(A free translation of the original in Portuguese)

FEDERAL PUBLIC SERVICE
CVM - BRAZILIAN SECURITIES AND EXCHANGE COMMISSION
QUARTERLY INFORMATION - ITR
COMMERCIAL, INDUSTRIAL & OTHER TYPES OF COMPANY

March 31, 2010 **Brazilian Corporate Law**

REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN EVALUATION OF THE COMPANY. COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.

01.01 – IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	**TRACTEBEL ENERGIA S.A.**	**02.474.103/0001-19**

4 - NIRE (Corporate Registry ID)
42300024384

01.02 - HEADQUARTERS

1 - ADDRESS			2 - DISTRICT	
RUA: ANTÔNIO DIB MUSSI, Nº 366			CENTRO	
3 - ZIP CODE	4 - CITY			5 - STATE
88015-110	FLORIANÓPOLIS			SC
6 - AREA CODE	7 - TELEPHONE	8 - TELEPHONE	9 - TELEPHONE	10 - TELEX
048	3221-7221	-	-	
11 - AREA CODE	12 - FAX	13 - FAX	14 - FAX	
048	3221-7002	3221-7166	-	
15 - E-MAIL				
previtali@tractebelenergia.com.br				

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

1- NAME				
EDUARDO ANTONIO GORI SATTAMINI				
2 - ADDRESS			3 - DISTRICT	
RUA: ANTÔNIO DIB MUSSI, Nº 366			CENTRO	
4 - ZIP CODE	5 - CITY			6 - STATE
88015-110	FLORIANÓPOLIS			SC
7 - AREA CODE	8 - TELEPHONE	9 - TELEPHONE	10 - TELEPHONE	11 - TELEX
048	3221-7060	-	-	
12 - AREA CODE	13 - FAX	14 - FAX	15 - FAX	
048	3221-7002	-	-	
16 - E-MAIL				
sattamini@tractebelenergia.com.br				

01.04 - ITR REFERENCE AND AUDITOR INFORMATION

CURRENT YEAR		CURRENT QUARTER			PREVIOUS QUARTER		
1 - BEGINNING	2 - END	3 - QUARTER	4 - BEGINNING	5 - END	6 - QUARTER	7 - BEGINNING	8 - END
1/1/2010	12/31/2010	1	01/01/2010	03/31/2010	4	10/1/2009	12/31/2009

09 - INDEPENDENT AUDITOR	10 - CVM CODE
DELOITTE TOUCHE TOHMATSU AUDITORES INDEPENDENTES	00385-9
11 - TECHNICIAN IN CHARGE	12 – TECHNICIAN'S CPF (Individual Taxpayer's Register)
PAULO ROBERTO MARQUES GARRUCHO	373.525.127-72

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CVM - BRAZILIAN SECURITIES AND EXCHANGE COMMISSION
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March 31, 2010 **Brazilian Corporate Law**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

01.05 - CAPITAL STOCK

Number of Shares (Units)	1 – CURRENT QUARTER 03/31/2010	2 – PREVIOUS QUARTER 12/31/2009	3 – SAME QUARTER, PREVIOUS YEAR 03/31/2009
Paid-up Capital			
1 - Common	652,742,192	652,742,192	652,742,192
2 - Preferred	0	0	0
3 - Total	652,742,192	652,742,192	652,742,192
Treasury Stock			
4 - Common	0	0	0
5 - Preferred	0	0	0
6 - Total	0	0	0

01.06 - COMPANY PROFILE

1 - TYPE OF COMPANY Commercial, Industrial and Other Types of Company
2 - STATUS Operational
3 - NATURE OF OWNERSHIP Domestic private company
4 - ACTIVITY CODE 1120 - Electric energy
5 - MAIN ACTIVITY Electric energy generation and trading
6 - CONSOLIDATION TYPE Total
7 - TYPE OF REPORT OF INDEPENDENT AUDITORS Unqualified Review Report

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM	2 - CNPJ (Corporate Taxpayer's ID)	3 - COMPANY NAME

01.08 - CASH DIVIDENDS APPROVED AND/OR PAID DURING AND AFTER THE QUARTER

1 - ITEM	2 - EVENT	3 - APPROVAL	4 - TYPE	5 - DATE OF PAYMENT	6 - TYPE AND CLASS OF SHARE	7 - AMOUNT PER SHARE
01	RCA*	11/5/2009	Interest on own capital	05/20/2010	Common shares	0.2972076915
02	AGO	04/23/2010	Dividend	05/20/2010	Common shares	0.1254900014

* Board of Directors' Meeting

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FEDERAL PUBLIC SERVICE
CVM – BRAZILIAN SECURITIES AND EXCHANGE COMMISSION
QUARTERLY INFORMATION – ITR
COMMERCIAL, INDUSTRIAL & OTHER TYPES OF COMPANY

March 31, 2010 **Brazilian Corporate Law**

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
-		. . / -

01.09 - SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

1 - ITEM	2 - DATE OF CHANGE	3 - CAPITAL STOCK (In R$ thousand)	4 - AMOUNT OF CHANGE (In R$ thousand)	5 - NATURE OF CHANGE	7 - NUMBER OF SHARES ISSUED (Units)	8 - SHARE PRICE WHEN ISSUED (In reais)

01.10 - INVESTOR RELATIONS OFFICER

1 - DATE	2 - SIGNATURE
05/13/2010	

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

02.01 - BALANCE SHEET - ASSETS (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 03/31/2010	4 -12/31/2009
1	Total Assets	7,534,717	7,471,965
1.01	Current Assets	1,211,497	1,596,814
1.01.01	Available Cash	704,062	1,093,839
1.01.01.01	Cash and Cash Equivalents	704,062	1,093,839
1.01.02	Credits	448,544	439,028
1.01.02.01	Clients	403,325	354,676
1.01.02.01.01	Consumers, Concessionaries and Permittees	403,325	354,676
1.01.02.02	Sundry Credits	45,219	84,352
1.01.02.02.01	Dividends Receivable from Subsidiaries	7,418	12,347
1.01.02.02.02	Tax Receivables	12,530	15,255
1.01.02.02.03	Collateral and Restricted Deposits	1,054	31,491
1.01.02.02.04	Other	24,217	25,259
1.01.03	Inventories	35,282	39,419
1.01.04	Other	23,609	24,528
1.01.04.01	Prepaid Expenses	1,863	3,840
1.01.04.02	Deferred Tax Assets	16,610	15,310
1.01.04.03	Other	5,136	5,378
1.02	Noncurrent Assets	6,323,220	5,875,151
1.02.01	Long-term Assets	551,661	533,997
1.02.01.01	Sundry Credits	117,116	114,747
1.02.01.01.01	Sale of Assets and Rights	86,886	86,886
1.02.01.01.02	Tax receivables	30,230	27,861
1.02.01.02	Credits with Related Parties	55,222	35,654
1.02.01.02.01	Direct and Indirect Associated Companies	0	0
1.02.01.02.02	Subsidiaries	55,222	35,654
1.02.01.02.03	Other Related Parties	0	0
1.02.01.03	Other	379,323	383,596
1.02.01.03.01	Judicial deposits	165,895	167,649
1.02.01.03.02	Deferred tax assets	210,371	211,059
1.02.01.03.03	Other	3,057	4,888
1.02.02	Permanent Assets	5,771,559	5,341,154
1.02.02.01	Investments	2,469,283	2,012,093
1.02.02.01.01	In Direct and Indirect Associated Companies	0	0
1.02.02.01.02	In Direct and Indirect Associated Companies - Goodwill	0	0
1.02.02.01.03	In Subsidiaries	2,099,024	1,945,501
1.02.02.01.04	In Subsidiaries – Goodwill	34,891	35,780
1.02.02.01.05	Other Investments	30,812	30,812
1.02.02.01.06	Advance Payments for Investment Acquisitions	304,556	0
1.02.02.02	Property, Plant and Equipment	3,284,859	3,310,823
1.02.02.03	Intangible Assets	17,417	18,238
1.02.02.04	Deferred Charges	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

02.02 - BALANCE SHEET - LIABILITIES (in thousands of Reais)

1 - CODE	2 – DESCRIPTION	3 –03/31/2010	4 -12/31/2009
2	Total Liabilities	7,534,717	7,471,965
2.01	Current Liabilities	935,582	1,154,681
2.01.01	Loans and Financing	72,976	67,954
2.01.02	Debentures	152,558	117,340
2.01.03	Suppliers	167,360	171,019
2.01.04	Taxes, Fees and Contributions	143,599	381,416
2.01.05	Dividends Payable	251,422	251,422
2.01.05.01	Dividends and Interest on Equity	251,422	251,422
2.01.06	Provisions	61,759	53,288
2.01.06.01	Labor Obligations	48,199	40,708
2.01.06.02	Provision for Contingencies	13,560	12,580
2.01.07	Debts with Related Parties	0	0
2.01.08	Other	85,908	112,242
2.01.08.01	Obligations with Research and Development Program	19,452	43,061
2.01.08.02	Concession Fees Payable	1,872	1,857
2.01.08.03	Post-employment Benefits	25,361	25,478
2.01.08.04	Other	39,223	41,846
2.02	Noncurrent Liabilities	2,669,166	2,636,017
2.02.01	Long-term Liabilities	2,669,166	2,636,017
2.02.01.01	Loans and Financing	264,782	276,776
2.02.01.02	Debentures	1,586,957	1,577,213
2.02.01.03	Provisions	72,890	75,564
2.02.01.03.01	Labor Obligations	4,063	4,547
2.02.01.03.02	Provisions for Contingencies	68,827	71,017
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for Future Capital Increase	0	0
2.02.01.06	Other	744,537	706,464
2.02.01.06.01	Obligations with Research and Development Program	27,652	0
2.02.01.06.02	Concession Fees Payable	319,448	307,432
2.02.01.06.03	Post-employment Benefits	357,695	358,952
2.02.01.06.04	Deferred Tax Liabilities	36,535	36,535
2.02.01.06.05	Other	3,207	3,545
2.03	Deferred Income	0	0
2.05	Shareholders' Equity	3,929,969	3,681,267
2.05.01	Paid-in Capital Stock	2,445,766	2,445,766
2.05.02	Capital Reserves	91,695	91,695
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Own Assets	0	0
2.05.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0
2.05.04	Profit Reserves	1,143,806	1,143,806
2.05.04.01	Legal	361,974	361,974

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1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

02.02 - BALANCE SHEET - LIABILITIES (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 03/31/2010	4 – 12/31/2009
2.05.04.02	Statutory	0	0
2.05.04.03	For Contingencies	0	0
2.05.04.04	Unrealized Profit	0	0
2.05.04.05	Profit Retention	781,832	781,832
2.05.04.06	Special Reserve for Undistributed Dividends	0	0
2.05.04.07	Other Profit Reserves	0	0
2.05.05	Assets Valuation Adjustments	0	0
2.05.05.01	Securities Adjustments	0	0
2.05.05.02	Accumulated Translation Adjustments	0	0
2.05.05.03	Business Combination Adjustments	0	0
2.05.06	Retained Earnings/Accumulated Losses	248,702	0
2.05.07	Advance for Future Capital Increase	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

03.01 – STATEMENT OF INCOME (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 01/01/2010 to 03/31/2010	4 – 01/01/2010 to 03/31/2010	5 – 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
3.01	Gross Revenue from Sales and/or Services	804,404	804,404	786,312	786,312
3.01.01	Electric Power Supply	726,922	726,922	678,409	678,409
3.01.02	Electric Power Provision	66,631	66,631	54,591	54,591
3.01.03	Transactions within CCEE	5,436	5,436	7,657	7,657
3.01.04	Energy Exports	0	0	41,183	41,183
3.01.05	Other Revenues	5,415	5,415	4,472	4,472
3.02	Gross Revenue Deductions	(78,021)	(78,021)	(73,679)	(73,679)
3.02.01	PIS and COFINS (Taxes on Revenue)	(59,397)	(59,397)	(56,032)	(56,032)
3.02.02	ICMS (State VAT)	(11,881)	(11,881)	(10,915)	(10,915)
3.02.03	ISS (Service Tax)	(102)	(102)	(85)	(85)
3.02.04	Research and Development	(6,641)	(6,641)	(6,647)	(6,647)
3.03	Net Revenue from Sales and/or Services	726,383	726,383	712,633	712,633
3.04	Cost of Goods and/or Services Sold	(235,469)	(235,469)	(321,818)	(321,818)
3.04.01	Electricity Purchased for Resale	(47,878)	(47,878)	(48,139)	(48,139)
3.04.02	Transactions within CCEE	(702)	(702)	(84,859)	(84,859)
3.04.03	Electric Grid Usage Charges and Connection	(55,546)	(55,546)	(53,039)	(53,039)
3.04.04	Electricity Production Cost	(130,423)	(130,423)	(133,186)	(133,186)
3.04.05	Cost of Services Rendered	(920)	(920)	(2,595)	(2,595)
3.05	Gross Income	490,914	490,914	390,815	390,815
3.06	Operating Revenues/Expenses	(107,116)	(107,116)	(48,975)	(48,975)
3.06.01	Selling	(3,106)	(3,106)	(3,208)	(3,208)
3.06.02	General and Administrative	(36,083)	(36,083)	(32,530)	(32,530)
3.06.03	Financial	(52,462)	(52,462)	(22,193)	(22,193)
3.06.03.01	Financial Revenues	22,747	22,747	17,189	17,189
3.06.03.02	Financial Expenses	(75,209)	(75,209)	(39,382)	(39,382)
3.06.04	Other Operating Revenues	706	706	1,804	1,804
3.06.04.01	Recovery of Operating Provisions, Net	703	703	0	0

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01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

03.01 – STATEMENT OF INCOME (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 - 01/01/2010 to 03/31/2010	4 - 01/01/2010 to 03/31/2010	5 -01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
3.06.04.02	Other	3	3	1,804	1,804
3.06.05	Other Operating Expenses	0	0	(12,462)	(12,462)
3.06.05.01	Recording of Operating Provisions, Net	0	0	(12,462)	(12,462)
3.06.06	Equity in the Earnings of Subsidiary and Associated Companies	(16,171)	(16,171)	19,614	19,614
3.06.06.01	Equity in Shareholding	(15,282)	(15,282)	20,186	20,186
3.06.06.02	Goodwill Amortization	(889)	(889)	(572)	(572)
3.07	Operating Income	383,798	383,798	341,840	341,840
3.08	Non-operating Income	0	0	0	0
3.08.01	Revenues	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income before Taxes/Holdings	383,798	383,798	341,840	341,840
3.10	Provision for Income and Social Contribution Taxes	(135,708)	(135,708)	(110,779)	(110,779)
3.10.01	Income Tax	(99,908)	(99,908)	(80,931)	(80,931)
3.10.02	Social Contribution Tax	(35,800)	(35,800)	(29,848)	(29,848)
3.11	Deferred Income Tax	612	612	2,827	2,827
3.11.01	Income Tax	450	450	2,079	2,079
3.11.02	Social Contribution Tax	162	162	748	748
3.12	Statutory Profit Sharing/Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Equity	0	0	0	0
3.15	Income/Loss for the Period	248,702	248,702	233,888	233,888
	NUMBER OF SHARES EX-TREASURY (Units)	652,742,192	652,742,192	652,742,192	652,742,192
	EARNINGS PER SHARE (Reais)	0.38101	0.38101	0.35832	0.35832
	LOSS PER SHARE (Reais)				

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01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

04.01 – STATEMENT OF CASH FLOW – INDIRECT METHOD (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 01/01/2010 to 03/31/2010	4 – 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
4.01	Net Cash from Operating Activities	138,835	138,835	24,558	24,558
4.01.01	Cash generated in Operations	384,079	384,079	297,840	297,840
4.01.01.01	Net income for the Period	248,702	248,702	233,888	233,888
4.01.01.02	Depreciation and Amortization	55,361	55,361	53,517	53,517
4.01.01.03	Equity in Shareholding	15,282	15,282	(20,186)	(20,186)
4.01.01.04	Monetary and Exchange Variation, net	16,524	16,524	(8,787)	(8,787)
4.01.01.05	Net Interest Rates	47,256	47,256	27,254	27,254
4.01.01.06	Operating Provisions, Net	1,365	1,365	16,091	16,091
4.01.01.07	Deferred Income and Social Contribution Taxes	(612)	(612)	(2,827)	(2,827)
4.01.01.08	Other	201	201	(1,110)	(1,110)
4.01.02	Variation in Assets and Liabilities	(245,244)	(245,244)	(273,282)	(273,282)
4.01.02.01	Consumers, Concessionaires and Permittees	(48,649)	(48,649)	(80,984)	(80,984)
4.01.02.02	Tax Receivables	279	279	391	391
4.01.02.03	Collaterals and Restricted/Judicial Deposits	35,923	35,923	7,147	7,147
4.01.02.04	Inventories	4,137	4,137	6,788	6,788
4.01.02.05	Prepaid Expenses	1,977	1,977	1,718	1,718
4.01.02.06	Suppliers	(3,659)	(3,659)	72,862	72,862
4.01.02.07	Taxes, Fees and Contributions	(237,996)	(237,996)	(247,882)	(247,882)
4.01.02.08	Labor Obligations	7,001	7,001	4,961	4,961
4.01.02.09	Post-employment Benefits	(7,607)	(7,607)	(8,841)	(8,841)
4.01.02.10	Provision for Contingencies	(1,985)	(1,985)	(6,694)	(6,694)
4.01.02.11	Obligations with Research and Development Program	4,043	4,043	(13,202)	(13,202)
4.01.02.12	Financial Comp. for Usage of Water Resources	(1,256)	(1,256)	(8,697)	(8,697)
4.01.02.13	Other	2,548	2,548	(849)	(849)
4.01.03	Other	0	0	0	0
4.02	Net Cash from Investment Activities	(497,029)	(497,029)	(265,362)	(265,362)
4.02.01	Increase in Investments	(168,805)	(168,805)	(247,457)	(247,457)

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1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

04.01 – STATEMENT OF CASH FLOW – INDIRECT METHOD (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 01/01/2010 to 03/31/2010	4 – 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
4.02.02	Investment in Property, Plant and Equipment	(28,071)	(28,071)	(17,859)	(17,859)
4.02.03	Investment in Intangible Assets	(526)	(526)	(46)	(46)
4.02.04	Advances for Investment Acquisitions	(304,556)	(304,556)	0	0
4.02.05	Dividends Received from Subsidiaries	4,929	4,929	0	0
4.03	Net Cash from Financing Activities	(31,583)	(31,583)	276,599	276,599
4.03.01	Loans and Financing	0	0	300,000	300,000
4.03.02	Loans Payment, Financing and Debentures	(12,057)	(12,057)	(11,395)	(11,395)
4.03.03	Concession Fee Payments	(465)	(465)	(466)	(466)
4.03.04	Related Parties	(19,061)	(19,061)	(11,540)	(11,540)
4.04	Exchange Variation on Cash and Cash Equivalents	0	0	0	0
4.05	Increase (Decrease) in Cash and Cash Equivalents	(389,777)	(389,777)	35,795	35,795
4.05.01	Opening Balance of Cash and Cash Equivalents	1,093,839	1,093,839	318,620	318,620
4.05.02	Closing Balance of Cash and Cash Equivalents	704,062	704,062	354,415	354,415

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

05.01 – STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2010 TO 03/31/2010 (in thousands of Reais)

1 – CODE	2 – DESCRIPTION	3 – CAPITAL STOCK	4 – CAPITAL RESERVES	5 – REVALUATION RESERVES	6 – PROFIT RESERVES	7 – RETAINED EARNINGS/ ACCUMULATED LOSSES	8 – ADJUSTMENTS TO ASSETS VALUATION	9 –TOTAL SHAREHOLDERS' EQUITY
5.01	Opening Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.02	Adjustments of Previous Years	0	0	0	0	0	0	0
5.03	Adjusted Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.04	Net Income/Loss for the Period	0	0	0	0	248,702	0	248,702
5.05	Allocations	0	0	0	0	0	0	0
5.05.01	Dividends	0	0	0	0	0	0	0
5.05.02	Interest on Equity	0	0	0	0	0	0	0
5.05.03	Other Allocations	0	0	0	0	0	0	0
5.06	Realization of Profit Reserves	0	0	0	0	0	0	0
5.07	Assets Valuation Adjustments	0	0	0	0	0	0	0
5.07.01	Securities Adjustments	0	0	0	0	0	0	0
5.07.02	Accumulated Translation Adjustments	0	0	0	0	0	0	0
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	0
5.08	Increase/Reduction in Capital Stock	0	0	0	0	0	0	0
5.09	Recording/Realization of Capital Reserves	0	0	0	0	0	0	0
5.10	Treasury Shares	0	0	0	0	0	0	0
5.11	Other Capital Transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing Balance	2,445,766	91,695	0	1,143,806	248,702	0	3,929,969

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

05.02 – STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2010 TO 03/31/2010 (in thousands of Reais)

1 – CODE	2 – DESCRIPTION	3 – CAPITAL STOCK	4 – CAPITAL RESERVES	5 – REVALUATION RESERVES	6 – PROFIT RESERVES	7 – RETAINED EARNINGS/ ACCUMULATED LOSSES	8 – ADJUSTMENTS TO ASSETS VALUATION	9 –TOTAL SHAREHOLDERS' EQUITY
5.01	Opening Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.02	Adjustments of Previous Years	0	0	0	0	0	0	0
5.03	Adjusted Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.04	Net Income/Loss for the Period	0	0	0	0	248,702	0	248,702
5.05	Allocations	0	0	0	0	0	0	0
5.05.01	Dividends	0	0	0	0	0	0	0
5.05.02	Interest on Equity	0	0	0	0	0	0	0
5.05.03	Other Allocations	0	0	0	0	0	0	0
5.06	Realization of Profit Reserves	0	0	0	0	0	0	0
5.07	Assets Valuation Adjustments	0	0	0	0	0	0	0
5.07.01	Securities Adjustments	0	0	0	0	0	0	0
5.07.02	Accumulated Translation Adjustments	0	0	0	0	0	0	0
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	0
5.08	Increase/Reduction in Capital Stock	0	0	0	0	0	0	0
5.09	Recording/Reduction of Capital Reserves	0	0	0	0	0	0	0
5.10	Treasury Shares	0	0	0	0	0	0	0
5.11	Other Capital Transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing Balance	2,445,766	91,695	0	1,143,806	248,702	0	3,929,969

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

08.01 – CONSOLIDATED BALANCE SHEET - ASSETS (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 03/31/2010	4 – 12/31/2009
1	Total Assets	9,521,834	9,654,142
1.01	Current Assets	1,434,488	1,888,781
1.01.01	Available Cash	825,309	1,254,640
1.01.01.01	Cash and Cash Equivalents	825,309	1,254,640
1.01.02	Credits	542,826	563,392
1.01.02.01	Clients	463,921	435,292
1.01.02.01.01	Consumers, Concessionaries and Permittees	463,921	435,292
1.01.02.02	Sundry Credits	78,905	128,100
1.01.02.02.02	Tax Receivables	51,596	72,920
1.01.02.02.03	Collaterals and Restricted Deposits	3,260	33,511
1.01.02.02.04	Other	24,049	21,669
1.01.03	Inventories	39,758	44,652
1.01.04	Other	26,595	26,097
1.01.04.01	Prepaid Expenses	2,625	4,807
1.01.04.02	Deferred Tax Assets	18,821	15,896
1.01.04.03	Other	5,149	5,394
1.02	Noncurrent Assets	8,087,346	7,765,361
1.02.01	Long-term Assets	683,261	638,483
1.02.01.01	Sundry Credits	260,447	225,106
1.02.01.01.01	Tax Receivables	107,194	74,482
1.02.01.01.02	Collaterals and Restricted Deposits	64,518	63,738
1.02.01.01.03	Sale of Assets and Rights	86,886	86,886
1.02.01.01.04	Other	1,849	0
1.02.01.02	Credits with Related Parties	0	0
1.02.01.02.01	Direct and Indirect Associated Companies	0	0
1.02.01.02.02	Subsidiaries	0	0
1.02.01.02.03	Other Related Parties	0	0
1.02.01.03	Other	422,814	413,377
1.02.01.03.01	Judicial Deposits	166,651	168,427
1.02.01.03.02	Deferred Tax Assets	235,542	223,265
1.02.01.03.03	Other	20,621	21,685
1.02.02	Permanent Assets	7,404,085	7,126,878
1.02.02.01	Investments	338,339	33,783
1.02.02.01.01	In Direct and Indirect Associated Companies	0	0
1.02.02.01.02	In Subsidiaries	0	0
1.02.02.01.03	Other Investments	33,783	33,783
1.02.02.01.06	Advances for Investment Acquisitons	304,556	0
1.02.02.02	Property, Plant and Equipment	6,953,149	6,978,033
1.02.02.03	Intangible Assets	112,597	115,062
1.02.02.04	Deferred Charges	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

08.02 – CONSOLIDATED BALANCE SHEET - LIABILITIES (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 03/31/2010	4 – 12/31/2009
2	Total Liabilities	9,521,834	9,654,142
2.01	Current Liabilities	1,239,293	1,488,341
2.01.01	Loans and Financing	178,941	221,346
2.01.02	Debentures	163,330	126,407
2.01.03	Suppliers	265,538	246,117
2.01.04	Taxes, Fees and Contributions	173,576	411,616
2.01.05	Dividends Payable	251,422	251,422
2.01.05.01	Dividends and Interest on Equity	251,422	251,422
2.01.06	Provisions	62,188	53,910
2.01.06.01	Labor Obligations	48,530	41,233
2.01.06.02	Provision for Contingencies	13,658	12,677
2.01.07	Debts with Related Parties	0	0
2.01.08	Other	144,298	177,523
2.01.08.01	Obligations with Research and Development Program	21,918	48,112
2.01.08.02	Concession Fees Payable	37,883	37,419
2.01.08.03	Post-employment Benefits	25,361	25,478
2.01.08.04	Other	59,136	66,514
2.02	Noncurrent Liabilities	4,352,572	4,484,534
2.02.01	Long-term Liabilities	4,352,572	4,484,534
2.02.01.01	Loans and Financing	1,252,759	1,465,106
2.02.01.02	Debentures	1,611,527	1,601,783
2.02.01.03	Provisions	82,897	83,083
2.02.01.03.01	Labor Obligations	4,063	4,547
2.02.01.03.02	Provisions for Contingencies	78,834	78,536
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for Future Capital Increase	0	0
2.02.01.06	Other	1,405,389	1,334,562
2.02.01.06.01	Obligations with Research and Development Program	30,700	0
2.02.01.06.02	Concession Fees Payable	950,208	920,055
2.02.01.06.03	Post-employment Benefits	357,695	358,952
2.02.01.06.04	Deferred Tax Liabilities	50,551	47,146
2.02.01.06.05	Other	16,235	8,409
2.03	Deferred Income	0	0
2.04	Minority Interest	0	0
2.05	Shareholders' Equity	3,929,969	3,681,267
2.05.01	Paid-in Capital Stock	2,445,766	2,445,766
2.05.02	Capital Reserves	91,695	91,695
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Own Assets	0	0
2.05.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0
2.05.04	Profit Reserves	1,143,806	1,143,806

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

08.02 – CONSOLIDATED BALANCE SHEET - LIABILITIES (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 – 03/31/2010	4 – 12/31/2009
2.05.04.01	Legal	361,974	361,974
2.05.04.02	Statutory	0	0
2.05.04.03	For Contingencies	0	0
2.05.04.04	Unrealized Profit	0	0
2.05.04.05	Profit Retention	781,832	781,832
2.05.04.06	Special Reserve for Undistributed Dividends	0	0
2.05.04.07	Other Profit Reserves	0	0
2.05.05	Assets Valuation Adjustments	0	0
2.05.05.01	Securities Adjustments	0	0
2.05.05.02	Accumulated Translation Adjustments	0	0
2.05.05.03	Business Combination Adjustments	0	0
2.05.06	Retained Earnings/Accumulated Losses	248,702	0
2.05.07	Advance for Future Capital Increase	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

09.01 – CONSOLIDATED STATEMENT OF INCOME (in thousands of Reais)

1 - CODE	2 – DESCRIPTION	**3** – 01/01/2010 to 03/31/2010	**4** – 01/01/2010 to 03/31/2010	**5** – 01/01/2009 to 03/31/2009	**6** – 01/01/2009 to 03/31/2009
3.01	Gross Revenue from Sales and/or Services	1,057,028	1,057,028	954,625	954,625
3.01.01	Electric Power Supply	810,186	810,186	694,132	694,132
3.01.02	Electric Power Provision	232,495	232,495	206,335	206,335
3.01.03	Transactions within CCEE	7,819	7,819	9,838	9,838
3.01.04	Energy Exports	0	0	41,183	41,183
3.01.05	Other Revenues	6,528	6,528	3,137	3,137
3.02	Gross Revenue Deductions	(111,504)	(111,504)	(94,369)	(94,369)
3.02.01	PIS and COFINS (Taxes on Revenue)	(80,895)	(80,895)	(70,055)	(70,055)
3.02.02	ICMS (State VAT)	(23,098)	(23,098)	(16,970)	(16,970)
3.02.03	ISS (Service Tax)	(110)	(110)	(109)	(109)
3.02.04	Research and Development	(7,401)	(7,401)	(7,235)	(7,235)
3.03	Net Revenue from Sales and/or Services	945,524	945,524	860,256	860,256
3.04	Cost of Goods and/or Services Sold	(425,446)	(425,446)	(421,139)	(421,139)
3.04.01	Electricity Purchased for Resale	(174,926)	(174,926)	(98,755)	(98,755)
3.04.02	Transactions within CCEE	(702)	(702)	(85,748)	(85,748)
3.04.03	Electric Grid Usage Charges and Connection	(68,596)	(68,596)	(62,289)	(62,289)
3.04.04	Electricity Production Cost	(180,302)	(180,302)	(171,752)	(171,752)
3.04.05	Cost of Services Rendered	(920)	(920)	(2,595)	(2,595)
3.05	Gross Income	520,078	520,078	439,117	439,117
3.06	Operating Revenues/Expenses	(143,288)	(143,288)	(89,355)	(89,355)
3.06.01	Selling	(3,416)	(3,416)	(3,912)	(3,912)
3.06.02	General and Administrative	(38,812)	(38,812)	(36,764)	(36,764)
3.06.03	Financial	(103,586)	(103,586)	(36,768)	(36,768)
3.06.03.01	Financial Revenues	28,432	28,432	21,187	21,187
3.06.03.02	Financial Expenses	(132,018)	(132,018)	(57,955)	(57,955)
3.06.04	Other Operating Revenues	4,713	4,713	1,805	1,805
3.06.04.01	Other	4,713	4,713	1,805	1,805

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

09.01 – CONSOLIDATED STATEMENT OF INCOME (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	**3** – 01/01/2010 to 03/31/2010	**4** – 01/01/2010 to 03/31/2010	**5** – 01/01/2009 to 03/31/2009	**6** – 01/01/2009 to 03/31/2009
3.06.05	Other Operating Expenses	(2,187)	(2,187)	(13,716)	(13,716)
3.06.05.01	Recording of Operating Provisions, Net	(2,187)	(2,187)	(13,716)	(13,716)
3.06.05.02	Other	0	0	0	0
3.06.06	Equity in the Earnings of Subsidiary and Associated Companies	0	0	0	0
3.06.06.01	Equity in Subsidiaries on Previous Year's Adjustment	0	0	0	0
3.07	Operating Income	376,790	376,790	349,762	349,762
3.08	Non-operating Income	0	0	0	0
3.08.01	Revenues	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income before Taxes/Holdings	376,790	376,790	349,762	349,762
3.10	Provision for Income and Social Contribution Taxes	(139,896)	(139,896)	(119,022)	(119,022)
3.10.01	Income Tax	(102,731)	(102,731)	(86,716)	(86,716)
3.10.02	Social contribution Tax	(37,165)	(37,165)	(32,306)	(32,306)
3.11	Deferred Income Tax	11,808	11,808	3,148	3,148
3.11.01	Income tax	8,335	8,335	2,040	2,040
3.11.02	Social Contribution Tax	3,473	3,473	1,108	1,108
3.12	Statutory Profit Sharing/Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Equity	0	0	0	0
3.14	Minority Interest	0	0	0	0
3.15	Income/Loss for the Period	248,702	248,702	233,888	233,888
	NUMBER OF SHARES EX-TREASURY (Units)	652,742,192	652,742,192	652,742,192	652,742,192
	EARNINGS PER SHARE (Reais)	0.38101	0.38101	0.35832	0.35832
	LOSS PER SHARE (Reais)				

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

10.01 – CONSOLIDATED STATEMENT OF CASH FLOW – INDIRECT METHOD (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	**3** – 01/01/2010 to 03/31/2010	**4** – 01/01/2010 to 03/31/2010	**5** – 01/01/2009 to 03/31/2009	**6** – 01/01/2009 to 03/31/2009
4.01	Net Cash from Operating Activities	206,406	206,406	81,948	81.948
4.01.01	Cash generated in Operations	419,843	419,843	365,632	365.632
4.01.01.01	Net Income for the Period	248,702	248,702	233,888	233.888
4.01.01.02	Depreciation and Amortization	92,834	92,834	82,737	82.737
4.01.01.03	Monetary and Exchange Variation, net	30,360	30,360	(11,378)	(11.378)
4.01.01.04	Net Interest Rates	61,298	61,298	47,446	47.446
4.01.01.05	Operating Provision, Net	3,854	3,854	17,780	17.780
4.01.01.06	Deferred Income and Social Contribution Taxes	(11,808)	(11,808)	(3,148)	(3.148)
4.01.01.07	Other	(5,397)	(5,397)	(1,693)	(1.693)
4.01.02	Variation in Assets and Liabilities	(213,437)	(213,437)	(283,684)	(283.684)
4.01.02.01	Consumers, Concessionaires and Permittees	(30,478)	(30,478)	(62,846)	(62.846)
4.01.02.02	Tax Receivables	(660)	(660)	(156)	(156)
4.01.02.03	Collaterals and Restricted/Judicial Deposits	35,806	35,806	6,866	6.866
4.01.02.04	Inventories	4,895	4,895	6,833	6.833
4.01.02.05	Prepaid Expenses	2,128	2,128	1,934	1.934
4.01.02.06	Suppliers	20,349	20,349	57,266	57.266
4.01.02.07	Taxes, Fees and Contributions	(240,406)	(240,406)	(257,530)	(257.530)
4.01.02.08	Labor Obligations	6,808	6,808	5,940	5.940
4.01.02.09	Post-employment Benefits	(7,607)	(7,607)	(8,841)	(8.841)
4.01.02.10	Provision for Contingencies	(1,985)	(1,985)	(6,660)	(6.660)
4.01.02.11	Obligations with Research and Development Program	4,506	4,506	(14,548)	(14.548)
4.01.02.12	Financial Comp. for Usage of Water Resources	(977)	(977)	(9,675)	(9.675)
4.01.02.13	Advance Payments from Clients	(4,288)	(4,288)	(337)	(337)
4.01.02.14	Other	(1,528)	(1,528)	(1,930)	(1.930)
4.01.03	Other	0	0	0	0
4.02	Net Cash from Investment Activities	(365,273)	(365,273)	(73,238)	(73.238)

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

10.01 – CONSOLIDATED STATEMENT OF CASH FLOW – INDIRECT METHOD (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	**3** – 01/01/2010 to 03/31/2010	**4** – 01/01/2010 to 03/31/2010	**5** – 01/01/2009 to 03/31/2009	**6** – 01/01/2009 to 03/31/2009
4.02.01	Investment in Property, Plant and Equipment	(60,191)	(60,191)	(73,125)	(73,125)
4.02.02	Investment in Intangible Assets	(526)	(526)	(113)	(113)
4.02.03	Advances for Investment Acquisitions	(304,556)	(304,556)	0	0
4.03	Net Cash from Financing Activities	(270,464)	(270,464)	50,210	50,210
4.03.01	Loans and Financing	0	0	317,254	317,254
4.03.02	Loans Payment, Financing and Debentures	(261,217)	(261,217)	(37,515)	(37,515)
4.03.03	Related Parties	0	0	(221,306)	(221,306)
4.03.04	Concession Fees Payable	(9,761)	(9,761)	(587)	(587)
4.03.05	Collaterals and Restricted Deposits	514	514	(7,636)	(7,636)
4.04	Exchange Variation on Cash and Cash Equivalents	0	0	0	0
4.05	Increase (Decrease) in Cash and Cash Equivalents	(429,331)	(429,331)	58,920	58,920
4.05.01	Opening Balance of Cash and Cash Equivalents	1,254,640	1,254,640	420,005	420,005
4.05.02	Closing Balance of Cash and Cash Equivalents	825,309	825,309	478,925	478,925

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

11.01 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2010 TO 03/31/2010 (in thousands of Reais)

1 – CODE	2 – DESCRIPTION	3 – CAPITAL STOCK	4 – CAPITAL RESERVES	5 – REVALUATION RESERVES	6 – PROFIT RESERVES	7 – RETAINED EARNINGS/ ACCUMULATED LOSSES	8 – ADJUSTMENTS TO ASSETS VALUATION	9 –TOTAL SHAREHOLDERS' EQUITY
5.01	Opening Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.02	Adjustments of Previous Years	0	0	0	0	0	0	0
5.03	Adjusted Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.04	Net Income/Loss for the Period	0	0	0	0	248,702	0	248,702
5.05	Allocations	0	0	0	0	0	0	0
5.05.01	Dividends	0	0	0	0	0	0	0
5.05.02	Interest on Equity	0	0	0	0	0	0	0
5.05.03	Other Allocations	0	0	0	0	0	0	0
5.06	Realization of Profit Reserves	0	0	0	0	0	0	0
5.07	Assets Valuation Adjustments	0	0	0	0	0	0	0
5.07.01	Securities Adjustments	0	0	0	0	0	0	0
5.07.02	Accumulated Translation Adjustments	0	0	0	0	0	0	0
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	0
5.08	Increase/Reduction in Capital Stock	0	0	0	0	0	0	0
5.09	Recording/Realization of Capital Reserves	0	0	0	0	0	0	0
5.10	Treasury Shares	0	0	0	0	0	0	0
5.11	Other Capital Transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing Balance	2,445,766	91,695	0	1,143,806	248,702	0	3,929,969

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

11.02 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2010 TO 03/31/2010 (in thousands of Reais)

1 – CODE	2 – DESCRIPTION	3 – CAPITAL STOCK	4 – CAPITAL RESERVES	5 – REVALUATION RESERVES	6 – PROFIT RESERVES	7 – RETAINED EARNINGS/ ACCUMULATED LOSSES	8 – ADJUSTMENTS TO ASSETS VALUATION	9 –TOTAL SHAREHOLDERS' EQUITY
5.01	Opening Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.02	Adjustments of Previous Years	0	0	0	0	0	0	0
5.03	Adjusted Balance	2,445,766	91,695	0	1,143,806	0	0	3,681,267
5.04	Net Income/Loss for the Period	0	0	0	0	248,702	0	248,702
5.05	Allocations	0	0	0	0	0	0	0
5.05.01	Dividends	0	0	0	0	0	0	0
5.05.02	Interest on Equity	0	0	0	0	0	0	0
5.05.03	Other Allocations	0	0	0	0	0	0	0
5.06	Realization of Profit Reserves	0	0	0	0	0	0	0
5.07	Assets Valuation Adjustments	0	0	0	0	0	0	0
5.07.01	Securities Adjustments	0	0	0	0	0	0	0
5.07.02	Accumulated Translation Adjustments	0	0	0	0	0	0	0
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	0
5.08	Increase/Reduction in Capital Stock	0	0	0	0	0	0	0
5.09	Recording/Realization of Capital Reserves	0	0	0	0	0	0	0
5.10	Treasury Shares	0	0	0	0	0	0	0
5.11	Other Capital Transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing Balance	2,445,766	91,695	0	1,143,806	248,702	0	3,929,969

1 –OPERATIONS

The Company is an independent utility concessionaire with its registered head office in the city of Florianopolis, State of Santa Catarina, engaged in the generation and sale of electricity, regulated by the National Electric Power Agency - Aneel, which is linked to the Ministry of Mines and Energy (MME).

The Company's installed capacity, including the interest in the consortium Itá and Machadinho, increased to 6,451 MW[1], with Areia Branca Small Hydroelectric Power Plant coming into commercial operation, 80% of which is derived from hydroelectric plants, 18% from thermoelectric power plants and 2% from alternative energy. The Company's electricity supply capacity, including the long-term purchase agreement entered into with subsidiary Itá Energética S.A. – (Itasa), is 6,488 MW.

Acquisition of SUEZ Energia Renovável S.A. (SER)

On 12.21.2009 the Company entered into a Purchase and Sale Agreement for the entirety of the common shares issued by SUEZ Energia Renovável S.A. (SER). SER holds a 40.07% interest in the Estreito Energia Consortium (Ceste), a consortium created for the implementation and exploration of the Estreito Hydropower Plant (UHE Estreito), which is currently under construction in the border between the states of Tocantins and Maranhão and will have installed capacity of 1,087 MW. The amount to be paid in the acquisition will be of R$604,390, R$304,556 of which was paid in January 2010 and the remaining amount will be restated by the Amplified Consumer Price Index (IPCA) plus interest of 6% p.a., until the settlement of the debt, which depends on the approval of Aneel, the Brazilian Social Development Bank (BNDES) and financing Banks. The acquisition's main conditions are described in Note 12.

Start of commercial operation of Areia Branca Small Hydroelectric Power Plant and tests of Destilaria Andrade Thermoelectric Power Plant

As of 03.10.2010 both generating units of Small Hydroelectric Power Plant (PCH) Areia Branca, which belongs to the wholly-owned subsidiary Areia Branca S.A., started their commercial operations, adding 20 MW to the Company's installed capacity.

The first synchronism of Destilaria Andrade Thermoelectric Power Plant, which belongs to subsidiary Ibitiúva Bioenergética S.A., is expected for 05.16.2010, and on 05.19.2010 is expected to start the commercial operation, which shall increase by 18 MW the Company's installed capacity.

Payment of interest on equity and complementary dividends referring to 2009

The Company's General Meeting held on 03.23.2010, approved the date of 05.20.2010 for the payment of interest on equity and complementary dividends referring to 2009, in the amount of R$275,913.

[1] *Non-financial information provided herein, such as average MW, installed capacity, number of employees, etc., is not examined by the independent auditors*

2 – PRESENTATION OF THE FINANCIAL STATEMENTS

The financial statements were prepared and are presented pursuant to the accounting practices adopted in Brazil and in accordance with the regulation of the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Financial Statements and, when applicable, the regulation of the Brazilian Electricity Regulatory Agency (Aneel).

The content of the notes to the Financial Statements as of 12.31.2009 complement the notes to these Financial Statements, presented in summary format. The amounts presented, texts and tables, are expressed in thousands (of reais and other currencies), except where otherwise indicated.

The Executive Officers' Meeting held on 05.10.2010 authorized the conclusion of the Company's Financial Statements (ITR).

Changes in Brazilian accounting practices applicable as of 2010

The enactment of Law No. 11,638/07 and Provisional Act 449/08, subsequently converted into Law No. 11,941/09, which updated the Brazilian Corporate Law to enable the process of convergence of accounting practices adopted in Brazil with international accounting standards (IFRS). As a result, new accounting rules and technical pronouncements have been issued pursuant to the international accounting standards by Accounting Pronouncements Committee (CPC).

In 2009, CVM approved several Pronouncements, Interpretations and Technical Guidelines issued by CPC, effective as of 2010, which changed the accounting practices adopted in Brazil. As allowed by CVM Resolution No. 603/09, the Company's Management opted to present its Financial Statements (ITR) using the accounting rules adopted in Brazil until 12.31.2009, i.e., it did not apply the rules effective as of 2010.

To the best of the Management's knowledge, the following pronouncements could affect the Financial Statements corresponding to the year ended 3.31.2010 if they were applied on that date.

CPC 24 –Subsequent Event and ICPC 08 – Recording for the dividend payment proposal: the abovementioned pronouncements set forth that the amount of dividends above the minimum mandatory provided for by law and not approved at a general meeting shall not be recognized in liabilities, and shall be presented as a separate item under shareholders' equity. If these rules had been applied on 3.31.2010 and 12.31.2009, current liabilities would be understated and equity would be overstated in the amount of R$81,913.

CPC 25 - Allowances, contingent liabilities and contingent assets: amounts corresponding to court deposits referring to provisioned tax, labor and civil contingencies are presented in the balance sheet as reducing the respective provision for contingencies, in liabilities, pursuant to CVM Resolution No. 489/05, which was revoked with the adoption of CPC 25. If that CPC had been adopted, said court deposits, amounting to R$49,809 and R$48,802 in the consolidated statement as of 3.31.2010 and 12.31.2009, respectively, would had been recorded in the Company's assets.

CPC 26 – Presentation of Financial Statements: deferred income and social contribution taxes expected to be realized within the next twelve months are recorded in current assets. According to CPC 26, these deferred taxes should not be presented as current assets. Therefore, had the aforementioned CPC been applied, deferred income and social contribution taxes, amounting to R$18,821 and R$15,896, in the consolidated statement as of 3.31.2010 and 12.31.2009, respectively, would have been recognized in the Company's noncurrent assets.

CPC 27 – Fixed assets, CPC 37 – First-time adoption of the International Financial Reporting Standards and ICPC 10 – Clarification on CPC 27 and CPC 28: as set forth by CPC 37 and ICPC 10, the cost attributed to fixed assets on the transition date will be the construction or acquisition cost of the asset recorded according to the rules of CPC 27. The Company's Management is evaluating the possible effects from the application of CPC 27 and ICPC 10 on its annual and quarterly statements, especially the procedures for capitalizing interest and administrative expenses in fixed assets during the construction of the Company's power plants. Additionally, for a full harmonization with the International Accounting Standards (IFRS), in compliance with IAS 29 – Financial reporting in hyperinflationary economies, the Company will consider, as part of fixed assets costs, the monetary restatement made in 1996 and 1997, periods considered hyperinflationary by the IAS. Until the date of conclusion of these Financial Statements, the measurement of possible impacts had not yet been concluded due to the operational difficulty in obtaining this information.

CPC 30 - Revenue: the presentation of the Company's revenue in the income statement separates gross revenue from gross revenue deductions and net revenue. The abovementioned CPC establishes that, for purposes of presentation in the income statement, revenue will only include the gross inflow of economic benefits received and receivable by the entity when originated from its own activities. Amounts collected from third parties, such as taxes on sales and funds allocated to research and development determined by Aneel, are not economic benefits flowing to the entity and do not result in an increase in shareholders' equity. Therefore, they should not be presented as revenue. Also according to the CPC, the Company should disclose in an Explanatory Note the reconciliation between the gross revenue for tax purposes and the revenue presented in the income statement.

CPC 33 – Post-employment Benefits: as provided for in CVM Rule No. 371/00, accumulated actuarial gains within the limit of 10% of the present value of defined-benefit obligation ("corridor") are not recognized in the Company's income (they are disclosed in an Explanatory Note) and losses exceeding the corridor are recognized in income during the average remaining life time of beneficiaries. According to CPC 33, actuarial losses can be recognized in full in the income statement, in shareholders' equity. The Company's Management plans to adopt this procedure along with the other CPCs, which according to the CVM are mandatory when presenting the financial statements for the year ended 12.31.2010. Had this procedure been adopted, the balances of post-employment benefits would have been reduced and the balances of shareholders' equity would have been increased by R$68,249 and R$68,156, as of 3.31.2010 and 12.31.2009, respectively.

For certain CPCs, this process involves the revision of flows, internal controls, electronic systems and other material aspects. Up to this moment, the analyses are not sufficiently advance to allow the presentation of safe estimates of the possible effects of adopting the new rules.

Except regarding the comments above, the Company's Management believes that the other pronouncements and interpretations effective as of 2010 will not have a material impact on its financial statements.

Consolidated accounting statements

Intercompany balances, transactions and investments in investees are eliminated in consolidation, as well as balances of assets and liabilities and revenues and expenses resulting from operations among the consolidate companies.

The components of assets and liabilities, revenues and expenses of Itasa were consolidated in proportion to the Company's interest in this investee's capital stock, as it is joint-controlled.

Because the parent company's interest in the other subsidiaries is of 99.99%, there was no effect in the non-controlling shareholding in the consolidated financial statements. Further information on the subsidiaries that have been consolidated can be found on Note 12.

3 – CASH AND CASH EQUIVALENTS

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current assets				
Cash and bank deposits cash	3,217	7,501	13,827	42,522
Citibank – Exclusive Investment Fund				
Repurchase agreement with Federal Government and Securities [2]				
National Treasury Notes (NTN – B)	373,125	1,085,336	416,837	1,188,297
Financial Treasury Bill (LFT)	326,698	-	364,970	-
	699,823	1,085,336	781,807	1,188,297
Financial Institutions [3]				
Bank Deposit Certificate (CDB)	1,022	1,002	1,258	2,084
Purchase and sale commitments in debentures	-	-	28,417	21,737
	1,022	1,002	29,675	23,821
	704,062	**1,093,839**	**825,309**	**1,254,640**

[2] *Sale of securities with repurchase agreements assumed by the seller, concurrently with the resale commitment assumed by the buyer. These operations have immediate liquidity, pay yields at a fixed rate and are backed by federal government securities.*

[3] *Banco Safra, Banco Itaú Unibanco Holding S.A (Itaú Unibanco), Banco do Brasil S.A. (Banco do Brasil), Banco Votorantim, Banco Bradesco e Caixa Econômica Federal (CEF).*

The Company structured its temporary cash investments to concentrate its funds in an exclusive, balanced investment fund, the shares of which can be redeemed at any time without impairing its yield, which was 100.4% of the CDI in the first quarter. Said financial instrument is classified as held for trading, being measured at cost increased by earnings calculated up to the balance sheet date, which corresponds to its fair value.

Exclusive funds do not entail significant financial obligations, which are limited to asset management, investment transaction and audit fees, in addition to general and administrative expenses.

Cash equivalents are maintained with the purpose of covering short-term liabilities, and consist of cash balance, spot bank deposits and financial investments with immediate liquidity that are promptly convertible into an amount of cash subject to an insignificant risk of change in value. These are classified as financial instruments allocated to trading and are recorded at cost value plus income earned to the balance sheet date, which corresponds to the financial instrument's fair value.

4 – CONSUMERS, CONCESSIONAIRES AND PERMITTEES

	Company				
	3.31.2010				12.31.2009
	Current	Past due		Total	Total
		Up to 90 days	Over 90 days		
Current assets					
Concessionaries	238,414	-	-	238,414	187,986
Sellers	87,118	45,693	-	132,811	121,409
Free Consumers	22,454	365	62	22,881	21,676
Exports	-	-	740	740	740
Transactions within CCEE [4]					
- Current	6,258	1,683	538	8,479	22,865
- Agents with lawsuits or in default	110,498	-	12,076	122,574	122,574
	464,742	**47,741**	**13,416**	**525,899**	**477,250**
(-) Allowance for doubtful accounts	(110,498)	-	(12,076)	(122,574)	(122,574)
	354,244	**47,741**	**1,340**	**403,325**	**354,676**

Amounts receivable from sellers past-due up to 90 days correspond to outstanding invoices from wholly-owned subsidiary Tractebel Energia Comercializadora Ltda. (TBLC). These amounts will be settled as the momentary and specific cash flow instability of this subsidiary is solved, which is expected to happen by November 2010.

[4] *Electric Energy Commercialization Board (CCEE)*

	Consolidated				
	3.31.2010				12.31.2009
	Current	Past due		Total	Total
		Up to 90 days	Over 90 days		
Current assets					
Concessionaries	299,278	-	-	299,278	251,120
Sellers	57,692	-	-	57,692	62,733
Free Consumers	93,218	2,190	62	95,470	94,934
Exports	-	-	740	740	740
Transactions within CCEE					
- Current	7,841	2,170	730	10,741	23,897
- Agents with lawsuits or in default	110,498	-	12,076	122,574	124,442
	568,527	**4,360**	**13,608**	**586,495**	**557,866**
(-) Allowance for doubtful accounts	(110,498)	-	(12,076)	(122,574)	(122,574)
	458,029	**4,360**	**1,532**	**463,921**	**435,292**

The average term for amounts related to electricity sale invoices is 25 days as from the billing date.

Agents with lawsuits or default

The allowance for doubtful accounts related to outstanding amounts was recognized due to the uncertainties as to the realization of receivables arising from transactions made within Wholesale Energy Market (MAE), current Electric Power Trade Chamber (CCEE) in the September 2000 to September 2002 period, whose debtor agents filed lawsuits because they disagreed with the interpretation adopted by MAE in connection with the Overall Agreement for the Electric Energy Sector.

Amounts past due for more than 90 days, identified as "Agents with lawsuits or in default", refer substantially to transactions within MAE, related to debts of agents in default during the 1st settlement of the MAE, on 12.30.2002. Such amounts are under bilateral negotiations. However, due to uncertainties as to their credit, the Company maintains an allowance for doubtful accounts, in the amount of R$12,076, regardless of the actions applicable to the case.

5 – RECOVERABLE TAXES

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current				
ICMS (state VAT)	5,613	7,189	7,468	8,973
Income Tax	146	146	11,316	9,841
Social Contribution tax	-	-	6,040	5,514
Cofins (tax on revenue)	3,973	4,015	20,400	37,425
PIS (tax on revenue)	858	865	4,424	8,119
INSS (social security contribution)	1,940	3,040	1,948	3,048
	12,530	**15,255**	**51,596**	**72,920**
Noncurrent				
ICMS (state VAT)	11,409	10,507	14,582	13,460
Cofins (tax on revenue)	12,400	11,685	73,029	47,564
PIS (tax on revenue)	2,721	2,563	15,883	10,352
INSS (social security contribution)	3,700	3,106	3,700	3,106
	30,230	**27,861**	**107,194**	**74,482**

PIS and Cofins recoverable amounts mainly refer to the option for using the right to credits on building constructions and purchases, acquisition of machines and equipment, pursuant to specific laws, credits which are offset in 24 and 48 months, respectively, from the beginning of commercial operation of the Plants.

6 – INVENTORIES

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current				
Raw materials for energy production	6,108	5,969	9,850	10,453
Supplies	22,154	22,190	22,852	22,904
Advances to suppliers	5,905	10,504	5,910	10,508
Other	1,115	756	1,146	787
	35,282	**39,419**	**39,758**	**44,652**

Supplies include materials necessary for the operation and maintenance of the Company's generating units.

7 – COLLATERALS AND RESTRICTED DEPOSITS

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current				
Reserve account (CCEE)	1,054	31,491	3,260	33,511
Noncurrent				
Reserve account – debt amortization	-	-	64,518	63,738
	1,054	**31,491**	**67,778**	**97,249**

Funds from reserve accounts mentioned above are invested in Bank Deposit Certificates (CDB) and in repurchase and resale operations, backed by debentures and/or federal government securities and investment funds, in eligible banks according to the Company's Financial Management Policy. The average yield in the quarter corresponded to 100% of CDI.

8– DEFERRED TAX ASSETS

	Company				
	3.31.2010				12.31.2009
Type of credit	Tax basis	Income tax	Social contribution tax	Total	Total
Interest on property, plant and equipment in progress (RIC)	145,865	36,466	-	36,466	36,466
Post-employment benefits	265,734	66,434	23,916	90,350	89,722
Allowance for doubtful accounts	122,574	30,643	11,032	41,675	41,675
Reserve for contingencies	108,708	27,177	9,784	36,961	37,207
Supplementary depreciation of William Arjona Thermoelectric Power Plant	17,673	4,418	1,591	6,009	6,293
Adjustment to present value of receivables	13,875	3,469	1,249	4,718	4,718
Incorporated goodwill	13,435	3,359	1,209	4,568	4,960
Other	18,337	4,585	1,649	6,234	5,328
		176,551	**50,430**	**226,981**	**226,369**
Classification of deferred tax assets:					
Current		13,187	3,423	16,610	15,310
Noncurrent		163,364	47,007	210,371	211,059
		176,551	**50,430**	**226,981**	**226,369**

	Consolidated				
	3.31.2010				12.31.2009
Type of credit	Tax basis	Income tax	Social contribution tax	Total	Total
Interest on property, plant and equipment in progress (RIC)	145,865	36,466	-	36,466	36,466
Post-employment benefits	265,734	66,434	23,916	90,350	89,722
Allowance for doubtful accounts	122,574	30,643	11,032	41,675	41,675
Reserve for contingencies	140,800	29,294	12,672	41,966	41,768
Supplementary depreciation of William Arjona Thermoelectric Power Plant	17,673	4,418	1,591	6,009	6,293
Adjustment to present value of receivables	13,875	3,469	1,249	4,718	4,718
Incorporated goodwill	13,435	3,359	1,209	4,568	4,960
Tax loss	66,089	12,248	5,948	18,196	3,790
Other	44,421	6,417	3,998	10,415	9,769
		192,748	**61,615**	**254,363**	**239,161**
Classification of deferred tax assets:					
Current		14,394	4,427	18,821	15,896
Noncurrent		178,354	57,188	235,542	223,265
		192,748	**61,615**	**254,363**	**239,161**

To calculate income tax, the Company took into consideration the tax incentive of subsidiary Ponte de Pedra Energética S.A., which corresponds to a 75% reduction in its calculation basis.

Deferred tax assets deriving from temporary differences will be realized upon the payment of the provisions recognized or, where applicable, upon realization of accrued losses.

The estimated realization of deferred tax assets and their recovery through the generation of future taxable income is as follows:

	Company	Consolidated
Recorded deferred tax assets:		
April 2010 to March 2011	16,610	18,821
April to December 2011	16,244	25,396
2012	20,520	23,791
2013	22,300	26,501
2014	34,818	39,874
2015 to 2016	72,297	74,977
2017 to 2020	44,192	45,003
	226,981	**254,363**
Unrecorded deferred tax assets:		
2021 to 2023	2,202	2,202
2024 to 2026	2,202	2,202
2027 to 2029	2,202	2,202
2029 and thereafter	770	770
	7,376	**7,376**

The unrecorded deferred tax assets corresponds to RIC, whose realization is made proportionally to the depreciation of the underlying assets, which currently exceeds 10 years, resulting in unrecorded deferred tax assets, in compliance with CVM Rule No. 371/02, as of 06.27.2002.

9 – TAX RECONCILIATION IN INCOME

	Company			
	3.31.2010		3.31.2009	
	Income tax	Social contribution tax	Income tax	Social contribution tax
Income before taxes	**383,798**	**383,798**	**341,840**	**341,840**
Permanent differences				
Goodwill amortization	889	889	572	-
Management bonuses and 13th salary	823	-	548	-
Donations	1,060	1,060	1,405	1,405
Equity in subsidiaries	15,282	15,282	(20,186)	(20,186)
RIC	(3,664)	-	(3,664)	-
Other	532	154	537	270
Tax basis	**398,720**	**401,183**	**321,052**	**323,329**
Tax rates	25%	9%	25%	9%
Income and social contribution taxes	**(99,680)**	**(36,107)**	**(80,263)**	**(29,100)**
Income and social contribution taxes from previous periods	(844)	469	-	-
Tax Incentives	1,060	-	1,405	-
Other	6	-	6	-
Income and social contribution taxes	**(99,458)**	**(35,638)**	**(78,852)**	**(29,100)**
Breakdown of taxes in the statement of income:				
Current	(99,908)	(35,800)	(80,931)	(29,848)
Deferred	450	162	2,079	748
	(99,458)	**(35,638)**	**(78,852)**	**(29,100)**

	Consolidated			
	3.31.2010		3.31.2009	
	Income tax	Social contribution tax	Income tax	Social contribution tax
Income before taxes	**376,790**	**376,790**	**349,762**	**349,762**
Permanent differences				
Goodwill amortization	7,523	7,523	6,681	-
Management bonuses and 13th salary	860	-	589	-
Donations	1,060	1,060	1,405	1,405
Calculation basis adjustment in subsidiaries taxed by presumed profit	(4,839)	(4,030)	(5,840)	(4,376)
RIC	(3,664)	-	(3,664)	-
Other	(3,236)	(3,630)	787	(151)
Tax basis	**374,494**	**377,713**	**349,720**	**346,640**
Tax rates	25%	9%	25%	9%
Income and social contribution taxes	**(93,624)**	**(33,995)**	**(87,430)**	**(31,198)**
Income and social contribution taxes from previous periods	(2,532)	(139)	-	-
Tax Incentives	1,802	-	2,715	-
Other	(42)	442	39	-
Income and social contribution taxes	**(94,396)**	**(33,692)**	**(84,676)**	**(31,198)**
Breakdown of taxes in the statement of income:				
Current	(102,731)	(37,165)	(86,716)	(32,306)
Deferred	8,335	3,473	2,040	1,108
	(94,396)	**(33,692)**	**(84,676)**	**(31,198)**

The subsidiary PPESA has a reduction of income tax and surcharges equivalent to 75% on exploration profits for the period of 10 years as from 2006, as it is located in an incentive area of the Sudam. Such reduction, amounting R$742 (R$1,310 as of 3.31.2009), is presented in the tax incentives group, in the chart above.

10 – SALES OF ASSETS AND RIGHTS

The balance of R$86,886, in the parent company and consolidated, corresponds to the book value receivable from Elétrica Jacuí S.A. – Eleja related to the sale of Jacuí thermoelectric project, net of present value adjustment of R$13,875.

The terms of the agreement set forth that the sale amounts must be adjusted based on the IGP-DI (general price index – domestic supply) and received in 36 installments after 2004, the sale date. As contractual amounts are at future prices, the Company discounted the price to present value based on the discount rate of 10% p.a., a rate that meets the market requirements at the transaction date.

As of February 2009, Eleja failed to pay the due monthly installments, whose accrued amount as of 3.31.2010 was R$23,390 (R$16,266 as of 12.31.2009). In July 2009, after many unsuccessful attempts so that Eleja resumed payments due, the Company concluded that it had no other option than to start a court execution proceeding to recover this credit.

Said execution proceeding, as set forth in an agreement, was in an amount equivalent to the total debt, since Eleja's default results that all existing debt is automatically considered overdue and payable.

Prudently, the Company stopped recognizing interest and monetary restatement over the amounts receivable from Eleja as of July 2009. Additionally, in view of the uncertainty so as to the settlement term of the above referred credit, the Company now presents amounts receivable under noncurrent assets. As of 3.31.2010, the face value of the debt, restated by the IGP-DI, was R$102,414 (R$100,253 as of 12.31.2009).

Should Eleja's default persist, the execution proceeding allows to seize assets used as collateral aiming to settle the Company's debts. Currently, these assets, which have already been pledged, have a market value in an amount sufficient to retrieve the recorded credit, which is why the Company's Management believes it is not necessary to record any provision for losses.

The court execution proceeding is following its regular procedural steps and the Company's Management is making every effort to have the summons of the debtors' representatives delivered as soon as possible.

11 – CREDITS WITH RELATED PARTIES (Parent Company)

Credits with related parties mainly refer to a loan agreement with indirect subsidiary Ibitiúva Bioenergética to fund the construction of Destilaria Andrade Thermoelectric Plant until the amount financed by BNDES is released. The expected date for release of the abovementioned financed amount is May 2010. The loan agreement provides for a 100% variation of the Selic rate.

12 – INVESTMENTS

a) Breakdown

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Investments in subsidiaries:				
Accounted for under the equity method				
Equity in subsidiaries	2,099,024	1,945,501	-	-
Goodwill	34,891	35,780	-	-
Accounted for at acquisition cost	28,796	28,796	31,767	31,767
Assets and rights for future use	1,895	1,895	1,895	1,895
Advance for investment acquisition	304,556	-	304,556	-
Other Investments	121	121	121	121
	2,469,283	**2,012,093**	**338,339**	**33,783**

In accordance with the accounting practices adopted in Brazil, assets and liabilities recorded in the opening balance sheet of the entities acquired are acknowledged as an investment by the acquiring company, and goodwill ascertained in acquisitions correspond to the amount paid which exceeds the book value of the shareholders' equity of the entity acquired. This procedure was adopted by the Company in the individual balance sheets of Tractebel Energia and its subsidiaries, used as a vehicle to acquire companies.

In order to prepare the consolidated balance sheet, the Company considered that the goodwill paid in acquisitions is based on the exploration of the right to use a public asset, provided for in the concession agreements. This is recorded under property, plant and equipment, jointly with the amount of each concession considered part of these assets, when applicable, because this right is not separable, that is, it cannot be sold or transferred separately from the property, plant and equipment.

b) Permanent corporate interest

b.1) Evaluated according to the equity method

	3.31.2010					3.31.2009	12.31.2009
Companies	Batch of one thousand shares or quotas	AFAC (*)	Interest (%)	Net income (loss)	Shareholders' Equity	Net income (loss)	Shareholders' Equity
Itasa(1)	253,607	-	48.75	10,826	647,020	12,793	636,194
CESS (2)	309,289	13,900	99.99	(21,176)	317,525	2,155	324,801
Lages (3)	30,530	-	99.99	2,148	66,204	1,829	64,056
TBLC (4)	4,200	-	99.99	(5,914)	66,163	6,121	72,077
EAS (5)	645,270	152,200	99.99	2,631	808,312	(550)	653,481
TBLP (6)	509,010	2,670	99.99	1,751	502,053	4,394	497,632
Delta (7)	24,468	35	99.99	-	23,075	-	23,040
L. Formosa (8)	270	-	99.99	-	269	-	2,269

(*) *Advance for future capital increase (AFAC).*
(1) *Itá Energética S.A. (Itasa).*
(2) *Companhia Energética São Salvador (CESS), commercial operation started in August 2009.*
(3) *Lages Bioenergética Ltda. (Lages).*
(4) *Tractebel Energia Comercializadora Ltda. (TBLC).*
(5) *Energia América do Sul Ltda. (EAS), Specific Purpose Entity (SPE) used as tool for the acquisition of 99.99% of Ponte de Pedra Energética S.A.(PPESA).*
(6) *Tractebel Energias Complementares Participações Ltda. (TBLP), former Gama Participações Ltda., SPE used as tool for the acquisition of 99.99% of Tupan Energia Elétrica S.A. (Tupan), Hidropower Energia S.A. (Hidropower), Eólica Beberibe S.A. (Beberibe), Eólica Pedra do Sal S.A. (Pedra do Sal), Hidrelétrica Areia Branca S.A. (Areia Branca) and Econergy Brasil Serviços Corporativos Ltda.(EBSC), and for the interest in Ibitiúva Bioenergética S.A. (Ibitiúva).*
(7) *Delta Energética S.A. (Delta), SPE used as tool for the acquisition of Seival Participações S.A.*
(8) *Lagoa Formosa Bioenergética Ltda. (L. Formosa).*

Changes in investments

Equity in subsidiaries

Subsidiaries	Balances as of 12.31.2009	AFAC	Equity in subsidiaries	Balances as of 3.31.2010
Itasa	310,144	-	5,278	315,422
CESS	324,801	13,900	(21,176)	317,525
Lages	64,056	-	2,148	66,204
TBLC	72,077	-	(5,914)	66,163
EAS	653,481	152,200	2,631	808,312
TBLP	497,632	2,670	1,751	502,053
Delta	23,040	35	-	23,075
Lagoa Formosa	269	-	-	269
Épsilon Participações Ltda.	1	-	-	1
	1,945,501	**168,805**	**(15,282)**	**2,099,024**

Advance for investment acquisition

It refers to the payment of the first installment corresponding to the acquisition of SUEZ Energia Renovável S.A. (SER) on 01.19.2010, in the amount of R$304,556, including the monetary restatement by IPCA and compensatory interest of 6% p.a. as of the date of execution of the agreement, as summarized in Note 1.

Pursuant to the purchase agreement of all common shares, executed on 12.21.2009, the Company shall acquire all the shares issued by SER, a subsidiary of GDF SUEZ Energy Latin America Participações Ltda. (GSELA). SER holds a 40.07% interest in Estreito Energia S.A. (Ceste) consortium, created on 11.5.2002 for the implementation and exploration of the Estreito Hydroelectric Project, which has installed capacity of 1,087 MW. The other members of the Ceste consortium are Companhia Vale do Rio Doce (30%), Estreito Energia S.A. (Alcoa Group – 25.49%) and Camargo Corrêa Geração de Energia S.A. (4.44%). SER is the consortium's leader.

Based on the Appraisal Report, the purchase price was established at R$604,390, 50% of which paid on 01.19.2010 and the remaining to be paid by 07.31.2010, as long as the following previous consents are obtained. If said consents are not obtained by 07.31.2010, the payment of the remaining amount shall be made in up to 10 business days after the last previous consent is obtained. Additionally, any advances for future capital increase (AFAC) conducted by GSELA at SER after this date, if approved by Tractebel, will be returned to GSELA. All the payments will be restated by the IPCA variation plus compensatory interest of 6% p.a. *pro rata temporis,* as of this date until the date of the effective payment. Up to 3.31.2010, GSELA had conducted advances for future capital increase at in the amount of R$55,714. SER's shareholders' equity as of 3.31.2010, including the abovementioned advance for future capital increase, was R$604,474.

The effectiveness of the acquisition will be subject to the usual conditions precedent attached to this type of transaction, including, but not limited to, the approval of acquisition by Aneel and the consent of third parties, including BNDES and other financial institutions creditors of SER, pursuant to the respective loan agreements executed thereby.

13 – PROPERTY, PLANT AND EQUIPMENT

a) Breakdown

		Company			
		3.31.2010			12.31.2009
	Average depreciation rates	Adjusted cost	Accumulated depreciation/ amortization	Net	Net
In service					
Hydroelectric generation					
Salto Santiago plant	2.41	645,107	(538,627)	106,480	110,145
Salto Osório plant	2.65	336,036	(248,135)	87,901	86,634
Passo Fundo plant	2.29	121,017	(97,036)	23,981	24,547
Itá plant (consortium)	3.58	1,233,400	(319,931)	913,469	924,437
Machadinho plant (consortium)	3.18	180,820	(38,659)	142,161	142,819
Cana Brava plant	3.03	964,585	(198,335)	766,250	772,305
		3,480,965	**(1,440,723)**	**2,040,242**	**2,060,887**
Thermoelectric generation					
Jorge Lacerda complex	4.69	2,560,271	(1,572,479)	987,792	1,009,749
Charqueadas plant	10.46	65,955	(52,193)	13,762	11,385
Alegrete plant	3.90	8,371	(7,286)	1,085	886
William Arjona plant	4.31	174,706	(84,614)	90,092	91,126
		2,809,303	**(1,716,572)**	**1,092,731**	**1,113,146**
General and other equipment		**63,850**	**(28,389)**	**35,461**	**34,719**
		6,354,118	**(3,185,684)**	**3,168,434**	**3,208,752**
In progress					
Hydroelectric generation		**17,553**	**-**	**17,553**	**12,677**
Thermoelectric generation		**105,480**	**-**	**105,480**	**94,682**
General and other equipment		**3,815**	**-**	**3,815**	**5,107**
		126,848	**-**	**126,848**	**112,466**
Total property, plant and equipment		**6,480,96**	**(3,185,684)**	**3,295,28**	**3,321,218**
Special obligations		**(10,423)**	**-**	**(10,423)**	**(10,395)**
		6,470,543	**(3,185,684)**	**3,284,859**	**3,310,823**

06.01 – NOTES TO THE FINANCIAL STATEMENTS

	Consolidated				
	3.31.2010				12.31.2009
	Average depreciation rates	Adjusted cost	Accumulated depreciation/amortization	Net	Net
In service					
Hydroelectric generation					
Salto Santiago Plant	2.41	645,107	(538,627)	106,480	110,145
Salto Osório Plant	2.65	336,036	(248,135)	87,901	86,634
Passo Fundo Plant	2.29	121,017	(97,036)	23,981	24,547
Itá Plant (consortium)	3.58	1,777,448	(452,596)	1,324,852	1,340,848
Machadinho Plant (consortium)	3.18	180,820	(38,659)	142,161	142,819
Cana Brava Plant	3.03	964,585	(198,335)	766,250	772,305
Ponte de Pedra Plant	3.60	1,190,516	(120,896)	1,069,620	1,076,641
São Salvador Plant	3.62	1,276,150	(29,567)	1,246,583	1,258,120
Rondonólis Plant	4.00	184,483	(12,119)	172,364	174,052
Engenheiro José Gelazio da Rocha plant	3.80	157,048	(12,111)	144,937	145,280
Areia Branca plant	4.90	138,682	(568)	138,114	-
		6,971,892	**(1,748,649)**	**5,223,243**	**5,131,391**
Thermoelectric generation					
Jorge Lacerda complex	4.69	2,560,271	(1,572,479)	987,792	1,009,749
Charqueadas plant	10.46	65,955	(52,193)	13,762	11,385
Alegrete plant	3.90	8,371	(7,286)	1,085	886
Lages cogeneration unit	4.38	76,295	(19,122)	57,173	57,889
William Arjona plant	4.31	174,706	(84,614)	90,092	91,126
		2,885,598	**(1,735,694)**	**1,149,904**	**1,171,035**
Aeolian generation					
Beberibe wind farm	4.70	185,777	(14,002)	171,775	174,038
Pedra do Sal wind farm	4.08	118,610	(6,981)	111,629	113,064
		304,387	**(20,983)**	**283,404**	**287,102**
General and other equipment		**64,756**	**(28,556)**	**36,200**	**35,451**
		10,226,633	**(3,533,882)**	**6,692,751**	**6,624,979**
In progress					
Hydroelectric generation					
São Salvador plant		55,856	-	55,856	49,805
Areia Branca plant		-	-	-	133,518
Other plants (construction work)		19,091	-	19,091	14,164
		74,947	**-**	**74,947**	**197,487**
Thermoelectric generation					
Destilaria Andrade plant		82,324	-	82,324	62,378
Jorge Lacerda complex		50,265	-	50,265	41,510
Charqueadas plant		54,602	-	54,602	52,571
Other plants (construction work)		4,263	-	4,263	4,233
		191,454	**-**	**191,454**	**160,692**
Aeolian generation - Pedra do Sal		**648**	**-**	**648**	**174**
General and other equipment		**3,897**	**-**	**3,897**	**5,221**
		270,946	**-**	**270,946**	**363,574**
Total property, plant and equipment		**10,497,579**	**(3,533,882)**	**6,963,697**	**6,988,553**
Special obligations		**(10,548)**	**-**	**(10,548)**	**(10,520)**
		10,487,031	**(3,533,882)**	**6,953,149**	**6,978,033**

b) Changes in property, plant and equipment

	Company			Consolidated		
	In service	In progress	Total	In service	In progress	Total
Balance as of 12.31.2009	**3,208,752**	**112,466**	**3,321,218**	**6,624,979**	**363,574**	**6,988,553**
Additions						
Salto Osório plant	-	681	681	-	681	681
Salto Santiago plant	-	5,470	5,470	-	5,470	5,470
São Salvador plant	-	-	-	-	6,051	6,051
Areia Branca plant	-	-	-	-	5,163	5,163
Jorge Lacerda complex	-	13,762	13,762	-	13,762	13,762
Charqueadas plant	-	4,947	4,947	-	4,947	4,947
Destilaria Andrade Plant	-	-	-	-	19,946	19,946
Other plants	-	3,288	3,288	-	9,035	9,035
Transfers	13,766	(13,766)	-	157,681	(157,681)	-
Depreciation	(54,014)	-	(54,014)	(89,565)	-	(89,565)
Write-offs and transfers	(70)	-	(70)	(346)	-	(346)
	3,168,434	**126,848**	**3,295,282**	**6,692,749**	**270,948**	**6,963,697**
Special obligations	(10,423)	-	(10,423)	(10,548)	-	(10,548)
Balance as of 3.31.2010	**3,158,011**	**126,848**	**3,284,859**	**6,682,201**	**270,948**	**6,953,149**

c) Depreciation of assets comprising the Plants' Original Project

The Company's interpretation of Law No. 8,987/95 and Decree No. 2,003/96, i.e., at the end of the concession term, a compensation of the residual value established in the Original Project shall not be granted by the Concession Grantor. As a result, the Company, as of 01.01.2007, has depreciated said assets at the rates determined by Aneel, limited to the concession term, even though the agreements and the law provide for the possibility that the concession is renewed.

d) Allocation of financial charges

Financial charges linked to Areia Branca's financing, whose amount in the consolidated for the quarter was R$982 are being capitalized in property, plant and equipment in progress. In the first quarter of 2009, the capitalized amount was R$15,333.

e) Asset impairment

The Company periodically evaluates the property, plant and equipment and intangible assets aiming to identify evidences leading to the impairment of these assets, or, when events or significant changes indicate that the book value may not be recoverable. Should the book value of the asset exceed the recoverable value, this loss is recognized in the result for the period. So far, there is no impairment found in the Company's assets.

f) Restriction on assets

According to Articles 63 and 64 of Decree No. 41,019, of 02.26.1957, assets and facilities used in the generation, transmission, distribution and sale of electric power are attached to such services and cannot be removed, disposed of or pledged as mortgage guarantees without the prior and express authorization of the Regulatory Agency. Resolution 20/99 of Aneel regulates the removal of restriction on assets of Electric Power Public Service concessions, granting previous authorization for the removal of restrictions on assets unserviceable to the concession, when meant for disposal, and further sets forth that the proceeds of disposals be deposited in a blocked bank account for investing in the concession

g) Assets of the Federal Government used by the Company

The Company holds and operates Alegrete Thermoelectric Power Plant, composed of two generation units with a total capacity of 66 MW and a residential village with 15 houses, located in the city of Alegrete, State of Rio Grande do Sul, owned by the Federal Government and granted under special use.

14 – INTANGIBLE ASSETS

a) Breakdown

	Company					
	3.31.2010			12.31.2009		
	Adjusted cost	Accumulated amortization	Net	Adjusted cost	Accumulated amortization	Net
License	15,256	(10,408)	4,848	14,730	(10,138)	4,592
Goodwill merged from CEM	44,578	(32,009)	12,569	44,578	(30,932)	13,646
	59,834	**(42,417)**	**17,417**	**59,308**	**(41,070)**	**18,238**

	Consolidated					
	3.31.2010			12.31.2009		
	Adjusted cost	Accumulated amortization	Net	Adjusted cost	Accumulated amortization	Net
License	17,788	(11,155)	6,633	17,260	(11,058)	6,202
Electricity purchase right	64,561	-	64,561	64,561	-	64,561
Goodwill merged from CEM	44,578	(32,009)	12,569	44,578	(30,932)	13,646
Goodwill merged from Itasa	72,793	(63,487)	9,306	72,793	(61,668)	11,125
Seival Participações goodwill	19,528	-	19,528	19,528	-	19,528
	219,248	**(106,651)**	**112,597**	**218,720**	**(103,658)**	**115,062**

The license and electricity purchase right have established useful lives. The first is being accrued within five years and the second will be amortized during the effectiveness of the purchase agreement from 2013 to 2023.

Merged goodwill of CEM and Itasa also has a determined useful life and will be amortized up to February 2013 and December 2011 respectively. The amortization of goodwill paid by Seival Participações will take place from the start of the plant's commercial operation, whose date may not be estimated yet due to the phase of the project.

b) Changes

	Company	Consolidated
Balance as of 12.31.2009	**18,238**	**115,062**
License - entry	526	528
Amortization	(1,347)	(2,993)
Balance as of 3.31.2010	**17,417**	**112,597**

15 – LOANS AND FINANCING

a) Breakdown

	Company					
	3.31.2010			12.31.2009		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Foreign currency						
National Treasury (STN) [5]	16,417	130,890	147,307	15,824	127,240	143,064
BNP Paribas (Floating Rate Note)	-	97,336	97,336	-	100,293	100,293
Charges	6,746	-	6,746	3,060	-	3,060
	23,163	**228,226**	**251,389**	**18,884**	**227,533**	**246,417**
Domestic currency						
Eletrobrás [6]	31,083	2,733	33,816	30,318	10,796	41,114
BNDES	14,965	31,176	46,141	14,965	34,917	49,882
Banco do Brasil	3,529	2,647	6,176	3,529	3,530	7,059
Charges	236	-	236	258	-	258
	49,813	**36,556**	**86,369**	**49,070**	**49,243**	**98,313**
	72,976	**264,782**	**337,758**	**67,954**	**276,776**	**344,730**

[5] *Figures net of deposited guarantees, which can only be withdrawn for loan amortization at maturity.*
[6] *Centrais Elétricas Brasileiras S.A. (Eletrobrás).*

	Consolidated					
	3.31.2010			12.31.2009		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Foreign currency						
National Treasury (STN)	16,417	130,890	147,307	15,824	127,240	143,064
BNP Paribas (Floating Rate Note)	-	97,336	97,336	-	100,293	100,293
Charges	6,746	-	6,746	3,060	-	3,060
	23,163	**228,226**	**251,389**	**18,884**	**227,533**	**246,417**
Domestic currency						
Eletrobrás	31,083	2,733	33,816	30,318	10,796	41,114
BNDES	53,354	490,238	543,592	75,412	573,608	649,020
Financing agents (BNDES)	47,159	444,474	491,633	71,504	561,833	633,337
Banco do Brasil	7,496	28,756	36,252	7,495	30,630	38,125
BRDE [7]	6,835	9,682	16,517	6,835	11,391	18,226
Caixa Econômica Federal	5,559	48,650	54,209	5,479	49,315	54,794
Charges	4,292	-	4,292	5,419	-	5,419
	155,778	**1,024,533**	**1,180,311**	**202,462**	**1,237,573**	**1,440,035**
	178,941	**1,252,759**	**1,431,700**	**221,346**	**1,465,106**	**1,686,452**

Prepayment of the financing contracted with BNDES and financing agents

On 02.17.2010, the indirect subsidiary Ponte de Pedra Energética S.A. (PPESA) amortized in advance all its financial debt with BNDES and financing agents using resources of its own and contributed by its parent company. The early amortization, of R$233,187, is part of the plan to merge PPESA and its controlling holding Energia América do Sul S.A. into Tractebel Energia, aiming to simplify its corporate structure.

b) Changes in loans and financing

	Company			Consolidated		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Balance as of 12.31.2009	**67,954**	**276,776**	**344,730**	**221,346**	**1,465,106**	**1,686,452**
Transfers	12,815	(12,815)	-	215,454	(215,454)	-
Interest	6,133	-	6,133	31,468	2,286	33,754
Exchange variation	627	1,818	2,445	627	1,818	2,445
Interest on deposited guarantees	-	(997)	(997)	-	(997)	(997)
Amortization	(14,553)	-	(14,553)	(289,954)	-	(289,954)
Balance as of 3.31.2010	**72,976**	**264,782**	**337,758**	**178,941**	**1,252,759**	**1,431,700**

[7] *Banco Regional de Desenvolvimento do Extremo Sul (BRDE).*

c) Breakdown by foreign currency and local indices

	Company					
	3.31.2010			12.31.2009		
	Currency – in thousands	Reais	%	Currency – in thousands	Reais	%
Foreign currency						
US dollar (USD)	83,985	151,711	44.92	83,265	144,981	42.06
Euro (EUR)	40,963	99,678	29.51	40,456	101,436	29.42
		251,389	**74.43**		**246,417**	**71.48**
Local currency						
TJLP		46,337	13.72		50,093	14.53
Not indexed		40,032	11.85		48,220	13.99
		86,369	**25.57**		**98,313**	**28.52**
		337,758	**100.00**		**344,730**	**100.00**

	Consolidated					
	3.31.2010			12.31.2009		
	Currency – in thousands	Reais	%	Currency – in thousands	Reais	%
Foreign currency						
US dollar (USD)	83,985	151,711	10.60	83,265	144,981	8.60
Euro (EUR)	40,963	99,678	6.96	40,456	101,436	6.01
		251,389	**17.56**		**246,417**	**14.61**
Local currency						
TJLP		1,110,072	77.53		1,353,626	80.26
UMBNDES590[8]		-	-		6,996	0.42
Not indexed		70,239	4.91		79,413	4.71
		1,180,311	**82.44**		**1,440,035**	**85.39**
		1,431,700	**100.00**		**1,686,452**	**100.00**

d) Changes in foreign currencies and indices

	(%)	
Currency – index	**3.31.2010**	**3.31.2009**
US dollar (USD)	2.29	(0.93)
Euro (EUR)	(3.98)	(4.94)
TJLP (long-term interest rate)	1.50	1.53

[8] *Index related to the currency basket calculated by BNDES.*

e) Maturity of loans and financing under noncurrent liabilities

	Company			Consolidated		
	Foreign currency	Local currency	Total	Foreign currency	Local currency	Total
April to December 2011	16,286	16,603	32,889	16,286	98,939	115,225
2012	12,149	14,965	27,114	12,149	114,800	126,949
2013	7,882	4,988	12,870	7,882	94,865	102,747
2014	3,810	-	3,810	3,810	72,138	75,948
2015	97,336	-	97,336	97,336	72,992	170,328
2016 to 2023	-	-	-	-	568,477	568,477
2024	90,763	-	90,763	90,763	2,322	93,085
	228,226	**36,556**	**264,782**	**228,226**	**1,024,533**	**1,252,759**

f) Contractual terms and conditions

		Payment conditions		
	Charges	Maturity	Charges	Principal
Foreign currency				
TBLE				
STN	Libor + 1.075% p.a.	04/2024	Semi-annual	Semi-annual
BNP Paribas (Floating Rate Note)	Euribor + 2.75% p.a.	11/2015	Annual	November 2015
Local currency				
TBLE				
Eletrobrás	12% p.a.	04/2011	Monthly	
BNDES	TJLP + 4% p.a. [(a)]	04/2013	Monthly	
Banco do Brasil	8.14% p.a. [(c)]	12/2011	Monthly	
Itasa				
BNDES	TJLP + 4% p.a. [(a)]	09/2013	Monthly	
Financing agents (BNDES) [(b)]	TJLP + 3.85% p.a. [(a)]	09/2013	Monthly	
Lages				
BRDE	TJLP + 2.25% p.a. [(a)]	08/2012	Monthly	
CESS				
BNDES	TJLP + 2.7% p.a. [(a)]	10/2023	Monthly	
Financing agents (BNDES) [(b)]	TJLP + 3.25% p.a. [(a)]	10/2023	Monthly	
Tupan - CEF	TJLP + 3.5% p.a. [(a)]	12/2019	Monthly	
Hidropower - Banco do Brasil	8.08% p.a. [(c)]	10/2017	Monthly	
Beberibe - BNDES	TJLP + 3.5% p.a. [(a)]	12/2023	Monthly as of January 2010	
Pedra do Sal - BNDES	TJLP + 1.92% p.a. [(a)]	12/2023	Monthly as of January 2010	
Areia Branca - BNDES	TJLP + 2.5% p.a. (a)	06/2024	Monthly as of July 2010	

[(a)] The amount corresponding to the TJLP installment that exceeds 6% p.a. is capitalized and merged into the financings' principal.

[(b)] The Funding Agents of the BNDES are Itaú Unibanco Holding S.A., Banco Bradesco, Banco Santander and Banco Votorantim.

[(c)] Fixed rate that includes a bonus of 15% for payments made up to the maturity date.

g) Guarantees

g.1) Tractebel Energia S.A.

Loans and financing in foreign currency

National Treasury: (a) Assignment and transfer to the Federal Government of the receivables, up to the limit sufficient to cover the payment of the installments and other charges at each maturity date; (b) pledged deposit amounting to R$61,446, as of 3.31.2010 (R$76,470 as of 12.31.2009), which is stated as an offsetting account of the underlying financing.

There are no guarantees granted for the other loans and financing in foreign currency.

Loans and financing in local currency

Eletrobrás: (a) Powers of attorney granted to the creditor, in case of default, to transfer to its own name, the necessary amounts for the payment of the debt, from the bank account of the Company used to collect receivables; (b) promissory notes in the total amount of the financing, linked to the contractual terms.

Banco do Brasil: (a) Assignment and transfer of receivables amounting to R$8,726, represented by sales of electricity or other funds with the same purpose; (b) pledged promissory note in the amount corresponding to the financing.

BNDES: Letter of Guarantee from Itaú Unibanco Holding S.A., in the amount of R$131,966, up to 10.15.2013.

g.2) Itasa

BNDES and BNDES Financing Agents: (a) Pledge of concession-related rights; (b) Pledge of receivables resulting from the Electricity Purchase and Sale Agreements entered into with its shareholders; (c) reserve account in an amount equivalent to three months of the BNDES debt (substituted by bank guarantee), and three months of Itá plant's contractual operation and maintenance expenses. In addition to these guarantees, the shareholders pledged all the shares of Itasa to the BNDES and the Financing Agent.

g.3) Lages

BRDE: (a) assignment of receivables from the electricity purchase agreement executed with Centrais Elétricas de Santa Catarina S.A. (Celesc); (b) assignment of receivables arising from the authorization granted by Aneel to establish itself as an independent electricity producer; (c) obligation to maintain a reserve account with a deposit equivalent to an average of four months of debt amortization.

g.4) CESS

BNDES and BNDES Financing Agents: (a) pledge of rights arising from the concession; (b) centralized receivables account to receive CESS receivables; and (c) obligation to maintain a Reserve Account with a deposit equivalent to three months of debt amortization, plus an amount equivalent to three months of payment of the Project Operation and Maintenance Agreement.

g.5) Tupan

Caixa Econômica Federal (CEF): (a) mortgage of land and properties; (b) conditional sale of equipment; (c) all shares representing the Capital Stock; and (d) Receivables and Reserve Account. The Company is negotiating the replacement of personal expenses issued by former partners, by means of a Corporate Guarantee Letter of Tractebel Energia S.A.

g.6) Hidropower

Banco do Brasil: (a) all shares representing the Capital Stock; and (b) receivables and Reserve Account. The Company is negotiating the replacement of personal expenses issued by former partners, by means of a Corporate Guarantee Letter of Tractebel Energia S.A.

g.7) Beberibe, Pedra do Sal and Areia Branca

BNDES: (a) conditional sale of assets and equipment; (b) all shares representing the Capital Stock; and (c) receivables and reserve account.

h) Covenants

The Company has the following covenants provided for in its loans and financing agreement:

Debt	Covenants
TBLE - BNDES	Shareholders' equity / total assets ≥ 30%
Itasa - BNDES and financing agents	Shareholders' equity / total assets ≥ 40%
Lages - BRDE	(Current + noncurrent liabilities) / total assets ≤ 66%
CESS - BNDES and financing agents	Debt amortization's coverage ratio ≥ 1.3
Tupan – CEF	(i) Shareholders' equity / total assets ≥ 21% (ii) Debt amortization's coverage ratio ≥ 1.3 (iii) Capital stock / property, plant and equipment ≥ 21%
Hidropower - Banco do Brasil	(i) Shareholders' equity / total assets ≥ 0.35 (ii) EBITDA Margin [9] (EBITDA/NOR) ≥ 0.80 (iii) EBITDA (*) / financial expenses ≥ 2.70 (iv) Total financial debt / EBITDA (*) ≤ 4.0 (v) Current assets / current liabilities ≥ 1.2 (vi) Debt amortization's coverage ratio ≥ 1.3
Beberibe, Pedra do Sal and Areia Branca - BNDES	Debt amortization's coverage ratio ≥ 1,3

Companies Eólica Pedra do Sal S.A. and Eólica Beberibe S.A. will have covenants required as of 04.30.2010 and Hidrelétrica Areia Branca S.A., as of 06.30.2010.

Financial covenants established in loans and financing agreements are being executed by the Company, except for the described below.

Hidropower has restrictive clauses in its financing agreements which require maintenance of financial indexes, among which, current liquidity and debt amortization coverage. When such indexes are not reached, Hidropower, after being officially noticed by the Financial Agent, must proceed with the capital increasing in cash, in order to cover such deficit.

Hydropower's net current liabilities are above the level required by the financing agreement, which has a negative effect both on the liquidity ratio and on the debt amortization's coverage ratio, however, the Management does not consider that the Company will failure to comply with the agreement clause and the resulting pre-maturity of the debt, once its controlling company, Tractebel Energia, formally pronounced that it is negotiating its regularization with the bank and, if necessary, will capitalize the Company within the term set forth should the Company be informed by the Financial Agent. Up to the closing of these financial statements, said notification, set forth in the agreement, has not been brought up.

[9] *EBITDA: Operating profit – financial result - depreciation and amortization, pursuant to the Agreement.*

16 – DEBENTURES

a) Breakdown

	3.31.2010			12.31.2009		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Tractebel Energia S.A.						
1st Issue (1st Series)	2,745	139,851	142,596	-	139,817	139,817
1st Issue (2 nd Series)	59,994	-	59,994	59,976	-	59,976
2nd Issue (Single Series)	-	405,750	405,750	-	396,941	396,941
3rd Issue (Single Series)	-	602,265	602,265	-	601,617	601,617
4th Issue (Single Series)	-	400,249	400,249	-	399,996	399,996
Cana Brava (Single Series)	13,124	38,842	51,966	13,124	38,842	51,966
Charges	76,695	-	76,695	44,240	-	44,240
Total Company	**152,558**	**1,586,957**	**1,739,515**	**117,340**	**1,577,213**	**1,694,553**
Itasa (1st and 2nd Series)	8,947	24,570	33,517	8,055	24,570	32,625
Charges	1,825	-	1,825	1,012	-	1,012
Total Consolidated	**163,330**	**1,611,527**	**1,774,857**	**126,407**	**1,601,783**	**1,728,190**

Transaction costs incurred in funding were initially recorded as fair value reduction and the effective interest rate adjusted for purposes of appropriation of interest expenses, as required by CVM Resolution No. 556/08.

b) Changes in debentures

	Company			Consolidated		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Balance as of 12.31.2009	**117,340**	**1,577,213**	**1,694,553**	**126,407**	**1,601,783**	**1,728,190**
Charges	31,307	1,005	32,312	32,119	1,005	33,124
Monetary variations	3,911	8,739	12,650	4,804	8,739	13,543
Balance as of 3.31.2010	**152,558**	**1,586,957**	**1,739,515**	**163,330**	**1,611,527**	**1,774,857**

c) Contractual terms and conditions

			Payment Conditions		
	Outstanding	Remuneration	Interest rate/monetary restatement	Principal	Collateral
Company					
1st Issue - 1st Series	14,000	IGPM + 9.9% p.a.	Annual on 05.02	Single installment on 05.02.11	Unsecured
1st Issue - 2nd Series	6,000	103.9% of CDI	Semiannual on 05.02 and 11.02	Single installment on 05.02.10	Unsecured
2nd Issue- Single Series	35,000	IPCA + 7% p.a.	Annual on 05.15	3 installments on 05.15.12/13/14	Unsecured
3rd Issue - Single Series	60,000	117% of CDI	Semiannual on 04.01 and 10.01	Single installment on 04.01.11	Unsecured
4th Issue - Single Series	400	110% of CDI	Semiannual on 05.05 and 11.05	5 installments on 11.05.11 to 11.05.15	Unsecured
Cana Brava - Single Series	7,773	TJLP + 4% p.a. [10]	Semiannual on 04.01and 10.01, up to 04.01.13	Semiannual on 04.01 and 10.01, up to 04.01.13	Receivables from energy trading
Itasa - 1st and 2nd Series	8,400	IGPM + 9.4% p.a.	Annual on 12.01 (1st series) and 06.01 (2nd series)	Annual, on 12.01 (1st series) and 06.01 (2nd series), up to 12.01.13 (1st series) and 06.01.13 (2nd series)	Pledge of receivables

[10] The amount corresponding to the TJLP installment that exceeds 6% p.a. is capitalized and merged into the debentures' par value.

d) Changes in indices

	(%)	
Currency – index	**3.31.2010**	**3.31.2009**
TJLP	1.50	1.53
IGP-M	1.82	(0.92)
CDI	1.99	2.89
IPCA	1.54	1.23

e) Maturities of debentures stated in noncurrent liabilities

	Company	**Consolidated**
April to December 2011	836,110	844,300
2012	230,921	239,111
2013	223,887	232,077
2014	215,706	215,706
2015	80,333	80,333
	1,586,957	**1,611,527**

f) Covenants

Financing covenants set forth in debenture agreements are being executed by the Company:

Debt	**Covenants**
Company:	
1st, 2nd and 3rd issuances	EBITDA(*) /consolidated financial expenses ≥ 2.0 Consolidated debt/EBITDA(*) ≤ 2.5
4th issuance	EBITDA(*) /consolidated financial expenses ≥ 2.0 Consolidated debt/EBITDA(*) ≤ 3.5
Cana Brava – Single series	Shareholders' equity / total assets ≥ 30%
Itasa - 1st and 2nd Series	Shareholders' equity / total assets ≥ 40%

(*) EBITDA: Operating profit - financial result - depreciation and amortization, pursuant to the Agreement.

The Company has been fully complying with the financial covenants provided for in the debentures contracts.

17 – SUPPLIERS

	Company		**Consolidated**	
	3.31.2010	**12.31.2009**	**3.31.2010**	**12.31.2009**
Current				
Electricity purchase	53,254	53,766	106,954	76,770
Transactions within CCEE	370	370	370	2,325
Electric network usage charges	72,201	69,742	78,177	76,502
Fossil fuels/biomass	652	630	721	798
Materials and services	40,883	46,511	79,316	89,722
	167,360	**171,019**	**265,538**	**246,117**

18 – TAXES PAYABLE

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current				
Income tax	84,472	272,187	85,566	274,642
Social contribution tax	29,077	80,189	29,350	81,090
ICMS	7,428	6,823	33,573	30,090
PIS and Cofins	17,982	17,003	19,332	19,486
INSS	3,376	3,682	3,668	4,174
Other	1,264	1,532	2,087	2,134
	143,599	**381,416**	**173,576**	**411,616**

The Company has been paying income and social contribution taxes monthly based on the estimated taxable income, in accordance with prevailing legislation.

19 – LABOR LIABILITIES

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current				
Provision for vacation and charges	12,804	13,030	13,135	13,555
Provision for profit sharing and management bonus	29,990	23,424	29,990	23,424
Voluntary resignation bonus	5,100	3,703	5,100	3,703
Other	305	551	305	551
	48,199	**40,708**	**48,530**	**41,233**
Noncurrent				
Voluntary resignation bonus	3,062	3,561	3,062	3,561
Other	1,001	986	1,001	986
	4,063	**4,547**	**4,063**	**4,547**

20 – OBLIGATIONS WITH RESEARCH AND DEVELOPMENT PROGRAM (P&D)

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Current				
FNDCT	1,818	826	2,010	975
MME	909	413	1,004	559
Projects	16,725	41,822	18,904	46,578
	19,452	**43,061**	**21,918**	**48,112**
Noncurrent				
Projects	27,652	-	30,700	-
	27,652	**-**	**30,700**	**-**

21 – RESERVES FOR CONTINGENCIES

The Company holds tax assessment notices and civil matters which are being challenged on an administrative basis, as well as legal proceedings, some of which, according to the Company's legal counsel, the likelihood of loss is considered probable. All these proceedings are accrued in amounts considered sufficient to cover future disbursements needed to settle the contingencies.

a) Breakdown

	Company					
	3.31.2010			12.31.2009		
	Gross reserve	Judicial deposit	Net reserve	Gross reserve	Judicial deposit	Net reserve
Tax						
INSS	28,011	(17,142)	10,869	27,461	(16,810)	10,651
Social contribution tax	110	-	110	107	-	107
	28,121	**(17,142)**	**10,979**	**27,568**	**(16,810)**	**10,758**
Civil						
Agreements with suppliers	22,668	-	22,668	22,179	-	22,179
Pension benefits	24,675	-	24,675	23,895	-	23,895
Occupational diseases and accidents	12,384	(1,302)	11,082	13,146	(1,297)	11,849
Environmental	3,946	-	3,946	3,823	-	3,823
Sundry lawsuits	2,626	(448)	2,178	2,763	(439)	2,324
	66,299	**(1,750)**	**64,549**	**65,806**	**(1,736)**	**64,070**
Labor	**14,289**	**(7,430)**	**6,859**	**16,056**	**(7,287)**	**8,769**
	108,709	**(26,322)**	**82,387**	**109,430**	**(25,833)**	**83,597**
Classification in balance sheet						
Current			13,560			12,580
Noncurrent			68,827			71,017
			82,387			**83,597**

	Consolidated					
	3.31.2010			12.31.2009		
	Gross reserve	Judicial deposit	Net reserve	Gross reserve	Judicial deposit	Net reserve
Tax						
INSS	28,011	(17,142)	10,869	27,461	(16,810)	10,651
Social contribution tax	110	-	110	107	-	107
	28,121	**(17,142)**	**10,979**	**27,568**	**(16,810)**	**10,758**
Civil						
Agreements with suppliers	22,668	-	22,668	22,179	-	22,179
Pension benefits	24,675	-	24,675	23,895	-	23,895
Occupational diseases and accidents	12,384	(1,302)	11,082	13,146	(1,297)	11,849
Transmission System Usage Tariff (Tust)	29,030	(23,487)	5,543	26,239	(23,049)	3,190
Environmental	3,946	-	3,946	3,823	-	3,823
Sundry lawsuits	7,188	(448)	6,740	7,189	(439)	6,750
	99,891	**(25,237)**	**74,654**	**96,471**	**(24,785)**	**71,686**
Labor	**14,289**	**(7,430)**	**6,859**	**16,056**	**(7,287)**	**8,769**
	142,301	**(49,809)**	**92,492**	**140,095**	**(48,882)**	**91,213**
Classification in balance sheet						
Current			13,658			12,677
Noncurrent			78,834			78,536
			92,492			**91,213**

Tax contingencies

National Institute of Social Security (INSS)

The main contingencies related to INSS are the following:

The Company received a tax debt assessment notice (NFLD) for the nonpayment of the additional contribution for SAT (Occupational Accident Insurance) for the period from April 1999 to March 2004, due to the lack of evidence of the risk factor related to the work environment. The Company argues that there is no basis in the legislation referred to in the notice for the mentioned period, and that the additional contribution is payable if the employee is entitled to a special retirement benefit, which is not the case in said period. The Social Security Board of Appeals decided, based on the defense arguments filed by the Company, to convert the sentence into an inspection. As of 3.31.2010 the outstanding balance is R$15,339 (R$15,039 as of 12.31.2009).

The Company was also notified by the INSS because of the alleged nonpayment of social security charges on compensation paid to employees. The subject matter of the notification was challenged by the Company, which argued that the amounts paid as a result of collective labor agreements were paid as indemnities. The lower court decision was favorable to the Company, and declared the tax assessment notice null and void and the INSS was sentenced to refund the deposits converted into revenue. Due to the appeal filed by the National Treasury, this lawsuit is awaiting decision by the Federal Court (TRF). The amount provisioned as of 3.31.2010 is R$9,350 (R$9,168 as of 12.31.2009).

Civil contingencies

Agreements with suppliers

The main contingency basically refers to an indemnity lawsuit filed by Companhia de Interconexão Energética (Cien), claiming the recognition of the right to receive the difference related to the exchange adjustment provided for in the electricity sale agreement, and the termination of such agreement due to an alleged breach of a clause by Tractebel Energia. The lawsuit was suspended on 4.23.2007 at the request of Cien, after the Company filed its defense arguments. On 6.16.2009, it was established the notification of Aneel with the purpose of acknowledging the interest of such regulatory agency in said lawsuit. On 8.25.2009, the Supreme Court, after hearing Aneel, decided that this is not obliged to participate in the lawsuit and returned the process to the State Justice, where it is concluded for judgment. The amount provisioned as of 3.31.2010 is R$16,732 (R$16,279 as of 12.31.2009).

Pension benefit

Refers to the lawsuit filed against Fundação Eletrosul de Previdência e Assistência Social (Elos) and Eletrosul Centrais Elétricas S.A. (Eletrosul), whereby Elos parties require the annulment statement of contribution payroll limit or, alternately, that the options made by the ones that limited the payroll of its contribution be declared inefficient. The Company acts as a defendant's assistant, due to the partial spin-off of Eletrosul, with the creation of Centrais Geradoras do Sul do Brasil (Gerasul), former name of Tractebel Energia. A lower court decision, confirmed by the Appeals Court of the State of Santa Catarina in a Decision pending the judgment of embargoes, is against the interests of Elos and Eletrosul. The amount provisioned as of 3.31.2010 is R$24,409 (R$23,636 as of 12.31.2009).

Occupational diseases and accidents

Refer to lawsuits filed by former employees, mainly related to repetitive strain injuries and possible damages to hearing capacity. The initial forecasts of an adverse judgment have not been confirmed, and the results of these lawsuits have been extensively favorable to the Company. The provision is formed for each cause, considering the likely future disbursement the Company expects to have to make in order conclude the suit through an agreement or by an adverse judgment.

Transmission System Usage Tariff (Tust)

Refers to the suit filed by indirect subsidiary PPESA, aimed at reducing the amount payable for the Tust in the amount equivalent to that charged from Itiquira Hydroelectric Power Plant. From June 2006 to January 2007, PPESA started paying Tust with a reduction and provisioning and depositing in a judicial deposit the difference between the amount charged and the amount paid. As of February 2007, PPESA substituted the judicial deposits for a letter of guarantee. With a view to reduce the guarantee cost, the Company pegged liquid assets to said guarantee, which are being presented in adjustment to this provision account.

Environmental

The Company has provisioned the amount of R$3,946 (R$3,823 as of 12.31.2009) related to four environmental proceedings whose main objects deal mainly with reforestation of permanent preservation areas (APP) and damages caused by the construction of Cana Brava Hydroelectric Power Plant. These lawsuits are following their regular procedural steps.

Sundry lawsuits

Arise mainly from expropriations and indemnity lawsuits filed by individuals and legal entities whose properties were flooded by the plants' reservoirs.

Labor contingencies

Refer to ongoing labor lawsuits filed by former employees, unions and employees of outsourced companies mainly related to claims of recognition of employment relationships and reinstatement. Other labor lawsuits are related to claims of hazardous duty premium, overtime, salary equalization, commute hours, and FGTS (severance pay fund).

b) Change in provisions

	Company			
	Tax	**Civil**	**Labor**	**Gross reserve**
Balance as of 12.31.2009	**27,568**	**65,806**	**16,056**	**109,430**
Additions	-	-	460	460
Adjustments	553	1,875	287	2,715
Payments	-	-	(1,974)	(1,974)
Reversals	-	(1,382)	(540)	(1,922)
Balance as of 3.31.2010	**28,121**	**66,299**	**14,289**	**108,709**

	Consolidated			
	Tax	**Civil**	**Labor**	**Gross reserve**
Balance as of 12.31.2009	**27,568**	**96,471**	**16,056**	**140,095**
Additions	-	1,884	460	2,344
Adjustments	553	2,918	287	3,758
Payments	-	-	(1,974)	(1,974)
Reversals	-	(1,382)	(540)	(1,922)
Balance as of 3.31.2010	**28,121**	**99,891**	**14,289**	**142,301**

c) Contingencies of possible or remote risk

The Company is also a party to other lawsuits that, in the opinion of the legal counsel, based on their experience in similar cases, do not represent a probable risk of future disbursement and, therefore, have not been accrued but only disclosed in the explanatory notes. The amounts involved are detailed below:

	Company					
	3.31.2010					12.31.2009
	Possible risk	**Remote risk**	**Gross total**	**Judicial deposit**	**Net total**	**Net total**
Tax	442,354	173,243	615,597	(158,869)	456,728	432,596
Civil	18,594	522	19,116	(5,416)	13,700	28,147
Labor	9,244	17,338	26,582	(1,610)	24,972	23,052
	470,192	**191,103**	**661,295**	**(165,895)**	**495,400**	**483,795**

	Consolidated					
	3.31.2010					12.31.2009
	Possible risk	Remote risk	Gross total	Judicial deposit	Net total	Net total
Tax	442,460	173,243	615,703	(158,975)	456,728	432,596
Civil	34,568	539	35,107	(6,066)	29,041	42,951
Labor	9,244	17,338	26,582	(1,610)	24,972	23,052
	486,272	**191,120**	**677,392**	**(166,651)**	**510,741**	**498,599**

The Company has judicial deposits linked to reserves for possible and remote risks that are mostly required to guarantee sentence execution or appeals. These amounts are monetarily adjusted and stated in noncurrent assets.

Tax contingencies of possible risk

The main subjects of contingencies considered by the Company and its legal advisors as possible risk are:

PIS and Cofins

In July 2005, the Company filed for an Injunction against the Federal Revenue Service Director, since it understands that Federal Revenue Service Regulatory Instruction No. 468/2004 overrun the jurisdiction of the Legislative Power by giving a new concept to the term "predetermined price", provided for by article 10 of Law No. 10,833/2003. The Company understands that the acceptance of said term is already a common practice in the Brazilian Tax System and has been in use since the enactment of Decree Law No. 1,598/1977, meaning said Regulatory Instruction is illegal.

As a result, the Company paid PIS and Cofins on revenue from agreements executed before 10.31.2003 for periods longer than one year and at a predetermined price, based on the cumulative taxation regime provided for by the previous law for the November 2004 to May 2005 period in the amount of R$45,194, restated up to 3.31.2009. In the June 2005 to October 2006 period, the Company deposited the amounts it understood not to be due in an escrow account of the district where the lawsuit is maintained, amounting to R$142,456, restated up to 3.31.2009.

Due to the estimated favorable outcome at the 4th Region Federal Court, the Company suspended the deposits in November 2006. On 4.11.2007, the 4th Region Federal Court concluded the judgment of said injunction and unanimously recognized the illegality and unconstitutionality of Regulatory Instructions No. 468 and 658, both as regards the monetary adjustment clause and the economic and financial balance clauses in the Company's agreements.

On 7.6.2007, the Company received a tax delinquency notice for not having paid or reported in a Declaration of Federal Tax Debits and Credits (DCTF) the PIS and Cofins amounts related to November and December 2006. According to the Federal Revenue Service Office, the nonpayment or deposit of the amounts, even if challenged in courts, is not supported by the law. On 8.7.2007, the Company challenged the tax delinquency notice, arguing that the amounts are not payable, based on the same grounds of the injunction granted in July 2005.

On 4.7.2010, a final and unappealable decision recognized the Company's right to remain under the cumulative regime regarding the revenues arising from the agreements executed prior to 10.31.2003, as provided for in Law No. 10,833/03. The Company is waiting for the procedural steps to return to its original district to determine the amount of the judicial deposits, which as of 3.12.2010 totaled R$142,456 (R$140,504 as of 12.31.2009), and to file an action to recover the unduly paid amounts of R$45,194, restated up to 3.31.2010. The restated contingency as of 3.31.2010, is R$370,559 (Company) and R$228,103 (Consolidated), net of the aforementioned judicial deposits (R$205,407 as of 12.31.2009).

Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Income (CSLL)

The main tax assessment notices deemed as possible risks result from assessment notices issued by the Federal Revenue Service Office, because the Company offset credits against income and social contribution taxes payable by means of voluntary reporting, through a Electronic Refund or Reimbursement Request and Offset Declaration (PER/DCOMP), not subject to fines. Accordingly, the Federal Revenue Service partially approved the offset requests and the Company filed noncompliance notices, which are awaiting judgment. The Company argues that tax authorities cannot charge a penalty against a company that held tax credits and voluntarily reported its debts. The adjusted amount of the tax assessment as of 3.31.2010 is R$44,631 Company and consolidated (R$43,761 as of 12.31.2009).

Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Income (CSLL) Offsetting

In 2009, the Company received an order for the non-ratification of PER/DCOMP, because it used allegedly undue or overpaid amounts for income and social contribution tax, ascertained through a monthly estimate, to offset the same taxes due in the same period of assessment. According to the RFB, the undue payment or overpayment could only be used to offset the IRPJ or CSLL due as of the year following the year of assessment.

Once the monthly overestimates had already been known by the Federal Government from the moment the Company paid the taxes, the Company understands it has the choice to use the overpayment by estimate for purposes of offsetting within the period of assessment. The contingency's amount restated as of 3.31.2010 and 12.31.2009 in the parent company and consolidated is R$1,457.

INSS

Assessment notice related to the social security contribution collection notices on indemnities. The Company was partially considered not guilty at the administrative level and filed a lawsuit, in which it obtained a favorable decision at the lower court. Currently, the Company is awaiting judgment of the INSS appeal. As of 3.31.2010, the adjusted amount is R$3,987 (R$3,910 as of 12.31.2009).

Tax contingency of remote risk

The main contingencies deemed by the Company and its legal advisors as remote risk are as follows:

PIS and Cofins recovery

In 1998, Law 9,718 was published, extending the PIS and Cofins calculation basis that, so far, only accrued on the companies' income.

The Company challenged in court the constitutionality of said Law, obtaining a favorable decision, which enabled its settling the contributions calculated on several revenues resulting from the income for the period assessed from February 1999 to November 2002, for PIS, and February 1999 to January 2004, for Cofins.

The main revenue calculated in the amount to offset regards the accounting item named “Fuel Consumption Account (CCC) subsidy revenue".

In 2009, the Brazilian Federal Revenue Service (RFB) notified the Company to collect the amount of R$135,982, interest and fines already included, referred to the period from April 2004 to January 2007, pleading that the “CCC subsidy" represents a billing and, therefore, it should be included in the calculation basis of PIS and Cofins for the period abovementioned. The total updated notification amount as of 3.31.2010 is R$144,459 (R$141,612 as of 12.31.2009).

At the evaluation of the Company’s legal counsel, the arguments of the RFB do not proceed and can be easily contested, considering the concept attributed to the treatment of the “CCC subsidy”, with the purpose of accounting fossil fuel consumed by those generating electricity, it mismatched the legal nature of the revenue. Thus, the Company is arranging a motion to deny the notification in the administrative scope and, if necessary, in the legal scope. Even if the “CCC subsidy" had the revenue nature, which it does not, it would not represent an “income” that was the only revenue subject to taxation by PIS and Cofins.

In fact, up to 2005, the fuel acquired with CCC/CDE funds were recorded due to its consume in the plants as “operational cost" in contra account to a “subsidy” revenue.

Aneel made amendments to the Accounting Booklet of the Electric Energy Public Service in order to change the concept that had been used improperly and, as of 2006, the accounting launch was determined as "operational cost" in contra account to an adjustment account to neutralize the result. Such amendment is strongly based on Technical Notes issued by said Agency.

In view of the abovementioned summary, the Management understands that the risk of loss in the process is remote.

Civil contingencies

Possible risk civil lawsuits refer basically to expropriations and indemnity lawsuits filed by individuals and legal entities that allege that their properties were flooded by the plants' reservoirs.

PPESA is a party to a tax assessment notice, in the administrative scope, issued by the Brazilian Institute of Renewable Resources (IBAMA) in the amount of R$12,346 as of 3.31.2010 (R$11,944 as of 12.31.2009), referring to supposed environmental damages caused by the Company when the plant's reservoir impounding. PPESA presented an administrative defense which is administrative appeal level before the Brazilian Environment Council (Conama).

Labor contingencies

Possible risk labor contingencies refer mainly to lawsuits filed by former employees claiming recognition of employment relationship, reinstatement and additional pension benefits.

22 – CONCESSION FEES PAYABLE

	Company		Consolidated	
	3.31.2010	12.31.2009	3.31.2010	12.31.2009
Cana Brava Plant	321,320	309,289	321,320	309,289
Ponte de Pedra Plant	-	-	301,876	289,335
São Salvador Plant	-	-	364,895	358,850
	321,320	**309,289**	**988,091**	**957,474**
Classification in balance sheet				
Current	1,872	1,857	37,883	37,419
Noncurrent	319,448	307,432	950,208	920,055
	321,320	**309,289**	**988,091**	**957,474**

In order to accurately reflect, in shareholders' equity, the concession fee and the related obligation to the Federal Government, the amounts of the concessions were registered in property, plant and equipment as a contra entry to current and noncurrent liabilities.

Considering that contractual amounts are stated at future prices, the Company discounted them to present value based on a discount rate of 10% p.a. to Cana Brava Hydroelectric Power Plant and São Salvador Hydroelectric Power Plant, as provided for in the corresponding bid notices for the concessions, and 8.28% p.a. to Ponte de Pedra Hydroelectric Power Plant, market rate on the date of the company acquisition.

Until startup of the Plants, the adjustment of liabilities based on the discount rate and monetary variation was capitalized in assets and, thereafter, recognized directly in the statement of income.

The Company has undertaken the obligation to pay the Federal Government the amounts shown below for the concession granted to operate Cana Brava, Ponte de Pedra and São Salvador Hydroelectric Power Plants, in monthly installments equivalent to one-twelfth (1/12) of the corresponding annual fees, adjusted based on the annual variation of the IGP-M (Cana Brava and Ponte de Pedra Hydroelectric Power Plants) and IPCA (São Salvador Hydroelectric Power Plants).

The historical and adjusted amounts as of 3.31.2010 are as follows:

Cana Brava HPP	Historical amount		Adjusted amount	
Year	Annual	Total	Annual	Total
From 4.1.2010 to 7.31.2023	680	9.067	1,872	24,959
From 8.1.2023 to 7.31.2033	61,280	612,800	168,697	1,686,969
		621,867		**1,711,928**

Ponte de Pedra HPP	Historical amount		Adjusted amount	
Year	Annual	Total	Annual	Total
From 4.1.2010 to 9.30.2019	200	1,900	495	4,699
From 10.1.2019 to 9.30.2020	16,200	16,200	40,068	40,068
From 10.1.2020 to 9.30.2034	31,109	435,531	76,943	1,077,203
		453,631		**1,121,970**

São Salvador HPP	Historical amount		Adjusted amount	
Year	Annual	Total	Annual	Total
From 4.1.2010 to 4.30.2037	19,820	**538,438**	37,421	**1,026,935**

a) Change

	Company			Consolidated		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Balance as of 12.31.2009	**1,857**	**307,432**	**309,289**	**37,419**	**920,055**	**957,474**
Transfers	480	(480)	-	10,225	(10,225)	-
Interest	-	7,438	7,438	-	21,797	21,797
Monetary variations	-	5,058	5,058	-	18,581	18,581
Amortization	(465)	-	(465)	(9,761)	-	(9,761)
Balance as of 3.31.2010	**1,872**	**319,448**	**321,320**	**37,883**	**950,208**	**988,091**

b) Maturities of concession fees payable stated in noncurrent liabilities

	Company	Consolidated
April to December 2011	1,404	26,517
2012	1,872	32,681
2013	1,872	29,886
2014	1,872	27,345
2015	1,872	25,034
2016	1,872	22,928
After 2016	308,684	785,817
	319,448	**950,208**

23 – POST-EMPLOYMENT BENEFITS

The Company, through PREVIG – Sociedade de Previdência Complementar maintains supplementary pension plan benefits to its employees. PREVIG is a nonprofit closed pension entity governed by private law, sponsored by the Company, as Founder, and by other GDF-SUEZ Group companies in Brazil.

The Company, 5.15 2007, executed agreements with Elos, Eletrosul, PREVIG and Associação de Aposentados da Eletrosul aiming at reestablishing the adherence with Elos, allowing retirees to chose to stay in Elos or transfer to PREVIG in both options the Company should sponsor the Plan.

The benefit plans managed by PREVIG are of the Defined Benefit (DB) and Defined Contribution (DC) types, and the one managed by ELOS and sponsored by the Company is of the DB type. DB plans are closed to new employee enrollments.

Part of the actuarial liabilities recognized in the balance sheet is covered by obligations contracted and/or recognized through a debt acknowledgement agreement and an agreement entered into by the Company and the pension plan entities. The breakdown of liabilities recognized in the financial statements is as follows:

	Company and Consolidated					
	3.31.2010			12.31.2009		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Contracted/recognized obligations						
Agreement of acknowledgement of past debts	20,223	96,937	117,160	19,722	100,289	120,011
Noncontracted actuarial liabilities						
Coverage of costs relating to SB-40 [11] and current contributions	1,523	2,866	4,389	2,133	3,124	5,257
Actuarial deficit and confidentiality bonus	3,615	257,892	261,507	3,623	255,539	259,162
Recorded actuarial liability	**25,361**	**357,695**	**383,056**	**25,478**	**358,952**	**384,430**

Contracted debts are adjusted based on the INPC disclosed by the Brazilian Geography and Statistics Institute (IBGE) and bear interest of 6% p.a. The contracted amounts stated in noncurrent liabilities are expected to be paid as follows:

	Elos	PREVIG	Total
April to December 2011	11,464	1,452	12,916
2012	13,359	1,990	15,349
2013	14,193	2,110	16,303
2014	15,066	1,712	16,778
2015	1,622	1,546	3,168
2016 to 2029	18,598	13,825	32,423
	74,302	**22,635**	**96,937**

[11] *Conversion of special retirement into retirement based on length of service.*

Changes in post-employment benefits are summarized below:

	Pension plan	Confidentiality bonus	Total
Liabilities as of 12.31.2009	**383,961**	**469**	**384,430**
First quarter expenses	6,202	77	6,279
Contributions	(7,642)	-	(7,642)
Benefits paid	-	(11)	(11)
Liabilities as of 3.31.2010	**382,521**	**535**	**383,056**

The amounts to be recognized in the statement of income from April to December 2010, related to the defined benefit plan and the confidentiality bonus, are as follows:

	Pension plan	Confidentiality bonus	Total
Cost of current service	156	41	197
Cost of interest	89,609	116	89,725
Expected return on plan assets	(71,258)	-	(71,258)
Amortization of actuarial losses	207	74	281
Employees' contribution	(104)	-	(104)
	18,610	**231**	**18,841**

Administrative expenses under the Company's responsibility in the first quarter of 2010 were R$400 (R$284 in the same period of 2009).

24 – SHAREHOLDERS' EQUITY

a) Authorized capital

The Company is authorized to increase its capital up to the limit of R$5,000,000, regardless of any amendment to its bylaws. Under the New Market listing regulations, the Company cannot issue preferred shares or founder shares. The Company does not hold treasury shares.

b) Subscribed and paid-up capital

The Company is a publicly-traded company incorporated in accordance with the Brazilian laws and listed in the New Market of the São Paulo Stock Exchange and the Futures and Commodities Exchange (BM&FBOVESPA S.A.).

As of 3.31.2008, the Company's fully subscribed and paid-up capital is R$2,445,766, represented by 652,742,192 registered common shares without par value. The book value per share in reais as of 3.31.2010 is R$6.02 (R$5.64 per share as of 12.31.2009).

The Company's capital structure is as follows:

	% of Capital	
Shareholders	**3.31.2010**	**12.31.2009**
GDF SUEZ Energy Latin America Participações Ltda. (GSELA)	68.71	68.71
Banco Clássico S.A.	10.00	10.00
BNDES Participações S.A. (BNDESPAR)	1.02	2.45
Other	20.27	18.84
	100.00	**100.00**

The Company's number of outstanding shares is as follows:

	Total Company shares	Total shares held by Controlling Shareholder and Management	Total outstanding shares
Balance as of 12.31.2009	**652,742,192**	**448,887,763**	**203,854,429**
Rental of Management shares	-	(104,803)	104,803
Acquisition of new shares by the Management	-	4,000	(4,000)
Balance as of 3.31.2010	**652,742,192**	**448,786,960**	**203,955,232**

c) Breakdown of reserves

	3.31.2010	12.31.2009
Capital Reserve		
Remuneration of assets and rights constituted with own capital	**91,695**	**91,695**
Profit Reserve		
Legal reserve	361,974	361,974
Profit retention reserve	781,832	781,832
	1,143,806	**1,143,806**

The profit retention reserve was established based on capital budget approved on the Annual General Meeting, chiefly for investments in the acquisition of the Estreito Hydropower Plant, in the construction of Destilaria Andrade, Areia Branca, São Salvador and Estreito Plants, and in the maintenance of the Company's generating complex.

25 – OPERATING EXPENSES DETAILED BY TYPE

	Company					
	3.31.2010					3.31.2009
	Cost		Expenses			
	Electricity production	Services provided	Selling	General and administrative	Total	Total
Personnel	27,429	731	2,131	13,181	43,472	38,481
Management	-	-	-	3,147	3,147	2,563
Materials	4,070	-	7	471	4,548	3,960
Outsourced services	13,574	144	268	9,728	23,714	19,449
Fuel	2,018	-	-	-	2,018	22,917
Royalties [12]	26,034	-	-	-	26,034	16,633
Depreciation and amortization	53,732	-	-	1,629	55,361	53,517
Insurance	1,958	68	-	76	2,102	2,004
Sector contributions	-	-	631	50	681	666
Inspection fee	-	-	-	2,345	2,345	2,164
Rent	860	5	51	904	1,820	3,543
Other	748	(28)	18	4,552	5,290	5,622
	130,423	**920**	**3,106**	**36,083**	**170,532**	**171,519**

[12] *Financial compensation for the use of water resources (Royalties)*

	Consolidated					
	3.31.2010					3.31.2009
	Cost		Expenses			
	Electricity production	Services provided	Selling	General and administrative	Total	Total
Personnel	27,557	731	2,131	13,333	43,752	39,722
Management	-	-	-	3,305	3,305	2,712
Materials	4,473	-	7	483	4,963	4,351
Outsourced services	17,950	144	343	10,124	28,561	25,048
Fuel	4,304	-	-	-	4,304	25,631
Royalties	31,420	-	-	-	31,420	19,489
Depreciation and amortization	89,949	-	-	2,885	92,834	82,737
Insurance	2,404	68	-	76	2,548	2,256
Sector contributions	-	-	862	93	955	1,007
Inspection fee	-	-	-	2,813	2,813	2,459
Rent	1,172	5	55	944	2,176	3,750
Other	1,073	(28)	18	4,756	5,819	5,861
	180,302	**920**	**3,416**	**38,812**	**223,450**	**215,023**

26 – REVERSAL (RECORDING) OF OPERATING PROVISIONS, NET

	Company		Consolidated	
	3.31.2010	3.31.2009	3.31.2010	3.31.2009
Post-employment benefits	14	5,257	14	5,257
Civil contingencies	491	17,495	3,381	18,749
Tax contingencies	559	(8,987)	559	(8,987)
Labor contingencies	(1,767)	(1,303)	(1,767)	(1,303)
	(703)	**12,462**	**2,187**	**13,716**

27 – FINANCIAL INCOME AND EXPENSES

	Company		Consolidated	
	3.31.2010	3.31.2009	3.31.2010	3.31.2009
Financial income				
Income from temporary cash investments	15,395	8,998	19,945	12,710
Interest on receivables	2,158	774	2,819	1,064
Monetary variation on judicial deposits	3,576	5,275	3,578	5,278
Monetary variation on receivables and other	-	1,080	129	1,081
Other	1,618	1,062	1,961	1,054
	22,747	**17,189**	**28,432**	**21,187**
Financial expenses				
Loan charges	38,445	39,818	65,896	55,204
Payment of deposited guarantees (STN)	(997)	(24,668)	(997)	(24,668)
Interest on Aneel concessions	7,438	6,850	21,797	12,197
Interest on actuarial liabilities	6,156	11,949	6,156	11,949
Interest on taxes	19	5,854	171	5,970
Monetary variation on financing and debentures	12,650	4,285	13,543	3,908
Monetary variation on Aneel concessions	5,058	922	18,581	(1,584)
Other monetary variations	1,389	370	1,389	379
Exchange variation on loans	2,445	(8,329)	2,445	(8,329)
Other	2,606	2,331	3,037	2,929
	75,209	**39,382**	**132,018**	**57,955**
Financial expenses, net	**52,462**	**22,193**	**103,586**	**36,768**

28 – FINANCIAL INSTRUMENTS

a) Risk management

a.1) Market risk

The Company and its subsidiaries use financial instruments to hedge its assets and liabilities, minimizing exposure to market risks, especially in connection with interest rate, price indices and currency fluctuations. The Company did not enter into any derivative contracts to hedge these risks; however, they are monitored by the Financial Management Committee, which periodically assesses the Company's exposure and proposes operating strategies, control systems, position limits and credit limits with other partners in the market. The Company does not practice speculative investments in derivatives or any other risk assets.

The main market risks to which the Company is exposed are the following:

a.1.1) Risks related to investments

The Company adopts a conservative fund investment policy. Financial investments of the Company and its subsidiaries comply with the allocation of at least 60% of Government Securities (in the final purchase and/or repurchase agreement mode) and at most 40% of Private Securities (Bank Certificate Deposits – CDB acquisitions of eligible banks and yet repurchase agreements with debentures issued by leasing companies controlled by eligible banks), considering the consolidated of amounts invested by each company. The Company uses the classification of agencies Fitch Ratings, Moody's or Standard & Poors to identify eligible banks to receive these funds. Such banks meet the two following criteria: have Shareholders' Equity of at least R$1 billion and Rating of at least br A-.

a.1.2) Exposure to exchange risk

Loan installment related to foreign currency, in the amount of R$251,389 as of 3.31.2010, corresponds to 7.8% of the Company's debt, of which 4.7% is denominated in U.S. dollars and 3.1% in Euros. Debt maturities are distributed on a long term basis, focusing on the years of 2015 and 2024. Considering that the effect arising from the debt maturity is minimum on short and medium term basis and, due to the impossibility of making an effective hedge for the balance sheet since there is no forward curve on long term basis, the Company did not hold on 3.31.2010 any derivative instrument to protect its liabilities. For more details on the composition of foreign currency debt, refer to Note 15.

a.1.3) Exposure to the risk of interest rates and fluctuating indices

The Company and its subsidiaries are exposed to interests rates and fluctuating indices related to Libor, Euribor, TJLP, DI rate, IGP-M and IPCA variations. The debt breakdown by interest rates and index, net of escrowed guarantees, and percentages related to the total amount of these debts is as follows:

Interest rates and fluctuating indices	Amount	%
TJLP	1,164,564	38.72
CDI	1,100,860	36.60
IPCA	429,389	14.28
IGP-M	190,091	6.32
Libor Dollar	23,014	0.77
Euribor	99,679	3.31
	3,007,597	**100.00**

a.2) Credit risk

In long-term bilateral agreements entered into with distributors, the Company tries to minimize its credit risk with the use of a collateral mechanism involving receivables from its customers.

In transactions with industrial customers, also known as Free Consumers, in order to minimize the credit risk related to those business partners, the Company, through its credit area, carries out a previous credit analysis and establishes, together with the Credit Committee, the credit limits and collaterals to be required from the other parties.

In financial market transactions, the Company also has credit limits with financial institutions, which are regularly reviewed by its Financial Management Committee, based on an in-house evaluation and ratings disclosed by risk rating agencies.

As mentioned in Note 3, the Company has investments in an Exclusive Investment Fund. The amount of investments by financial institution is within the limits defined by the Company in its credit policies for financial institutions.

a.3) Hydrological risks

According to the Electric System National Operator (ONS) data, most of the energy supply of SIN (Brazilian National Integrated System) was generated by Hydroelectric Power Plants (HPP). Since SIN operates in optimized dispatch system centralized by the ONS, each HPP, including the Company's HPPs, is subject to variations in the hydrological conditions verified, both in the geographical region in which they operate as in other regions in the Country. The hydroelectric generation represented approximately 80% of the total installed capacity of the Company's plants, which is equivalent to 5,124 MW. In the event of the occurrence of unfavorable hydrological conditions at SIN, jointly with the obligation of delivery of guaranteed energy, the Company may be exposed to the short-term energy market, which could affect the Company's future financial results.

a.4) Environmental risks

The activities in the energy sector may cause negative impacts and damages to the environment. Federal legislation imposes to those who directly or indirectly cause environmental degradation the duty to repair or indemnify the damages caused to the environment and third-parties affected, regardless of guilt. The federal legislation also sets forth the disregard of the polluting company's corporate entity, as well as personal liability of managers, in order to make feasible the refund of losses caused to the quality of the environment. As a consequence, partners and managers of the polluting company may be obliged to pay for environmental reparation costs. The environmental risks are mitigated by the Company by means of its environmental Policy focused on the sustainable development of its business.

b) Market value

In transactions involving financial instruments, only in loans, financings and debentures significant differences between market and book values were found, mainly due to the fact that such financial instruments have quite extended repayment terms and differentiated costs as compared to the rates currently in force for similar agreements. To measure fair values, the Company's management used discounted future cash flows at rates deemed adequate for similar transactions or international market rates, when available.

	Company			
	3.31.2010		12.31.2009	
	Book value	Market	Book value	Market
Loan and financing in foreign currency	251,389	250,951	246,417	250,096
Loan and financing in local currency	86,369	87,067	98,313	99,078
Debentures	1,739,515	1,662,854	1,694,553	1,624,791
	2,077,273	**2,000,872**	**2,039,283**	**1,973,965**

	Consolidated			
	3.31.2010		12.31.2009	
	Book value	Market	Book value	Market
Loan and financing in foreign currency	251,389	250,951	246,417	250,096
Loan and financing in local currency	1,180,311	1,181,009	1,440,035	1,443,770
Debentures	1,774,857	1,698,196	1,728,190	1,658,428
	3,206,557	**3,130,156**	**3,414,642**	**3,352,294**

The Company has no derivative financial instruments. As a result of the history of the Real volatility against foreign currencies, below is a detailed analysis of the Company's foreign currency debt sensitivity, taking into consideration a basic scenario projected to 12.31.2010 and another two taking into consideration a 25% and 50% depreciation in relation to the basis scenario. The projection of the effects resulting from the application of these scenarios to the Company's financial result for 2010 would be as follows:

	Book value	Scenario projected	Scenario I *25% variation*	Scenario II *50% variation*
STN	151,711	9,564	49,882	90,201
BNP Paribas	99,678	9,729	37,082	64,434
	251,389	**19,293**	**86,964**	**154,635**

29 – RELATED-PARTY TRANSACTIONS

The Company has agreements with its subsidiaries, explained as follows:

Itasa

Electricity purchase and sale agreements of 167 average MW and 61 average MW of energy, effective up to 10.16.2030, restated respectively by the IGP-M (General Market Price Index) and the Dollar variation plus the annual U.S. inflation. The agreements' outstanding balance as of 3.31.2010 is R$2,223,548 and R$497,991, respectively.

Service agreement of Itá Hydroelectric Power Plant operation and maintenance executed by the Company, within the scope of Itá Consortium, effective up to 10.16.2030, the amounts of which are annually restated by the IGP-M, and the outstanding balance as of 3.31.2010 is of R$207,328.

Lages

Electricity purchase and sale agreement of up to 26 monthly average MW of electricity, effective up to 3.31.2017. The outstanding balance as of 3.31.2010 is R$44,531.

Operational management service agreement, in view of Lages not having its own staff, effective for an undetermined period. The compensation set for in the Agreement corresponds to R$180 per year, restated annually by the INPC.

Operation and maintenance agreement, expiring on 3.31.2012. The contractual amount is annually restated based on the variation of compensation defined at the Collective Bargaining Agreement of the Company's employees. The agreements' remaining balance as of 3.31.2010 is of R$3,480.

TBLC

Agreement for provision of economic, accounting, fiscal, legal and financial management, planning, control and management, effective for an indeterminate period of time. The annual amount paid by TBLC is R$360, restated annually by the INPC variation.

Energy purchase and sale agreements with the purpose to supply energy for TBLC to comply with its energy sale agreements, with the following characteristics:

a) 150 monthly average MW effective between 03.01.2008 and 3.1.2015, whose debit balance as of 3.31.2010 is R$452,731.

b) 190 monthly average MW effective between 01.01.2009 and 12.31.2016, whose debt balance as of 3.31.2010 is R$787,180.

CESS

Agreement for provision of economic, accounting, fiscal, legal and financial management, planning, control and management for the subsidiary, effective for an indeterminate period of time. CESS pays annually the amount of R$192, restated annually by the INPC variation.

Operation and maintenance agreement of São Salvador Hydroelectric Power Plant (UHSA), expiring on the financing end-date (10.15.2023). The contractual amount is annually restated by the IGP-M variation and debit balance is R$13,104 as of 3.31.2010.

Subsidiaries of Tractebel Energias Complementares Participações Ltda. (TBLP) and Energia América do Sul S.A.

Agreement for provision of economic, accounting, fiscal, legal and financial management, planning, control and management, effective for an indeterminate period of time, for the indirect subsidiaries Hidrelétrica Areia Branca S.A., Hidropower Energia S.A., Eólica Beberibe S.A., Eólica Pedra do Sal S.A., Tupan Energia Elétrica S.A., Ibitiúva Bioenergética S.A. and Ponte de Pedra S.A. The annual amount of the group of companies is R$864, restated annually by the INPC variation.

GDF SUEZ Energy Latin America Participações Ltda. (GSELA)

The Company has payables referring to the interest on equity determined by the Board of Directors' Meeting held on 11.07.2009 and supplementary dividends established by the Annual General Meeting held on 4.23.2010, in addition to other small amounts referring to service provision between the companies, totaling R$71. Also, in January 2010 the Company made an advance payment to GSELA referring to the 1st installment of the payment for acquisition of SUEZ Energia Renovável S.A. in the amount of R$304,556.

SUEZ-Tractebel S.A. (Indirect subsidiary)

The Company executed an agreement with SUEZ-Tractebel S.A., its indirect controlling company, headquartered in Brussels, Belgium, the purpose of which is the provision of advisory services in the management, operational, financial, accounting, legal, marketing and development areas of projects, according to the Company's needs. The agreement renewal was approved by unanimous vote of the Company's minority shareholders, at the Extraordinary General Meeting held on 4.23.2010, and the controlling shareholder resigned the voting right. The term of the agreement is three years, renewable each year. The value of fees during the effectiveness of the agreement is limited to the annual non-cumulative amount of €1,500,000.00. Services shall be executed and respective fees shall be submitted to the Company's Fiscal Council, which has one member elected by the minority shareholders.

The amounts recorded in balance sheet and income statement accounts are as follows:

	Assets					Liabilities				
3.31.2010	Accounts receivable	Dividends	Loan	Investment	Total	Suppliers	Related parties	Dividends and Interest on Equity	Other	Total
ITASA	2,296	5,790	-	-	8,086	5,532	-	-	12	5,544
LAGES	811	-	-	-	811	-	-	-	-	-
TBLC	81,794	-	-	-	81,794	-	-	-	-	-
PPESA	235	-	-	-	235	-	-	-	-	-
CESS	3,727	1,628	-	-	5,355	-	-	-	-	-
IBITIÚVA	21	-	54,841	-	54,862	-	-	-	-	-
AREIA BRANCA	272	-	-	-	272	-	-	-	15	15
SUEZ TRACTEBEL	4	-	-	-	4	-	-	-	1,521	1,521
LEME ENGENHARIA	-	-	-	-	-	147	-	-	-	147
GSELA	71	-	-	304,556	304,627	-	-	169,590	-	169,590
OTHER	222	-	-	-	222	-	-	-	67	67
TOTAL	**89,453**	**7,418**	**54,841**	**304,556**	**456,268**	**5,679**	**-**	**169,590**	**1,615**	**176,884**
12.31.2009	**70,127**	**10,719**	**35,654**	**-**	**116,500**	**6,421**	**-**	**169,590**	**918**	**176,929**

	Income								
	Operating revenue				Electricity cost		Expenses		
		Service revenue							
3.31.2010	Electricity supply	Operation and maintenance	Management	Total	Electricity purchase	Fuels	General and administrative	Total	Income in earnings of subsidiaries
ITASA	-	2,967	-	2,967	30,715	-	-	30,715	5,278
LAGES	1,473	436	45	1,954	-	-	-	-	2,148
TBLC	84,131	-	90	84,221	-	-	-	-	(5,914)
EAS	-	-	-	-	-	-	-	-	2,631
CESS	-	-	50	50	-	-	-	-	(21,176)
DELTA	-	-	-	-	-	-	-	-	-
PPESA	-	-	49	49	-	-	-	-	-
TBLP	-	-	-	-	-	-	-	-	1,751
SUEZ TRACTEBEL	-	-	-	-	-	-	1,139	1,139	-
IBITIÚVA	-	-	60	60	-	-	-	-	-
OTHER	-	-	107	107	-	-	-	-	-
TOTAL	**85,604**	**3,403**	**401**	**89,408**	**30,715**	**-**	**1,139**	**31,854**	**(15,282)**
3.31.2009	**141,787**	**3,215**	**144**	**145,146**	**30,603**	**3,044**	**-**	**33,647**	**19,614**

Compensation of Management's key personnel

The compensation, the charges and benefits related to the Management's key personnel are presented as follows. The only long-term benefit is the pension (post-employment).

	Company		Consolidated	
	3.31.2010	3.31.2009	3.31.2010	3.31.2009
Short-term benefits and fees	1,707	1,520	1,839	1,644
Social charges	545	393	571	418
Manager's bonus and charges	719	508	719	508
Post-employment benefits	176	142	176	142
	3,147	**2,563**	**3,305**	**2,712**

The management's remuneration is not based on shares of Tractebel Energia.

30 – GUARANTEES TO THIRD PARTIES

The Company is intervening party to the agreements executed between its subsidiaries that have contracted financing from BNDES, the financing agents and BRDE, linked to the construction of their respective plants, having assigned, as collateral, all the shares or quotas it owns issued by these subsidiaries up to the final settlement of all liabilities undertaken in these agreements.

The Company has been negotiating with the funding agents of Tupan and Hidropower (the Brazilian Savings Bank and Banco do Brasil, respectively) for the replacement of the guarantees. After this process is completed, the Company will become the intervening party to the financing agreements of these indirect subsidiaries.

31 – INSURANCE

The Company has a comprehensive operating risk insurance policy with a declared amount for property damages of US$4,867,212 (R$8,668,505) as of 3.31.2010, and with a declared amount for short-term loss of profits of US$140,761 (R$250,695) as of 3.31.2010, and long-term loss of profits of US$166,167 (R$295,943) as of 3.31.2010. The maximum combined material damage and loss of profits claim limit is US$250,000, equivalent to R$445,250, as of 3.31.2010, per event.

In addition to this coverage, the Company has civil liability insurance policies with coverage of R$87,215. Such policies include Itá Hydroelectric Power Plant and Machadinho Hydroelectric Power Plant, under consortium, Lages Co-generation Unit, Ponte de Pedra and São Salvador Hydroelectric Power Plants, Rondonópolis (Tupan), Engenheiro José Gelazio da Rocha (Hidropower) and Areia Branca Small Hydroelectric Power Plants and Pedra do Sal and Beberibe wind farms.

Insurances contracted related to their subsidiaries, as of 3.31.2009, have the following main characteristics and coverage amounts:

	Operating risks		Long-term loss of profits	
	US$	R$	US$	R$
Lages	40,032	71,297	-	-
CESS	231,575	412,435	-	-
Ponte de Pedra	196,600	344,802	13,242	23,584
Tupan	24,074	42,876	850	1,514
Hidropower	24,074	42,876	792	1,411
Pedra do Sal	24,882	44,315	6,878	12,250
Beberibe	49,565	88,275	6,763	12,045

Subsidiary Ibitiúva has risk insurance policies with maximum indemnity limit of R$100,576 and of civil liability with coverage amount of R$1,000.

In addition to these strategic insurance policies, the Company also has insurance to cover national and international transportation risks, civil liability of board members, officers and management, extended to its subsidiaries, as well as group life insurance for its officers and employees.

32 – LONG-TERM AGREEMENTS

The Company has long-term commitments, the main of which are as follows:

a) Connection agreement

The Company entered into a connection agreement with Eletrosul and Furnas Centrais Elétricas S.A. (Furnas), effective until the termination date of the Company's generation units concession or the liquidation of the transmission company, whichever comes first.

Regarding the companies recently acquired, the connection usage agreements are the following:

- Eólica Beberibe S.A.: Companhia Energética do Ceará (Coelce).
- Eólica Pedra do Sal S.A.: Companhia Energética do Piauí (Cepisa).
- Hidrelétrica Areia Branca S.A.: Cemig Distribuição S.A. (Cemig).

As of 3.31.2010 the connection agreements' remaining balance amounts to R$234,187.

b) Transmission and Distribution Network Usage Agreement (Cust and Cusd)

In order to use the transmission system and basic network, the Company and its subsidiaries Ponte de Pedra Energética S.A. and Companhia Energética São Salvador have agreements with the ONS. For plants that are not directly connected to the basic network, Distribution Usage Agreements are maintained, as follows:

- UTE Willian Arjona: Empresa Energética do Mato Grosso do Sul S.A. (Enersul).
- UTE Alegrete: AES Sul Distribuidora Gaúcha de Energia S.A. (AES Sul).
- UTE Jorge Lacerda A: Centrais Elétricas de Santa Catarina S.A. (Celesc).
- Tupan e Hidropower: Centrais Elétricas Matogrossenses S.A. (Cemat).
- Beberibe: Companhia Energética do Ceará (Coelce).
- Pedra do Sal: Companhia Energética do Piauí (Cepisa).
- Hidrelétrica Areia Branca S.A.: Cemig Distribuição S.A. (Cemig).

Most agreements are effective up to the termination date of the concessions or authorizations of the Company's generation units, or termination of transmitting and distributing companies, whichever occurs first. As of 3.31.2010 the agreements' remaining balance amounts to R$6,041,544.

c) Electricity purchase and sale bilateral agreements

According to effective guaranteed energy and purchase and sale agreements, the Company's energy balance sheet shows that current capacity has the following contracting levels:

	Average MW(*)				
Year	Own resources	Purchase for resale	Total availability	Contracted availability	% Contracted
2010	3,365	651	4,016	3,930	97.86%
2011	3,504	352	3,856	3,593	93.18%
2012	3,617	306	3,923	3,642	92.84%
2013	3,617	278	3,895	3,481	89.37%
2014	3,617	253	3,870	3,001	77.55%
2015	3,617	200	3,817	2,763	72.39%

(*) *Information on average MW is not revised by the independent auditors.*

d) Purchase of electricity from Argentina

In May 1998, Tractebel Energia and Cien entered into an Agreement, through which Cien undertook to supply Tractebel Energia 300 MW of firm power with associated energy, for a 20-year term as of the commercial start-up of the transmission system between Brazil and Argentina, on 06.21.2000.

In 2006, it was verified that Cien was not capable of supplying the amount of energy provided for in the agreement, which made Aneel issue a Normative Resolution to reduce the amounts of physical power guarantee to "zero" to comply with the agreement with Tractebel Energia. The reduction to "zero" would be valid until Cien could prove the availability exists, which has not happened.

Due to the need to solve such quarrel, which has been going on for a long time, without any perspective of solution, Tractebel Energia, in view of the total default of Cien, filed a lawsuit, mainly requiring the agreement termination, with the payment of due fine, and reimbursement of losses caused by not receiving the contracted electricity. At the moment, it is not possible to estimate any amount involved in said lawsuit. By now, all necessary measures to carry out Tractebel's commercial operations, as well as to rebalance its portfolio, were already taken previously in the past years.

e) Purchase of natural gas

The Company entered into a gas purchase agreement with Companhia de Gás do Mato Grosso do Sul (MSGÁS), effective for five years, starting 2001, the startup of William Arjona Thermoelectric Power Plant (UTWA), renewable for an additional five years.

With the expiration of the contract period, on 05.22.2006, the Company showed its interest to renew the agreement, however, MSGÁS communicated that the renewal would depend on the adjustment of the product price, as determined by Petróleo Brasileiro S.A. (Petrobras), the gas seller to MSGÁS and the consenting party in the contract.

Petrobras appealed to the Mato Grosso do Sul Court of Justice, which upheld the decision. Notwithstanding, it filed a special appeal with the Superior Court of Justice (STJ), where, at a Writ of Prevention, was granted the stay of the lawsuit, authorizing it, as of November 2007, to suspend the supply. As a result, the Company had been buying power in the CCEE to supply the UTWA. When convenient and necessary, the Company has been operating with diesel oil as fuel, since the plant has this flexibility.

As a consequence of the filing of the Preparatory Writ of Prevention, the Company filed an Ordinary Appeal Lawsuit which was judged valid for the purpose of setting forth that purchase and sale agreements of natural gas entered into between the Company and MSGÁS, and between MSGÁS and Petrobras and its respective addendum may be renewed for a 5-year term, beginning on 05.23.2006. The period in which the gas supply was interrupted as a result of this litigation shall be added to the end of the agreement, which shall be ending proportionally to the term extended. Gas price and quantity shall be the ones contracted and restated as per Thermoelectric Power Plant Priority Program (PPT).

The Superior Court of Justice has recently dismissed the Writ of Prevention and Petrobras's Special Appeal due to lack of grounds. As a consequence, the Preparatory Writ of Prevention included an order for MSGÁS and Petrobras to keep on supplying gas to Arjona as of 11.26.2009.

f) Leasing agreements

The leasing agreements listed below have been classified as "operating", because the ownership of the asset cannot be transferred to the lessee by the end of the agreement's duration, and because there is no option to purchase the asset.

Eólica Beberibe has four land lease agreements used for the installation and edification of towers of wind turbines, substation and transmission stations associated. These agreements mature between May 2027 and September 2032 and amounts are comprised of fixed and variable installments, corresponding to a percentage over gross revenue of the subsidiary. Fixed installments are restated by IGPM, by the dollar variation and the inflation rate in the United States of America (USA), depending on each agreement.

Eólica Pedra do Sal has one lease agreement of the land where the generating complex is located, with maturity in 2029. The monthly paid amount contracted corresponds to a percentage over gross operating revenue.

In the first quarter of 2010 the total amount spent by the Company on leasing was R$137.

The total minimum future payments are:

2010	500
2011 a 2015	2,548
2016 and thereafter	17,008
	20,056

Wind energy generation projects acquired in 2009: the companies acquired by subsidiary TBLP have eight lease agreements for land used in the installation and construction of the wind generator towers, a substation and associated transmission facilities. The agreements mature from 2032 to 2042, and the payments are composed by fixed and variable installments. The latter will be due as of the beginning of each project's operations. In the first quarter of 2010, total expenses were R$40.

The total estimated minimum future payments are as follows:

2010	350
2011 to 2015	1,560
2016 and thereafter	8,701
	10,611

g) Agreements for construction in progress

g.1) Destilaria Andrade Thermoelectric Power Plant

Indirect subsidiary Ibitiúva executed an agreement with Areva Koblitz for the presentation of engineering services, acquisition of equipment and construction of Destilaria Andrade Thermoelectric Power Plant, whose remaining amount as of 3.31.2010 is R$25,537. The agreement is effective up to 6.1.2010.

Ibitiúva has also executed an agreement with Leme Engenharia Ltda., a company belonging to the GDF SUEZ, for the control of quality of Destilaria Andrade Thermoelectric Power Plant project, at the remaining amount as of 3.31.2010 of R$162, effective up to 4.1.2010.

For Destilaria Andrade plant's transmission line an agreement was executed with Santa Rita Comércio e Instalações Ltda., with outstanding balance of R$1,198 as of 3.31.2010.

g.2) São Salvador Hydroelectric Power Plan

Subsidiary CESS has an agreement with Consórcio São Salvador for provision of engineering, equipment acquisition and construction services for São Salvador Hydroelectric Power Plan. The amount to be realized as of 3.31.2010 was R$10,569.

33 – ADDITIONAL INFORMATION TO THE CASH FLOW

As an addition to the cash flow presented as part of the Financial Statements, the transactions that do not involve the cash and payments made in the year are the following:

	Company		Consolidated	
	3.31.2010	**3.31.2009**	**3.31.2010**	**3.31.2009**
Payment in the year				
Interest from loans, financing and debentures	2,496	3,802	26,368	20,037
Income and social contribution taxes	347,613	329,417	352,913	335,346

34 – RECONCILIATION TO THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

a) Introduction

The Company prepared its financial statements according to the standards issued by the Brazilian Securities and Exchange Commission (CVM) including CVM Resolution number 565/08. The reconciliation note comparing net income and shareholder's equity under CVM standards with IFRS, as required by the São Paulo Stock Exchange (BM&FBovespa), does not constitute a complete presentation of the financial statements comprising, comparatively, the Balance Sheet, the Income Statements, the Statements of Changes in Shareholders' Equity and Cash Flows, and the explanatory notes as required by the International Financial Reporting Standards (IFRS).

The Company adopted IFRS 1 - "First Time Adoption of International Financial Reporting Standards" in order to determine the adjustments to the opening balances; the basis and options applied may change when the Company prepares its complete financial statements according to IFRS.

b) Reconciliation Procedures

December 31, 2007 was the first financial year end for which the IFRS reconciliation and accompanying notes was presented.

As required by IFRS 1, the opening balance reflects all of the pronouncements and interpretations of IFRS effective on December 31, 2007, except for the exemptions and exceptions allowed in the application of IFRS 1 for determining the measurement of the impacts on the opening balance.

The reconciliation of the differences between the shareholders' equity and the net income determined in accordance with the accounting practices adopted in Brazil and those determined by IFRS were drawn up based on the financial statements of the Company, prepared in accordance with accounting practices adopted in Brazil, as described in Note 2. The reconciliation of the shareholders' equity and the net income, as required by the São Paulo Stock Exchange (BM&FBovespa) in order to meet the Novo Mercado (New Market) listing requirements, does not represent a complete set of financial statements comprising a balance sheet, income statement, statement of changes in shareholders' equity and cash flow statement, presented on a comparative basis and with the respective explanatory notes, as required by IFRS.

	Shareholders' equity		Net income 1st quarter	
	3.31.2010	12.31.2009	2010	2009
Brazilian accounting practices	3,929,969	3,681,267	248,702	233,888
Monetary adjustment	179,465	184,099	(4,634)	(4,794)
Post-employment benefits	68,226	68,155	71	5,708
Foreign exchange variation and interest income	(62,874)	(63,371)	497	496
Capitalized financial charges	78,130	78,607	(477)	6,104
Borrowing costs	(12,016)	(12,099)	83	83
Capitalization on investment acquisition	15,796	15,432	364	365
Deferred income and social contribution taxes	(82,711)	(83,350)	639	(3,632)
	4,113,985	**3,868,740**	**245,245**	**238,218**

Monetary adjustment

In accordance with the standards issued by CVM, the Company did not recognize the Brazilian inflationary effects subsequent to December 31, 1995. On January 1, 1996, the net amount accounted for in respect of all non-monetary assets and liabilities became their historic cost. In accordance with IFRS (IAS 29 - Financial Reporting in Hyperinflationary Economies), Brazil was considered as being a hyperinflationary economy until 1997, and accordingly, for IFRS purposes, the Company continued to recognize inflation effects based on the IGPM index (general market price index).

The adjustment presented in the line item "Monetary adjustment" represents the inflationary effects on property, plant and equipment recognized in 1996 and 1997 for IFRS purposes, net of the effect of depreciation and write-offs on such monetary adjustment.

Post-employment benefits

As disclosed in Note 23, the Company accounts for post-employment benefits in accordance with CVM Resolution No. 371/2001, since December 31, 2001. Specifically, for the actuarial liability related to the defined benefit plan, the Company opted for the corridor methodology to recognize actuarial gains and losses.

For IFRS purposes, the Company adopted the exemption prescribed by IFRS 1 (First Time Adoption of International Financial Reporting Standards), under which all actuarial gains and losses related to the defined benefit plan, sponsored by the Company, were recognized on the IFRS transition date.

As permitted by IAS 19, the Company adopted a policy of recognizing actuarial gains and losses in the year in which they occurred in the shareholders' equity as other comprehensive income.

Consequently, the shareholders' equity adjustment shown in the line item "Post-employment benefits" represents the actuarial gain not recognized for CVM standards purposes, and recognized for IFRS purposes.

Foreign exchange variation and interest income

Based on the Local GAAP, the foreign exchange differences arising from foreign currency-denominated loans and financing and interest income from marketable securities resulted from third party fund were fully capitalized in the cost of property, plant and equipment under construction. For IFRS purposes, these exchange differences and interest income were capitalized up to the amount equivalent to the cost of a loan, if raised in Brazil (as required by IAS 23 – Borrowing costs).

Capitalized financial charges

According to IFRS, the Company's own capital used to finance subsidiaries' construction in progress was capitalized in subsidiaries' property, plant and equipment; such capitalization is based on the interest rates of the loans and financing obtained.

Borrowing costs

Under CVM standards, the borrowing costs of certain financing assumed for the construction of a hydroelectric project were capitalized in the underlying asset.

Under IFRS, these costs are considered financing costs and are amortized over the period of the financing.

Capitalization on investment acquisition

The amount of deferred charges (goodwill) accounted for in respect of the acquisition of Itá Energética S.A. in 2001 was, as of January 1, 2008, reclassified to intangibles and was maintained under this caption for CVM standards. Under IFRS, the Company performed a purchase price valuation at the date of acquisition and included the amount in property, plant and equipment; the deferred charges' (up to December 31, 2007) and intangibles' amortization rates are higher than that of the depreciation rate of property, plant and equipment.

Deferred income and social contribution taxes

Represented by the effect of income and social contribution taxes on the accounting adjustments required to reconcile net income and shareholders' equity according to the standards issued by CVM to the IFRS. This amount includes the recognition of deferred tax credits for IFRS purposes on temporary differences in permanent assets which are realizable over a period in excess of 10 years and which were not recognized according to CVM standards purposes. The amounts of each adjustment are shown in the chart below:

	Shareholders' equity		Net income	
	3.31.2010	12.31.2009	2010	2009
Deferred taxes from reconciliation adjustments	(90,086)	(91,470)	1,384	(2,716)
Deferred taxes from temporary differences in permanent assets	7,375	8,120	(745)	(916)
	(82,711)	**(83,350)**	**639**	**(3,632)**

BOARD OF DIRECTORS

Maurício Stolle Bähr
Chairman

Jan Franciscus María Flachet
Vice-Chairman

Manoel Arlindo Zaroni Torres
Board Member

Victor-Frank de Paula Rosa Paranhos
Board Member

Dirk Achiel Marc Beeuwsaert
Board Member

Alain François Marie Louise Janssens
Board Member

Luiz Antônio Barbosa
Board Member

José Pais Rangel
Board Member

Antonio Alberto Gouvêa Vieira
Board Member

EXECUTIVE OFFICERS

The Company's executive officers hereby declare they have examined, discussed and revised all information provided in the Company's Financial Statements (individual and consolidated), and that they agree with the opinion of the Company's independent auditors (Deloitte Touche Tohmatsu) referenced in the Independent Auditor's Special Review Report.

Manoel Arlindo Zaroni Torres
Chief Executive Officer

Eduardo Antonio Gori Sattamini
Finance and Investor Relations Officer

José Luiz Jansson Laydner
Business Development and Commercialization Officer

Miroel Makiolke Wolowski
Project Implementation Officer

José Carlos Cauduro Minuzzo
Energy Production Officer

Marco Antonio Amaral Sureck
Planning and Control Officer

Luciano Flávio Andriani
Administrative Officer

ACCOUNTING DEPARTMENT

Marcelo Cardoso Malta
Manager of the Accounting Department
Accountant - CRC RJ 072259/O-5 T-SC

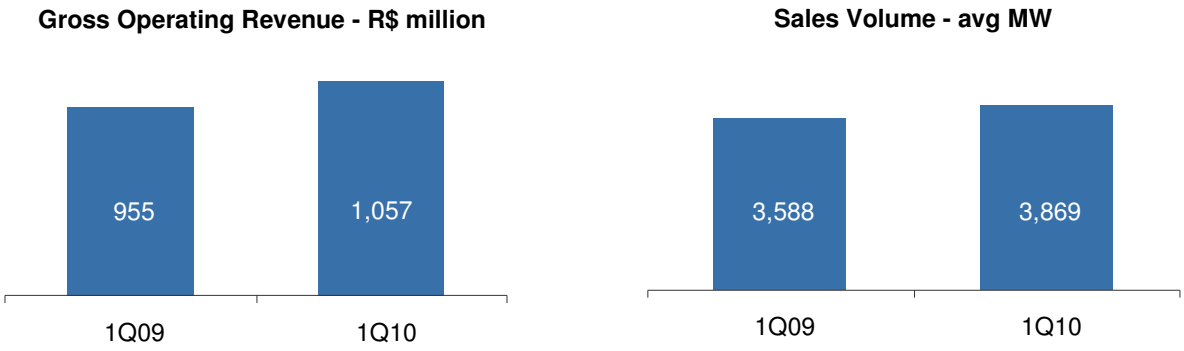
07.01 – COMMENTS ON THE PERFORMANCE IN THE QUARTER

See 12.01 – COMMENTS ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

Gross Operating Revenue

The Company reported gross operating revenue in 1Q10 of R$ 1,057.0 million, 10.7% higher than the same period in 2009 of R$ 954.6 million. This variation is essentially a combination of the following factors: (i) an increase of R$ 40.8 million due to 4.6% higher average sale prices (excluding exports), increasing from R$ 119.33/MWh in 1Q09 to R$ 124.77/MWh in 1Q10; (ii) a growth of R$ 12.4 million due to sales of the energy generated in advance in the São Salvador HPP, which began commercial operations in the second quarter of 2009; (iii) a decline of R$ 41.2 million in operating revenue from the export of electricity, no export business being conducted during the quarter under review; and (iv) an increase of R$ 89.6 million due to the increase of 670 GWh (310 average MW) of sales volume to distributors and free consumers, underscored by higher volumes of electric power purchased for resale.

Average sales volume in 1Q10 was 8,357 GWh (3,869 average MW), 7.8% greater than the 7,750 GWh (3,588 average MW) sold in the same period in 2009. Excluding energy exports in 1Q09 and sales of the energy generated in advance in the São Salvador HPP in 1Q10, the amount of energy sold would have increased by 8.9% from 7,546 GWh (3,494 average MW) in the first quarter of 2009 to 8,216 GWh (3,804 average MW) in 1Q10.



Principal Components of Gross Operating Revenue

Wholesale market for electric energy

Revenue from the wholesale market, namely sales to entities other than free consumers, reached R$ 810.2 million in 1Q10, 16.7% higher than the R$ 694.1 million recorded in 1Q09. This growth reflected the following salient factors: (i) growth of R$ 8.1 million as a result of the sales of the energy generated in advance in the São Salvador HPP to trading companies; (ii) an increase of 28.6 million due to a 5.5% increase in average prices of energy sold to distributors; and (iii) a growth of R$ 76.4 million (equivalent to 563 GWh – 261 average MW) due to both higher sales volume to distributors, the result of enhanced sales to the distributor pool with the beginning of retail supplies of 200 average MW - sold via auction held in 2005 and as well as distributor use of additional purchasing flexibility built into contractual terms. It should be pointed out that sales to trading companies in the periods under review did not show any significant variation.

Retail market for electric energy

Retail electric energy market (sales to free consumers), reported a 12.7% year-on-year growth from R$ 206.3 million in 1Q09 to 232.5 million in 1Q10, a result of the following key factors: (i) an increase of R$ 17.2 million (equivalent to 146 GWh – 68 average MW) in the light of the signature of new contracts and the increase in supplies to free consumers – a consequence of the recovery in industrial consumption due to the reduced impact of the world economic crisis - R$ 4.3 million of the increase representing the sales of the energy generated in advance in the São Salvador HPP to free consumers; and (ii) a growth of R$ 9.0 million due to an increase of 4.3% in average prices of energy sold.

Transactions channeled through the Energy Trading Board (CCEE)

In 1Q10, revenues under this item reported R$ 7.8 million while in 1Q09 they were R$ 9.8 million. Further explanations on these operations can be found in the item "Details of CCEE Operations".

Exports of electric energy

In 1Q09, the Company recorded revenues on exports to Argentina of R$ 41.2 million, while in the quarter under review no energy was exported.

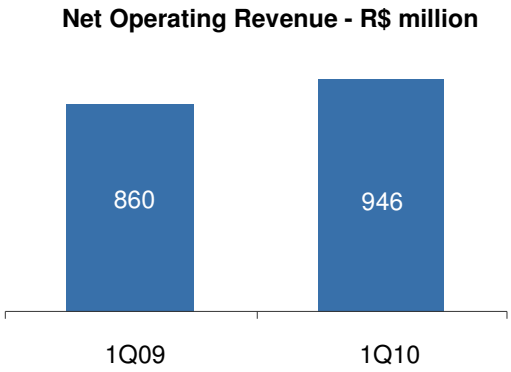
Deductions from Operating Revenue

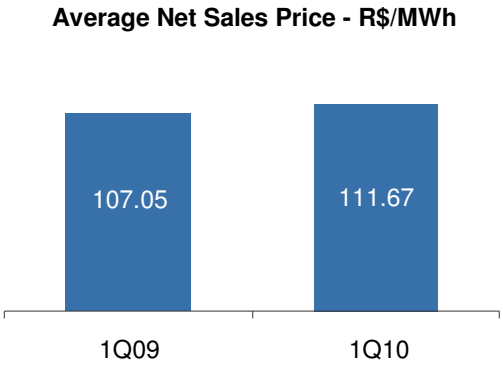
Deductions from operating revenue reported a year-on-year increase of 18.2% from R$ 94.4 million to R$ 111.5 million. These deductions represented 10.5% and 10.3% of gross operating revenue (net of exports) for the first quarter of 2010 and 2009, respectively. This increase is justified by a combination of the following: (i) an increase of R$ 10.8 million in PIS and Cofins due to a switch from the cumulative system (rate of 3.65%) used to levy these charges to a non-cumulative one (at a rate of 9.25%, but with the right to tax breaks on certain transactions) on those contracts with pre-fixed prices concluded during and after 1Q09; and (ii) a rise of R$ 6.1 million in ICMS sales tax due to increased sales volume to industrial consumers, transactions on which this tax is collected, and due to the termination of deferral rights on ICMS payments granted to certain consumers in the state of Santa Catarina.

Net Operating Revenue

Net operating revenue in 1Q10 registered an increase of 9.9% compared with the same quarter in 2009, rising from R$ 860.3 million to R$ 945.5 million. The increase reported is directly related to the trend in gross operating revenue and deductions from operating revenue as mentioned above.

The average electric energy sales price, net of exports and deductions from operating revenue, reached R$ 111.67/MWh in 1Q10, 4.3% more than the price in 1Q09 of R$ 107.05/MWh. This increase reflects the readjustment of the prices of the existing contracts and the prices applicable to new contracts, principally those with free consumers and with the distributor pool as mentioned above.





Costs of Electric Energy and Services

Costs were R$ 425.4 million in 1Q10, 1.0% up on the R$ 421.1 million for the same quarter in 2009. This change is fundamentally due to trends in the principal cost components as follows:

- **Electric power purchased for resale:** an increase of R$ 76.2 million in 1Q10 due basically to the increase of 696 GWh (322 average MW) of electric energy purchased for resale, allowing the Company to sell a 30-year product in the so-called "botox" energy auction at attractive prices, deliveries to begin in 2010, and to meet energy sales commitments. A large number of these purchase contracts was signed some years ago – and therefore bearing no relation to spot prices (PLD).
- **Transactions channeled through the Energy Trading Board (CCEE):** a reduction of R$ 85.0 million, as commented under a specific item below.
- **Charges for the use of and connection to the electricity grid:** an increase of R$ 6.3 million in 1Q10 principally due to the startup of operations of the São Salvador HPP in the second quarter of 2009, and also the annual tariff adjustment.
- **Fuel Expenses:** a fall of R$ 21.3 million in 1Q10 mainly the result of lower coal consumption used for energy exports, no operations of this type being conducted during the quarter.
- **Financial compensation for the use of water resources:** a growth of R$ 11.9 million, reflecting the substantial increase in dispatch from the hydroelectric power plants in 1Q10 due to heavy rainfall in the period when compared with the same quarter in 2009. In the latter period, plant generation activities were restricted due to the unfavorable hydrological conditions as described under the "Production" item.
- **Depreciation and amortization:** an increase of R$ 10.0 million in 1Q10 compared with the same period in 2009, largely due to initial depreciation costs on the assets of the newly commissioned São Salvador HPP.
- **Personnel:** an increase of R$ 1.6 million in 1Q10, the result of an increase in headcount and adjustments in employee salaries and benefits.
- **Materials and third party services:** a growth of R$ 3.3 million in 1Q10 due to the increase in the contracting of maintenance services and conservation work on the Company's generating units.

Energy Trading Board – Details of CCEE Operations

The various monthly credit or debit entries to the account of a member of the CCEE are summarized in a single billing as a receivable or a payable. This therefore requires an entry to either an income or an expenses account. In this context it is worth pointing out that due to adaptations to commercialization strategy, there have been changes in billing profile in the past few years. Such fluctuations complicate the direct comparison of the elements comprising each billing over the two-year period – the reason for including the present topic. In this way, we are able to analyze the oscillations in the principal elements in spite of their allocation either to income or expenses according to the credit or debit nature of the billing to which they relate.

Generically speaking, these elements are income or expense items arising for example from: (i) the application of the Energy Reallocation Mechanism (MRE); (ii) the so-called "sub-market risk"; (iii) dispatch triggered by the Risk Aversion Curve (CAR); (iv) the application of System Service Charges (ESS), resulting in dispatch which diverges from the thermal plants order of merit; and (v), naturally, exposure (a short or long position in the monthly accounts) which will be settled at the spot price.

In 1Q10, the Company reported net revenue of 7.1 million from transactions conducted through the CCEE, while in the same period in 2009, there was a net expense of R$ 75.9 million, a year-on-year gain of R$ 83.0 million in the result between the comparable periods. This variation principally reflected:

I. an increase of R$ 23.4 million in the Energy Reallocation Mechanism (MRE) result, which was transformed from a net expense of R$ 5.2 million in 1Q09 to a net revenue of R$ 18.2 million in the quarter under review. This variation occurred due to the substantial increase in dispatch from the Company's hydroelectric power plants in 1Q10, due to heavy rainfall recorded in the period when compared with the same quarter in 2009, when hydroelectric generation was affected by the drought in southern Brazil. This improvement in revenues was partially offset by higher outlays in royalties, as described under the item "Financial compensation for the use of water resources"; and

II. other transactions executed through the CCEE recorded an improvement in results of R$ 59.6 million, a consequence primarily of a reduction in expenses arising from short positions. With respect to the latter, average spot prices were lower in 1Q10 at R$ 18.17/MWh than in 1Q09 when these same prices stood at R$ 75.53/MWh.

General and Administrative Expenses

General and administrative expenses rose R$ 2.0 million from R$ 36.8 million in 1Q09 to R$ 38.8 million in 1Q10, an increase of 5.6%, essentially due to the higher expenses with personnel and members of management, following a readjustment in annual salaries and benefits, as well as an increase in total headcount – including those who are in training for the operation and maintenance of the plants to come into operation in 2010 and 2011.

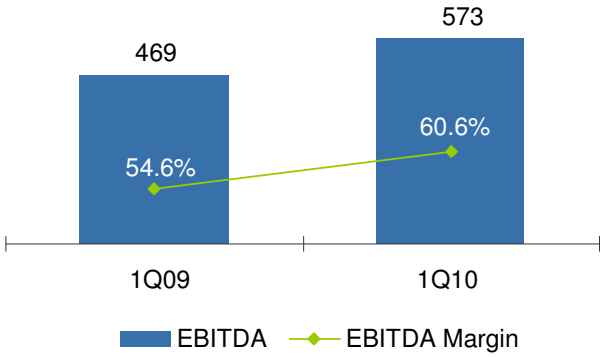
Operating Provisions

These expenses declined from R$ 13.7 million in 1Q09 to R$ 2.2 million in 1Q10, a reduction of R$ 11.5 million due to a combination of the following: (i) a decrease of R$ 15.4 million in civil provisions as a result of an allowance of R$ 16.5 million having already been set aside in 1Q09 to cover probable losses on the revision of retirement benefits; (ii) a reduction of R$ 5.2 million in the provision for covering post-employment benefits; and (iii) an increase of R$ 9.5 million in fiscal contingencies following the reversal of a provision in 1Q09 of R$ 8.3 million, due to a final court ruling on a legal suit with no right of appeal.

EBITDA and EBITDA Margin

Reflecting the impact of factors already commented, 1Q10 EBITDA was R$ 573.2 million, 22.2% higher when compared with 1Q09, when the Company reported an EBITDA of R$ 469.3 million. The EBITDA margin in 1Q10 was 60.6%, while in 1Q09 this was 54.6%.

EBITDA (1) (R$ million) and EBITDA Margin (%)



(1) EBITDA represents: operating profits + financial result + depreciation and amortization

In order to allow the reconciliation of the operating income with the EBITDA, we present the table below:

EBITDA (in thousands of R$)	1Q10	1Q09	Chg. %
Operating income	376,790	349,762	7.7
(+/-) Financial Expenses	103,586	36,768	181.7
(+) Depreciation and Amortization	92,834	82,737	12.2
Total	**573,210**	**469,267**	**22.2**

Financial Result

Financial income: increased by R$ 7.2 million in 1Q10 from R$ 21.2 million in 1Q09 to R$ 28.4 million, due to a higher volume of investible resources versus the comparable quarter in 2009.

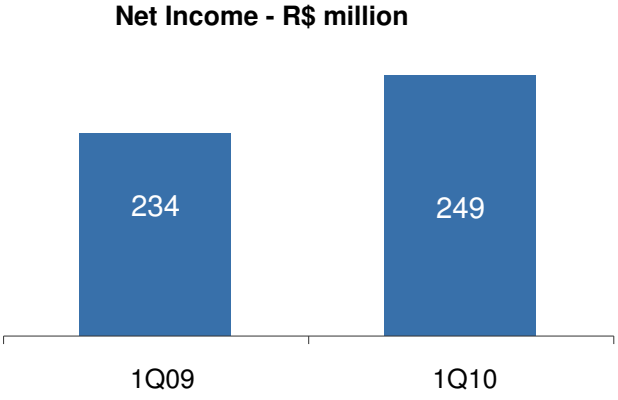
Financial expenses: in 1Q10, these expenses were R$ 132.0 million, an increase of R$ 74.1 million compared with R$ 57.9 million in 1Q09, the result of a combination of the following factors: (i) an increase of R$ 20.3 million in debt servicing charges, a function in large part of interest payable on the concession and the financing of the São Salvador HPP, which began operations in the second quarter of 2009; (ii) growth of R$ 29.8 million in monetary restatement on debt due to the larger variation in inflation indices, and on the concession charges payable for the use of the São Salvador HPP; (iii) a rise of R$ 10.8 million on currency variation expenses on outstanding loans; (iv) a reduction of R$ 11.6 million in charges involving social taxes and contributions and on the Company's actuarial liabilities; and (v) recognition of revenue in 1Q09 of R$ 24.7 million for the adjustment in remuneration on bonds held as collateral for the loan granted by the National Treasury Secretariat (STN).

Income Tax and Social Contribution

Income tax and social contribution expenses in 1Q10 were R$ 128.1 million, R$ 12.2 million higher than the R$ 115.9 million reported for the same period in 2009. The variation is largely due to the increase in the pre-income tax and social contribution result.

Net Income

In 1Q10 net income was R$ 248.7 million, a 6.3% improvement over the same quarter in 2009 when this same item recorded a total of R$ 233.9 million.



01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

13.01 - INTEREST IN SUBSIDIARY AND/OR ASSOCIATED COMPANIES

1 - ITEM	2 - NAME OF SUBSIDIARY/ASSOCIATED COMPANY	3 - CNPJ (Corporate Taxpayer's ID)	4 - CLASSIFICATION	5 - PARTICIPATION IN CAPITAL OF INVESTEE - %	6 - INVESTOR'S SHAREHOLDERS' EQUITY - %
7 - TYPE OF COMPANY		8 - NUMBER OF SHARES HELD IN CURRENT QUARTER (Units)		9 - NUMBER OF SHARES HELD IN PREVIOUS QUARTER (Units)	
01	ITÁ ENERGÉTICA S.A. - ITASA	01.355.994/0001-21	PUBLICLY-HELD SUBSIDIARY	48.75	8.02
COMMERCIAL, INDUSTRIAL AND OTHER TYPES OF COMPANY		253,606,840		253,606,840	
02	COMPANHIA ENERGÉTICA SÃO SALVADOR - CESS	04.848.623/0001-70	PRIVATE SUBSIDIARY	99.99	8.08
COMMERCIAL, INDUSTRIAL AND OTHER TYPES OF COMPANY		309,288,723		271,943,147	
03	TRACTEBEL ENERGIAS COMPLEM. PARTIC. LTDA.	09.212.990/0001-04	PRIVATE SUBSIDIARY	99.99	12.74
COMMERCIAL, INDUSTRIAL AND OTHER TYPES OF COMPANY		509,009,727		999	
04	ENERGIA AMÉRICA DO SUL LTDA.	02.695.010/0001-14	PRIVATE SUBSIDIARY	99.99	20.53
COMMERCIAL, INDUSTRIAL AND OTHER TYPES OF COMPANY		645,269,876		645,269,876	

19.01 – INVESTMENT PROJECTS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

14.01 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	01
2- ORDER No.	1
3 - REGISTRY No. AT CVM	CVM/SRE/DEB/2005/024
4 - REGISTRY DATE AT CVM	5/11/2005
5 - ISSUED TRANCHE	1st
6 - TYPE OF ISSUANCE	SIMPLE
7 - NATURE OF ISSUANCE	PUBLIC
8 - DATE OF ISSUANCE	5/2/2005
9 - MATURITY DATE	5/2/2011
10 - TYPE OF DEBENTURE	WITHOUT PREFERENCE
11 - CONDITION OF CURRENT REMUNERATION	IGP-M + 9.29% p.a.
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	10,196.08
14 - AMOUNT ISSUED (Thousands of Reais)	142,745
15 - NUMBER OF SECURITIES ISSUED (UNIT)	14,000
16 – OUTSTANDING SECURITIES (UNIT)	14,000
17 - TREASURY SECURITIES (UNIT)	0
18 - REDEEMED SECURITIES (UNIT)	0
19 - CONVERTED SECURITIES (UNIT)	0
20 - SECURITIES TO BE DISTRIBUTED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	

19.01 – INVESTMENT PROJECTS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

14.01 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	02
2- ORDER No.	2
3 - REGISTRY No. AT CVM	CVM/SRE/DEB/2005/025
4 - REGISTRY DATE AT CVM	5/11/2005
5 - ISSUED TRANCHE	2nd
6 - TYPE OF ISSUANCE	SIMPLE
7 - NATURE OF ISSUANCE	PUBLIC
8 - DATE OF ISSUANCE	5/2/2005
9 - MATURITY DATE	5/2/2010
10 - TYPE OF DEBENTURE	WITHOUT PREFERENCE
11 - CONDITION OF CURRENT REMUNERATION	103.90% of CDI
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	10,000.00
14 - AMOUNT ISSUED (Thousands of Reais)	60,000
15 - NUMBER OF SECURITIES ISSUED (UNIT)	6,000
16 – OUTSTANDING SECURITIES (UNIT)	6,000
17 - TREASURY SECURITIES (UNIT)	0
18 - REDEEMED SECURITIES (UNIT)	0
19 - CONVERTED SECURITIES (UNIT)	0
20 - SECURITIES TO BE DISTRIBUTED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	

19.01 – INVESTMENT PROJECTS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

14.01 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	03
2- ORDER No.	3
3 - REGISTRY No. AT CVM	CVM/SRE/DEB/2007/013
4 - REGISTRY DATE AT CVM	6/19/2007
5 - ISSUED TRANCHE	U
6 - TYPE OF ISSUANCE	SIMPLE
7 - NATURE OF ISSUANCE	PUBLIC
8 - DATE OF ISSUANCE	5/15/2007
9 - MATURITY DATE	5/15/2014
10 - TYPE OF DEBENTURE	WITHOUT PREFERENCE
11 - CONDITION OF CURRENT REMUNERATION	IPCA + 7% p.a.
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	11,616.97
14 - AMOUNT ISSUED (Thousands of Reais)	406,594
15 - NUMBER OF SECURITIES ISSUED (UNIT)	35,000
16 – OUTSTANDING SECURITIES (UNIT)	35,000
17 - TREASURY SECURITIES (UNIT)	0
18 - REDEEMED SECURITIES (UNIT)	0
19 - CONVERTED SECURITIES (UNIT)	0
20 - SECURITIES TO BE DISTRIBUTED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	

19.01 – INVESTMENT PROJECTS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

14.01 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	04
2- ORDER No.	4
3 - REGISTRY No. AT CVM	CVM/SRE/DEB-99/029
4 - REGISTRY DATE AT CVM	3/4/1999
5 - ISSUED TRANCHE	U
6 - TYPE OF ISSUANCE	SIMPLE
7 - NATURE OF ISSUANCE	PUBLIC
8 - DATE OF ISSUANCE	4/1/1998
9 - MATURITY DATE	4/1/2013
10 - TYPE OF DEBENTURE	SUBORDINATED
11 - CONDITION OF CURRENT REMUNERATION	TJLP + 4% p.a.
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	6,685.52
14 - AMOUNT ISSUED (Thousands of Reais)	51,967
15 - NUMBER OF SECURITIES ISSUED (UNIT)	7,773
16 – OUTSTANDING SECURITIES (UNIT)	7,773
17 - TREASURY SECURITIES (UNIT)	0
18 - REDEEMED SECURITIES (UNIT)	0
19 - CONVERTED SECURITIES (UNIT)	0
20 - SECURITIES TO BE DISTRIBUTED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	

19.01 – INVESTMENT PROJECTS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

14.01 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	05
2- ORDER No.	5
3 - REGISTRY No. AT CVM	CVM/SRE/DEB/2009/002
4 - REGISTRY DATE AT CVM	4/22/2009
5 - ISSUED TRANCHE	U
6 - TYPE OF ISSUANCE	SIMPLE
7 - NATURE OF ISSUANCE	PUBLIC
8 - DATE OF ISSUANCE	4/1/2009
9 - MATURITY DATE	4/1/2011
10 - TYPE OF DEBENTURE	WITHOUT PREFERENCE
11 - CONDITION OF CURRENT REMUNERATION	117% of CDI
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	10,083.49
14 - AMOUNT ISSUED (Thousands of Reais)	605,009
15 - NUMBER OF SECURITIES ISSUED (UNIT)	60,000
16 – OUTSTANDING SECURITIES (UNIT)	60,000
17 - TREASURY SECURITIES (UNIT)	0
18 - REDEEMED SECURITIES (UNIT)	0
19 - CONVERTED SECURITIES (UNIT)	0
20 - SECURITIES TO BE DISTRIBUTED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	

19.01 – INVESTMENT PROJECTS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

14.01 - CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	06
2- ORDER No.	6
3 - REGISTRY No. AT CVM	Exempt pursuant to CVM Instr. 476
4 - REGISTRY DATE AT CVM	11/5/2009
5 - ISSUED TRANCHE	U
6 - TYPE OF ISSUANCE	SIMPLE
7 - NATURE OF ISSUANCE	PUBLIC
8 - DATE OF ISSUANCE	11/5/2009
9 - MATURITY DATE	11/5/2015
10 - TYPE OF DEBENTURE	WITHOUT PREFERENCE
11 - CONDITION OF CURRENT REMUNERATION	110% of CDI
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	1,007,978.02
14 - AMOUNT ISSUED (Thousands of Reais)	403,191
15 - NUMBER OF SECURITIES ISSUED (UNIT)	400
16 – OUTSTANDING SECURITIES (UNIT)	400
17 - TREASURY SECURITIES (UNIT)	0
18 - REDEEMED SECURITIES (UNIT)	0
19 - CONVERTED SECURITIES (UNIT)	0
20 - SECURITIES TO BE DISTRIBUTED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	

New Projects

The Company regularly evaluates opportunities, implements and runs projects related to HPPs, TPPs and co-generation units, having proved its competence in the implementation and operation of projects using various sources of energy (water, coal, natural gas, oil, biomass and wind).

The Company and the Controlling Shareholder adopt a strategy for large-scale hydroelectric projects, based on the segregation between project development and its effective implementation and operation. During the bidding, concession acquisition, regulatory authorizations and negotiation of agreements (including energy sale, construction and financing agreements) up to the beginning of the execution, the project is held and controlled by the Controlling Shareholder. After this first stage, the project is usually transferred to the Company.

Thus, the project is developed outside the Company, which, by doing this, eliminates the risks inherent to project development. Another advantage of this strategy is the broad know-how of the GDF SUEZ Group regarding the development of these projects aligned with its financial and management ability, features that enable greater savings in the analysis of new projects, leverage and trading power. When the time comes for the project to be transferred to the Company, it is examined by an independent financial institution and then transferred under market conditions. The other projects are internally developed by the Company.

Estreito Hydroelectric Power Plant (Estreito HPP)

The construction project of Estreito HPP, located on Tocantins River, on the border of the Tocantins and Maranhão States, is one of the greatest Brazilian generation projects, with an Installed Capacity of 1,087 MW. The project is controlled by the Estreito Consortium, composed of SUEZ Energia Renovável S.A (SER) (holding 40.1% of the equivalent share in the Consortium), Vale (30%), Alcoa Alumínio S.A. (25.5%) and Camargo Corrêa Energia Ltda (4.4%).

During the New Energy Auction held on 10/16/2007, 256 average MW of this hydroelectric utilization were sold at R$126.57/MWh, starting in 2012, and works are on schedule.

On 12/21/2009, the Company signed an agreement for purchase and sale of all SER shares held by GDF SUEZ Energy Latin America Participações Ltda (GSELA), and the transfer of SER control to the Company will be completed after the approval by the project's regulatory bodies and financing agents.

Seival Thermoelectric Power Plant (TPP Seival)

TTP Seival is a project of 340 MW with the goal of supplying energy to Brazil and/or Uruguay. It is a coal-powered plant that will be supplied by the Candiota coal reserve, located in South Brazil, which offers abundant coal at the lowest price per British Thermal Unit in Brazil. To speed up the development of Seival TPP, the Company acquired, through its subsidiary Delta Energética, the share control of Seival Participações S.A (Seival), holder of the rights of a thermoelectric project of up to 540 MW in the region. Investments in this project, including the transmission line, total approximately US$850 million. Studies on said project are on standby for now.

Destilaria Andrade Thermoelectric Power Plant (Destilaria Andrade TPP)

The Company, through its indirect subsidiary Ibitiúva Bioenergética S.A. and Andrade Açúcar e Álcool S.A., company that belongs to Açúcar Guarani S.A. Group, are implementing Destilaria Andrade TPP through the Andrade Consortium.

The energy to be generated by the Plant (20 average MW) was sold at a Reserve Energy Auction and is to be delivered over 15 years, starting in April 2010, at R$158.11/MWh.

Jirau Hydroelectric Power Plant (Jirau HPP)

Energia Sustentável do Brasil is responsible for the construction, maintenance, operation and sale of energy to be generated by the Jirau plant, which is under construction in Porto Velho, in the state of Rondônia. This company, composed of GDF SUEZ (50.1%), Eletrosul (20.0%), Chesf (20.0%) and Camargo Corrêa (9.9%), won the concession auction organized by ANEEL on 05/19/2008, by offering the best proposal for the 70% of the energy produced by the plant to captive consumers served by energy distributors, as of January 2013. HPP Jirau is expected to start its commercial operation in 2012 and the anticipation of the turbine ramp up will make a large amount of energy available to be offered on the free market.

The plant will produce 3,450 MW, coming from 46 75 MW turbines, with assured energy of more than 2,000 average MW, and its concession agreement is expected to last for a period of 35 years. HPP Jirau's installed capacity and assured energy may experience increases due to modifications that have been submitted to ANEEL and the Ministry of Mines and Energy (MME). Following the current business model, there is the chance that the Company may acquire its parent company's portion of the project as soon as the main development risks have been mitigated.

Other Projects

The Company is studying new investment opportunities, including the participation in the various energy auctions held by the Brazilian federal government to compete for selected hydroelectric projects and to offer thermoelectric (coal and biomass) and wind power projects under development.

Following the GDF SUEZ Group's sustainability guidelines, the Company is analyzing the possibility to expand the participation of alternative types of energy in its portfolio by developing new projects of electricity generation fueled by biomass (in partnership with the major sugar-ethanol groups), waste fuel, wind, solar and tidal energy. The Company is also analyzing the possibility to invest in coal-powered plants dedicated to the foreign market and, possibly, to the domestic market as well.

1. Shareholding of owners of more than 5% of the Company's capital stock on 3.31.2010.

Shareholder	Number of common shares	% of capital	Nationality
GDF SUEZ Energy Latin America Participações Ltda. (GSELA)	448,512,623	68.71	Brazilian
Banco Clássico S.A.	65,268,744	10.00	Brazilian
	513,781,367	**78.71**	

1.1 Distribution of capital stock of the controlling shareholders down to the individual level.

1.1.1 GDF SUEZ Energy Latin America Participações Ltda. (GSELA)

Quotaholders	Number of quotas	% of capital	Nationality
SUEZ-Tractebel S.A.	668,322,228	99.99	Belgian
Telfin S.A.	1	0.01	Belgian
	668,322,229	**100.00**	

1.1.1.1 SUEZ – Tractebel S.A.

Quotaholders	Number of quotas	% of capital	Nationality
Electrabel S.A.	129,882,864	99.97	Belgian
Other	31,178	0.03	
	129,914,042	**100.00**	

1.1.1.1.1 Electrabel S.A.

Quotaholders	Number of quotas	% of capital	Nationality
GDF SUEZ S.A.	77,466,078	95.65	French
Other	1,059,769	1.35	
	78,525,847	**100.00**	

(Information not revised by Independent Auditors)

20.01 – OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY

1.1.1.1.1.1 GDF SUEZ S.A.

Quotaholders	Number of quotas	% of capital	Nationality
Groupe Bruxelles Lambert (GBL)	117,183,738	5.18	Belgian
French Republic	811,158,130	35.88	French
Other (*)	1,332,634,399	58.94	
	2,260,976,267	**100.00**	

(*)The shares of GDF Suez S.A. are widely scattered, and the Company is not aware of other shareholders but GBL and Republic of France with more than 5% of the total of the Company's shares.

1.1.1.1.1.1.1 Groupe Bruxelles Lambert (GBL)

Quotaholders	Number of quotas	% of capital	Nationality
Pargesa Netherlands B.V. (*)	80,680,729	50.00	Dutch
Other	80,677,558	50.00	
	161,358,287	**100.00**	

(*)Pargesa Netherlands B.V. indirectly holds interest lower than 5% in the Company.

1.1.1.1.1.1.1.1 Pargesa Netherlands B. V. (Pargesa)

Pargesa Holding S.A. holds 99.99% of Pargesa Netherlands B.V. and it is a company listed on the Swiss stock exchange. The company understands that the breakdown of shareholders of Pargesa Holding S.A. is already disclosed and informed by this company through its financial statements required by the regulatory agencies of that country and on its website.

1.1.2 Banco Clássico S.A.

Shareholder	Number of common shares	% of capital	Nationality
José João Abdalla Filho	745,685,582	99.99	Brazilian
José Pais Rangel	1,019	0.01	Brazilian
	745,686,601	**100.00**	

(Information not revised by Independent Auditors)

2. Shareholding of controlling shareholder, management and members of the fiscal council on 3.31.2010:

Shareholder	3.31.2010		3.31.2009	
	Number of common Shares	% of capital	Number of common shares	% of capital
Controlling				
GDF SUEZ Energy Latin America Participações Ltda.	448,512,623	68.71	448,512,624	68.71
Board of Directors	256,351	0.04	356,803	0.06
Executive Board	17,986	-	17,986	-
Fiscal Council	-	-	-	-
	448,786,960	**68.75**	**448,887,413**	**68.77**

3. Number of outstanding shares on 3.31.2010:

	Number of common shares	%
Total Company's shares	652,742,192	100.00
Total shares held by the controlling shareholder and management	(448,786,960)	(68.75)
Total outstanding shares	**203,955,232**	**31.25**

4. Arbitration Clause

The Company's Bylaws is pursuant to the rules and procedures of *Novo Mercado* Listing Rules of BM&FBovespa and has included in Article 39 the following Arbitration Clause:

"The Company, its shareholders, management and members of the Fiscal Council undertake by means of arbitration to resolve any and all dispute or controversy that may arise among them, related to or derived from, especially, the application, validity, effectiveness, construal, infringement and their effects on the provisions contained in the Brazilian Corporate Law, in the Company's Bylaws, in the rules issued by the Brazilian Monetary Council, by the Brazilian Central Bank and by the Brazilian Securities and Exchange Commission, as well as other rules applicable to the operation of capital markets in general, besides those included in the *Novo Mercado* Listing Rules, in the Market Arbitration Panel Rules, and in the Novo Mercado Listing Agreement."

(Information not revised by Independent Auditors)

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Board of Administration, Directors and Shareholders of
Tractebel Energia S.A.
Florianópolis – SC

1. We have performed a review of the accompanying individual (Holding Company) and consolidated balance sheets of Tractebel Energia S.A. ("Company") and subsidiaries as of March 31, 2010 and the related statements of income, changes in shareholders' equity (Holding Company), cash flows and value added, the notes to the interim financial statements and the performance report, all expressed in Brazilian reais and prepared under the responsibility of the Company's management.

2. Our review was conducted in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON), together with the Federal Accounting Council, and consisted principally of: (a) inquiries of and discussions with certain officials of the Company and its subsidiaries who have responsibility for accounting, financial and operating matters about the criteria adopted in the preparation of the interim financial statements; and (b) review of the information and subsequent events that had or might have had material effects on the financial position and results of operations of the Company and its subsidiaries.

3. Based on our review, we are not aware of any material modification which should be made in the individual and consolidated interim financial statements of Tractebel Energia S.A. and its subsidiaries, referred to in paragraph 1, for these to be in agreement with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of interim financial statements.

4. As mentioned in note 2, during 2009, various pronouncements, interpretations and technical guidelines, issued by the Accounting Pronouncements Committee (CPC), were approved by the Brazilian Securities and Exchange Commission (CVM) effective for 2010, which introduced changes to the accounting practices adopted in Brazil. As permitted by CVM Resolution 603/09, the Company´s Management has elected to present its interim financial statements using the accounting standards adopted in Brazil until December 31, 2009, i.e. it did not implement the rules effective as from 2010. As required by CVM Resolution 603/09, the Company has disclosed this fact in note 2 to the interim financial statements, together with the description of the major changes that might impact its financial statements for the year end and an estimate of the possible effects on shareholders´ equity and net income from the application of certain standards and clarifications on the reasons that prevent the presentation of an estimate of the possible effects on shareholders' equity and net income, as required by the Resolution.

5. Accounting practices adopted in Brazil vary in certain significant respects from the International Financial Reporting Standards ("IFRS"). Information relating to the nature and effect of such differences is presented in Note 34 to the interim financial statements. As described in the referred note, the reconciliation of net income and shareholders' equity for the quarter ended March 31, 2010 between accounting practices adopted in Brazil and IFRS does not represent a first-time adoption of IFRS since the Company has not presented a full set of financial statements prepared in accordance with IFRS and has not disclosed an explicit and unreserved statement of compliance with IFRS; accordingly, in the event the Company fully adopts IFRS in the future, the opening shareholders' equity balance presented in such reconciliation may be different from that presented in Note 34.

6. The accompanying interim financial statements have been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, May 13, 2010 (except for note 34, for which the date is May 28, 2010)

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01.01 IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Corporate Taxpayer's ID)
01732-9	TRACTEBEL ENERGIA S.A.	02.474.103/0001-19

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