(A free translation of the original in Portuguese)

FEDERAL PUBLIC SERVICE
CVM - BRAZILIAN SECURITIES AND EXCHANGE COMMISSION
QUARTERLY INFORMATION - ITR **September 30, 2008** **Brazilian Corporate Law**
COMMERCIAL, INDUSTRIAL & OTHER TYPES OF COMPANY

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
48	3221-7221	-	-	
11 - AREA CODE	12 - FAX	13 - FAX	14 - FAX	
48	3221-7002	-	-	
15 - E-MAIL				
previtali@tractebelenergia.com.br				

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

1- NAME				
MARC VERSTRAETE				
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
48	3221-7060	-	-	
12 - AREA CODE	13 - FAX	14 - FAX	15 - FAX	
48	3221-7002	-	-	
16 - E-MAIL				
marc@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
1/1/2008	12/31/2008	3	7/1/2008	9/30/2008	2	4/1/2008	6/30/2008

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)
JOSÉ CARLOS MONTEIRO	443.201.918-20

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

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 9/30/2008	2 – PREVIOUS QUARTER 6/30/2008	3 – SAME QUARTER, PREVIOUS YEAR 9/30/2007
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	Board of Directors Meeting	08/13/2008	Dividend	10/27/2008	Common shares	0.8890167318
02	Board of Directors Meeting	11/07/2008	Interest on own capital		Common shares	0.2696317201

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FEDERAL PUBLIC SERVICE
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QUARTERLY INFORMATION – ITR
COMMERCIAL, INDUSTRIAL & OTHER TYPES OF COMPANY

September 30, 2008 **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

01.09 - 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
11/07/2008	

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 – 9/30/2008	4 - 6/30/2008
1	Total Assets	6,562,824	6,172,688
1.01	Current Assets	1,234,567	859,909
1.01.01	Cash and Cash Equivalents	764,182	414,046
1.01.01.01	Available Cash	910	1,612
1.01.01.02	Temporary Cash Investments	763,272	412,434
1.01.02	Credits	393,908	373,936
1.01.02.01	Clients	342,989	334,900
1.01.02.01.01	Consumers, Concessionaries and Permittees	342,989	334,900
1.01.02.02	Sundry Credits	50,919	39,036
1.01.02.02.01	Dividends Receivable from Subsidiaries	4,929	4,929
1.01.02.02.02	Recoverable Taxes	12,849	10,359
1.01.02.02.03	Sale of Assets and Rights	14,486	12,013
1.01.02.02.04	Other	18,655	11,735
1.01.03	Inventories	53,628	46,550
1.01.04	Other	22,849	25,377
1.01.04.01	Prepaid Expenses	5,373	7,434
1.01.04.02	Deferred Tax Assets	14,517	13,403
1.01.04.03	Other	2,959	4,540
1.02	Noncurrent Assets	5,328,257	5,312,779
1.02.01	Long-term Assets	464,366	467,585
1.02.01.01	Sundry Credits	98,730	101,242
1.02.01.01.01	Concessionaries and Permittees	602	695
1.02.01.01.02	Sale of Assets and Rights	76,022	78,190
1.02.01.01.03	Recoverable Taxes	22,106	22,299
1.02.01.01.04	Other	0	58
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	365,636	366,343
1.02.01.03.01	Escrow deposits	155,772	155,287
1.02.01.03.02	Deferred Tax Assets	208,138	209,208
1.02.01.03.03	Other	1,726	1,848
1.02.02	Permanent Assets	4,863,891	4,845,194
1.02.02.01	Investments	1,397,806	1,341,198
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	1,327,932	1,270,752
1.02.02.01.04	In Subsidiaries – Goodwill	39,062	39,634
1.02.02.01.05	Other Investments	30,812	30,812
1.02.02.02	Property, Plant and Equipment	3,445,151	3,481,772
1.02.02.03	Intangible Assets	1,902	2,115
1.02.02.04	Deferred Charges	19,032	20,109

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 – 9/30/2008	4 - 6/30/2008
2	Total Liabilities	6,562,824	6,172,688
2.01	Current Liabilities	1,761,751	1,061,340
2.01.01	Loans and Financing	506,082	481,164
2.01.02	Debentures	30,919	17,286
2.01.03	Trade Accounts Payable	140,156	150,288
2.01.04	Taxes Payable	339,097	256,187
2.01.05	Dividends Payable	583,161	2,875
2.01.05.01	Dividends and Interest on Capital	583,161	2,875
2.01.06	Provisions	47,457	45,041
2.01.06.01	Estimated Obligations	36,712	36,377
2.01.06.02	Reserves for Contingencies	10,745	8,664
2.01.07	Debts with Related Parties	0	0
2.01.08	Other	114,879	108,499
2.01.08.01	Post-employment Benefits	22,544	21,719
2.01.08.02	Research and Development	55,009	51,689
2.01.08.03	Other	37,326	35,091
2.02	Noncurrent Liabilities	1,724,995	1,683,654
2.02.01	Long-term Liabilities	1,724,995	1,683,654
2.02.01.01	Loans and Financing	369,765	348,745
2.02.01.02	Debentures	646,466	637,813
2.02.01.03	Provisions	74,078	79,675
2.02.01.03.01	Estimated Obligations	5,268	4,637
2.02.01.03.02	Reserves for Contingencies	68,810	75,038
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	634,686	617,421
2.02.01.06.01	Taxes Payable	3,747	3,993
2.02.01.06.02	Concession Fees Payable	275,163	260,398
2.02.01.06.03	Post-employment Benefits	317,461	314,733
2.02.01.06.04	Deferred Tax Liabilities	36,535	36,535
2.02.01.06.05	Other	1,780	1,762
2.02.02	Deferred Income	0	0
2.04	Shareholders' Equity	3,076,078	3,427,694
2.04.01	Paid-in Capital Stock	2,445,766	2,445,766
2.04.02	Capital Reserves	91,695	91,695
2.04.03	Revaluation Reserves	0	0
2.04.03.01	Own Assets	0	0
2.04.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0
2.04.04	Profit Reserves	279,392	279,392
2.04.04.01	Legal	249,496	249,496
2.04.04.02	Statutory	0	0
2.04.04.03	For Contingencies	0	0
2.04.04.04	Unrealized Profit	0	0
2.04.04.05	Profit Retention	29,896	29,896
2.04.04.06	Special Reserve for Undistributed Dividends	0	0

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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 – 9/30/2008	4 - 6/30/2008
2.04.04.07	Other Profit Reserves	0	0
2.04.05	Retained Earnings/Accumulated Losses	259,225	610,841
2.04.06	Advance for Future Capital Increase	0	0

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

03.01 - INCOME STATEMENT (in thousands of reais)

1 - CODE	2 - DESCRIPTION	3 - 7/1/2008 to 9/30/2008	4 - 1/1/2008 to 9/30/2008	5 - 7/1/2007 to 9/30/2007	6 - 1/1/2007 to 9/30/2007
3.01	Gross Revenue from Sales and/or Services	735,566	2,329,488	822,686	2,163,493
3.01.01	Electricity Sales to Distributors	623,108	2,023,814	728,065	1,896,562
3.01.02	Electricity Sales to Final Consumers	101,623	285,666	86,711	250,700
3.01.03	Other Revenues	10,835	20,008	7,910	16,231
3.02	Gross Revenue Deductions	(70,928)	(217,040)	(61,242)	(171,783)
3.02.01	PIS and COFINS (Taxes on Revenue)	(46,242)	(147,374)	(38,409)	(106,816)
3.02.02	ICMS (State VAT)	(18,547)	(50,464)	(15,167)	(44,803)
3.02.03	ISS (Service Tax)	(82)	(273)	(85)	(280)
3.02.04	Research and Development	(6,057)	(18,929)	(7,581)	(19,884)
3.03	Net Revenue from Sales and/or Services	664,638	2,112,448	761,444	1,991,710
3.04	Cost of Goods and/or Services Sold	(159,245)	(613,004)	(315,314)	(874,264)
3.04.01	Electricity Purchased for Resale	(30,058)	(135,906)	(98,587)	(293,684)
3.04.02	Transactions within CCEE	(345)	(40,011)	(34,925)	(169,735)
3.04.03	Electricity Production Cost	(125,916)	(429,104)	(179,105)	(403,628)
3.04.04	Cost of Services	(2,926)	(7,983)	(2,697)	(7,217)
3.05	Gross Income	505,393	1,499,444	446,130	1,117,446
3.06	Operating Revenues/Expenses	(165,752)	(263,009)	(56,679)	(116,048)
3.06.01	Selling	(59,122)	(158,336)	(44,925)	(133,434)
3.06.02	General and Administrative	(35,685)	(105,538)	(29,133)	(83,061)
3.06.03	Financial	(82,780)	(124,539)	(24,930)	(44,963)
3.06.03.01	Financial Revenues	29,755	86,942	23,197	59,361
3.06.03.02	Financial Expenses	(112,535)	(211,481)	(48,127)	(104,324)
3.06.04	Other Operating Revenues	3,953	82,554	(478)	2,410
3.06.04.01	Recovery of PIS/COFINS	0	76,431	0	0
3.06.04.02	Favorable Decisions in Court	2,595	2,595	0	0

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

September 30, 2008

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

03.01 - INCOME STATEMENT (in thousands of reais)

1 - CODE	2 - DESCRIPTION	3 - 7/1/2008 to 9/30/2008	4 - 1/1/2008 to 9/30/2008	5 - 7/1/2007 to 9/30/2007	6 - 1/1/2007 to 9/30/2007
3.06.04.03	Const. / Reversal of Operating Provisions, Net	1,358	3,528	(478)	2,410
3.06.05	Other Operating Expenses	0	0	0	0
3.06.06	Equity in the Earnings of Subsidiary and Associated Companies	7,882	42,850	42,787	143,000
3.06.06.01	Equity in Subsidiaries	8,454	45,309	44,473	148,060
3.06.06.02	Goodwill Amortization in Interest in Companies	(572)	(2,459)	(1,686)	(5,060)
3.07	Operating Income	339,641	1,236,435	389,451	1,001,398
3.08	Non-operating Income	861	(992)	(185)	(1,346)
3.08.01	Revenues	886	1,712	186	744
3.08.02	Expenses	(25)	(2,704)	(371)	(2,090)
3.09	Income before Taxes/Holdings	340,502	1,235,443	389,266	1,000,052
3.10	Provision for Income Tax and Social Contribution	(111,863)	(403,471)	(120,809)	(266,209)
3.10.01	Income Tax	(81,856)	(294,087)	(88,519)	(195,112)
3.10.02	Social Contribution Tax	(30,007)	(109,384)	(32,290)	(71,097)
3.11	Deferred Income Tax	44	7,552	4,456	10,719
3.11.01	Income Tax	33	5,553	3,277	8,536
3.11.02	Social Contribution Tax	11	1,999	1,179	2,183
3.12	Statutory Holdings/Contributions	0	0	0	0
3.12.01	Holdings	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Own Capital	0	0	0	0
3.15	Income/Loss for the Period	228,683	839,524	272,913	744,562
	NUMBER OF SHARES EX-TREASURY (Units)	652,742,192	652,742,192	652,742,192	652,742,192
	EARNINGS PER SHARE (Reais)	0.35034	1.28615	0.41810	1.14067
	LOSS PER SHARE (Reais)				

1 – OPERATIONS

Tractebel Energia S.A (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.

The Company's installed capacity, including the interest in the consortium Itá and Machadinho is 6,057 MW, approximately 80% of which is derived from hydroelectric plants and 20% from thermoelectric plants. The Company's electricity supply capacity, including the long-term purchase agreement entered into with subsidiary Itá Energética S.A. - ITASA, is 6,094 MW.

Main acquisition, incorporation and merger operations occurred in 2008 are summarized as follows:

Acquisition of Tupan Energia Elétrica S.A. and Hidropower Energia S.A.

The Company, by means of wholly-owned subsidiary Gama Participações Ltda. - GAMA, acquired the total capital stock of Tupan Energia Elétrica S.A. - Tupan and of Hidropower Energia S.A. - Hidropower, headquartered in the City of Rondonópolis, at the amount of R$203,937, as per share purchase and sale agreement and other covenants executed on July 8, 2008, of which R$20,394 was prepaid this quarter.

ANEEL and Centrais Elétricas Brasileiras S.A. – ELETROBRAS have already approved the transfer of the companies' share control to GAMA, and it is necessary to have the formalization of project financing agents' authorization for the acquisition to be concluded.

Tupan holds an authorization granted by ANEEL to explore the Rondonópolis Small Hydroelectric Plant, with installed capacity of 26.6 MW, in commercial operation since December 2007.

Hidropower has an authorization granted by ANEEL to explore the Engenheiro José Gelazio da Rocha Small Hydroelectric Plant, with installed capacity of 23.7 MW, in commercial operation since February 2007.

The total energy from both plants centrals is contracted with ELETROBRAS by means of Incentive Program for Electric Energy Alternative Sources - PROINFA.

Incorporation of Ibitiúva Bioenergética S.A.

On August 14, 2008, Andrade Consortium, comprised of Company's indirect subsidiary Ibitiúva Bioenergética S.A. and Andrade Açúcar e Álcool S.A., subsidiary of Açúcar Guarani S.A., sold an average of 20 MW of electric energy in the 1st Reserve Energy Auction promoted by ANEEL for R$158.11/MWh.

Non-financial information such as average MW, installed power and number of employees are not reviewed by the independent auditors.

The electric energy sold will be generated by the biomass plant of 33 MW of installed capacity to be built by Ibitiúva Bioenergética S.A. and which will use as fuel the bagasse resulting from sugarcane processing at sugar and alcohol producing plant Andrade of Guarani Group. The electric energy will be supplied pursuant to the Reserve Energy Contract between the Consortium and CCEE – Electric Power Trade Chamber, which provides for energy supply for a fifteen (15)-year term, as from January 1, 2010. The investment estimated for the Plant construction is R$120,000 and the Project details are described in table 15 "Investment Projects".

Acquisition of Econergy Internacional PLC

On October 28, 2008, SESA BidCo Ltd., company incorporated and operating under the Isle of Man laws and whose control is exercised by the GDF-Suez Group, of which Tractebel Energia is part, announced the conclusion of the acquisition of 100% of Econergy International PLC – Econergy's shares, also a company incorporated and operating under the Isle of Man laws, for nearly R$138,000.

Econergy has plants operating, under construction and under development in Brazil, Bolivia, Costa Rica, United States, Mexico and Chile. In Brazil, Econergy is the controlling shareholder of the following companies: (i) Usina Eólica Econergy Beberibe S.A., which has authorization granted by ANEEL (National Electric Power Agency) to explore the Beberibe Wind Farm, with installed capacity of 25.60 MW; (ii) Hidrelétrica Areia Branca S.A., which has authorization granted by ANEEL to explore the Areia Branca Small Hydroelectric Plant, with installed capacity of 19.80 MW; and (iii) Econergy Pedra do Sal S.A., which has authorization granted by ANEEL to explore the Pedra do Sal Wind Farm, with installed capacity of 17.85 MW ("Generation Assets").

The total energy from the Generation Assets is contracted with ELETROBRAS, by means of the Incentive Program for Electric Energy Alternative Sources - PROINFA.

The Company informs that studies are being carried out for eventual acquisition the generation assets held by Econergy in Brazil, respecting the best practices of corporate governance related to transactions among related parties and, which ANEEL authorized, by means of Authorization Resolution, to proceed the structuring of the acquisition process by means of subsidiary GAMA.

Acquisition of Ponte de Pedra Energética S.A. – PPESA

As per Note 10, in April 2008, the Company, by means of its wholly-owned subsidiary Energia América do Sul Ltda - EAS, acquired all the shares of Ponte de Pedra Energética S.A. – PPESA for the amount of R$644,919.

Merger of the Subsidiary Companhia Energética Meridional – CEM

As per Note 10, the merger by Tractebel Energia, of its wholly-owned subsidiary CEM was performed in March 2008, through the assignment of its net assets, based on a specialists appraisal.

The merger is intended to streamline the group's corporate structure, through a corporate and equity restructuring mainly involving the merger of CEM into Tractebel Energia, which not only would reduce the current organizational structure, reducing costs, increasing shareholders' value, streamlining and optimizing investments, but would facilitate the unification, standardization and enhancement of general business management of the companies, and allow the elimination of negotiation costs from maintaining two companies.

Merger of Suez S.A. and Gaz de France S.A.

In July 2008, the merger of Tractebel Energia's indirect subsidiary Suez S.A. –Suez, a publicly-held French company, and Gaz de France S.A. - GDF, a company incorporated under the laws of France, was concluded, resulting in a single company named GDF-Suez.

The operation will not change or adversely affect Tractebel Energia's operations or the electricity market structure in Brazil.

2 – PRESENTATION OF FINANCIAL STATEMENTS

The interim Financial Statements have been prepared in conformity with rules issued by Brazilian Securities and Exchange Commission – CVM applicable to the preparation of the financial statements in compliance with CVM Rule 469/08.

Figures presented in the Quarterly Information Report - ITR (text and tables) are expressed in thousands (of reais and other currencies), except when otherwise indicated.

Notes to the Financial Statements as of December 31, 2007 complement this Quarterly Information Report, presented as summary.

Consolidated Quarterly Information

Intercompany balances, transactions and investments in investees are eliminated in consolidation.

The components of assets and liabilities, revenues and expenses of ITASA were consolidated in proportion to the Company's interest in this investee.

3 – AMENDMENT TO BRAZILIAN CORPORATE LAW – LAW 6404/1976

On December 28, 2007, Law No. 11638 was enacted, altering, revoking and adding new provisions to the Brazilian Corporate Law (Law No. 6404 as of December 15, 1976), especially with respect to chapter XV, Fiscal Year and Financial Statements, which came into force on January 1, 2008 and applies to the financial statements for the year started on January 1, 2008. Law No. 11638/07 was designed primarily to update accounting practices as contemplated in Brazilian corporate law, so as to enable the convergence of Brazilian accounting practices with accounting standards generally accepted in the international capital markets, and contemplates broad changes to accounting practices generally accepted in Brazil, as they related to statutory accounting practices and procedures. The Law also allows the Brazilian Securities Commission (CVM) to issue new accounting standards and procedures, applicable to public companies in Brazil, in conformity with such international accounting standards. Certain of these changes shall be applied as of the beginning of the Company's fiscal year, while others are subject to regulation by regulatory agencies.

04.01 – NOTES TO THE FINANCIAL STATEMENTS

The Company already presents the Statement of Cash Flows, individually and on a consolidated basis, the segregation of Intangible assets, in Permanent assets. The Company also discloses annually the Statement of Value Added as supplemental information. Additionally, the Company already adjusts the present value - AVP of its long-term assets and liabilities.

The Company adopted the provisions of Law No. 11638/07 in the preparation of the Quarterly Information based on guidelines issued by CVM and/or rules issued by the International Accounting Standards Board – IASB and, in view of such adoption, the company reclassified the Quarterly Information referring to previous periods, presented for the purposes of comparison. However, since the main changes introduced by said Law depend on regulation by Brazilian regulatory bodies the accounting information presented may require adjustments upon conclusion of the regulation process by Law No. 11638/07.

4 – TEMPORARY CASH INVESTMENTS

	Company		Consolidated	
	9.30.2008	6.30.2008	9.30.2008	6.30.2008
Citibank - Exclusive Investment Fund				
Repurchase agreement with federal government and private sector securities [1]				
National Treasury Notes (NTN)	438,774	152,065	464,530	167,215
Debentures	76,752	70,830	81,257	77,887
	515,526	222,895	545,787	245,102
Bank Certificates of Deposit (CDB)	151,244	50,240	160,122	55,245
National Treasury Bills (LTN)	-	44,008	-	48,393
Treasury Bills (LFT)	96,502	95,291	102,166	104,785
	763,272	412,434	808,075	453,525
Financial Institutions [2]				
Bank Certificates of Deposit (CDB)	-	-	-	3,876
Repurchase agreements with private sector securities[1] - Debentures	-	-	19,395	15,665
	-	-	19,395	19,541
	763,272	412,434	827,470	473,066
Banco Santos				
Bank Certificates of Deposit (CDB)	2,603	2,603	2,603	2,603
(-) Provision for losses	(2,603)	(2,603)	(2,603)	(2,603)
	763,272	**412,434**	**827,470**	**473,066**

[1] Sale of securities with repurchase commitments assumed by the seller, concurrent with the resale commitment assumed by the buyer. These transactions have immediate liquidity, yield fixed interest and are backed by federal government and private securities.

[2] Banco Safra, Banco Bradesco, Banco Itaú, Banco UBS Pactual, Banco Santander, Banco HSBC, Banco do Brasil, Banco ABN AMRO and Banco UNIBANCO.

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.

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.

The provision for losses on temporary cash investments was recognized to cover possible losses on investments in CDB that the Company has in Banco Santos, whose bankruptcy was declared in 2005.

5 – CONSUMERS, CONCESSIONAIRES AND PERMITTEES

	Company				
	9.30.2008				6.30.2008
	Current	Past-due		Total	Total
		Up to 90 days	Over 90 days		
Current assets					
Concessionaries	159,841	-	-	159,841	160,678
Sellers	117,341	-	-	117,341	112,753
Free Consumers	36,121	-	-	36,121	30,573
Exports	-	-	740	740	20,601
Transactions within CCEE/MAE					
- Current	19,440	2,252	538	22,230	931
- Installments	6,685	-	-	6,685	9,255
- Extraordinary tariff adjustment - RTE	31	-	-	31	109
- Agents with lawsuits or in default	110,498	-	12,076	122,574	122,574
	136,654	2,252	12,614	151,520	132,869
	449,957	**2,252**	**13,354**	**465,563**	**457,474**
(-) Allowance for doubtful accounts	(110,498)	-	(12,076)	(122,574)	(122,574)
	339,459	**2,252**	**1,278**	**342,989**	**334,900**

	Consolidated				
	9.30.2008				6.30.2008
	Current	Past-due		Total	Total
		Up to 90 days	Over 90 days		
Current Assets					
Concessionaries	194,608	-	-	194,608	188,241
Sellers	71,031	-	-	71,031	65,117
Free Consumers	98,717	-	-	98,717	96,550
Exports	-	-	740	740	20,601
Transactions within CCEE/MAE					
- Current	20,306	2,342	542	23,190	2,588
- Installments	6,685	-	-	6,685	9,255
- Extraordinary tariff adjustment - RTE	31	-	-	31	109
- Agents with lawsuits or in default	110,498	-	13,944	124,442	124,442
	137,520	2,342	14,486	154,348	136,394
	501,876	**2,342**	**15,226**	**519,444**	**506,903**
(-) Allowance for doubtful accounts	(110,498)	-	(12,076)	(122,574)	(122,574)
	391,378	**2,342**	**3,150**	**396,870**	**384,329**

The term for collecting amounts related to electricity invoices is up to 45 days.

Amounts past-due for more than 90 days for transactions within MAE refer to debts of agents in default during the 1st settlement of the MAE, on December 30, 2002. Such amounts are under bilateral negotiations. However, due to uncertainties as to their credit, the Company maintains an allowance for doubtful accounts, regardless of the actions applicable to the case.

The allowance for doubtful debtors 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 period September 2000-September 2002, 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.

6 – RECOVERABLE TAXES

	Company		Consolidated	
	9.30.2008	6.30.2008	9.30.2008	6.30.2008
Current				
ICMS (state VAT)	46,616	45,186	46,658	45,608
Income Tax	-	-	2,173	1,791
Social Contribution tax	-	-	116	454
COFINS (tax on revenue)	3,443	3,423	3,443	3,423
PIS (tax on revenue)	742	738	742	738
INSS (social security contribution)	2,186	1,150	2,186	1,150
	52,987	**50,497**	**55,318**	**53,164**
(-) Allowance for losses on ICMS credits	(40,138)	(40,138)	(40,138)	(40,138)
	12,849	**10,359**	**15,180**	**13,026**
Noncurrent				
ICMS	5,732	4,525	9,267	8,065
COFINS (tax on revenue)	8,108	8,228	8,108	8,228
PIS (tax on revenue)	1,786	1,812	1,786	1,812
INSS (social security contribution)	6,480	7,734	6,480	7,734
	22,106	**22,299**	**25,641**	**25,839**

The provision for losses on the realization of accrued ICMS credit is related to the purchase of natural gas for production of electricity in the William Arjona thermoelectric plant, in the State of Mato Grosso do Sul, and was recognized due to the difficulties to offset all credits in that State, since the substantial part of the sale of electricity occurred with deferred ICMS.

7 – DEFERRED TAX ASSETS

	Company				
	9.30.2008				6.30.2008
Type of credit	Tax basis	Income tax	Social contribution tax	Total	Total
Interest on property, plant and equipment in progress	146,550	36,637	-	36,637	36,637
Post-employment benefits	205,521	51,380	18,497	69,877	67,866
Allowance for doubtful accounts	122,574	30,643	11,032	41,675	41,675
Reserve for contingencies	108,415	27,104	9,757	36,861	38,012
Provision for losses on ICMS credits	40,138	10,035	3,612	13,647	13,647
Supplementary depreciation of W. Arjona thermoelectric plant	22,685	5,671	2,042	7,713	7,997
Management and special bonus	4,104	1,026	369	1,395	1,016
Discount to present value of receivables	13,469	3,367	1,212	4,579	5,326
Incorporated goodwill	20,345	5,086	1,831	6,917	7,309
Other	9,861	2,466	888	3,354	3,126
		173,415	**49,240**	**222,655**	**222,611**
Classification of deferred tax assets:					
Current		11,644	2,873	14,517	13,403
Noncurrent		161,771	46,367	208,138	209,208
		173,415	**49,240**	**222,655**	**222,611**

	Consolidated				
	9.30.2008				6.30.2008
Type of credit	Tax basis	Income tax	Social contribution tax	Total	Total
Interest on property, plant and equipment in progress	146,550	36,637	-	36,637	36,637
Post-employment benefits	205,521	51,380	18,497	69,877	67,866
Allowance for doubtful accounts	122,574	30,643	11,032	41,675	41,675
Reserve for contingencies	125,982	28,319	11,337	39,656	40,476
Provision for losses on ICMS credits	40,138	10,035	3,612	13,647	13,647
Supplementary depreciation of W. Arjona thermoelectric plant	22,685	5,671	2,042	7,713	7,997
Management and special bonus	4,486	1,050	404	1,454	1,016
Discount to present value of receivables	13,469	3,367	1,212	4,579	5,326
Incorporated goodwill	20,345	5,086	1,831	6,917	7,309
Other	27,434	3,755	2,469	6,224	5,611
		175,943	**52,436**	**228,379**	**227,560**
Classification of deferred tax assets:					
Current		11,758	3,004	14,762	13,444
Noncurrent		164,185	49,432	213,617	214,116
		175,943	**52,436**	**228,379**	**227,560**

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 through the generation of future taxable income is as follows:

	Company	Consolidated
Recorded deferred tax assets		
2008 (October to December)	4,910	5,156
2009	22,366	23,707
2010	14,461	17,066
2011	23,756	23,987
2012	40,521	40,723
2013 to 2015	84,786	85,406
2016 to September 2018	31,855	32,334
	222,655	**228,379**
Unrecorded deferred tax assets		
2018 (October to December)	916	916
2019	3,492	3,492
2020	734	734
2021	734	734
2022	734	734
2023 to 2025	2,202	2,202
2026 to 2028	2,202	2,202
2029 and thereafter	1,686	1,686
	12,700	**12,700**
	235,355	**241,079**

The unrecorded deferred tax assets refer to Interest on property, plant and equipment in progress and its 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 371/02, as of June 27, 2002.

8 – TAX RECONCILIATION

	Company							
	2008				2007			
	3rd Quarter		Accumulated		3rd Quarter		Accumulated	
	Income tax	Social Contribution tax	Income tax	Social Contribution tax	Income tax	Social Contribution tax	Income tax	Social Contribution tax
Income before taxes	**340,502**	**340,502**	**1,235,443**	**1,235,443**	**389,266**	**389,266**	**1,000,052**	**1,000,052**
Permanent Differences								
Amortization of Goodwill	572	-	2,459	-	1,686	-	5,060	-
Donations	928	928	2,444	2,444	799	799	1,516	1,516
Equity in subsidiaries	(8,454)	(8,454)	(45,309)	(45,309)	(44,473)	(44,473)	(148,060)	(148,060)
Reversal of amortized goodwill in the merger of subsidiary	-	-	(23,032)	-	-	-	-	-
Interest on capital	-	-	-	-	-	-	(88,000)	(88,000)
Interest on property, plant and equipment in progress	(3,664)	-	(10,991)	-	(3,664)	-	(10,972)	-
Other	1,325	69	3,118	355	573	84	2,787	203
Tax basis	**331,209**	**333,045**	**1,164,132**	**1,192,933**	**344,187**	**345,676**	**762,383**	**765,711**
Tax rates	25%	9%	25%	9%	25%	9%	25%	9%
Income and social contribution taxes	**(82,802)**	**(29,975)**	**(291,032)**	**(107,364)**	**(86,047)**	**(31,111)**	**(190,596)**	**(68,914)**
Complement to deferred income tax of interest on property, plant and equipment in progress	-	-	-	-	-	-	2,471	-
Tax Incentives	973	-	2,501	-	799	-	1,531	-
Other	6	(21)	(3)	(21)	6	-	18	-
Income and social contribution taxes - statement of income	**(81,823)**	**(29,996)**	**(288,534)**	**(107,385)**	**(85,242)**	**(31,111)**	**(186,576)**	**(68,914)**
Breakdown of taxes in the statement of income:								
Current	(81,856)	(30,007)	(294,087)	(109,384)	(88,519)	(32,290)	(195,112)	(71,097)
Deferred	33	11	5,553	1,999	3,277	1,179	8,536	2,183
	(81,823)	**(29,996)**	**(288,534)**	**(107,385)**	**(85,242)**	**(31,111)**	**(186,576)**	**(68,914)**

04.01 – NOTES TO THE FINANCIAL STATEMENTS

	Consolidated							
	2008				2007			
	3rd Quarter		Accumulated		3rd Quarter		Accumulated	
	Income tax	Social Contribution tax	Income tax	Social Contribution tax	Income tax	Social Contribution tax	Income tax	Social Contribution tax
Income before taxes	**345,096**	**345,096**	**1,263,811**	**1,263,811**	**411,563**	**411,563**	**1,079,476**	**1,079,476**
Permanent Differences								
Donations	1,001	1,001	2,517	2,517	799	799	1,666	1,666
Interest on capital	-	-	-	-	-	-	(88,000)	(88,000)
Reversal of amortized goodwill in the merger of subsidiary	-	-	(23,032)	-	-	-	-	-
Interest on property, plant and equipment in progress	(3,664)	-	(10,991)	-	(3,664)	-	(10,972)	-
Adjustment in subsidiary taxed based on deemed income	(3,340)	(2,857)	(3,984)	(2,871)	(1,269)	(883)	(3,421)	(2,298)
Other	(625)	7,155	11,408	6,626	2,195	(29)	8,040	103
Tax basis	**338,468**	**350,395**	**1,239,729**	**1,270,083**	**409,624**	**411,450**	**986,789**	**990,947**
Tax rates	25%	9%	25%	9%	25%	9%	25%	9%
Income and social contribution taxes	**(84,616)**	**(31,534)**	**(309,931)**	**(114,307)**	**(102,406)**	**(37,032)**	**(246,697)**	**(89,186)**
Income and social contribution taxes for previous periods	(186)	(289)	(1,696)	171	(28)	(10)	(2,400)	(864)
Complement to deferred income tax of interest on property, plant and equipment in progress	-	-	-	-	-	-	2,471	-
Tax Incentives	1,502	-	2,720	-	799	-	1,681	-
Other	(1,779)	489	(1,733)	489	27	-	81	-
Income and social contribution taxes - statement of income	**(85,079)**	**(31,334)**	**(310,640)**	**(113,647)**	**(101,608)**	**(37,042)**	**(244,864)**	**(90,050)**
Breakdown of taxes in the statement of income:								
Current	(85,835)	(31,398)	(317,560)	(118,022)	(105,090)	(38,250)	(252,840)	(91,989)
Deferred	756	64	6,920	4,375	3,482	1,208	7,976	1,939
	(85,079)	**(31,334)**	**(310,640)**	**(113,647)**	**(101,608)**	**(37,042)**	**(244,864)**	**(90,050)**

9 – SALE OF ASSETS AND RIGHTS

	Company and Consolidated	
	9.30.2008	6.30.2008
Restated original value	105,707	105,867
(-) Discount to present value	(15,199)	(15,664)
	90,508	**90,203**
Classification in balance sheet:		
Current	14,486	12,013
Noncurrent	76,022	78,190
	90,508	**90,203**

The aforementioned balances correspond to receivables from Elétrica Jacuí S.A. – ELEJA for the sale of the Jacuí thermoelectric project. ELEJA is a special purpose entity controlled by an owner of exploration rights of coal mines in the Jacuí project's region, which, pursuant to the agreement, assumed the responsibility for completing the project.

As a guarantee for the fulfillment of the contractual obligations, including the payment of the purchase price, ELEJA granted Tractebel Energia liens on the rights, goods and machinery and mortgage on the properties and related accessories sold under the agreement entered into by the parties.

According to terms of the agreement, the sale amounts are adjusted based on the IGP-DI (general price index – domestic supply) and will be received in 36 installments beginning with the commencement of operations of the Jacuí thermoelectric plant or four years after 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.

First installment maturity took place in June 2008, and the Company has been receiving the amounts contracted on a monthly basis.

The Company started a negotiation sales process of said credit to a company prospect interested in investing in ELEJA. However, due to the current status of negotiations and uncertainties as to its conclusion, no adjustment to the realization amount of the asset was recognized by the Company.

10 – INVESTMENTS

a) Breakdown

	Company		Consolidated	
	9.30.2008	6.30.2008	9.30.2008	6.30.2008
Investments in subsidiaries:				
Accounted for under the equity method				
Equity in subsidiaries	1,327,932	1,270,752	-	-
Goodwill	39,062	39,634	-	-
Advance for investment acquisition (*)	-	-	20,394	-
Accounted for at acquisition cost	28,796	28,796	28,796	28,796
Assets and rights for future use	1,895	1,895	1,895	1,895
Other Investments	121	121	121	121
	1,397,806	**1,341,198**	**51,206**	**30,812**

(*) Refers to advances to sellers for the acquisition of companies Tupan Energia Elétrica S.A. and Hidropower Energia S.A. A. Transfer of shares to Company's wholly-owned subsidiary Gama Participações Ltda has already been approved by ANEEL, and it is only required to have project financing agents' authorization to conclude the transfer of shares.

In accordance with the accounting practices adopted in Brazil, assets and liabilities recorded in the opening balance sheet of the entity acquired are acknowledged as an investment by the acquiring company, and goodwill or negative goodwill ascertained in acquisitions correspond to the difference between the amount paid and the amount of assets and liabilities recorded in 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 fair value of power generation plants recorded in property, plant and equipment and, therefore, the Company chose to allocate them jointly with the amount of each concession as part of these assets.

b) Investments in subsidiaries

b.1) Accounted for under the equity method

	9.30.2008					9.30.2007	6.30.2008
Subsidiaries	Thousand shares	Advance for future capital increase	Ownership interest (%)	Net income (loss)	Shareholders' equity	Net income (loss)	Shareholders' equity
Itá Energética S.A. – ITASA	253,607	-	48.75	26,092	602,481	25,556	594,325
Companhia Energética Meridional – CEM [1]	-	-	-	11,122 [*]	-	73,010	-
Companhia Energética São Salvador – CESS [2]	268,943	-	99.99	-	268,943	-	268,943
Lages Bioenergética Ltda.	30,530	-	99.99	5,779	46,124	7,144	42,024
Tractebel Energia Comercializadora Ltda.	4,200	-	99.99	22,040	26,240	14,566	26,149
Delta Energética S.A. [3]	20,960	-	99.99	(68)	20,830	(45)	20,830
Gama Participações Ltda.	1,000	32,826	99.99	-	32,827	-	1
Lagoa Formosa Bioenergética Ltda.	270	-	99.99	-	270	-	270
Energia América do Sul Ltda [4]	1	645,269	99.99	(6,284)	638,986	-	627,559

[*] *Net Income on February 29, 2008.*
[1] *The subsidiary CEM was incorporated by Tractebel Energia on February 29, 2008, as mentioned on Note 1.*
[2] *Under pre-operational phase.*
[3] *Special Purpose Entity used as vehicle to acquire Seival Participações S.A..*
[4] *Special Purpose Entity used as vehicle to acquire Ponte de Pedra Energética S.A. – PPESA..*

Changes in investments

Equity in subsidiaries

Subsidiaries	Balances as of 3.31.2008	Advance for future capital increase	Equity in subsidiaries	Dividends	Balances as of 6.30.2008
ITASA	288,943	-	4,220	(3,429)	289,734
CESS	268,943	-	-	-	268,943
Lages Bioenergética	41,469	-	555	-	42,024
Tractebel Energia Comercializadora	19,711	-	6,438	-	26,149
Delta Energética	20,837	-	(7)	-	20,830
Lagoa Formosa	270	-	-	-	270
Energia América do Sul	46	629,129	(6,376)	-	622,799
Other	2	1	-	-	3
	640,221	**629,130**	**4,830**	**(3,429)**	**1,270,752**

Subsidiaries	Balances as of 6.30.2008	Advance for future capital increase	Equity in subsidiaries	Balances as of 9.30.2008
ITASA	289,734	-	3,976	293,710
CESS	268,943	-	-	268,943
Lages Bioenergética	42,024	-	4,100	46,124
Tractebel Energia Comercializadora	26,149	-	91	26,240
Delta Energética	20,830	-	-	20,830
Lagoa Formosa	270	-	-	270
Energia América do Sul	622,799	15,900	287	638,986
Gama Participações Ltda	1	32,826	-	32,827
Other	2	-	-	2
	1,270,752	**48,726**	**8,454**	**1,327,932**

Goodwill – Company

Subsidiaries	Balance as of 6.30.2008	Amortization	Balance as of 9.30.2008
ITASA	4,577	(572)	4,005
CESS	35,057	-	35,057
Company	**39,634**	**(572)**	**39,062**

As per item ‘a’ of this Note, for the purposes of consolidation, the Company recorded goodwill paid in its acquisitions as part of property, plant and equipment (CESS) and intangible assets (ITASA).

Merger of Subsidiary Companhia Energética Meridional – CEM

On March 28, 2008, Tractebel Energia merged its wholly-owned subsidiary CEM, through the assignment of its net assets, on base date February 29, 2008, based on a specialists appraisal, as shown below:

ASSETS		LIABILITIES AND SHAREHOLDERS' EQUITY	
CURRENT ASSETS		**CURRENT LIABILITIES**	
Cash and cash equivalents	28,344	Trade accounts payable	5,811
Concessionaire – Parent Company	31,962	Proposed dividends	25,104
Transactions within CCEE	187	Financing and debentures	29,053
Collaterals and restricted deposits	1,643	Taxes	4,445
Other	1,072	Accounts payable – Parent Company	13,988
TOTAL CURRENT ASSETS	**63,208**	Other obligations	9,578
		TOTAL CURRENT LIABILITIES	**87,979**
NONCURRENT ASSETS		**NONCURRENT LIABILITIES**	
Long-term assets		**Long-term liabilities**	
Escrow deposits	24,487	Financing and debentures	125,845
Deferred tax assets	1,613	Concession fees payable	244,614
Other	798	Reserve for contingencies	3,165
	26,898	**TOTAL NONCURRENT LIABILITIES**	**373,624**
Permanent assets			
Property, plant and equipment	753,618		
Intangible assets	72,745		
	826,363		
TOTAL NONCURRENT ASSETS	**853,261**	**NET ASSETS**	**454,866**
TOTAL ASSETS	**916,469**	**TOTAL LIABILITIES**	**916,469**

Ponte de Pedra Energética S.A. – PPESA

On April 29, 2008, the Company, by means of its wholly-owned subsidiary Energia América do Sul Ltda., became the controlling shareholder of Ponte de Pedra Energética S.A. – PPESA, for the total amount of R$644,919, R$613,229 of which related to the contracted amount adjusted up to the acquisition date and R$31,690 corresponding to the difference between the net financial position of PPESA projected for December 31, 2007 and on the acquisition date.

The amount paid by the Company exceeding the book value of PPESA's shareholders' equity is based on the fair value of the generation plant recorded in property, plant and equipment, and it is allocated in the consolidated balance sheet as part of these assets, being amortized over the remaining term of the concession, which ends in September 2034.

PPESA holds the concession of the hydroelectric plant Ponte de Pedra, a hydroelectric plant with installed capacity of 176.1 MW and guaranteed average energy of 131.6 MW, in commercial operation since September 2005, located in the Correntes River in the State of Mato Grosso.

The Company, due to the fact the Plant is located in an incentive area of SUDAM – Amazon Development Superintendence is partly exempt from income tax for a 10-year period as from 2006.

The balance sheet as of the April 29, 2008 acquisition date is as follows:

ASSETS		LIABILITIES AND SHAREHOLDERS' EQUITY	
CURRENT ASSETS		**CURRENT LIABILITIES**	
Cash and cash equivalents	53	Trade accounts payable	300
Temporary cash investments	43,291	Loans and financing	42,023
Concessionaire	12,743	Taxes	6,798
Recoverable taxes	3,262	Estimated obligations	2,505
Prepaid expenses	166	Research and Development	2,394
Other	157	Concession fees payable	444
TOTAL CURRENT ASSETS	**59,672**	Other obligations	949
		TOTAL CURRENT LIABILITIES	**55,413**
NON-CURRENT ASSETS		**NON-CURRENT LIABILITIES**	
Long-term assets		**Long-term liabilities**	
Deferred tax assets	911	Loans and financing	252,135
Other	39	ANEEL concession	318,004
	950	Provision for contingencies	13,803
		TOTAL NON-CURRENT LIABILITIES	**583,942**
Permanent assets		**SHAREHOLDERS' EQUITY**	
Property, plant and equipment	1,187,364	Paid-in capital stock	219,770
Intangible assets	4,598	Capital reserves	9,327
	1,191,962	Profit reserve	2,300
		Retained earnings	381,832
TOTAL NON-CURRENT ASSETS	**1,192,912**	**TOTAL SHAREHOLDERS' EQUITY**	**613,229**
TOTAL ASSETS	**1,252,584**	**TOTAL LIABILITIES**	**1,252,584**

11 – PROPERTY, PLANT AND EQUIPMENT

a) Breakdown

		Company			
		9.30.2008			6.30.2008
	Average depreciation rates	Adjusted cost	Accumulated depreciation/ amortization	Net	Net
In service					
Hydroelectric generation					
Salto Santiago plant	2.5	641,188	(516,877)	124,311	128.201
Salto Osório plant	2.7	332,277	(237,358)	94,919	95.451
Passo Fundo plant	2.4	119,605	(93,466)	26,139	26.815
Cana Brava plant	3.0	964,190	(152,287)	811,903	813.193
Machadinho plant (consortium)	3.2	179,099	(29,886)	149,213	151.468
Itá plant (consortium)	3.6	1,233,652	(254,075)	979,577	990.817
		3,470,011	**(1,283,949)**	**2,186,062**	**2.205.945**
Thermoelectric generation					
Jorge Lacerda Complex	4.5	2,512,111	(1,423,796)	1,088,315	1.113.845
Charqueadas plant	6.5	59,398	(51,145)	8,253	7.809
Alegrete plant	3.6	8,289	(7,345)	944	956
William Arjona plant	4.3	174,655	(78,412)	96,243	97.277
		2,754,453	**(1,560,698)**	**1,193,755**	**1.219.887**
General and other equipment	10.0	**52,418**	**(25,232)**	**27,186**	**28.993**
		6,276,882	**(2,869,879)**	**3,407,003**	**3.454.825**
Property, plant and equipment in progress					
Hydroelectric generation		7,372	-	7,372	7,315
Thermoelectric generation		38,079	-	38,079	26,705
General and other equipment		2,196	-	2,196	2,426
		47,647	**-**	**47,647**	**36,446**
Total property, plant and equipment		**6,324,529**	**(2,869,879)**	**3,454,650**	**3,491,271**
Special obligations		**(9,499)**	**-**	**(9,499)**	**(9,499)**
		6,315,030	**(2,869,879)**	**3,445,151**	**3,481,772**

04.01 – NOTES TO THE FINANCIAL STATEMENTS

	Consolidated				
	9.30.2008				6.30.2008
	Average depreciation rates	Adjusted cost	Accumulated depreciation/ amortization	Net	Net
In service					
Hydroelectric generation					
Salto Santiago plant	2.5	641,188	(516,877)	124,311	128,201
Salto Osório plant	2.7	332,277	(237,358)	94,919	95,451
Passo Fundo plant	2.4	119,605	(93,466)	26,139	26,815
Cana Brava plant	3.0	964,190	(152,287)	811,903	813,193
Ponte de Pedra plant	3.7	1,180,169	(55,034)	1,125,135	1,204,599
Machadinho plant (consortium)	3.2	179,099	(29,886)	149,213	151,468
Itá plant (consortium)	3.6	1,777,236	(358,402)	1,418,834	1,433,087
		5,193,764	**(1,443,310)**	**3,750,454**	**3,852,814**
Thermoelectric generation					
Jorge Lacerda Complex	4.5	2,512,111	(1,423,796)	1,088,315	1,113,845
Charqueadas plant	6.5	59,398	(51,145)	8,253	7,809
Alegrete plant	3.6	8,289	(7,345)	944	956
William Arjona plant	4.3	174,655	(78,412)	96,243	97,277
Lages cogeneration unit	4.3	75,647	(14,043)	61,604	60,987
		2,830,100	**(1,574,741)**	**1,255,359**	**1,280,874**
General and other equipment	10.0	**52,635**	**(25,344)**	**27,291**	**29,097**
		8,076,499	**(3,043,395)**	**5,033,104**	**5,162,785**
Property, plant and equipment in progress					
Hydroelectric generation					
São Salvador plant		862,480	-	862,480	773,626
Other plants (construction works)		9,483	-	9,483	16,183
Thermoelectric generation		47,447	-	47,447	28,393
General and other equipment		2,196	-	2,196	2,426
		921,606	**-**	**921,606**	**820,628**
Total property, plant and equipment		**8,998,105**	**(3,043,395)**	**5,954,710**	**5,983,413**
Special obligations		**(9,624)**	**-**	**(9,624)**	**(9,624)**
		8,988,481	**(3,043,395)**	**5,945,086**	**5,973,789**

b) Changes in property, plant and equipment

	Company			Consolidated		
	In service	In progress	Total	In service	In progress	Total
Balance as of 3.31.2008	**3,476,773**	**43,850**	**3,520,623**	**3,983,545**	**736,561**	**4,720,106**
Additions						
São Salvador plant	-	-	-	-	84,624	84,624
Ponte de Pedra plant	-	-	-	1,211,814	7,110	1,218,924
Other plants	-	23,479	23,479	-	23,766	23,766
Transfers	30,883	(30,883)	-	31,433	(31,433)	-
Depreciation	(51,726)	-	(51,726)	(62,834)	-	(62,834)
Write-offs	(1,105)	-	(1,105)	(1,173)	-	(1,173)
Balance as 6.30.2008	**3,454,825**	**36,446**	**3,491,271**	**5,162,785**	**820,628**	**5,983,413**
Additions						
São Salvador plant	-	-	-	-	88,854	88,854
Other plants	-	15,902	15,902	-	25,705	25,705
Transfers	4,701	(4,701)	-	13,581	(13,581)	-
Ponte de Pedra plant (*)	-	-	-	(76,781)	-	(76,781)
Depreciation	(52,372)	-	(52,372)	(66,330)	-	(66,330)
Write-offs	(151)	-	(151)	(151)	-	(151)
	3,407,003	**47,647**	**3,454,650**	**5,033,104**	**921,606**	**5,954,710**
Special obligations	(9,499)	-	(9,499)	(9,624)	-	(9,624)
Balance as of 9.30.2008	**3,397,504**	**47,647**	**3,445,151**	**5,023,480**	**921,606**	**5,945,086**

(*) Refers to adjustment at fair value of assets acquired from Ponte de Pedra Energética S.A., as a result of the revision of the present value calculation of the concession payable to ANEEL, regarded as part of the fair value of assets in the previous quarter. Counterentry of recording was made in item "concessions payable", in liabilities.

Allocation of financial charges

Financial charges linked to financing of Companhia Energética São Salvador – CESS, which amounted to R$11,632 in the third quarter of 2008 (R$10,092 in the second quarter of 2008), are being capitalized in property, plant and equipment in progress.

12 – INTANGIBLE ASSETS

	Company				
	9.30.2008				6.30.2008
	Average amortization rates	Adjusted cost	Accumulated amortization	Net	Net
In service					
License	20.0	10,668	(8,979)	1,689	1,845
		10,668	**8,979**	**1,689**	**1,845**
In progress					
License	-	213	-	213	270
		10,881	**(8,979)**	**1,902**	**2,115**

	Consolidated				
	9.30.2008				6.30.2008
	Average amortization rates	Adjusted cost	Accumulated amortization	Net	Net
In service					
Acquired rights – UTE Seival	-	19,528	-	19,528	19,528
License	20.0	16,153	(9,958)	6,195	6,409
		35,681	**(9,958)**	**25,723**	**25,937**
In progress					
License	-	356	-	356	317
Electricity purchase right	-	64,561	-	64,561	64,561
		64,917	-	**64,917**	**64,878**
		100,598	**(9,958)**	**90,640**	**90,815**

13 – LOANS AND FINANCING

a) Breakdown

	Company					
	9.30.2008			6.30.2008		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Foreign currency						
National Treasury, net of deposited guarantees	22,204	152,591	174,795	18,464	127,827	146,291
BNP Paribas (Floating Rate Note)	-	107,724	107,724	-	100,252	100,252
Deutsche Bank	3,678	1,839	5,517	3,058	1,529	4,587
Charges	13,743	-	13,743	7,293	-	7,293
	39,625	**262,154**	**301,779**	**28,815**	**229,608**	**258,423**
Local currency						
ELETROBRAS	28,865	46,139	75,004	28,207	53,083	81,290
BNDES	14,938	53,531	68,469	14,929	57,231	72,160
Banco do Brasil	3,529	7,941	11,470	3,529	8,823	12,352
Promissory Notes	400,000	-	400,000	400,000	-	400,000
Charges	19,125	-	19,125	5,684	-	5,684
	466,457	**107,611**	**574,068**	**452,349**	**119,137**	**571,486**
	506,082	**369,765**	**875,847**	**481,164**	**348,745**	**829,909**

	Consolidated					
	9.30.2008			6.30.2008		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Foreign currency						
National Treasury, net of deposited guarantees	22,204	152,591	174,795	18,464	127,827	146,291
BNP Paribas (Floating Rate Note)	-	107,724	107,724	-	100,252	100,252
Deutsche Bank	3,678	1,839	5,517	3,058	1,529	4,587
Charges	13,743	-	13,743	7,293	-	7,293
	39,625	**262,154**	**301,779**	**28,815**	**229,608**	**258,423**
Local currency						
ELETROBRAS	28,865	46,139	75,004	28,207	53,083	81,290
BNDES	44,754	387,525	432,279	44,549	370,539	415,088
Financing agents - BNDES	39,325	555,177	594,502	39,300	525,449	564,749
Banco do Brasil	3,529	7,941	11,470	3,529	8,823	12,352
Promissory Notes	400,000	-	400,000	400,000	-	400,000
BRDE	6,822	19,898	26,720	6,818	21,590	28,408
Charges	20,928	9,816	30,744	7,436	8,505	15,941
	544,223	**1,026,496**	**1,570,719**	**529,839**	**987,989**	**1,517,828**
	583,848	**1,288,650**	**1,872,498**	**558,654**	**1,217,597**	**1,776,251**

b) Changes in loans and financing

	Company			Consolidated		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Balance as of 3.31.2008	**80,690**	**394,741**	**475,431**	**115,243**	**956,231**	**1,071,474**
Additions	400,000	-	400,000	400,000	64,238	464,238
Acquisition of PPESA	-	-	-	42,023	252,135	294,158
Transfers	22,693	(22,693)	-	41,897	(41,897)	-
Charges	15,346	(11)	15,335	24,190	10,182	34,372
Exchange variations	(2,744)	(23,340)	(26,084)	(2,744)	(23,340)	(26,084)
Interest on deposited guarantees	-	48	48	-	48	48
Amortization	(34,821)	-	(34,821)	(61,955)	-	(61,955)
Balance as of 6.30.2008	**481,164**	**348,745**	**829,909**	**558,654**	**1,217,597**	**1,776,251**
Additions	-	-	-	-	56,120	56,120
Transfers	11,689	(11,689)	-	30,859	(30,859)	-
Charges	22,863	33	22,896	31,703	13,116	44,819
Exchange variations	5,820	33,482	39,302	5,820	33,482	39,302
Interest on deposited guarantees	-	(806)	(806)	-	(806)	(806)
Amortization	(15,454)	-	(15,454)	(43,188)	-	(43,188)
Balance as of 9.30.2008	**506,082**	**369,765**	**875,847**	**583,848**	**1,288,650**	**1,872,498**

In the consolidated, entries refer to the release of financing for the construction of the São Salvador hydroelectric plant by BNDES, as per contracted conditions showed in the item and as follows.

c) Breakdown by foreign currency and local indices

	Company					
	9.30.2008			6.30.2008		
	Currency	R$	%	Currency	R$	%
Foreign currency						
US dollar – USD	97,581	186,799	21.33	96,329	153,346	18.48
Euro – EUR	42,694	114,980	13.13	41,925	105,077	12.66
		301,779	**34.46**		**258,423**	**31.14**
Local Currency						
CDI		418,779	47.81		405,336	48.84
IVRRJR (UFIR-based)		75,004	8.56		81,290	9.80
TJLP		68,694	7.84		72,380	8.72
Not indexed		11,591	1.32		12,480	1.50
		574,068	**65.54**		**571,486**	**68.86**
		875,847	**100.00**		**829,909**	**100.00**

	Consolidated					
	9.30.2008			6.30.2008		
	Currency	R$	%	Currency	R$	%
Foreign currency						
US dollar – USD	97,581	186,799	9.98	96,329	153,346	8.63
Euro – EUR	42,694	114,980	6.14	41,925	105,077	5.92
		301,779	**16.12**		**258,423**	**14.55**
Local Currency						
TJLP		1,056,390	56.42		1,010,658	56.90
CDI		418,779	22.36		405,336	22.82
IVRRJR (UFIR-based)		75,004	4.01		81,290	4.57
UMBNDES590 (*)		8,955	0.48		8,064	0.45
Not indexed		11,591	0.62		12,480	0.71
		1,570,719	**83.88**		**1,517,828**	**85.45**
		1,872,498	**100.00**		**1,776,251**	**100.00**

(*) Rate related to the currency basket calculated by BNDES.

d) Changes in foreign currencies and indices

	2008 (%)		2007 (%)	
Currency – index	3rd Quarter	Accumulated	3rd Quarter	Accumulated
US dollar – USD	19.87	8.07	(4.53)	(13.99)
Euro – EUR	7.94	3.24	0.62	(6.97)
TJLP (long-term interest rate)	1.57	4.78	1.52	4.77
CDI (May to September)	3.19	5.07	-	-
UMBNDES590 (May to September)	1.22	1.15	-	-

e) Contractual terms and conditions

		Payment terms		
	Charges	Maturity	Charges	Principal
Foreign Currency				
Tractebel Energia				
National Treasury	Libor + 1.075% p.a.	Apr 2024	Semiannual, in April and October	Semiannual, in April and October
BNP Paribas (Floating Rate Note)	Euribor + 2.75% p.a. [a]	Nov 2015	Annual in November	Lump sum in November 2015
Deutsche Bank	Libor + 0.55% + IR on interest (10%)	Oct 2009	Semiannual, in April and October	Semiannual, in April and October
Local Currency				
Tractebel Energia				
ELETROBRAS	12% p.a.	Apr 2011	Monthly, up to maturity	Monthly, up to maturity
BNDES	TJLP + 4% p.a. [b]	Apr 2013	Monthly, up to maturity	Monthly, up to maturity
Banco do Brasil	9.35% p.a.	Dec 2011	Monthly, up to maturity	Monthly, up to maturity
Promissory Notes – 3rd issue	103.5% of the CDI	May 2009	Lump sum in May 2009	Lump sum in May 2009
ITASA				
BNDES	TJLP + 4% p.a. [b]	Sept 2013	Monthly, up to maturity	Monthly, up to maturity
Financing agents - BNDES [c]	TJLP + 3.85% p.a. [b]	Sept 2013	Monthly, up to maturity	Monthly, up to maturity
LAGES				
BRDE	TJLP + 2.25% p.a. [b]	Aug 2012	Monthly, up to maturity	Monthly, up to maturity
CESS				
BNDES	TJLP + 2.7% p.a. [b]	Oct 2023	Monthly, after October 2009, up to maturity	Monthly, after October 2009, up to maturity
Financing agents - BNDES [c]	TJLP + 3.25% p.a. [b]	Oct 2023	Monthly, after October 2009, up to maturity	Monthly, after October 2009, up to maturity
PONTE DE PEDRA				
BNDES	TJLP + 5% p.a.	Apr 2015	Monthly, up to maturity	Monthly, up to maturity
BNDES	UMBNDES + 5%+Var. Rate [d]	Apr 2015	Monthly, up to maturity	Monthly, up to maturity
BNDES	TJLP + 2.7% p.a. [b]	Oct 2023	Monthly, after October 2009, up to maturity	Monthly, after October 2009, up to maturity
Financing agents - BNDES [e]	TJLP + 4.25% p.a. [b]	Apr 2015	Monthly, up to maturity	Monthly, up to maturity

[a] Rescheduling in November 2007 to November 2015 and spread to 2.75% p.a. from 7% p.a.

[b] The amount corresponding to the TJLP (long-term interest rate) that exceeds 6% p.a. will be capitalized and included in principal.

(c) UNIBANCO, BRADESCO, Banco Itaú, Banco Santander and Banco Votorantim.

(d) Quarterly variable rate, adjusted in January, April, July and October, based on the average weighted cost of all rates and expenses incurred by BNDES in the collection of resources in foreign currency.

(e) UNIBANCO, BRADESCO, Banco Itaú, BBA and Banco do Brasil.

f) Loans and financing - noncurrent liabilities

	Company			Consolidated		
	Foreign currency	Local currency	Total	Foreign currency	Local currency	Total
2009 (October to December)	11,830	11,466	23,296	11,830	37,075	48,905
2010	17,397	47,634	65,031	17,397	163,303	180,700
2011	17,397	28,589	45,986	17,397	144,258	161,655
2012	12,875	14,938	27,813	12,875	128,333	141,208
2013	8,352	4,984	13,336	8,352	107,050	115,402
2014	2,608	-	2,608	2,608	81,717	84,325
2015	107,724	-	107,724	107,724	53,712	161,436
2016 to 2022 (annual installments R$39,708)	-	-	-	-	277,956	277,956
2023	-	-	-	-	33,092	33,092
2024	83,971	-	83,971	83,971	-	83,971
	262,154	**107,611**	**369,765**	**262,154**	**1,026,496**	**1,288,650**

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 R$77,324, as of September 30, 2008, 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

ELETROBRAS: (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 amount of the financing, linked to the contractual terms.

Banco do Brasil: (a) Assignment and credit transfer of receivables amounting 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: Credit Facility Agreement and Debenture Subscription and Payment Agreement: As a result of the incorporation of CEM by Tractebel Energia on March 28, 2008, existing guarantees in both Contracts, were replaced by a Letter of Guarantee from UNIBANCO, in the amount of R$156,700, up to October 15, 2013.

g.2) Itá Energética S.A. - ITASA

BNDES and BNDES onlendings - Financing Agents: (a) Pledge of Concession-Related Rights to operate Itá hydroelectric plant; (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 the 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 Agents.

g.3) Lages Bioenergética Ltda.

BRDE: (a) Assignment of receivables from the Electricity Purchase and Sale Agreement entered into with CELESC, intermediated by Tractebel; (b) assignment of the Compensation Rights arising from the Steam and Biomass Purchase and Sale Agreements entered into with the companies Sofia Industrial e Exportadora Ltda. and Battistella Ind. e Com. Ltda.; (c) assignment of Permit-Related Rights granted by ANEEL to establish as Independent Producer of electricity; (d) obligation to maintain a reserve account with a deposit equivalent to, on the average, four months of debt service.

g.4) Companhia Energética São Salvador - CESS

BNDES and BNDES onlendings – financing agents: (a) Pledge of Rights Related to the Concession for the operation of the São Salvador hydroelectric plant; (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 service, plus an amount equivalent to three months of payment of the Project Operation and Maintenance Agreement.

g.5) Ponte de Pedra Energética S.A. – PPESA

BNDES and BNDES onlendings – financing agents: (a) Pledge of Rights Related to the Concession for the operation of the Ponte de Pedra hydroelectric plant; (b) Centralized Receivables Account to receive PPESA receivables; (c) obligation to maintain a reserve account with a deposit equivalent to three months of debt service, plus an amount equivalent to three months of payment of the Project Operation and Maintenance Agreement.

h) Covenant agreements

The Company has the following covenants set forth in its loan and financing agreements:

Debt	Covenant	Index on 9.30.2008
Tractebel Energia		
BNDES	Shareholders' Equity/ Total Assets ≥ 30%	46.87%
Promissory Note 3rd issue	EBITDA/Consolidated Financial Expenses ≥ 2.0	6.16
	Consolidated Debt/EBITDA ≤ 3.5	1.21
Ponte de Pedra Energética S.A.		
BNDES and Financing agents	Debt Coverage Index ≥ 1.3	1.83
Lages Bioenergética Ltda.		
BRDE	(Current Liabilities + Long-Term Liabilities) / Total Assets ≤ 66%	33.54%
Itá Energética S.A.		
BNDES and Financing agents	Shareholders' Equity/Total Assets ≥ 40%	59.00%

14 – DEBENTURES

a) Breakdown

	9.30.2008			6.30.2008		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Tractebel Energia S.A.						
1st Issue - 1st Series	-	147,300	147,300	-	145,000	145,000
1st Issue - 2nd Series	-	60,000	60,000	-	60,000	60,000
2nd Issue – Single Series	-	381,197	381,197	-	374,878	374,878
Cana Brava (Single Series)	11,355	57,969	69,324	11,348	57,935	69,283
Charges	19,564	-	19,564	5,938	-	5,938
Total Company	**30,919**	**646,466**	**677,385**	**17,286**	**637,813**	**655,099**
ITASA (1st and 2nd Series)	**11,466**	**36,854**	**48,320**	**10,701**	**36,854**	**47,555**
Charges	2,788	-	2,788	1,602	-	1,602
Total Consolidated	**45,173**	**683,320**	**728,493**	**29,589**	**674,667**	**704,256**

b) Changes in debentures

	Company			Consolidated		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Balance at 3.31.2008	**57,938**	**636,992**	**694,930**	**72,250**	**677,942**	**750,192**
Transfers	12,650	(12,650)	-	16,746	(16,746)	-
Charges	12,341	35	12,376	13,668	35	13,703
Exchange variations	(3)	13,436	13,433	2,113	13,436	15,549
Amortization	(65,640)	-	(65,640)	(75,188)	-	(75,188)
Balance at 6.30.2008	**17,286**	**637,813**	**655,099**	**29,589**	**674,667**	**704,256**
Exchange variations	13,633	35	13,668	14,819	35	14,854
Amortization	-	8,618	8,618	765	8,618	9,383
Balance at 9.30.2008	**30,919**	**646,466**	**677,385**	**45,173**	**683,320**	**728,493**

c) Contractual terms and conditions

			Payment terms		
	Number outstanding	Yield	Interest/monetary adjustment	Principal	Guarantee
Tractebel					
1st Series	14,000	IGPM + 9.29% p.a.	Annually on May 2	Lump sum on May 2, 2011	No guarantee
2nd Series	6,000	103.9% of the CDI	Semiannually on May 2 and November 2	Lump sum on May 2, 2010	No guarantee
2nd Issue Single Series	35,000	IPCA + 7% p.a.	Annually on May 15	3 installments on May 15, 2012, May 15, 2013 and May 15, 2014	No guarantee
Cana Brava (Single Series)	7,773	TJLP + 4% p.a. (*)	Semiannually on April 1 and October 1, until April 1, 2013	Semiannual, ranging from 4.7027% on April 1, 2008 to 7.5737% on April 1, 2013	Receivables from electricity generation and sales
ITASA					
1st Series and 2nd Series	8,400	IGPM + 9.4% p.a.	Annually on December 1 (1st series) and June 1 (2nd series)	7 equal installments, on December 1 (1st series) and June 1 (2nd series) of each year, until December 1, 2013 (1st series) and June 1, 2013 (2nd series)	Pledge of receivables from electricity sales to its shareholders

(*) The amount corresponding to the TJLP (long-term interest rate) that exceeds 6% p.a. will be capitalized and included in principal.

d) Changes in indices

Currency – index	2008 (%)		2007 (%)	
	3rd Quarter	Accumulated	3rd Quarter	Accumulated
TJLP	1.57	4.78	1.52	4.77
IGP-M	1.55	8.43	2.56	4.07
CDI	3.19	8.71	2.78	8.95
IPCA (in 2007, May to September)	1.07	4.75	0.89	1.46

e) Maturities of debentures stated in noncurrent liabilities

	Company	Consolidated
2009 (October to December)	6,097	10,192
2010	73,100	81,290
2011	161,711	169,901
2012	142,917	151,107
2013	135,576	143,765
2014	127,065	127,065
	646,466	**683,320**

f) Covenant agreements

The Company has the following covenants set forth in its debenture agreements:

Debt	Covenant	Index on 9.30.2008
Tractebel Energia		
1st series, 2nd series and 2nd issue (single series)	EBITDA/Consolidated Financial Expenses ≥ 2.0	6.16
	Consolidated Debt/EBITDA ≤ 2,5	1.21
Cana Brava (single series)	Shareholders' Equity/Total Assets ≥ 30%	46.87%
Itá Energética S.A.		
ITASA 1st and 2nd series	Shareholders' Equity/Total Assets ≥ 40%	59.00%

15 – TRADE ACCOUNTS PAYABLE

	Company		Consolidated	
	9.30.2008	6.30.2008	9.30.2008	6.30.2008
Electricity purchased for resale	45,960	45,959	94,815	77,431
Transactions within CCEE	750	8,750	2,952	10,599
Electric network usage charges	62,310	57,451	65,967	60,854
Fossil fuels/biomass	728	7,046	780	6,482
Material and services	30,408	31,082	52,753	85,207
	140,156	**150,288**	**217,267**	**240,573**

16 – TAXES PAYABLE

	Company		Consolidated	
	9.30.2008	6.30.2008	9.30.2008	6.30.2008
Current				
Income tax	229,871	169,293	230,530	170,795
Social contribution tax	77,895	58,737	78,216	59,851
ICMS	14,833	11,785	36,861	32,128
PIS and COFINS	12,804	12,230	14,184	14,443
INSS	2,678	2,255	3,144	2,569
Other	1,016	1,887	1,486	2,556
	339,097	**256,187**	**364,421**	**282,342**
Noncurrent				
INSS	3,747	3,993	3,747	3,993
ICMS	-	-	4,586	3,157
	3,747	**3,993**	**8,333**	**7,150**
	342,844	**260,180**	**372,754**	**289,492**

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

17 – 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, in 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 related contingencies, as follows:

a) Breakdown

	Company					
	9.30.2008			6.30.2008		
	Gross reserve	Escrow deposit	Net reserve	Gross reserve	Escrow deposit	Net reserve
Tax						
Social contribution tax	14,662	(3,787)	10,875	14,224	(3,674)	10,550
INSS	28,680	(12,602)	16,078	27,822	(12,225)	15,597
	43,342	**(16,389)**	**26,953**	**42,046**	**(15,899)**	**26,147**
Civil						
Agreements with suppliers	18,635	-	18,635	18,202	-	18,202
Occupational diseases and accidents	14,051	(1,255)	12,796	21,195	(1,348)	19,847
Sundry lawsuits	11,386	(11)	11,375	10,623	(18)	10,605
	44,072	**(1,266)**	**42,806**	**50,020**	**(1,366)**	**48,654**
Labor	**21,001**	**(11,205)**	**9,796**	**19,733**	**(10,832)**	**8,901**
	108,415	**(28,860)**	**79,555**	**111,799**	**(28,097)**	**83,702**
Classification in balance sheet						
Current			10,745			8,664
Noncurrent			68,810			75,038
			79,555			**83,702**

	Consolidated					
	9.30.2008			6.30.2008		
	Gross reserve	Escrow deposit	Net reserve	Gross reserve	Escrow deposit	Net reserve
Tax						
Social contribution tax	14,662	(3,787)	10,875	14,224	(3,674)	10,550
INSS	28,680	(12,602)	16,078	27,822	(12,225)	15,597
	43,342	**(16,389)**	**26,953**	**42,046**	**(15,899)**	**26,147**
Civil						
Agreements with suppliers	18,635	-	18,635	18,202	-	18,202
Occupational diseases and accidents	14,051	(1,255)	12,796	21,195	(1,348)	19,847
Difference of Transmission System Usage Tariff	14,835	(14,835)	-	12,713	(12,713)	-
Sundry lawsuits	16,605	(2,426)	14,179	15,763	(2,533)	13,230
	64,126	**(18,516)**	**45,610**	**67,873**	**(16,594)**	**51,279**
Labor	**21,001**	**(11,205)**	**9,796**	**19,733**	**(10,832)**	**8,901**
	128,469	**(46,110)**	**82,359**	**129,652**	**(43,325)**	**86,327**
Classification in balance sheet						
Current			10,867			8,786
Noncurrent			71,492			77,541
			82,359			**86,327**

Tax Contingencies

Social contribution tax

Refers to the tax assessment notice issued by the Federal Revenue Service as the Company offset tax loss carryforwards for the year 1989 and 1990 against social contribution tax payable in the 1996 and 1997 income tax returns. According to the summary of said tax assessment notice, the offset of social contribution tax loss carryforwards is permitted by law only beginning January 1, 1992. The Company understands that the provisions of regulatory instructions that prohibited the offset of prior years' social contribution tax loss carryforwards has no legal basis, since there is no restriction to the offset in the Law. As regards the tax assessment notice for the year 1996, the decision at the administrative level was unfavorable to the Company, which will file a lawsuit to challenge the tax collection.

INSS (National Institute of Social Security)

The Company received a tax debt assessment notice 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. The amount accrued as of September 30, 2008 is R$17,526 (R$17,002 on June 30, 2008).

The Company also received a notification from 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 under 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. The INSS filed an appeal against this decision with the Federal Court. The amount accrued as of September 30, 2008 is R$8,039 (R$7,799 on June 30, 2008).

Civil contingencies

Agreements with suppliers

Refer mainly 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 April 23, 2007 at the request of CIEN, after the Company filed its defense arguments. The amount accrued as of September 30, 2008 is R$14,747 (R$14,357 on June 30, 2008).

Occupational diseases and accidents

Refer to lawsuits filed by former employees, mainly related to repetitive strain injuries and possible damages to hearing capacity.

Transmission System Usage Tariff

Refers to the suit filed by Ponte de Pedra Energética S.A. – PPESA, wholly-owned subsidiary of Energia América do Sul Ltda, aimed at reducing the amount payable for the Transmission System Usage Tariff – TUST so as to pay the amount equivalent to the amount charged to the Itiquira hydroelectric plant. As of June 2006, PPESA started paying TUST with a reduction and providing and depositing in an escrow deposit the difference between the amount charged and the amount paid. As of February 2007, the Company substitute the escrow deposits for a letter of guarantee of Banco Itaú-BBA.

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 gross provisions

	Company			
	Tax	**Civil**	**Labor**	**Gross reserve**
Balance at 3.31.2008	**40,964**	**50,225**	**19,569**	**110,758**
Additions	-	66	817	883
Adjustments	1,082	1,513	683	3,278
Payments	-	(150)	(1,022)	(1,172)
Reversals	-	(1,634)	(314)	(1,948)
Balance at 6.30.2008	**42,046**	**50,020**	**19,733**	**111,799**
Additions	-	470	4,302	4,772
Adjustments	1,296	1,150	567	3,013
Payments	-	(913)	(2,991)	(3,904)
Reversals	-	(6,655)	(610)	(7,265)
Balance at 9.30.2008	**43,342**	**44,072**	**21,001**	**108,415**

	Consolidated			
	Tax	**Civil**	**Labor**	**Gross reserve**
Balance at 3.31.2008	**40,964**	**53,246**	**19,569**	**113,779**
Additions	-	1,134	817	1,951
Additions for the acquisition of PPESA	-	13,803	-	13,803
Adjustments	1,082	1,535	683	3,300
Payments	-	(150)	(1,022)	(1,172)
Reversals	-	(1,695)	(314)	(2,009)
Balance at 6.30.2008	**42,046**	**67,873**	**19,733**	**129,652**
Additions	-	2,200	4,302	6,502
Adjustments	1,296	1,648	567	3,511
Payments	-	(913)	(2,991)	(3,904)
Reversals	-	(6,682)	(610)	(7,292)
Balance at 9.30.2008	**43,342**	**64,126**	**21,001**	**128,469**

c) Contingencies with 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 and, therefore, have not been accrued but only disclosed in the quarterly information. The amounts involved are detailed below:

	Company					
	9.30.2008					6.30.2008
	Possible risk	Remote risk	Total gross	Escrow deposit	Total net	Total net
Tax	338,570	27,256	365,826	(150,372)	215,454	173,841
Civil	27,047	11,231	38,278	(3,761)	34,517	34,185
Labor	12,063	11,863	23,926	(1,639)	22,287	19,772
	377,680	**50,350**	**428,030**	**(155,772)**	**272,258**	**227,798**

	Consolidated					
	9.30.2008					6.30.2008
	Possible risk	Remote risk	Total gross	Escrow deposit	Total net	Total net
Tax	338,661	27,256	365,917	(150,463)	215,454	173,841
Civil	41,659	11,878	53,537	(4,073)	49,464	49,219
Labor	12,063	11,863	23,926	(1,639)	22,287	19,772
	392,383	**50,997**	**443,380**	**(156,175)**	**287,205**	**242,832**

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

Tax contingencies

The main subjects of tax contingencies with possible risk are as follows:

PIS and COFINS

In July 2005, the Company filed for an Injunction against the Federal Revenue Service Director in Florianópolis, 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. 10833/03. 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. 1598/1977, meaning said Regulatory Instruction is illegal.

As a result, the Company paid PIS and COFINS on revenue from agreements entered into before October 31, 2003 for periods longer than one year and at a predetermined price, based on the cumulative taxation system provided for by the previous law for the period November 2004 – May 2005 in the amount of R$40,955, restated up to September 30, 2008. In the period June 2005 – October 2006, the Company deposited the amounts it understands not to be due in an escrow deposit, amounting to R$127,506, restated up to September 30, 2008.

Due to the estimated favorable outcome at the 4th Region Federal Court, the Company suspended the deposits in December 2006. On April 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 agreements of the Company.

On July 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 in Florianópolis, the nonpayment or deposit of the amounts, even if challenged in courts, is not supported by the law. On August 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. The tax delinquency notice amount is included in possible risk tax contingencies.

According to the Company's legal counsel, the risk of an unfavorable outcome in the lawsuit is lower that the likelihood of a favorable outcome, and thus the Company is not accruing the unpaid amount since June 2005. The adjusted contingency of the Company and consolidated as of September 30, 2008, is R$272,191, R$144,685, net of the aforementioned escrow deposits (R$123,747 on June 30, 2008).

Income and social contribution taxes

The main tax assessment notices assessed as possible risks are as follows:

- 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 PER/DCOMP (Electronic Refund or Reimbursement Request and Offset Declaration), 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 impose a penalty against a company that held tax credits and voluntarily reported its debts. The adjusted amount of the tax assessment as of September 30, 2008 is R$38,376, Company and consolidated (R$37,230 on June 30, 2008);

INSS

The main notices classified as possible risks are as follows:

- 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 September 30, 2008, the adjusted amount is R$3,083 (R$2,991 on June 30, 2008).
- Tax assessment notices related to alleged joint liability of and transfer of liability from Centrais Elétricas do Sul do Brasil S.A. - ELETROSUL to Tractebel Energia related to the levy of social security charges on labor services provided by outsourced companies, until the spin-off of ELETROSUL, and resulting establishment of Centrais Geradoras do Sul do Brasil S.A. – GERASUL (currently Tractebel Energia). As of September 30, 2008, the adjusted amount is R$4,474 (R$4,339 on June 30, 2008).

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.

Ponte de Pedra Energética S.A. – PPESA is a party in a tax assessment notice issued by IBAMA – Brazilian Institute of Renewable Resources – IBAMA in the amount of R$10,531 (R$10,200 on June 30, 2008) referring to supposed environmental damages caused by the Company. PPESA presented an administrative defense which is under analysis by the Institute.

Labor contingencies

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

18 – CONCESSION FEES PAYABLE

	Company		Consolidated	
	9.30.2008	6.30.2008	9.30.2008	6.30.2008
Cana Brava plant	277,031	262,153	277,031	262,153
Ponte de Pedra plant	-	-	262,861	333,448
	277,031	**262,153**	**539,892**	**595,601**
Classification in balance sheet				
Current	1,868	1,755	2,332	2,217
Noncurrent	275,163	260,398	537,560	593,384
	277,031	**262,153**	**539,892**	**595,601**

The Company has undertaken the obligation to pay the Federal Government the amounts shown below for the concession granted to operate Cana Brava and Ponte de Pedra hydroelectric 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. The historical and adjusted amounts as of September 30, 2008 are as follows:

Cana Brava Plant

	Historical amount		Adjusted amount	
Year	Annual	Total	Annual	Total
10.1.2008 – 7.30.2023	680	10,087	1,868	27,705
8.1.2023 – 7.30.2033	61,280	612,800	168,319	1,683,191
		622,887		**1,710,896**

Ponte de Pedra Plant

	Historical amount		Adjusted amount	
Year	Annual	Total	Annual	Total
10.1.2008 – 9.30.2019	200	2,250	484	5,324
10.1.2019 – 9.30.2020	16,200	16,200	39,204	39,204
10.1.2020 – 9.30.2034	31,109	435,531	75,286	1,053,997
		453,981		**1,098,525**

In order to accurately reflect, in shareholders' equity, the concession fee and the related obligation to the Federal Government, the amount of the concession was registered in assets as a contra entry to current and long-term 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., as provided in the bid notice for the concession. Until startup of the Plants, the adjustment of liabilities based on the discount rate and variation of IGP-M was capitalized in assets and, thereafter, recognized directly in the statement of income.

a) Change

	Company			Consolidated		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Balance at 3.31.2008	**1,684**	**247,453**	**249,137**	**1,684**	**247,453**	**249,137**
Acquisition PPESA	-	-	-	462	317,915	318,377
Transfers	478	(478)	-	478	(478)	-
Charges	-	5,567	5,567	-	9,084	9,084
Monetary variations	-	7,856	7,856	-	19,410	19,410
Amortization	(407)	-	(407)	(407)	-	(407)
Balance at 6.30.2008	**1,755**	**260,398**	**262,153**	**2,217**	**593,384**	**595,601**
Transfers	518	(518)	-	628	(628)	-
Charges	-	6,268	6,268	-	11,293	11,293
Monetary variations	-	9,015	9,015	-	10,149	10,149
Amortization	(405)	-	(405)	(513)	-	(513)
Adjustments to present value (*)	-	-	-	-	(76,638)	(76,638)
Balance at 9.30.2008	**1,868**	**275,163**	**277,031**	**2,332**	**537,560**	**539,892**

(*) See comments on Note 11.b.

The amount related to current liabilities is presented in the balance sheet in the caption "Other".

b) Maturities of concession fees payable stated in noncurrent liabilities

	Company	Consolidated
2009 (October to December)	467	577
2010	1,868	2,288
2011	1,868	2,256
2012	1,868	2,226
2013	1,868	2,199
From 2014 to 2034	267,224	528,014
	275,163	**537,560**

19 – POST-EMPLOYMENT BENEFITS

Post-employment benefits granted by the Company are as follows:

a) Pension plan

The Company, through PREVIG – Sociedade de Previdência Complementar, provides pension plans for 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.

The benefit plans managed by PREVIG are Defined Benefit and Defined Contribution plans. The Defined Benefit Plan is closed to new participants.

a.1) Defined Benefit Plan

The Defined Benefit plan has a capitalization system for pensions, survivors' pensions, and other benefits.

The Benefit Plan is funded by the contributions of participants and the sponsor. The Company's contribution corresponds to twice the contribution of its employees.

Part of the actuarial liabilities recognized in the balance sheet is covered by obligations contracted/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			
	9.30.2008			6.30.2008
	Current	Noncurrent	Total	Total
Contracted/recognized obligations				
Agreement of acknowledgement of past debts	17,372	116,470	133,842	136,596
Coverage of costs relating to conversion of special retirement into retirement for length of service (SB-40) and extraordinary contributions	2,288	2,495	4,783	4,999
Actuarial liabilities not subject to contract	2,884	198,496	201,380	194,857
Total actuarial liability	**22,544**	**317,461**	**340,005**	**336,452**

Contracted debts are adjusted based on the INPC disclosed by the 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
2009 (October to December)	3,956	493	4,449
2010	16,422	2,048	18,470
2011	14,981	2,022	17,003
2012	12,377	2,069	14,446
2013	13,138	2,193	15,331
2014 and thereafter	30,103	16,668	46,771
	90,977	**25,493**	**116,470**

Changes in post-employment benefits are summarized below:

	Pension plan	Confidentiality bonus	Total
Liabilities as of 3.31.2008	**331,579**	**999**	**332,578**
2Q08 expenses	11,280	57	11,337
Contributions	(7,444)	-	(7,444)
Benefits paid	-	(19)	(19)
Liabilities as of 6.30.2008	**335,415**	**1,037**	**336,452**
3Q08 expenses	11,279	58	11,337
Contributions	(7,746)	-	(7,746)
Benefits paid	-	(38)	(38)
Liabilities as of 9.30.2008	**338,948**	**1,057**	**340,005**

The amounts to be recognized in the statement of income from October to December 2008, related to the Defined Benefit Plan and the Confidentiality bonus, are as follows:

	Pension plan	Confidentiality bonus	Total
Cost of current service	121	13	134
Cost of interest	30,917	34	30,951
Expected return on plan assets	(20,116)	-	(20,116)
Amortization of actuarial losses	405	10	415
Employees' contributions	(47)	-	(47)
	11,280	**57**	**11,337**

a.2) Defined contribution plan

In addition to the above-mentioned benefit plan, PREVIG started managing another plan, a Defined Contribution plan, closing the initial plan to new participants on October 5, 2004, the date when the new plan approval was communicated by the Secretariat for Pension Plans.

In the Defined Contribution plan, in which 93% of the Company's employees participate (871 participants), plan funding consists of basic contributions by the participants and the sponsor. The Company's basic contribution is equal to the basic contribution of its employees.

b) Confidentiality bonus

Consists of the payment of a bonus to managers when their employment relationship is terminated.

20 – DEFERRED TAX LIABILITIES

Income and social contribution taxes recorded under this caption, Company and consolidated, amount to R$36,535 in long-term liabilities, calculated on the provision for sale of electricity within MAE, in the amount of R$107,456, corresponding to the period from September 2000 to September 2002. Considering that the amount of revenue is being challenged in court by agents that disagree with the interpretation adopted by MAE in the application of certain accounting rules, as provided for by an ANEEL Resolution, in the event of a favorable outcome for these agents, both the revenue and the corresponding asset will no longer exist, and therefore it is being treated as a provision and deemed as temporary difference for tax purposes.

21 – 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 (BOVESPA).

As of September 30, 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 as of September 30, 2008 is R$4.71 (R$5.25 per share as of June 30, 2008).

The Company's capital structure is as follows:

	% of Capital	
Shareholders	**9.30.2008**	**6.30.2008**
Suez Energy South America Participações Ltda.	68.71	68.71
Banco Clássico S.A.	10.00	10.00
BNDES Participações S.A. – BNDESPAR	2.30	2.80
Federal Government	1.90	1.90
Other	17.09	16.59
	100.00	**100.00**

c) Periodical dividends

The Board of Directors, at a meeting held on August 13, 2008, approved the distribution of periodical dividends, based on the financial statements as of June 30, 2008, based on article 204 of Law 6404/76, in the amount of R$580,299, corresponding to R$0.8890167318 per share. Said dividends correspond to 95% of the net income for the first semester of 2008.

The Company's shares are being traded ex-periodical dividends as of August 26, 2008, and payment started on October 27, 2008.

22 – OPERATING EXPENSES DETAILED BY TYPE

	Company					
	2008					2007
	3rd Quarter					3rd Quarter
	Cost		Expenses			
	Production and sale	Services provided	Selling	General and administrative	Total	Total
Personnel	23,272	2,024	2,023	10,310	37,629	34,357
Management	-	-	-	2,041	2,041	2,445
Materials	4,511	75	5	485	5,076	5,622
Outside services	13,159	649	274	11,048	25,130	18,061
Fuel for electricity production	4,522	-	-	-	4,522	74,732
Compensation for use of water resources	23,663	-	-	-	23,663	21,029
Electric network usage charges	-	-	56,172	-	56,172	42,745
Depreciation and amortization	52,187	-	-	1,516	53,703	44,620
Insurance	1,962	70	-	60	2,092	1,757
Inspection fee	-	-	-	1,963	1,963	1,694
Contributions and donations	178	69	-	2,163	2,232	1,640
Other	2,462	39	648	6,099	9,426	7,158
	125,916	**2,926**	**59,122**	**35,685**	**223,649**	**255,860**

	Consolidated					
	2008					2007
	3rd Quarter					3rd Quarter
	Cost		Expenses			
	Production and sale	Services provided	Selling	General and administrative	Total	Total
Personnel	24,230	2,024	2,023	10,444	38,721	34,579
Management	-	-	-	2,190	2,190	2,847
Materials	4,862	75	4	487	5,428	6,420
Outside services	15,543	649	324	11,154	27,670	21,250
Fuel for electricity production	7,469	-	-	-	7,469	76,847
Compensation for use of water resources	26,988	-	-	-	26,988	26,386
Electric network usage charges	-	-	64,290	-	64,290	52,447
Depreciation and amortization	66,874	-	-	3,544	70,418	59,409
Insurance	2,165	70	-	60	2,365	2,192
Inspection fee	-	-	-	2,203	2,203	2,032
Contributions and donations	313	69	-	5,397	5,466	1,789
Other	3,089	39	969	6,182	10,522	7,638
	151,533	**2,926**	**67,610**	**41,661**	**263,730**	**293,836**

23 – FINANCIAL INCOME AND EXPENSES

	Company			
	2008		2007	
	3rd Quarter	Accumulated	3rd Quarter	Accumulated
Financial income				
Income from temporary cash investments	17,849	50,264	12,268	30,505
Interest on receivables	3,779	10,574	3,999	9,486
Monetary variation on escrow deposits	5,187	13,402	3,957	10,769
Monetary variation on receivables	1,660	7,474	2,195	3,238
Other	1,280	5,228	778	5,363
	29,755	**86,942**	**23,197**	**59,361**
Financial expenses				
Debt charges	36,388	78,116	27,986	59,955
Charges on ANEEL concession	6,268	13,605	-	-
Charges on actuarial liabilities	10,835	32,506	11,051	33,154
Monetary variation on financing and debentures	8,116	34,534	7,255	9,814
Monetary variation on ANEEL concession	9,015	18,088	-	-
Monetary variation - other	1,297	7,977	1,202	2,367
Exchange variation on loans and financing	39,302	17,104	(12,769)	(47,127)
Losses on foreign exchange swap transactions	-	-	3,618	23,818
CPMF (tax on banking transactions)	-	324	3,087	10,588
Other	1,314	9,227	6,697	11,755
	112,535	**211,481**	**48,127**	**104,324**
Financial Expenses, net	**82,780**	**124,539**	**24,930**	**44,963**

	Consolidated			
	2008		2007	
	3rd Quarter	Accumulated	3rd Quarter	Accumulated
Financial income				
Income from temporary cash investments	20,828	58,341	16,907	42,690
Interest on receivables	4,021	11,070	4,133	9,695
Monetary variation on escrow deposits	5,190	13,836	4,595	12,360
Monetary variation on receivables	1,660	7,476	2,195	3,238
Other	1,281	5,520	891	5,991
	32,980	**96,243**	**28,721**	**73,974**
Financial expenses				
Debt charges	50,302	110,505	38,286	91,774
Charges on ANEEL concession	11,293	25,767	5,149	14,856
Charges on actuarial liabilities	10,835	32,506	11,051	33,154
Monetary variation on financing and debentures	8,881	38,648	8,721	12,540
Monetary variation on ANEEL concession	10,149	37,884	3,514	6,762
Monetary variation – other	2,002	8,757	1,249	2,440
Exchange variation on loans and financing	39,302	17,104	(12,769)	(47,127)
Losses on foreign exchange swap transactions	-	-	3,618	23,818
CPMF (tax on banking transactions)	-	523	4,601	14,458
Other	2,105	11,202	7,140	15,681
	134,869	**282,896**	**70,560**	**168,356**
Financial Expenses, net	**101,889**	**186,653**	**41,839**	**94,382**

24 – RECOVERY OF PIS/COFINS

The Company recognized in the first quarter of 2008, in the "Other Operating Revenue" caption, non-operating revenue of R$76,431, related to the PIS/COFINS recovery. This amount substantially refers to taxes unduly paid on amounts related to the recovery of fossil fuel consumption acquired with CCC/CDE (fuel usage quota) funds which, as provided for by an ANEEL Resolution, are now stated as an offsetting account of the electricity production cost, as from November 2005, and no longer in the operating income.

25 – 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 in 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.

Main market risks to which the Company is exposed are the following:

Risks related to investments

The Company adopts a conservative fund investment policy, and the majority is appropriated in government securities or purchase and sale commitment pegged to government securities. The minority is appropriated in private securities in prime banks, with a rating higher than AA+(bra) ascribed by international risk rating agencies, indexed to CDI and with daily liquidity.

Exposure to exchange risk

Loan installment related to foreign currency, in the amount of R$301,779, on September 30, 2008, corresponds to 11.6% of the Company's debt, of which 7.2% related to U.S. dollar and 4.4% to Euro, and 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 September 30, 2008 any derivative instrument to protect its liabilities. For more details on the composition of foreign currency debt, refer to Note 13.

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, UMBNDES, IGP-M and IPCA variations. The debt composition by interest rates and index is as follows:

Interest rates and fluctuating indices	Amount	%
TJLP	1,129,184	44.91
CDI	483,425	19.23
IPCA	387,538	15.41
IGP-M	203,515	8.09
LIBOR	186,799	7.43
EURIBOR	114,980	4.57
UMBNDES	8,955	0.36
	2,514,396	**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 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 4, 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.

b) Fair Value

In transactions involving financial instruments, only in loans, financing and debentures significant differences between fair values and carrying amounts 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			
	9.30.2008		6.30.2008	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans/financing and charges in foreign currency	301,779	294,911	258,423	255,599
Loans/financing and charges in local currency	574,068	574,987	571,486	570,384
Debentures	677,385	571,969	655,099	643,186
	1,553,232	**1,441,867**	**1,485,008**	**1,469,169**

	Consolidated			
	9.30.2008		6.30.2008	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans/financing and charges in foreign currency	301,779	294,911	258,423	255,599
Loans/financing and charges in local currency	1,570,719	1,571,637	1,517,828	1,516,724
Debentures	728,493	623,077	704,256	692,343
	2,600,991	**2,489,625**	**2,480,507**	**2,464,666**

26 – RELATED-PARTY TRANSACTIONS

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

	9.30.2008						6.30.2008
	SESA[a]	ITASA	LAGES	TBLC[b]	CESS[c]	Total	Total
Assets							
Intercompany receivables	-	4,129	644	66,563	68	**71,404**	**75,435**
Dividends receivable from subsidiaries	-	-	4,929	-	-	**4,929**	**4,929**
Liabilities							
Intercompany payables	-	10,581	-	9	165	**10,755**	**13,256**
Dividends and interest on capital	398,735	-	-	-	-	**398,735**	-

	3rd quarter 2008							3Q07
	SUEZ[d]	EAS[e]	ITASA	LAGES	TBLC[b]	CESS[c]	Total	Total
Income and expenses								
Operating revenue								
Electricity sales	-	-	-	1,204	87,444	-	**88,648**	**106,415**
Other revenues [*]	-	-	3,328	415	6	111	**3,860**	**3,583**
Electricity production cost								
Electricity purchased for resale	-	-	28,351	-	-	-	**28,351**	**98,272**
Fuel	-	-	-	2	-	-	**2**	**6**
Equity in subsidiaries	-	287	3,404	4,100	91	-	**7,882**	**42,787**

[a] Suez Energy South America Participações Ltda

[b] Tractebel Energia Comercializadora

[c] Companhia Energética São Salvador

[d] Suez-Tractebel S.A.

[e] Energia América do Sul Ltda.

[*] Administrative, operations and maintenance services

27 – GUARANTEES TO THIRD PARTIES

Itá Energética S.A. - ITASA

The Company and other shareholders of ITASA are intermediating parties to the agreements entered into by this investee, the BNDES and other financing agents, linked to the construction of the Itá hydroelectric plant. The intermediating parties have pledged as collateral the total amount of shares issued by ITASA and held by them, until the final settlement of all obligations undertaken under these agreements. As of September 30, 2008, the debt is R$187,297 (R$192,029 on June 30, 2008).

Lages Bioenergética Ltda.

The Company is the intermediating guarantor of the Fixed Credit Facility Agreement entered into by Lages Bioenergética with Banco Regional de Desenvolvimento do Extremo Sul – BRDE, and pledged as collateral, its shares of the subsidiary, until the final settlement of all obligations undertaken under the agreement. As of September 30, 2008, the debt is R$26,808 (R$28,496 as of June 30, 2008).

Companhia Energética São Salvador – CESS

The Company is an intermediating party to the agreements entered into by this investee and the BNDES and other financing agents, linked to the construction of the São Salvador hydroelectric plant. The intermediating party pledged as collateral the total amount of shares issued by CESS, that it holds, until the final settlement of all obligations undertaken under these agreements. As of September 30, 2008, the debt is R$555,914 (R$488,162 on June 30, 2008).

Ponte de Pedra Energética S.A. – PPESA

Energia América do Sul Ltda, a wholly-owned subsidiary and parent company of PPESA is an intervening party in agreements executed between the investee and BNDES and other financing agents, related to the construction of the Ponte de Pedra hydroelectric plant. The intervening party gave as collateral all shares issued by PPESA held by it, and the rights emerging from the concession and the electric energy purchase and sale agreement with CEMIG, until final settlement of all obligations undertaken in said agreements. The debt on September 30, 2008 is R$277,740 (R$286,812 on June 30, 2008).

28 – INSURANCE

The Company has a comprehensive operating risk insurance policy with a declared amount for property damages of US$5,247,606, equivalent to R$10,045,492 on September 30, 2008 and with a declared amount for short-term loss of profits of US$331,994, equivalent to R$635,536 on September 30, 2008 and long-term loss of profits of US$196,846 equivalent to R$376,822 on September 30, 2008. The maximum combined material damage and loss of profits claim limit is US$250,000, equivalent to R$478,575 on September 30, 2008, per event.

In addition to this coverage, the Company has civil liability insurance policies with coverage of US$50,000, equivalent to R$95,715 as of September 30, 2008. Such policies include the Itá hydroelectric plant, built and operated by means of a consortium with the jointly-owned subsidiary ITASA.

The subsidiary Lages Bioenergética Ltda. has Operating Risk insurance with coverage of US$44,481 equivalent to R$85,150 as of September 30, 2008, and civil liability insurance with coverage of US$50,000, equivalent to R$95,715 as of September 30, 2008.

Companhia Energética São Salvador – CESS has an engineering risk policy with twelve-month comprehensive maintenance coverage, and maximum claim limit of R$701,880. CESS also has two civil liability policies on first and second risks with R$22,200 coverage each.

Ponte de Pedra Energética S.A. has an Operating Risk insurance with a US$193,600 coverage equivalent to R$370,608 on September 30, 2008, and also has two civil liability policies with a R$5,325 coverage each.

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

29 – LONG-TERM AGREEMENTS

The Company and its subsidiaries have long-term commitments, the principal of which are as follows:

a) Connection agreement

The Company entered into a Connection Agreement with ELETROSUL Centrais Elétricas S.A. and Furnas Centrais Elétricas S.A., effective until the concession termination date of the Company's generation units or the liquidation of the transmission company. For the Ponte de Pedra hydroelectric plant, acquired in 2Q08 , the Connection Agreement is with ELETRONORTE - Centrais Elétricas do Norte do Brasil S.A.

b) Transmission and distribution network usage agreement

In order to use the transmission system, basic network, the Company has agreements with the ONS (Electric System National Operator), and for plants which are nor directly connected to the basic network, the Company also maintains distribution use agreements. The Willian Arjona Thermoelectric Plant has an agreement entered into with Empresa Energética do Mato Grosso do Sul S.A. – ENERSUL, the Alegrete Thermoelectric Plant has an agreement entered into with AES Sul Distribuidora Gaúcha de Energia, and the Jorge Lacerda A – A1 Thermoelectric Plant has an agreement entered into with Centrais Elétricas de Santa Catarina – CELESC. Most agreements are effective up to the date of expiry of concessions or authorizations of the Company's generation units, or expiry of transmitting and distributing companies, whichever occurs first.

c) Electricity purchase and sale of bilateral agreements

According to guaranteed energy and purchase and sale agreements, the Company's energy balance sheet shows that current capacity is almost fully sold for 2010. The Company chose to have part of its availability not contracted as from 2011, when forecasts of the sector indicate an increase in energy price.

d) Purchase of electricity from Argentina

The Company entered into an agreement with Companhia de Interconexão Energética - CIEN, for a 20-year period starting on June 21, 2000, to purchase 300 MW of firm power with associated energy, to be made available at the substation of Itá, of ELETROSUL. In the month of March 2005, ANEEL conducted an inspection to check the physical power delivery

guarantee conditions at the Uruguaiana thermoelectric plant and at the Garabi Interconnections (CIEN), where it verified the non-availability of actual electricity generation and transmission at the contracted volumes. As a result, the Ministry of Mining and Energy issued an Administrative Rule, defining new physical guarantee volumes for the respective generation and interconnection facilities.

On April 1, 2005, an ANEEL Regulatory Instruction was published establishing the criteria to be used by the ONS (Electric System National Operator) and the CCEE (Electric Power Trade Chamber) to determine the power generation and physical guarantee availability limits at the Uruguaiana thermoelectric plant and for the Garabi interconnections. Based on these regulations, the physical guarantee volume originally attributed to CIEN to meet the 300 MW agreement was reduced to approximately 72 MW.

Due to the way the agreement is registered with the CCEE, that reduction would subject the Company to the penalties provided for by industry legislation, for lack of physical guarantee, and exposure to the spot market of the CCEE, which led the Company to enter into an agreement for the purchase of the corresponding electricity from another agent. As a result, the Company understands that a contract breach by CIEN was characterized and that the fines and indemnities provided for by the agreement should be paid to the Company. Thus, based on the contract mechanisms that determine that the amounts included in the invoices issued by CIEN should be net of all amounts owed to the Company as fine and indemnities (which CIEN has not paid in relation to any issued invoices in relation to that agreement, since the reduction of the physical assurance), the Company has not been paying said invoices since March 2005 since they consider them incorrect.

ANEEL, through Regulatory Resolution, on June 20, 2006, reduced to zero the amounts of physical guarantee of electricity generated from CIEN imports, due to CIEN's impossibility to supply electricity. This reduction will be maintained until CIEN proves the existence of available electricity.

Up to the closing of the referred balance sheet, the situation remains unchanged.

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 the William Arjona thermoelectric plant - UTWA, located in Campo Grande, State of Mato Grosso do Sul, renewable for an additional five years.

With the expiration of the contract period, on May 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 Petrobrás, the seller of the gas to MSGÁS and the consenting party in the contract.

In view of Petrobras' threat to cut gas supply to the plant, the Company filed for an injunction against MSGÁS and Petrobras, with request for temporary restraining order, which was granted to assure the gas supply according to the terms of the agreement.

The Company also filed a lawsuit to ensure the renewal of the agreement, which is awaiting judgment by Mato Grosso do Sul courts.

In a recent appeal filed with the Superior Court of Justice, Petrobras was granted the stay of the lawsuit, authorizing it, in November 2007, to suspend gas supply to the plant.

As a result, the Company has bought 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.

Recently, the lawsuit 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 May 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 Plant Priority Program - PPT. Petrobras filed requests for clarification of this judgment, which were deemed groundless.

30 – SUBSEQUENT EVENTS

I – Credit from interest on own capital

The Company's Board of Directors, at a meeting held on November 7, 2008, approved the credit from interest on own capital referring to the period from January 1 to December 31, 2008, in the gross amount of R$176,000, corresponding to R$0.2696317201 per share.

The credit from interest on own capital in the Company's accounting records shall occur on December 31, 2008, based on the ownership structure of November 18, 2008, and the Company's shares shall be traded ex-interest on own capital as of November 19, 2008.

The interests, net of withholding tax, shall be ascribed to mandatory dividends which is set forth in Article 202 of Law 6404/76, and shall be paid based on the registration data at Banco Itaú S.A., on a date to be defined by the Board of Executive Officers and notified through Notice to Shareholders.

II – Exchange devaluation

As per Note 13, the Company, during its ordinary course of business, has operations in foreign currency, resulting from loans owed to financial institutions. Therefore, significant fluctuations in the exchange variation rate do not cause any material effect in the Company's financial statements. As a result of the current market condition, especially in September and October 2008, Brazilian real has experienced a devaluation when compared to the other currencies quote, mainly to the U.S. dollar. On September 30, 2008, the U.S. dollar and euro quote compared to Brazilian real were US$1.00 = R$1.9143 and €1,00 = R$2.6931. On the date when this Quarterly Information was presented, the quotes were US$1.00 = R$2.1593 and €1.00 = R$2.7484, recording a devaluation of Brazilian Real of approximately 11.35% and 2.01%, respectively, when compared to September 30, 2008. The Quarterly Information was prepared according to the accounting practices adopted in Brazil which require that assets and liabilities in foreign currency may be monetarily restated based on the quotes of respective foreign currencies on the balance sheet date and, therefore, they do not reflect the effects of changes in the exchange rates subsequent to the balance sheet date.

Reflecting the devaluation as of September 30 to November 7, 2008, the effects on the net liabilities exposed to the Company and its subsidiaries would be an expense amounting to R$17,336, net of income tax and social contribution.

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

a) Introduction

The Company prepared its interim financial statements according to the standards issued by Brazilian Securities and Exchange Commission (CVM) including CVM Instruction number 469/08. The reconciliation note comparing net income and shareholder's equity under CVM standards with IFRS, as required by the São Paulo Stock Exchange (BOVESPA), 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 is the first financial year end for which the IFRS reconciliation and accompanying notes was presented and was accompanied by the respective comparative information in respect of the previous year ended as of December 31, 2006.

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 in consolidated shareholders' equity and net income for the period, between the standards issued by CVM, including CVM Instruction number 469/08, and the International Financial Reporting Standards (IFRS) is being presented in order to meet the Novo Mercado (New Market) listing requirements of the São Paulo Stock Exchange (BOVESPA). This reconciliation is being presented based on the complete interim financial statements prepared in accordance with standards issued by CVM, including CVM Instruction number 469/08 and, therefore, should be read together with such financial statements.

	Shareholders' equity		Net income 3rd quarter		Net income 9 months	
	09.30.2008	06.30.2008	2008	2007	2008	2007
Brazilian accounting practices	3,076,078	3,427,694	228,683	272,913	839,524	744,562
Monetary adjustment	207,808	212,748	(4,940)	(5,021)	(15,947)	(15,794)
Post-employment benefits	(123,691)	(124,465)	774	(255)	1,789	648
Foreign exchange variation	(66,124)	(66,963)	839	807	2,236	2,420
Capitalized financial charges	54,907	51,612	3,295	6,941	20,604	11,451
Borrowing costs	(12,570)	(12,719)	149	143	395	430
Pre-operating expenses	(3,556)	(3,087)	(469)	(425)	(920)	(633)
Capitalization on investment acquisition	13,610	13,248	362	349	1,091	1,069
Deferred income and social contribution taxes	(10,686)	(9,725)	(961)	(1,785)	(5,945)	(4,808)
	3,135,776	**3,488,343**	**227,732**	**273,667**	**842,827**	**739,345**

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 19, 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. Furthermore, the Company is adopting the option prescribed by IAS19 paragraph 93 to recognize actuarial gains and losses directly into shareholder’s equity.

Consequently, the adjustment shown in the line item “Post-employment benefits” represents the actuarial expenses not recognized for CVM standards purposes, and recognized for IFRS purposes.

Foreign exchange variation

Based on CVM standards, foreign exchange differences arising from foreign currency-denominated loans and financing were fully capitalized in the cost of property, plant and equipment under construction. For IFRS purposes, these exchange differences 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.

Pre-operating expenses

Under CVM standards, the Company and its subsidiaries allocate to deferred charges pre-operating expenses that are not eligible for capitalization in property, plant and equipment.

Under the IFRS, pre-operating expenses not capitalized in property, plant and equipment are recognized directly in results when incurred.

Capitalization on investment acquisition

The amount of deferred charges accounted for in an acquired investment was maintained under this caption for CVM standards. Under IFRS, the Company opted to capitalize the amount; the deferred charges' amortization rate is 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:

04.01 – NOTES TO THE FINANCIAL STATEMENTS

	Shareholders' equity		Net income 3rd quarter		Net income 9 months	
	09.30.2008	06.30.2008	2008	2007	2008	2007
Deferred taxes from reconciliation adjustments	(23,386)	(23,341)	(45)	(869)	(3,197)	122
Deferred taxes from temporary differences in permanent assets	12,700	13,616	(916)	(916)	(2,748)	(4,930)
	(10,686)	**(9,725)**	**(961)**	**(1,785)**	**(5,945)**	**(4,808)**

SUPPLEMENTARY INFORMATION

Statement of Cash Flow - Company

	2008		2007	
	3rd quarter	Accumulated	3rd quarter	Accumulated
Operating activities				
Net income for the period	228,683	839,524	272,913	744,562
Items not requiring outlay of cash:				
Depreciation and amortization	53,702	154,825	44,620	132,051
Equity in subsidiaries	(8,454)	(45,309)	(44,473)	(148,060)
Goodwill amortization	572	2,459	1,686	5,060
Monetary and exchange, net	57,712	58,636	(8,048)	(26,403)
Net Interest	13,921	34,667	10,613	25,861
Recovery of PIS/COFINS	-	(76,431)	-	-
Operating provision (reversal), net	1,392	4,120	(156)	(833)
Deferred Income tax and social contribution	(44)	(7,552)	(4,456)	(10,719)
Result from property, plant and equipment write-off	(861)	992	185	1,346
Other	122	366	52	157
	346,745	**966,297**	**272,936**	**723,022**
Decrease (increase) in assets				
Consumers and concessionaires	(7,996)	2,289	14,957	1,409
Funds linked to payment of obligations	-	-	13,002	21,643
Advance to suppliers	(1,237)	1,081	(1,012)	(2,483)
Sales of assets and rights	(3,070)	459	(511)	(1,112)
Recoverable taxes	(2,230)	(4,536)	(2,521)	5,846
Collaterals and restricted deposits and escrow deposits	4,134	32,950	(33,586)	11,808
Inventories	(7,078)	(4,152)	(2,411)	584
Prepaid expenses	2,061	(1,571)	1,807	(2,186)
Other	(5,015)	(1,057)	(1,640)	1,070
	(20,431)	**25,463**	**(11,915)**	**36,579**
Increase (decrease) in liabilities				
Trade accounts payable	(10,132)	(95,363)	10,427	7,685
Loans, financings and debentures	32,186	17,635	21,865	20,998
Taxes	82,664	133,846	98,186	193,924
Special obligations	960	6,446	1,400	4,932
Post-employment benefits	(7,335)	(23,428)	(6,873)	(22,015)
Provision for contingencies	(3,904)	(7,801)	2,060	149
Research and development	3,320	9,964	4,602	9,039
Other	1,700	(4,914)	(7,500)	(3,189)
	99,459	**36,385**	**124,167**	**211,523**
Net cash provided by operating activities	**425,773**	**1,028,145**	**385,188**	**971,124**

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Continued

Investment activities				
Acquisition of Companhia Energética São Salvador - CESS	-	-	-	(304,000)
Acquisition of ownership interest in MAESA	-	-	-	(28,793)
Increase in the subsidiaries' capital	(48,726)	(678,316)	(565)	(575)
Additions to property, plant and equipment	(15,902)	(47,611)	(18,325)	(40,977)
Increase in intangible	19	(816)	(112)	(1,069)
Dividends received from subsidiaries	-	64,402	85,500	157,072
Net cash (used in) from investment activities	**(64,609)**	**(662,341)**	**66,498**	**(218,342)**
Financing activities				
Payments of loans, financings and debentures	(11,028)	(71,599)	(26,597)	(95,757)
Settlement of swap transactions	-	-	(684)	(4,261)
Financing and Debentures	-	400,000	-	353,423
Cash equivalents received from the merger of subsidiary	-	28,344	-	-
Payment of dividends and interest on own capital	-	(530,122)	(12,437)	(501,959)
Net cash used in financing activities	**(11,028)**	**(173,377)**	**(39,718)**	**(248,554)**
Total effects on cash and cash equivalents	**350,136**	**192,427**	**411,968**	**504,228**
Cash and cash equivalents				
Opening balance	414,046	571,755	286,066	193,806
Closing balance	764,182	764,182	698,034	698,034
	350,136	**192,427**	**411,968**	**504,228**
Payments made during the period				
Interest on loans, financing and debentures	4,426	68,446	4,613	44,209
Income tax and social contribution	31,179	253,261	24,796	87,144
Transactions not involving cash				
Offset income tax and social contribution	-	48	9,069	9,069
Interest on own capital credited	580,299	580,299	360,066	448,066

04.01 – NOTES TO THE FINANCIAL STATEMENTS

Statement of Cash Flow - Consolidated

	2008		2007	
	3rd quarter	Accumulated	3rd quarter	Accumulated
Operating activities				
Net income for the period	228,683	839,524	272,913	744,562
Items not requiring outlay of cash:				
Depreciation and amortization	70,418	197,205	59,409	176,715
Monetary and exchange, net	59,837	82,322	(3,722)	(18,574)
Net Interest	19,018	44,956	14,849	38,003
Recovery of PIS/COFINS	-	(76,431)	-	-
Recording of operating provision, net	2,666	5,333	838	71
Deferred Income tax and social contribution	(820)	(11,295)	(4,690)	(9,915)
Result from property, plant and equipment write-off	(855)	1,011	185	1,346
Other	122	366	203	308
	379,069	**1,082,991**	**339,985**	**932,516**
Decrease (increase) in assets				
Consumers and concessionaires	(12,448)	(44,263)	19,438	5,210
Funds linked to payment of obligations	-	-	13,002	21,643
Sales of assets and rights	(2,812)	204	(300)	8,268
Recoverable taxes	(1,889)	(2,080)	(2,082)	4,003
Collaterals and restricted deposits and escrow deposits	4,192	59,381	(35,105)	10,135
Inventories	(7,210)	(4,363)	(2,293)	744
Prepaid expenses	2,037	(1,584)	1,215	(2,402)
Other	(10,345)	(4,266)	(2,755)	(2,146)
	(28,475)	**3,029**	**(8,880)**	**45,455**
Increase (decrease) in liabilities				
Trade accounts payable	8,975	(73,083)	11,779	6,483
Loans, financings and debentures	44,072	40,580	29,664	31,426
Taxes	81,836	85,520	109,191	247,093
Special obligations	764	5,711	1,483	4,989
Post-employment benefits	(7,335)	(23,428)	(6,873)	(22,015)
Provision for contingencies	(3,492)	(6,270)	2,043	149
Research and development	3,656	11,141	5,648	12,019
Concession ANEEL	(405)	(1,217)	(391)	(1,174)
Other	1,993	9,311	(7,644)	(2,253)
	130,064	**48,265**	**144,900**	**276,717**
Net cash (used in) from operating activities	**480,658**	**1,134,285**	**476,005**	**1,254,688**

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Continued

Investment activities				
Acquisition of CESS, net of cash and cash equivalents	-	-	-	(280,680)
Acquisition of ownership interest in MAESA	-	-	-	(28,793)
Acquisition of PPESA, net of cash and cash equivalents	-	(635,507)	-	-
Acquisition of SEIVAL	-	-	(500)	(500)
Acquisition of Tupan and Hidropower	(20,395)	(20,395)	-	-
Additions to property, plant and equipment	(112,812)	(266,675)	(109,588)	(225,782)
Increase in intangible	(32,462)	(49,441)	(112)	(1,069)
Net cash used in investment activities	**(165,669)**	**(972,018)**	**(110,200)**	**(536,824)**
Financing activities				
Payments of loans, financings and debentures	(25,104)	(112,317)	(38,788)	(142,429)
Settlement of swap transactions	-	-	(684)	(4,261)
Financing and Debentures	53,682	517,920	69,720	529,134
Payment of dividends and interest on own capital	-	(530,122)	(12,437)	(501,959)
Net cash used in financing activities	**28,578**	**(124,519)**	**17,811**	**(119,515)**
Total effects on cash and cash equivalents	**343,567**	**37,748**	**383,616**	**598,349**
Cash and cash equivalents				
Opening balance	488,272	794,091	471,573	256,840
Closing balance	831,839	831,839	855,189	855,189
	343,567	**37,748**	**383,616**	**598,349**
Payments made during the period				
Interest on loans, financing and debentures	28,738	108,674	12,606	73,600
Income tax and social contribution	35,606	318,322	33,522	128,320
Transactions not involving cash				
Offset income tax and social contribution	182	2,225	12,200	12,332
Interest on own capital credited	580,299	580,299	360,066	448,066

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 Beeuwsaert
Board Member

Pierre Michel Philippe Chareyre
Board Member

Luiz Antônio Barbosa
Board Member

José Pais Rangel
Board Member

Luiz Leonardo Cantidiano Varnieri Ribeiro
Board Member

EXECUTIVE BOARD

Manoel Arlindo Zaroni Torres
Chief Executive Officer

Marc Verstraete
Chief Financial and Investor Relations Officer

Miroel Makiolke Wolowski
Business Development and Sales Officer and
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-O5/ T SC

05.01 – COMMENTS ON THE COMPANY'S PERFORMANCE IN THE QUARTER

The comments on the Company's performance in the quarter is presented in Chart 08.01 – COMMENTS ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER.

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

06.01 – CONSOLIDATED BALANCE SHEET - ASSETS (in thousands of reais)

1 - CODE	2 - DESCRIPTION	3 - 9/30/2008	4 - 6/30/2008
1	Total Assets	7,995,249	7,635,785
1.01	Current Assets	1,355,955	983,573
1.01.01	Cash and Cash Equivalents	831,839	488,272
1.01.01.01	Available Cash	4,369	15,206
1.01.01.02	Temporary Cash Investments	827,470	473,066
1.01.02	Credits	446,143	422,238
1.01.02.01	Clients	396,870	384,329
1.01.02.01.01	Consumers, Concessionaries and Permittees	396,870	384,329
1.01.02.02	Sundry Credits	49,273	37,909
1.01.02.02.01	Recoverable Taxes	15,180	13,026
1.01.02.02.02	Collaterals and Restricted Deposits	1,174	1,137
1.01.02.02.03	Sale of Assets and Rights	14,486	12,013
1.01.02.02.04	Other	18,433	11,733
1.01.03	Inventories	54,431	47,221
1.01.04	Other	23,542	25,842
1.01.04.01	Prepaid Expenses	5,821	7,858
1.01.04.02	Deferred Tax Assets	14,762	13,444
1.01.04.03	Other	2,959	4,540
1.02	Noncurrent Assets	6,639,294	6,652,212
1.02.01	Long-term Assets	501,304	502,738
1.02.01.01	Sundry Credits	126,605	131,185
1.02.01.01.01	Concessionaries and Permittees	602	695
1.02.01.01.02	Sale of Assets and Rights	76,022	78,190
1.02.01.01.03	Recoverable Taxes	25,641	25,839
1.02.01.01.04	Collaterals and Restricted Deposits	24,340	26,403
1.02.01.01.05	Other	0	58
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	374,699	371,553
1.02.01.03.01	Escrow deposits	156,175	155,548
1.02.01.03.02	Deferred Tax Assets	213,617	214,116
1.02.01.03.03	Other	4,907	1,889
1.02.02	Permanent Assets	6,137,990	6,149,474
1.02.02.01	Investments	51,206	30,812
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	0	0
1.02.02.01.04	In Subsidiaries – Goodwill	0	0
1.02.02.01.05	Other Investments	51,206	30,812
1.02.02.02	Property, Plant and Equipment	5,945,086	5,973,789
1.02.02.03	Intangible Assets	90,640	90,815
1.02.02.04	Deferred Charges	51,058	54,058

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

06.02 – CONSOLIDATED BALANCE SHEET - LIABILITIES (in thousands of reais)

1 - CODE	2 - DESCRIPTION	3 - 9/30/2008	4 - 6/30/2008
2	Total Liabilities	7,995,249	7,635,785
2.01	Current Liabilities	1,968,772	1,280,085
2.01.01	Loans and Financing	583,848	558,654
2.01.02	Debentures	45,173	29,589
2.01.03	Trade Accounts Payable	217,267	240,573
2.01.04	Taxes Payable	364,421	282,342
2.01.05	Dividends Payable	583,161	2,875
2.01.05.01	Dividends and Interest on Capital	583,161	2,875
2.01.06	Provisions	49,700	47,480
2.01.06.01	Estimated Obligations	38,833	38,694
2.01.06.02	Reserves for Contingencies	10,867	8,786
2.01.07	Debts with Related Parties	0	0
2.01.08	Other	125,202	118,572
2.01.08.01	Post-employment Benefits	22,544	21,719
2.01.08.02	Research and Development	60,109	56,453
2.01.08.03	Other	42,549	40,400
2.02	Noncurrent Liabilities	2,950,399	2,928,006
2.02.01	Long-term Liabilities	2,950,399	2,928,006
2.02.01.01	Loans and Financing	1,288,650	1,217,597
2.02.01.02	Debentures	683,320	674,667
2.02.01.03	Provisions	76,760	82,178
2.02.01.03.01	Estimated Obligations	5,268	4,637
2.02.01.03.02	Reserves for Contingencies	71,492	77,541
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	901,669	953,564
2.02.01.06.01	Taxes Payable	8,333	7,150
2.02.01.06.02	Concession Fees Payable	537,560	593,384
2.02.01.06.03	Post-employment Benefits	317,461	314,733
2.02.01.06.04	Deferred Tax Liabilities	36,535	36,535
2.02.01.06.05	Other	1,780	1,762
2.02.02	Deferred Income	0	0
2.03	Minority Interest	0	0
2.04	Shareholders' Equity	3,076,078	3,427,694
2.04.01	Paid-in Capital Stock	2,445,766	2,445,766
2.04.02	Capital Reserves	91,695	91,695
2.04.03	Revaluation Reserves	0	0
2.04.03.01	Own Assets	0	0
2.04.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0
2.04.04	Profit Reserves	279,392	279,392
2.04.04.01	Legal	249,496	249,496
2.04.04.02	Statutory	0	0
2.04.04.03	For Contingencies	0	0
2.04.04.04	Unrealized Profit	0	0
2.04.04.05	Profit Retention	29,896	29,896

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

06.02 – CONSOLIDATED BALANCE SHEET - LIABILITIES (in thousands of reais)

1 - CODE	2 - DESCRIPTION	3 - 9/30/2008	4 - 6/30/2008
2.04.04.06	Special Reserve for Undistributed Dividends	0	0
2.04.04.07	Other Profit Reserves	0	0
2.04.05	Retained Earnings/Accumulated Losses	259,225	610,841
2.04.06	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

07.01 – CONSOLIDATED INCOME STATEMENT (in thousands of reais)

1 - CODE	2 – DESCRIPTION	3 - 7/1/2008 to 9/30/2008	4 - 1/1/2008 to 9/30/2008	5 - 7/1/2007 to 9/30/2007	6 - 1/1/2007 to 9/30/2007
3.01	Gross Revenue from Sales and/or Services	966,272	2,881,560	928,674	2,502,532
3.01.01	Electricity Sales to Distributors	680,969	2,071,435	687,620	1,815,440
3.01.02	Electricity Sales to Final Consumers	273,119	792,493	234,990	676,151
3.01.03	Other Revenues	12,184	17,632	6,064	10,941
3.02	Gross Revenue Deductions	(100,073)	(290,819)	(74,314)	(240,942)
3.02.01	PIS and COFINS (Taxes on Revenue)	(66,224)	(197,524)	(50,041)	(144,400)
3.02.02	ICMS (State VAT)	(26,969)	(72,207)	(15,612)	(73,531)
3.02.03	ISS (Service Tax)	(82)	(273)	(86)	(280)
3.02.04	Research and Development	(6,798)	(20,815)	(8,575)	(22,731)
3.03	Net Revenue from Sales and/or Services	866,199	2,590,741	854,360	2,261,590
3.04	Cost of Goods and/or Services Sold	(313,052)	(919,210)	(311,195)	(830,582)
3.04.01	Electricity Purchased for Resale	(157,169)	(372,042)	(70,103)	(180,480)
3.04.02	Transactions within CCEE	(1,424)	(43,838)	(35,364)	(173,740)
3.04.03	Electricity Production Cost	(151,533)	(495,347)	(203,031)	(469,145)
3.04.04	Cost of Services	(2,926)	(7,983)	(2,697)	(7,217)
3.05	Gross Income	553,147	1,671,531	543,165	1,431,008
3.06	Operating Revenues/Expenses	(208,917)	(406,802)	(131,418)	(350,232)
3.06.01	Selling	(67,610)	(183,077)	(54,906)	(161,061)
3.06.02	General and Administrative	(41,661)	(118,413)	(33,202)	(96,296)
3.06.03	Financial	(101,889)	(186,653)	(41,839)	(94,382)
3.06.03.01	Financial Revenues	32,980	96,243	28,721	73,974
3.06.03.02	Financial Expenses	(134,869)	(282,896)	(70,560)	(168,356)
3.06.04	Other Operating Revenues	2,243	81,341	(1,471)	1,507
3.06.04.01	Recovery of PIS/COFINS	0	76,431	0	0
3.06.04.02	Favorable Decisions in Court	2,595	2,595	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

07.01 – CONSOLIDATED INCOME STATEMENT (in thousands of reais)

1 - CODE	2 - DESCRIPTION	3 - 7/1/2008 to 9/30/2008	4 - 1/1/2008 to 9/30/2008	5 - 7/1/2007 to 9/30/2007	6 - 1/1/2007 to 9/30/2007
3.06.04.03	Recording / Reversal of Operating Provisions, Net	(352)	2,315	(1,471)	1,507
3.06.05	Other Operating Expenses	0	0	0	0
3.06.06	Equity in the Earnings of Subsidiary and Associated Companies	0	0	0	0
3.07	Operating Income	344,230	1,264,729	411,747	1,080,776
3.08	Non-operating Income	866	(918)	(184)	(1,300)
3.08.01	Revenues	891	1,792	187	790
3.08.02	Expenses	(25)	(2,710)	(371)	(2,090)
3.09	Income before Taxes/Holdings	345,096	1,263,811	411,563	1,079,476
3.10	Provision for Income Tax and Social Contribution	(117,233)	(435,582)	(143,340)	(344,829)
3.10.01	Income Tax	(85,835)	(317,560)	(105,090)	(252,840)
3.10.02	Social Contribution Tax	(31,398)	(118,022)	(38,250)	(91,989)
3.11	Deferred Income Tax	820	11,295	4,690	9,915
3.11.01	Income Tax	756	6,920	3,482	7,976
3.11.02	Social Contribution Tax	64	4,375	1,208	1,939
3.12	Statutory Holdings/Contributions	0	0	0	0
3.12.01	Holdings	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Capital	0	0	0	0
3.14	Minority Interest	0	0	0	0
3.15	Income/Loss for the Period	228,683	839,524	272,913	744,562
	NUMBER OF SHARES EX-TREASURY (Units)	652,742,192	652,742,192	652,742,192	652,742,192
	EARNINGS PER SHARE (Reais)	0.35034	1.28615	0.41810	1.14067
	LOSS PER SHARE (Reais)				

Gross Operating Revenue

Gross operating revenue in 3Q08 was R$966,272, 4.0% higher than the amount recorded in 3Q07, which was R$928,674. Energy export to Argentina and Uruguay decreased from R$125,734 in 3Q07 to R$4,170 in 3Q08. Excluding the effects of such export, gross operating income would have increased 19.8%. This variation mainly resulted from the combination of the following factors:

(i) the 15.2% increase in the energy average gross sale price, from R$98.02 in 3Q07 to R$112.92 in 3Q08;

(ii) R$56,097 increase in income with transactions performed within the scope of CCEE (Electric Power Trade Chamber), as a result from the strategy of optimization of allocation of generation implemented by the Company;

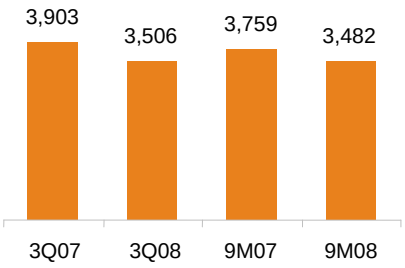
(iii) R$37,174 increase related to the energy sold by Ponte de Pedra Energética S.A. (PPESA), company which became a subsidiary of Tractebel Energia on April 29, 2008;

(iv) carbon credit sales, in this quarter, in the amount of R$9,998, generated by the Lages Cogeneration Unit and issued by UN's Clean Development Mechanism Executive Board, with company Bunge Emissions Fund Limited; and

(v) the 3.1% decrease in traded energy due to the decrease in the physical guarantees of certain thermoelectric plants, as set forth by ANEEL, and due to the fact that the Company no longer had ANEEL's authorization to trade guarantee related to the contract for the import of 300 MW of associated energy with Companhia de Interconexão Energética (CIEN).

Consolidated sales decreased from 8,618 GWh (average 3,903 MW) in 3Q07 to 7,740 GWh (average 3,506 MW) in 3Q08, basically due to the loss of aforementioned guarantees and the reduction of exports. Excluding exports, the sales volume would decrease from 7,979 GWh (average 3,614 MW) in 3Q07 to 7,735 GWh (average 3,503 MW) in 3Q08, representing a 3.1% decrease.

Sales volume – average MW



The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average quantities and prices.

Electricity Supply

The electricity supply revenue increased from R$687,620 in 3Q07 to R$680,969 in 3Q08. Excluding the effects from the export previously mentioned, the supply revenue would increase from R$561,886 to R$676,799, that is, 20.4%, mainly a reflex from the sales increase for sellers and the transactions performed at CCEE, in addition to PPESA's sales revenue.

Electricity Sale

Electricity sales to final consumers (sales to free customers) increased 16.2% in 3Q08, from R$234,990 to R$273,119, which reflects the Company's ongoing efforts to adapt its free consumer portfolio. The increase is mainly due to the increase in electricity contracting price verified in the market.

Parent Company

In 3Q08, gross operating revenue in the parent company reached R$735,566, 10.6% lower than revenue recorded in the same period of the previous year, which was R$822,686. As mentioned, energy exports to Argentina and Uruguay decreased from R$125,734 in 3Q07 to R$4,170 in 3Q08. Eliminating the effects of exporting, gross operating income would have increased 5.0%

Operating Revenue Deductions

In 3Q08, these deductions grew 34.7% when compared to the same quarter of the previous year, from R$74,314 to R$100,073. This growth is due to the increase in sales to free consumers and sellers in prejudice of the energy export decrease, on which PIS, COFINS and ICMS are not levied, and the maturity of agreements framed in the non-cumulative system, on which PIS and COFINS were levied at 3.65%.

Parent Company

Deductions from operating income increased from R$61,242 to R$70,928, a 15.8% increase between the periods compared, due to the same reasons mentioned in the previous paragraph.

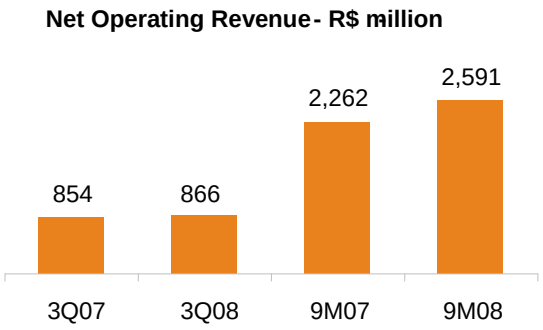
The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average quantities and prices.

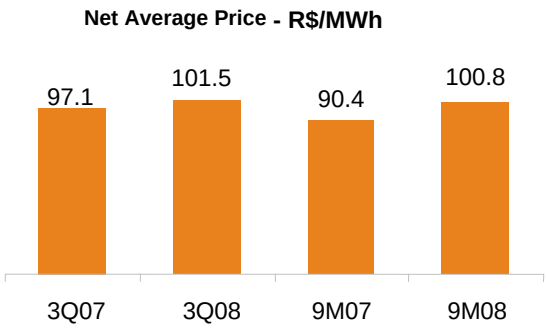
Net Revenue from Sales and Services

In 3Q08, net revenue had a 1.4% increase in relation to the same quarter of 2007, from R$854,360 to R$866,199. Excluding exports, the net revenue would increase 18.3%, from R$728,626 in 3Q07 to R$862,029 in 3Q08, result from the aforementioned reasons.

The average price of traded energy, excluding the exports, net of deductions on gross revenue, reached R$101.06/MWh in 3Q08, 13.4% higher than 3Q07, which was R$89.13/MWh, mainly reflecting the increase in the average price practiced with the commercialization companies and free consumers.

In 9M08, net revenue was R$2,590,741, 14.6% higher than that presented in the same period of 2007, which was R$2,261,590. Not taking into account the exporting effects, net revenue would increase 22.1% between the periods compared.





Parent Company

The net revenue in 3Q08 reached R$664,638, a 12.7% decrease compared to 3Q07, which was R$761,444. Eliminating energy export effects, 3Q08 net revenue would be 3.9% higher than in the same period of the previous year.

Costs of Electricity and Services

Costs reached R$313,052 in 3Q08, R$1,857 higher than the amount recorded in 3Q07, which was R$311,195. At the parent company, costs decreased from R$315,314 in 3Q07 to 159,245 in 3Q08. Variations resulted mainly from the following components:

- **Electricity purchased for resale:** R$87,066 increase in 3Q08, reflecting the 41.8% growth in the amount of energy acquired for trading and higher prices practiced in new agreements replaced the old ones. The parent company recorded a decrease of R$68,529 as a result of the fact that the subsidiary CEM had no longer purchased electricity due to its merger in March 2008.

The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average quantities and prices.

- **Transactions within Electric Power Trade Chamber – CCEE:** decrease of R$33,940 in this quarter (R$34,580 in the parent company), mainly as a result of lower exposure at CCEE due to the following factors: (i) optimization strategy for fund allocation form generation implemented by the Company; and (ii) exposure in 3Q07 in the amount of R$22,233 due to the destination of thermoelectric energy generated for exports.

- **Fuels for electricity production:** decrease of R$69,378 (R$70,210 in the parent company), primarily due to a R$72,690 reduction in mineral coal expenses, fuel used to generate electricity for export in 3Q07.

- **Depreciation and Amortization**: growth of R$9,829 (R$7,987 in the parent company), basically due to the inclusion of depreciation of PPESA assets, which amounted to R$10,121 in this quarter. In the parent company, the increase is a result of the depreciation of UHE Cana Brava merged into Tractebel Energia.

- **Personnel:** increase of R$3,076 (R$2,204 in the parent company) when comparing the two periods, mainly reflecting the annual salary and benefits adjustments, as well as the inclusion of R$858 related to PPESA in the consolidated.

- **Outsourced services**: increase of R$4,379 (R$4,134 in the parent company) when compared to 3Q07, mainly due to expenses related to equipment preventive maintenance services, in addition to the entry, in the consolidated, of R$1,560 resulting from PPESA.

In the nine-month period accumulated, consolidated electricity and service costs totaled R$919,210, 10.7% above the figure posted in the same period in 2007, which was R$830,582. Excluding effects resulting from the purchase of fuel for energy exports, costs would increase 23.2% between the periods compared.

Selling Expenses

Selling expenses mainly include electric network usage and connection charges and totaled R$67,610 (R$59,122 in the parent company) in 3Q08, 23.1% (31.6% in the parent company) higher than 3Q07, which was R$54,906 (R$44,925 in the parent company). The evolution occurred mainly due to the electric network usage and connection charges restated in 12,5%, in July 2008, and also by adding R$3,972 referring to PPESA. In the parent company, in addition to the tariff readjustment, an increase in the electric network usage charges of the Cana Brava hydroelectric plant, merged into the parent company, has also occurred.

The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average amounts and prices.

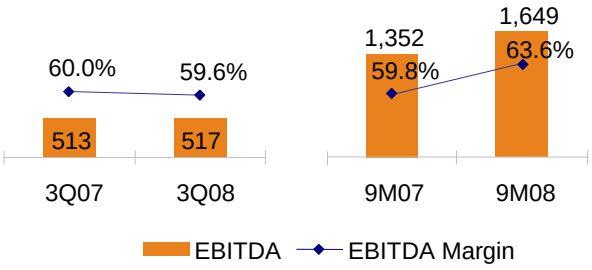
General and Administrative Expenses

General and administrative expenses increased from R$33,202 in 3Q07 (R$29,133 in the parent company) to R$41,661 in 3Q08 (R$35,685 in the parent company), mainly due to the increase in extraordinary expenditures occurred this quarter related to: (i) study of new electricity generation projects; and (ii) donations and contributions to third-parties. Not taking such extraordinary expenditures into account, expenses would increase 10.7% or R$3,569, due to judicial agreements executed and the increase in expenses related to depreciation and amortization. In addition to that, the parent company included general and administrative expenses which, in 3Q07, were included in CEM, subsidiary merged by Tractebel Energia.

EBITDA and EBITDA Margin

Reflecting the effects mentioned above, EBITDA in 3Q08 reached R$516,537, aligned with 3Q07, which was R$512,995. While the EBITDA margin in 3Q07 was 60.0%, this quarter was 59.6%.

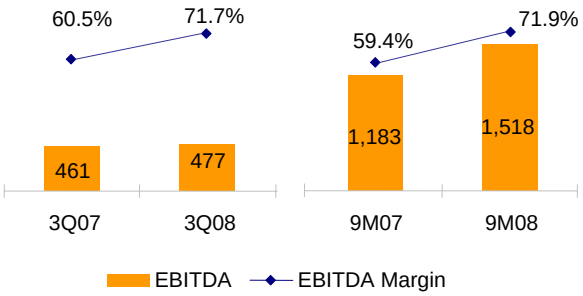
EBITDA (R$ million) and EBITDA Margin (%)



Parent Company

In the parent company, EBITDA in 3Q08 was R$476,696, representing a growth of 3.5% when compared to 3Q07, which was R$460,687. While EBITDA margin in 3Q07 was 60.5%, in 3Q08 it was 71.7%.

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



EBITDA represents: operating income - financial result - depreciation and amortization - amortization of goodwill in subsidiaries.

The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average amounts and prices.

Financial income: in 3Q08, financial income grew R$4,259 (R$6,558 in the parent company) when compared to the previous year, mainly due to the increase of R$3,921 (R$5,581 in the parent company) in financial investments, as a result of a higher volume of funds available for investments in the period and, also, for the inclusion of revenues from financial investments of PPESA in the amount of R$1,679.

Financial expenses: financial expenses increased R$64,309 (R$64,408 in the parent company) when compared to the same period in 2007, mainly due to the following variations: (i) increase of R$12,016 (R$8,402 in the parent company) in loan, financing and debentures interests, mainly as a result of interests on loans as Promissory Notes contracted in May 2008 and interests on financing arising from PPESA, in the amount of R$8,694; (ii) growth of R$12,779 (R$15,283 in the parent company, due to the merger of CEM) in the interests and in the monetary variation on the concession payable to ANEEL mainly due to the addition of amounts referring to the concession of PPESA; (iii) the increase of R$48,453 (in the parent company and in the consolidated) in the exchange variation expenses from loans and financings, net of exchange hedge operations result in 3Q07, due to the appreciation of currencies composing the debt against Real; and (iv) R$6,840 (R$5,310 in the parent company) reduction of expenses related to CPMF and charges on taxes and social contributions due.

Income Tax and Social Contribution

The reduction of R$22,237 (R$4,534 in the parent company) or 16.1% (3.9% in the parent company) in 3Q08 as to the same period in 2007 is basically due to the decrease in the same order of income before taxes, reflecting the aforementioned variations. In the parent company, the effects resulting from CEM's operations, acquired by the Company, shall also be taken into consideration.

Net Income

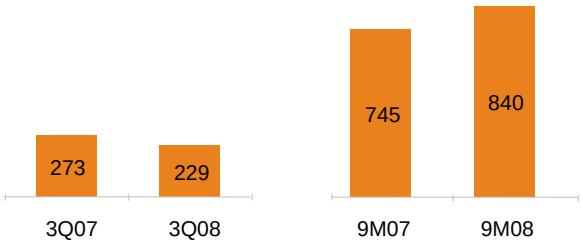
In 3Q08, net income reached R$228,683, 16.2% below on 3Q07, which was R$272,913, as a result of the aforementioned effects. Excluding the impacts of the exchange variation increase in R$31,979 and the reduction of energy exports of R$35,010, between periods compared, both net of taxes, the 3Q08 net income would have increased 9.6%

The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average amounts and prices.

08.01 – COMMENTS ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

In 9M08, net income reached R$839,524, representing a growth of 12.8% over the same period of 2007, which was R$744,562. Excluding effects, net of taxes, resulting from the exchange variation increase of R$26,672 and export reduction of R$35,010, when comparing the two periods, as well as the income from PIS and COFINS recovery, of R$50,444 in 9M08, and reduction in the income tax and social contribution of R$29,920, in 9M07, due to interest on own capital credit, income of 9M08 would have grown in 20.7%.

Net Income – R$ million



The following information was not reviewed by the independent auditors: EBITDA and EBITDA Margin; disclosed electricity average amounts and prices.

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 - 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	9.55
COMMERCIAL, INDUSTRY AND OTHER TYPES OF COMPANY		253,606,840		253,606,840	
02	COMPANHIA ENERGÉTICA SÃO SALVADOR - CESS	04.848.623/0001-70	PUBLICLY-HELD SUBSIDIARY	99.99	8.74
COMMERCIAL, INDUSTRY AND OTHER TYPES OF COMPANY		268,943,147		268,943,147	

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 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	01
2- No. ORDER	1
3 - No. REGISTRY 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 plus 9.29% p.a.
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	10,521.46
14 - AMOUNT ISSUED (Thousands of Reais)	147,300
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	

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 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	02
2- No. ORDER	2
3 - No. REGISTRY 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	

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 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	03
2- No. ORDER	3
3 - No. REGISTRY 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 plus 7% p.a.
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	10,891.33
14 - AMOUNT ISSUED (Thousands of Reais)	381,196
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	

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 – CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUANCE OF DEBENTURES

1- ITEM	04
2 - No. ORDER	4
3 - No. REGISTRY 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 plus 4% p.a.
12 - PREMIUM/DISCOUNT	None
13 - PAR VALUE (Reais)	8,918.62
14 - AMOUNT ISSUED (Thousands of Reais)	69,324
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	

Project carried out by the subsidiary

São Salvador Hydroelectric Plant

Tractebel Energia is the controlling shareholder of Companhia Energética São Salvador – CESS a SPE – Specific Purpose Entity, which is building the São Salvador Hydroelectric Plant - UHE São Salvador.

The main characteristics of the project are the following:

Location:	Tocantins River, in the boundary between São Salvador do Tocantins and Paraná, located in the state of Tocantins
Installed nominal power:	243.2 MW
Guaranteed Energy:	average 148.5 MW
Generating units:	2 units of 121.6 MW
Estimated investments:	approximately R$ 850 million
Source of funds:	Nearly 33% from the Company's capital and 67% from BNDES
Phase:	Work started in 2006, and it is expected to start its commercial operation in the beginning of 2009

In October 2006, CESS traded in the 3rd Auction of Energia Nova, for a thirty-year period as from January 2011, an average of 148 MW with companies operating as electricity distributors which are part of the Regulated Contracting Environment – ACR.

On March 19, 2007, CESS entered into a financing agreement with BNDES and Financing Agents (BNDES onlendings), in the total amount of R$570 million, of which R$511 million was already released up to September 30, 2008.

CESS will pay the Federal Government, through National Electric Power Agency - ANEEL, for the concession of the São Salvador hydroelectric plant, the original amount of R$555,000, in monthly installments proportional to the adjusted annual amount. Under the Second Amendment to the Concession Agreement no. 017/2002, dated July 18, 2007, payments will begin upon startup of the first generating unit of the São Salvador hydroelectric plant or the beginning of the delivery of the energy under the Regulated Environment Electric Power Purchase Contracts - CCEAR, whichever occurs first, through the end of the concession in April 2037.

Also under said Amendment, this amount will be adjusted annually based on the General Market Price Index - IGP-M variation through the Amendment date, July 18, 2007, and from this date on, based on the Amplified Consumer Price Index - IPCA variation.

The adjusted contractual amounts, up to September 30, 2008 are as follows:

Annual amount	32,809
Monthly installments (1/12)	2,734
Concession present value	315,453

(Information not revised by Independent Auditors)

Concession present value was calculated based on a 10% p.a. discount rate, usually used by the Brazilian electricity industry, considering the payments in the period from January 1, 2009 to April 23, 2037.

Destilaria Andrade Thermoelectric Plant

On July 31, 2008, the Company, through its wholly-owned subsidiary Gama Participações Ltda, and Grupo Açúcar Guarani entered into agreements to set the partnership in the project Destilaria Andrade Thermoelectric Plant. The project, comprised of a biomass boiler, a condensation turbo generator and other auxiliary systems shall be built as a EPC turn-key project, by contractor Areva Koblitz, in the city of Pitangueiras (SP), in the same worksite of Andrade Açúcar e Álcool S. A. plant, owned by Açúcar Guarani, which is also responsible for the fuel supply. The investment amounts to approximately R$119 million, with commercial operation estimated to begin in April 2010.

The main characteristics of the project are the following:

Location:	Pitangueiras, in the state of São Paulo
Installed nominal power:	33 MW
Guaranteed Energy:	20 average MW
Generating units:	01 boiler 135 tv/h, 64 bar, 485ºC, 01 condensation turbine of 33 MW, 480ºC and 01 generator 41.25 MVA, 13.8 kV
Estimated investments:	Approximately R$120 million
Source of funds:	Own funds and funds financed by BNDES
Phase:	Estimated to begin in March 2009

1. Shareholding of holders of more than 5% of the Company's capital stock on September 30, 2008.

Shareholder	Number of common shares	% of capital	Nationality
Suez Energy South America Participações Ltda.	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 Suez Energy South America Participações Ltda.

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.	110,603,522	99.97	Belgian
Other	31,178	0.03	
	110,634,700	**100.00**	

1.1.1.1.1 Electrabel S.A.

Quotaholders	Number of quotas	% of capital	Nationality
GdF Suez S.A.	53,818,428	98.07	French
Other	1,059,769	1.93	
	54,878,197	**100.00**	

(Information not revised by Independent Auditors)

16.01 – OTHER INFORMATION DEEMED AS RELEVANT BY THE COMPANY

1.1.1.1.1.1 GdF Suez S.A.

Quotaholders	Number of quotas	% of the capital	Nationality
Groupe Bruxelles Lambert - GBL	117,183,738	5.35	Belgian
Republic of France	781,367,136	35.65	French
Other (*)	1,292,981,806	59.00	
	2,191,532,680	**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 the capital	Nationality
Pargesa Netherlands B.V. (*)	78,420,013	48.60	Dutch
Other	82,938,274	51.40	
	161,358,287	**100.00**	

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

1.1.2 Banco Clássico S.A.

Shareholder	Number of common shares	% of the 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 September 30, 2008:

	09.30.2008		09.30.2007	
Shareholder	**Number of common shares**	**% of capital**	**Number of common shares**	**% of capital**
Controlling				
Suez Energy South America Partic. Ltda.	448,512,623	68.71	448,512,625	68.71
Board of Directors	343,504	0.06	125,602	0.02
Board of Executive Officers	24,929	-	24,929	-
Fiscal Council	-	-	-	-
	448,881,056	**68.77**	**448,663,156**	**68.73**

3. Number of outstanding shares on September 30, 2008

	Number of common shares	**%**
Total Company's shares	652,742,192	100.00
Total shares held by the controlling shareholder and management	(448,881,056)	(68.77)
Total outstanding shares	**203,861,136**	**31.23**

4. Arbitration Clause

The Company's Bylaws is pursuant to the rules and procedures of *Novo Mercado* Listing Rules of São Paulo Stock Exchange – Bovespa 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 ACCOUNTANTS' REVIEW REPORT

To the Management and Shareholders of
Tractebel Energia S.A.
Florianópolis – SC

1. We have reviewed the accounting information included in the accompanying interim financial statements of Tractebel Energia S.A. (the "Company") and subsidiaries, for the quarter and period ended September 30, 2008, consisting of the individual (the "Company") and consolidated balance sheets, the related income statements, statements of cash flows, the performance report and the related notes, 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 Brazilian Federal Accounting Council (CFC), 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 have, 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 modifications that should be made to the accounting information included in the interim financial statements referred to in paragraph 1 for them to be in conformity with the standards established by the Brazilian Securities and Exchange Commission (CVM), specifically applicable to the preparation of the interim financial statements, including CVM Instruction No. 469/08.

4. As mentioned in Note 3, on December 28, 2007, Law No. 11,638 was enacted, altering, revoking and adding new provisions to Law No. 6,404 (Brazilian Corporate Law). This Law is effective for fiscal years beginning on or after January 1, 2008 and introduced changes in Brazilian accounting practices. These changes have been adopted by the Company and its subsidiaries in the preparation of the Interim Financial Statements for the quarter and period ended September 30, 2008. Although this Law has already become effective and been applied by the Company and its subsidiaries, based on CVM instructions and/or standards issued by the International Accounting Standards Board (IASB), the main changes introduced are subject to regulation by Brazilian regulatory agencies. Thus, the interim financial statements may require adjustments in the regulation process of Law No. 11,638/07. The information related to prior periods, presented for comparison purposes, has been reclassified to include the retrospective changes in the accounting practices introduced in 2008.

5. Accounting practices adopted in Brazil vary in certain significant respects from International Financial Reporting Standards ("IFRS"). The Company has disclosed a reconciliation of the consolidated net income and shareholders' equity from accounting practices adopted in Brazil to IFRS as applied by the Company based on the standards and interpretations effective as of the date of these financial statements. The accounting practices and policies adopted by the Company for the purposes of this reconciliation are described in note 31. Without qualifying our review report, we draw attention to the fact that, under IFRSs, only a complete set of financial statements comprising a balance sheet, income statements, statements of changes in shareholders' equity and cash flows, together with comparative financial information and explanatory notes, can provide a fair presentation of the Company's financial position, results of operations, and cash flows in accordance with IFRSs. We also draw attention to the fact that note 31 explains why there is a possibility that the opening balance sheet may require adjustment when the Company presents a complete set of financial statements under IFRS.

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

Rio de Janeiro, November 07, 2008 (except for note 31, for which the date is November 20, 2008)

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU
Auditores Independentes
CRC 2SP 011.609/O-8 "F" SC

José Carlos Monteiro
Accountant
CRC 1SP 100 597/O-2 "S" SC

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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