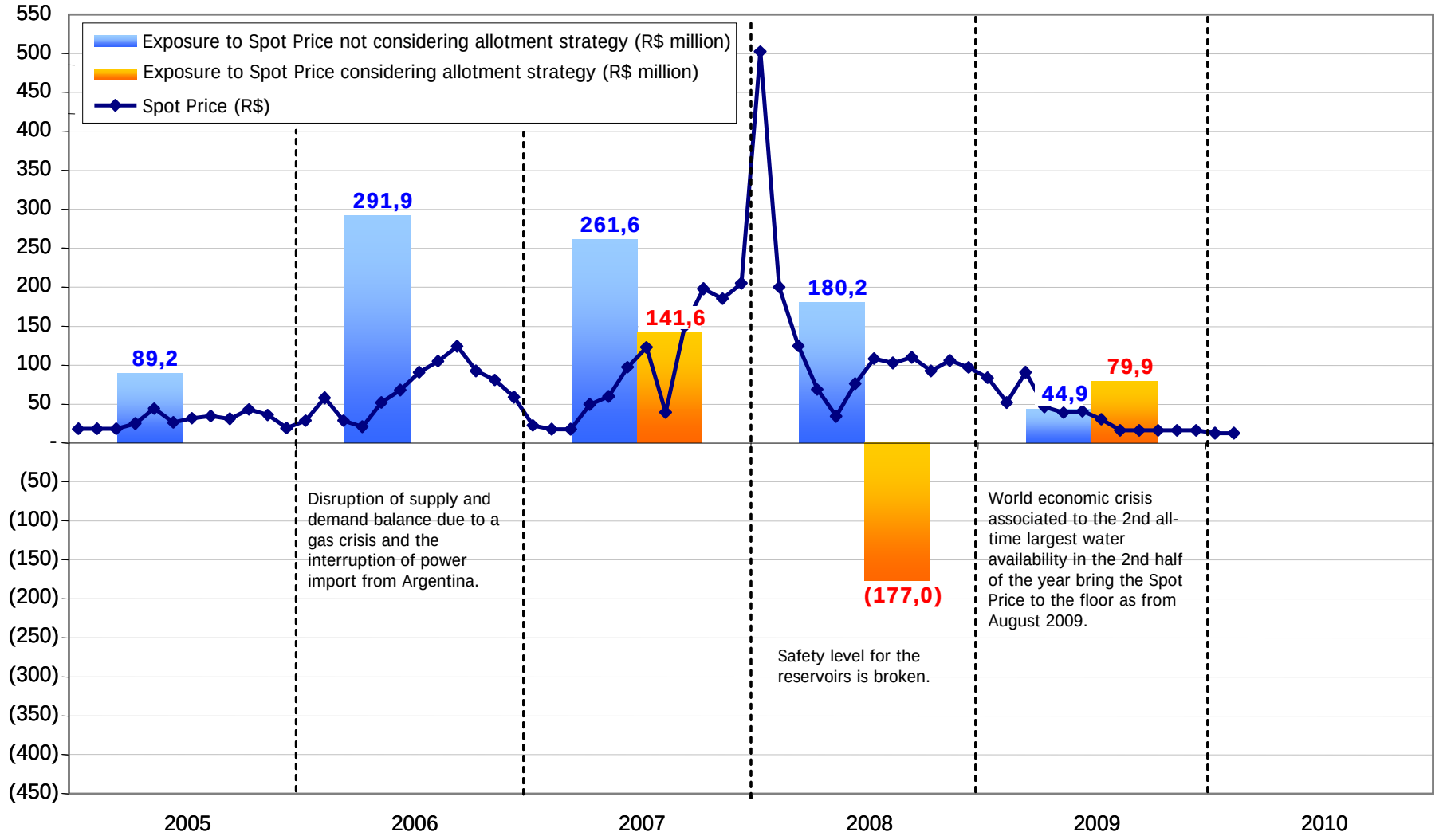
- Hydro gencos can freely allocate their resources over the following year's months;
- Monthly fluctuations on sales is also a driver for exposure to spot price;
- Monthly energy differences are settled at spot price, i.e., PLD (Price for Settlement of Differences);
- As penalties apply for a net buyer,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

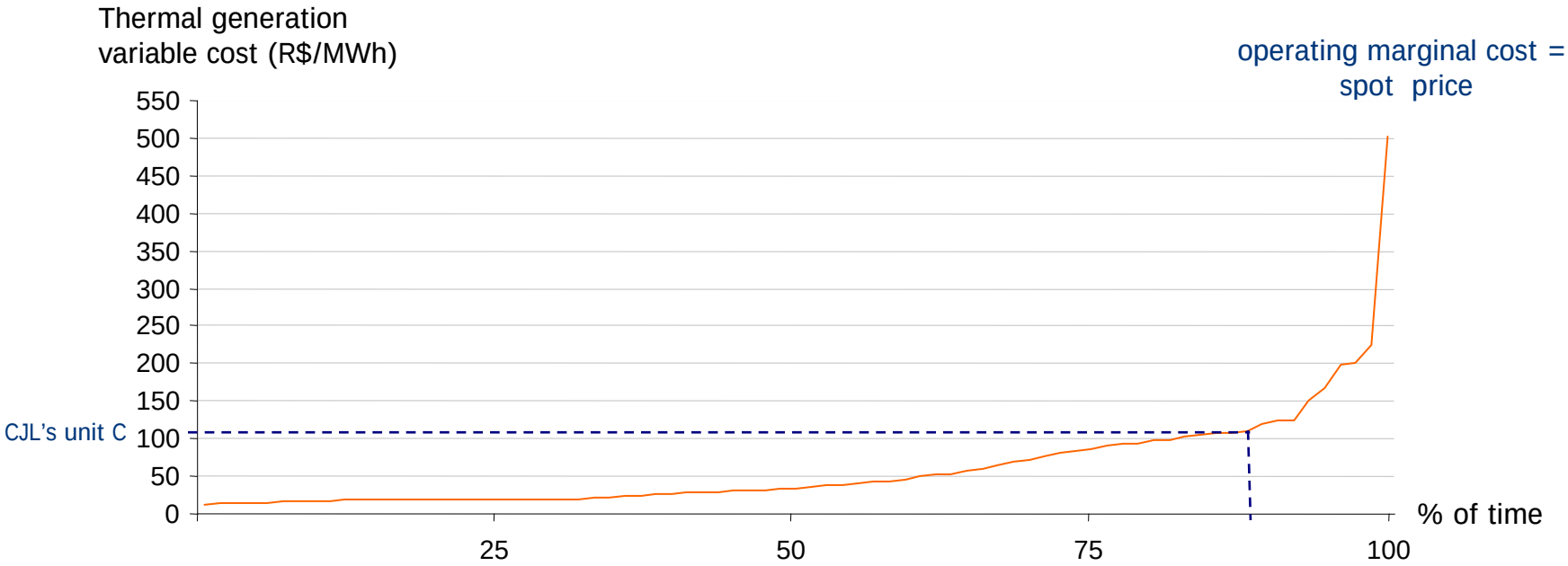


Expenses: impacts of energy allotment (2004 thru 2008)



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 January 2010.

Conclusion: For 63% of the time the spot price is lower than R$50/MWh, and for 83% of the time it is lower than R$110/MWh.

Correlation between reservoir levels and spot prices

