TRACTEBEL ENERGIA announces 2Q07 net income of R$ 229 million

Company increases assured energy by 171 average MW

Florianópolis, SC, Brazil, August 14 2007 – Tractebel Energia S.A. (Bovespa: TBLE3), the largest private sector electricity generating company in Brazil, today announces earnings for the second quarter and first half ending June 30 2007 (2Q07 and 1H07). The information in this release is shown on a consolidated basis and in accordance with Brazilian accounting principles and practices. Values are expressed in Reais, except where otherwise indicated.

HIGHLIGHTS

• Net consolidated revenue for 2Q07 amounted to R$ 731.7 million, 10.0% above that for 2Q06, principally reflecting higher prices for contracting energy.

• Sale contracts average price in 2Q07 reached R$ 97.92/MWh, 8.9% higher than the average price of R$ 89.92/MWh for the same period in 2006.

• EBITDA reached R$ 387.8 million in the period, a reduction of 7.0% compared to R$ 417.0 million in 2Q06. EBITDA was negatively impacted by unexpected high spot prices in May and June, despite high reservoir levels. On the other hand, higher exports to Argentina and Uruguay will positively impact EBITDA over the year.

• Tractebel Energia posted net income of R$ 229.5 million in the period, corresponding to R$ 0.35 per share, a year-over-year improvement of 21.6%.

• On May 15 2007 the Company issued R$ 350.0 million in seven-year debentures at a cost of IPCA plus 7% p.a.

• The Extraordinary General Meeting held on June 14 2007 approved the acquisition of 99.99% of the total capital of Companhia Energética São Salvador – CESS, the concessionaire for the São Salvador hydroelectric project. The plant will have a capacity of 243.2 MW and 148.5 average MW assured energy.

• On June 18 Tractebel Energia took part in the ANEEL's 1st Auction of Alternative Energy Sources. The Company sold 23 average MW at R$ 141.16/MWh over a 15 year period as from 2010, the energy to be generated by the São João Co-generation Unit, a sugar cane biomass project to be constructed in consortium with the Dedini Agro Group.

• The Company's Board approved the distribution of R$ 360.1 million in interim dividends based on the results of first half 2007. Adding this value to the R$ 88.0 million of the record relative to interest on shareholders' equity, previously approved, the total first half payout was R$ 448.1 million, equivalent to 95% of net income.

Summary of economic and operational indicators

Tractebel - Consolidated	Quarter			Accumulated		
In Millions of Reais	2Q07	2Q06	Chg.	1H07	1H06	Chg.
Gross operating revenue	812.5	739.5	9.9%	1,573.9	1,437.9	9.5%
Net operating revenue (NOR)	731.7	665.3	10.0%	1,407.2	1,295.8	8.6%
Result from service (EBIT)	329.8	365.1	-9.7%	724.9	712.3	1.8%
EBITDA (1)	387.8	417.0	-7.0%	838.9	816.6	2.7%
EBITDA / NOR - (%)	53.0	62.7	-9.7 p.p.	59.6	63.0	-3.4 p.p.
Net income	229.5	188.8	21.6%	471.6	532.6	-11.4%
Net debt	1,200.0	1,091.7	9.9%	1,200.0	1,091.7	9.9%
Energy sold (avg MW)	3,738	3,696	1.1%	3,686	3,630	1.5%
Number of employees	904	906	-0.2%	904	906	-0.2%

(1) EBITDA represents: operating results + financial results + depreciation and amortization + amortization of goodwill.

2Q07

For immediate release

Additional information may be obtained by contacting the Investor Relations dept.:

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Conference Call and Webcast
On 08/15/07: at 09:00 a.m. in Portuguese
at 11:00 a.m. in English
(both ET)

Further details on Upcoming Events section, available on page 12.

Visit our website
www.tractebelenergia.com.br



Tractebel Energia
SUEZ

OPERATING PERFORMANCE

Generating Complex

Tractebel Energia is the largest private sector electricity generating company in Brazil and operates a 6,977 MW capacity complex, made up of 13 plants (six hydroelectric and seven thermoelectric power plants), of which 11 are wholly owned by the Company and two (the Itá and Machadinho hydro plants) are operated in consortium with other companies.

Tractebel Energia's Generating Complex

Power plants	Hydro/ Thermal	Location	Installed Capactity (MW)	
			Total	Tractebel's portion
Salto Santiago	Hydro	Iguaçu River (PR)	1,420	1,420
Salto Osório	Hydro	Iguaçu River (PR)	1,078	1,078
Passo Fundo	Hydro	Passo Fundo River (RS)	226	226
Itá	Hydro	Uruguai River (SC and RS)	1,450	1,090
Machadinho *	Hydro	Uruguai River (SC and RS)	1,140	404
Cana Brava	Hydro	Tocantins River (GO)	450	450
Total - Hydro			**5,764**	**4,668**
Complexo Jorge Lacerda **	Thermal	Capivari de Baixo (SC)	857	857
Charqueadas	Thermal	Charqueadas (RS)	72	72
Alegrete	Thermal	Alegrete (RS)	66	66
William Arjona	Thermal	Campo Grande (MS)	190	190
Lages	Thermal	Lages (SC)	28	28
Total - Thermal			**1,213**	**1,213**
Total			**6,977**	**5,881**

(*) Considering the addition of 21.4 MW regarding the acquisition of stake in MAESA.

(**) Complex comprised of 3 power plants.

Projects under Construction

New Projects

Power plants	Hydro/ Thermal	Location	Installed Capactity (MW)	
			Total	Tractebel's portion
São Salvador	Hydro	Tocantins River (GO)	243	148
São João	Thermal	São João da Boa Vista (SP)	70	23
Total			**313**	**171**

São Salvador: in 2Q07 Tractebel Energia S.A. acquired the total common and preferred shares issued by Companhia Energética São Salvador – CESS and owned by SUEZ Energy South America Participações Ltda. – SESA, representing 99.99% of the voting capital and 99.99% of the total capital of CESS.

For this acquisition, Tractebel paid SESA R$ 304.0 million cash in local currency, to which will be added a further R$ 18.0 million should the starting date for payments relative to the use of public good charge (UBP) coincide with the beginning of the supply of electricity originally scheduled for 2011 in the Regulated Market Electricity Commercialization Contracts – CCEARs.

CESS is the owner of the São Salvador hydroelectric concession, which has an installed capacity of 243.2 MW and 148.5 average MW of assured energy. In October 2006, CESS sold this energy through the 3rd New Energy Auction to distributors that participate in the Regulated Contracting Environment – ACR, for a 30-year period, beginning January 2011. CESS also signed a contract in October with the consortium construction contractor for work to begin. Commercial operations are expected to begin in the first quarter of 2009.

São João: On June 18 Tractebel Energia participated in the ANEEL's 1st Auction of Alternative Energy Sources. The Company sold 23 average MW at R$ 141.16/MWh for a 15-year period as from 2010, the energy to be generated by the São João Co-generation Unit, a cane sugar biomass-fired plant to be constructed in consortium with the Dedini Agro Group. This co-generation plant is to be built in the city of São João da Boa Vista, state of São Paulo, and will have an installed capacity of 70 MW. Tractebel Energia will have a stake of 63% in the project through a Special Purpose Company (SPC), the remaining 37% being held by Dedini Açúcar e Álcool. The plant's commercial start up is scheduled for April 2009.

Uptime Operating

In 2Q07 the 13 plants operated by Tractebel Energia recorded 98.8% uptime, excluding scheduled stoppages, 99.6% in hydroelectric generation and 95.3% in thermoelectric generation.

With this quarterly performance, uptime for the full first six months of 2007 was 97.6%, excluding scheduled stoppages. Including all programmed stoppages, global uptime was 94.2%, 96.6% in the case of hydro and 83.1% for thermoelectric generation.

Production

2Q07 electric energy production at the power plants operated by Tractebel Energia was 9,017 GWh (4,129 average MW), a growth of 82.1% compared with 2Q06. Of the total generated, thermoelectric plants were responsible for 925 GWh (424 average MW) and hydroelectric plants, 8,092 GWh (3,705 average MW), representing a year on year reduction of 36.9% for the thermoelectric plants and a significant jump in output of 132.2% with respect to the hydro plants.

In the six-month period (1H07), total energy production reached 14,106 GWh (3,247 average MW), a total of 12,336 GWh (2,840 average MW) generated by hydro plants and 1,770 GWh (407 average MW) from thermoelectric sources. The overall generation figures for the first half reported an increase of 28.5% relative to the same period in 2006, principally due to notably improved hydrological conditions this year and culminating in record monthly output in June. This data includes total production from the Itá and Machadinho plants, the only ones in the Company's generating complex that are not wholly owned.

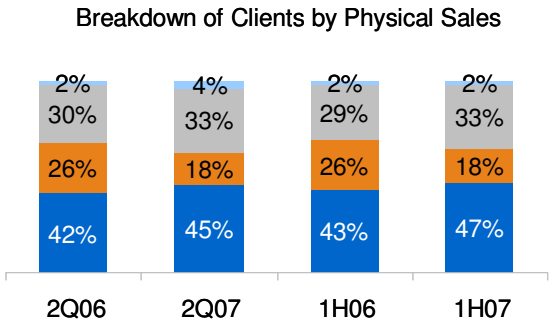
The decrease in thermoelectricity generation was largely the result of the minimized dispatch from the William Arjona Thermoelectric Power Plant as from 4Q06 when revamped transmission lines were commissioned in the Campo Grande region of the state of Mato Grosso do Sul. The decrease also reflects the reduction in generation from the C unit at the Jorge Lacerda Thermoelectric Power Plant, which was partially out of action in 1Q07. It is important to point out at this juncture that the increase in hydroelectric power generation is due to abundant water supplies in the South of Brazil, principally in the second quarter, combined with reservoir depletion in the Southeast region due to high energy consumption, a situation requiring increased energy transfers from the South to the Southeast.

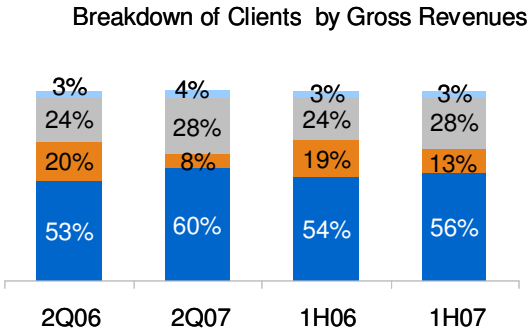
Customers

Tractebel Energia has a well-diversified customer portfolio, serving energy distribution concessionaires, trading companies and free consumers (large industrial consumers) through flexible contracts both in terms of duration and volume.

The Company actively pursues a policy of enhancing consumer loyalty by providing tailor-made services permitting the adaptation of energy purchases to the production processes of each customer.

The percentage of free consumers in the portfolio increased, reaching 27.9% of gross operating revenue and 33.3% of physical sales in 2Q07, an increase of 4.2 and 3.1 percentage points, respectively.







OUTLOOK AND STRATEGY

The Company has opted to maintain a substantial part of its available energy on a non-contracted basis as from 2010, when forecasts for the sector indicate a potential increase in prices.

Based on data of assured energy and purchase contracts in force on June 30 2007, Tractebel Energia's energy balance shows that the Company 's current resources, including acquisitions from third parties, is almost entirely contracted through 2009.

Energy Balance

	(avg MW)	2007	2008	2009	2010	2011	2012
	Own Resources	3,189	3,008	3,146	3,175	3,175	3,175
+	Purchases for Resale	508	417	409	556	217	130
=	Total Resources (A)	3,697	3,425	3,555	3,731	3,392	3,305
	Government Auction Sales*	10	160	1,034	1,257	1,405	1,405
	2004-EE-08	10	10	10	10	10	10
	2005-EE-08	-	150	150	150	150	150
	2005-EE-08	-	-	381	381	381	381
	2005-NE-30	-	-	-	200	200	200
	2006-NE-30	-	-	493	493	493	493
	2006-NE-30	-	-	-	-	148	148
	2007-NE-15	-	-	-	23	23	23
+	Bilateral Sales	3,644	3,111	2,359	2,132	1,186	1,066
=	Total Sales (B)	3,654	3,271	3,393	3,389	2,591	2,471
	Balance (A - B)	**43**	**154**	**162**	**342**	**801**	**834**
	Sales Average Price (R$/MWh)**:	101.7	106.3				
	Purchases Average Price (R$/MWh)**:	74.8	89.3				

Auction Price (R$/MWh)	Date	Price Adjusted as of June 30, 2007 (R$/MWh)
70.9	Dec-04	78.9
81.6	Apr-05	88.4
94.0	Oct-05	99.9
115.1	Dec-05	121.2
128.4	Jun-06	132.8
135.0	Nov-06	138.9
141.2	Jun-07	141.2

* XXXX-YY-ZZ, where:
XXXX ⇨ year of auction
YY ⇨ EE = existing energy or NE = new energy
ZZ ⇨ supply contract duration (in years)

** Price adjusted as of June 30, 2007.

Note: The balance considers the energy generated by the projects São Salvador and São João, which start of operations are scheduled for 1Q09 and April 2009, respectively
From 2Q07 on the resume of the energy proceeding from the contract with CIEN was disregarded.

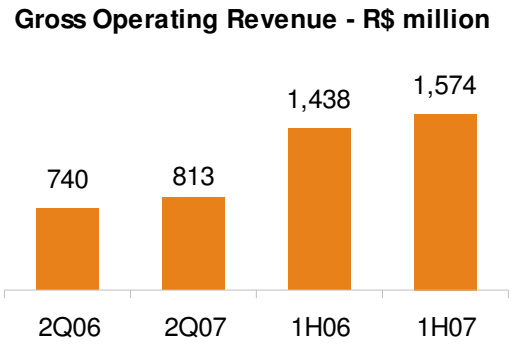
ECONOMIC AND FINANCIAL PERFORMANCE

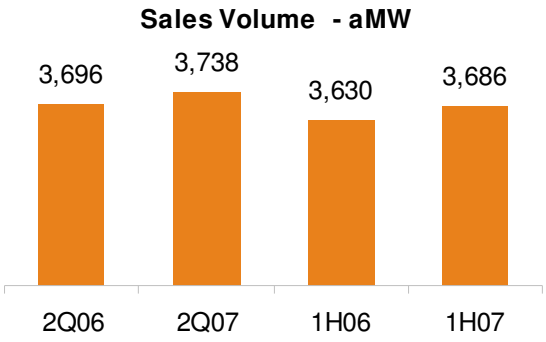
Gross Operating Revenue

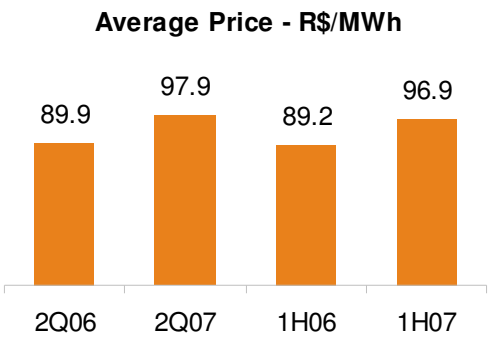
As from January 2007, revenue from the supply of electric energy has been recognized net of ICMS, in the case this sales tax applies to a special regime known as tax replacement on interstate sales operations. Up to December 31 2006 this tax had been incorporated in the account group "Deductions from operating revenue". In order to facilitate comparative analysis between the periods under review, gross operating revenue and deductions from operating revenue for 2Q06 were reclassified, the figures changing from R$ 754.4 million and R$ 89.1 million to R$ 739.5 million and R$ 74.2 million. In the 1H06 period, the account groups were changed respectively from R$ 1,462.4 million and R$ 166.6 million to R$ 1,437.8 million and R$ 142.0 million.

Gross operating revenue for 2Q07 was R$ 812.5 million, 9.9% higher than that for the same period in 2006, principally reflecting the increase in the average price of energy sold and, to a lesser extent, greater energy exports. Revenue from sales to the wholesale market amounted to R$ 583.8 million, 3.9% greater than that recorded in 2Q06, and sales to end consumers was R$ 225.9 million, representing a growth of 29.5% against the same quarter 2006, a reflection of the Company's drive to expand its free customer base. Exports of energy to Argentina and Uruguay grew 53.5% compared with 2Q06, reaching R$ 34.7 million, principally due to exports for Argentina, in June 2007, which amounted to R$ 31.6 million.

Consolidated sales in 2Q07 totaled 8,163 GWh (3,738 average MW), an increase of 1.1% compared with 8,071 GWh (3,696 average MW) sold in the same period in 2006. The sales contract average price was R$ 97.92/MWh, 8.9% up on the average price of energy sold in 2Q06, which was R$ 89.92/MWh, following the reclassification cited in the first paragraph.







Net Operating Revenue

In 2Q07 net operating revenue increased 10.0% compared with the same quarter 2006, rising from R$ 665.3 million to R$ 731.7 million.

Deductions from gross operating revenue, mainly the result of sales tax payments, increased 9.0% between the two comparable periods from R$ 74.2 million to R$ 80.9 million.

Costs of Electric Energy and Services

Costs reached R$ 315.7 million in 2Q07, representing a growth of 33.0% over the R$ 237.4 million in 2Q06. This was mainly a reflection of the following elements:

- **Third party energy purchases:** an increase of R$ 9.1 million, due to greater energy purchases from third parties for resale.

- **Transactions channeled through the Energy Trading Board – CCEE (Câmara de Comercialização de Energia Elétrica):** in 2Q06 CCEE transactions included a revenue of R$ 20.8 million out of the need at the time to dispatch energy generated from the William Arjona Thermoelectric Plant, due to limitations on interconnection infrastructure in Campo Grande region, a situation which had been rectified by 2007 with the upgrading of the transmission system in November 2006. Excluding this revenue, growth of these expenses was R$ 32.3 million, basically due to an increase in energy costs relating to the thermoelectric substitution. This in turn occurred largely as a result of greater exposure to the Energy Trading Board - CCEE, caused by the reduction in dispatch of energy from the thermoelectric power plants by the National Electricity System Operator (ONS) and the increase in spot prices (PLD) involving transactions conducted through the CCEE. Growth in these costs was partially offset from Energy Reallocation Mechanism – MRE revenues arising from the increase in generation from hydro sources in relation to the same quarter in the preceding year.

- **Fuel expenses:** ignoring coal consumption-related adjustments in 2Q06 over those prevailing in 1Q06 of R$ 5.5 million, the reduction in the cost of fuel would have been R$ 5.1 million. This decline occurred mainly due to the following factors: (i) lower consumption of natural gas at the William Arjona Thermoelectric Power Plant, amounting to R$ 13.4 million as a result of minimal dispatches of energy from the plant following the upgrading of transmission lines nearby and (ii) the increased consumption of coal worth R$ 9.5 million required to meet energy exports to Argentina and Uruguay.

- **Financial compensation for use of hydro resources:** an increase of R$ 20.1 million due to a significant increase in the dispatch of energy generated by the hydroelectric plants, compared with the same quarter the previous year when the South of the country suffered the effects of a severe drought. This increase was offset by the enhanced MRE revenue, as previously mentioned.

Selling Expenses

Selling expenses are largely made up of charges for the use of, and connection to the electricity grid and totaled R$ 55.7 million in 2Q07, a 7.3% increase over the same period in 2006, when this item amounted to R$ 51.9 million. The increase basically reflects the annual tariff readjustment of these charges.

General and Administrative Expenses

General and administrative expenses increased from R$ 30.8 million to R$ 32.9 million in 2Q07, 6.8% up on 2Q06, largely due to the increase in expenses of services rendered by third parties.

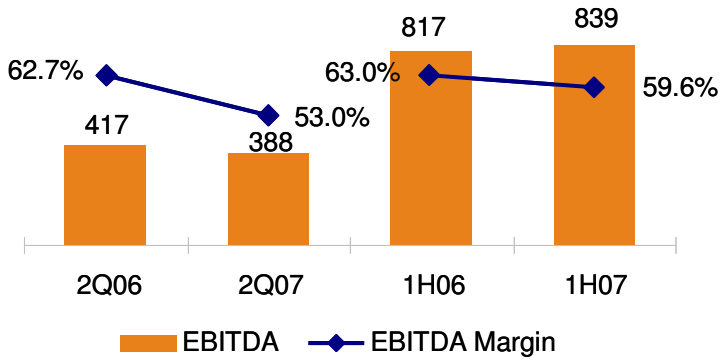
Net Reversal of Operational Provisions

Reversal of provisions in 2Q07 was R$ 17.5 million lower than that for the same period in 2006, principally the result of the reversal, in 2Q06, of a civil liability provision for R$ 22.0 million.

EBITDA and EBITDA Margin

Reflecting the factors commented above, 2Q07 EBITDA reached R$ 387.8 million, a year-over-year reduction of 7.0%. The 2Q07 EBITDA margin was 53.0%, compared with 62.7% in 2Q06.

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



Financial Result

Financial income: a year on year reduction of R$ 7.3 million declining from R$ 29.2 million to R$ 21.9 million.

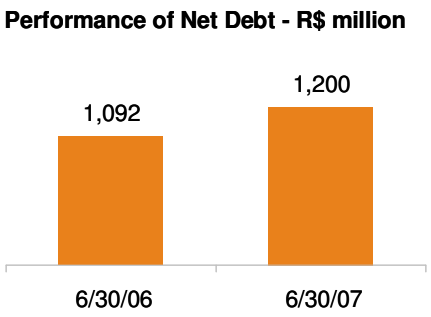
Financial expenses: a decrease of R$ 25.3 million in 2Q07 compared with the same period in 2006, falling from R$ 73.3 million to R$ 48.0 million, principally the result of, (i) foreign exchange gains on loans and financing, net of the currency hedge operation result, in the amount of R$ 18.5 million, due to the trend in exchange rates of currencies comprising debt in relation to the Real and (ii) the fall in the interest expenses on loans, financing and debentures of R$ 5.5 million, the result of the gradual amortization of debt during the period.

Debt

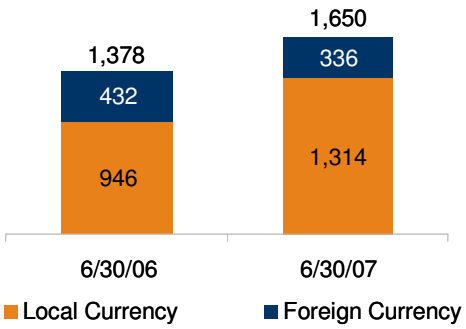
The Company's net debt as at June 30 2007 (total debt less cash and cash equivalents and the result of swap operations) was R$ 1,200.0 million compared to R$ 1,091.6 million at the end of 2Q06.

Total gross consolidated debt, mainly in the form of loans, debentures and financing, totaled R$ 1,650.3 million on June 30 2007, a 19.7 % increase compared with the position as at June 30, 2006. Of the total debt at the end of the period, 20.4% was exposed to currency risk (31.0% at the end of 2Q06), of which 58.2 % was hedged against foreign exchange fluctuations in relation to the Real.

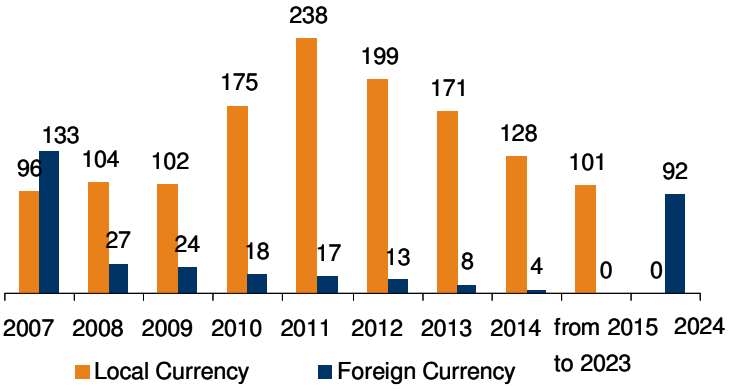
Growth in Company debt reflects the R$ 350.0 million debenture issue in 2Q07. This issue was four times oversubscribed and was placed in the market at IPCA plus 7% p.a., with a seven-year maturity.



Performance of Net Debt - R$ million



Composition of Debt - R$ million



Maturity Term Loans - R$ million

Net Non-Operating Expenses

The R$ 34.1 million reduction in net non-operating expenses was essentially due to the recognition of the effects of the sale of the Jacuí Project in 2Q06.

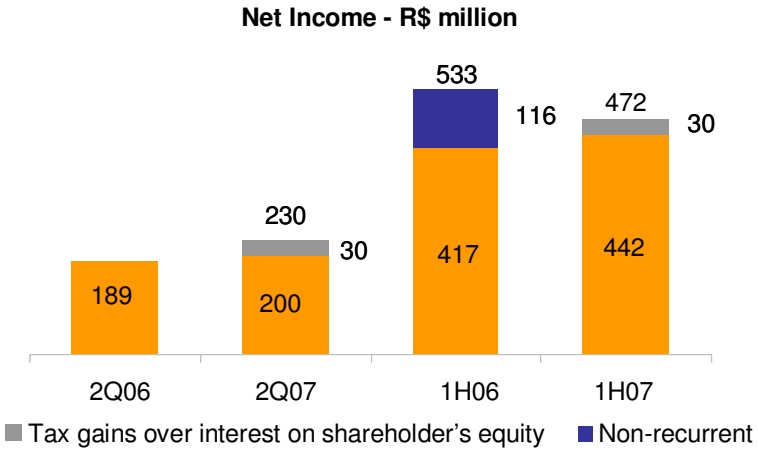
Income Tax and Social Contribution

The 2Q07 R$ 23.9 million reduction was principally due to the record of interest on shareholders' equity of R$ 88.0 million, resulting in lower income tax and social contribution overheads amounting to R$ 29.9 million.

Net Income

In 2Q07 Tractebel reported net income of R$ 229.5 million, 21.6% higher than the R$ 188.8 million for the same period in 2006, a reflection of the factors already commented upon. Excluding the reduction in income tax and social contribution amounting to R$ 29.9 million, the result of the record of interest on shareholders' equity, 2Q07 net income would have been R$ 199.7 million, 5.8% higher than the same quarter of 2006.

In the 1H07 period net income reached R$ 471.6 million, a decline of 11.4% compared with the same period in 2006, which posted a bottom line figure of R$ 532.6 million. If the non-recurring effects of the sale of the remaining stake in the Jacuí Project are excluded, net income for 1H06 would have amounted to R$ 416.8 million. Again, ignoring the tax impact, as mentioned in the preceding paragraph, 1H07 net income would have been R$ 441.7 million, thus returning a year-over-on year improvement of 6.0%.

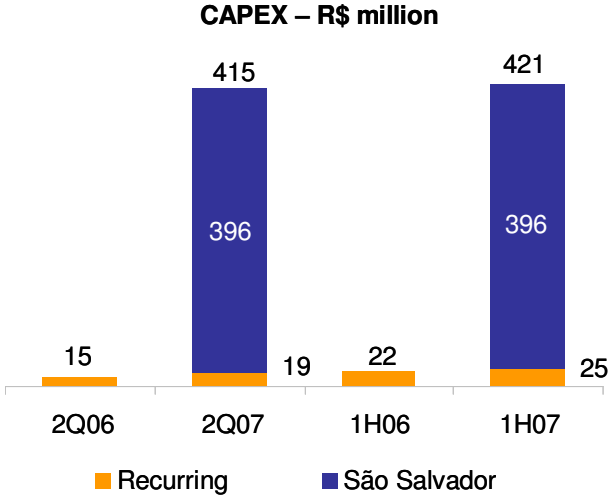


Capital Expenditures

In the quarter under review, Tractebel Energia acquired full ownership of Compania Energética São Salvador – CESS for R$ 304.0 million.

On top of that, in 2Q07 investments in the Company's generating complex totaled R$ 111.3 million, significantly higher than in 2Q06 - R$ 14.6 million. This was principally the result of investments in construction work at the São Salvador Hydroelectric Plant, which amounted to R$ 92.4 million funded by the Brazilian National Development Bank – BNDES, following the mentioned acquisition.

As a consequence, for the first six months of the year investment amounted to R$ 421.2 million, against R$ 21.8 million in 1H06.



Dividend Payout

At its meetings on May 10 2007 and August 14 2007, Tractebel Energia's Board of Directors approved, respectively, the record of interest on shareholders' equity for 1H07 in the amount of R$ 88.0 million (R$ 0.1348158600 per share), and the distribution of interim dividends, based on the financial statements raised on June 30 2007, in the amount of R$ 360.1 million (R$ 0. 5516214256 per share).

As a result, total profits to be distributed reached R$ 448.1 million (R$ 0.6864372856 per share) corresponding to 95% of the adjusted net income for 1H07.

Distribution of profits will take place on a date to be fixed by the Board of Executive Officers and will be announced in a Notice to Shareholders.

SUSTAINABILITY: COMMITMENT AND CERTIFICATIONS

Tractebel Energia operates according to the principles of sustainable development, respecting the balance of environmental, social and economic dimensions in all its businesses. The guidelines that form the bedrock to the Company's plans for environmental management are contained in the Environmental Code, which governs compliance with environmental protection agency regulations as well as the interaction with the communities that live adjacent to the plants by cooperating to ensure improvement in their quality of life.

All Tractebel plants are NBR ISO 9001 and NBR ISO 14001 certified. The objective of NBR ISO 9001 certification is to improve internal procedures and upgrade company products and services. NBR ISO 14001 is a standard for governing environmental management systems, designed to reconcile environmental protection and prevention of pollution with the socio-economic growth of the companies.

Tractebel Energia is the first of the leading generators in the Brazilian electricity sector with all its plants covered by these certifications, testifying to the quality of production and environmental responsibility.

Thanks to this permanent commitment, the Company continues to be a component of Bovespa's (São Paulo Stock Exchange) Corporate Sustainability Stock Index (ISE), a portfolio of shares of companies considered sustainable over a long-term horizon and with an excellent performance in financial, social, environmental and corporate governance practice aspects.

CORPORATE GOVERNANCE

Tractebel Energia became a member of Bovespa's *Novo Mercado* on November 16 2005, underscoring the Company's commitment to best corporate governance practice.

The Bylaws have been adapted to comply with the new rules and procedures of the *Novo Mercado's* Listing Regulations. The Company's Board of Directors is now made up of nine members, one of which represents the employees and two who are independent directors. With the exception of the employees' representative, all are elected by a General Shareholders' Meeting. A non-permanent Fiscal Council, which is independent of management, and the Company's outside auditors are responsible for supervising management acts and examining and opining on the financial statements.

The Company has a Code of Ethics and maintains a structure of committees, advisory councils and formally responsible individuals for ethical issues, which are also monitored through organizational surveys.

In addition to *Novo Mercado* regulations, Tractebel Energia complies with the precepts of the Sarbanes-Oxley act, the purpose of which is to combat unethical conduct and make the financial statements more reliable.

Tractebel Energia's dividend policy establishes a mandatory minimum dividend of 30% of the net income for the fiscal year, adjusted in accordance with Law 6,404/76. In addition, the policy allows for the semi-annual payment of dividends and/or interest on shareholders' equity for an amount not less than 55% of the net adjusted income.

CAPITAL MARKETS

Since its listing on Bovespa's *Novo Mercado*, Tractebel Energia has become a component of the Special Corporate Governance Stock Index (**IGC**) and the Special Tag Along Stock Index (**ITAG)**, incorporating those companies offering greater protection to minority shareholders in the event of the sale of a controlling stake. The Company's shares are also included in the Corporate Sustainability Stock Index (**ISE**), comprising companies with a recognized commitment to social and corporate responsibility, as well as the Electric Energy Stock Index **(IEE)**, which is a sector index made up of the more significant listed companies in the industry.

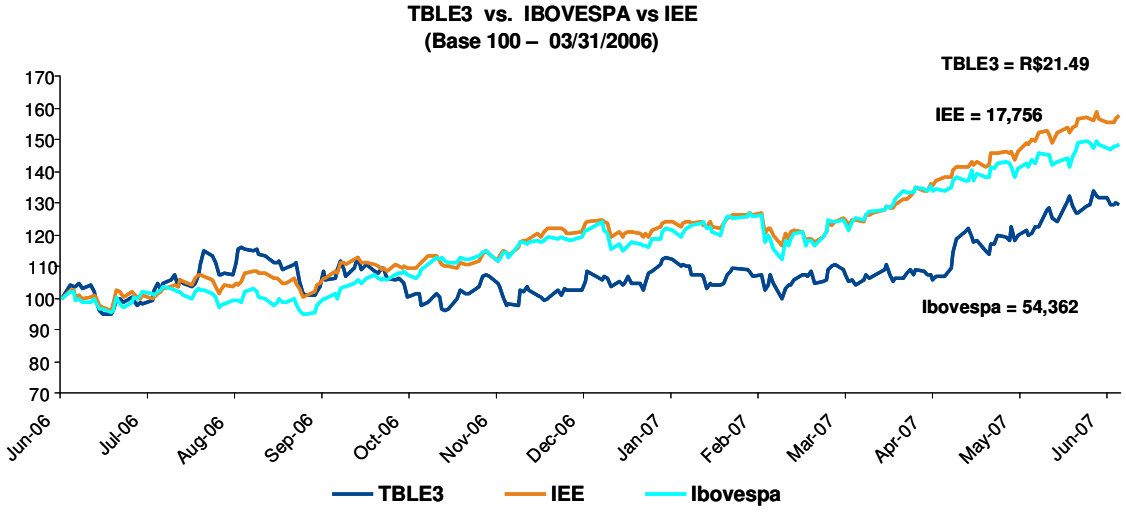
Tractebel Energia's common shares are traded on the São Paulo Stock Exchange under the TBLE3 symbol. The Company's Level I American Depositary Receipts (ADRs) are also traded on the US Over-The-Counter (OTC) market under the TBLEY symbol at a ratio of 1 ADR to every 5 common shares.

Share Performance – TBLE3

In 2Q07 TBLE3 appreciated 19.4%, while the Ibovespa, a stock index reflecting the performance of the 57 most liquid securities in the market, increased 18.8%. The IEE, which represents the performance of the electricity sector as a whole, rallied 26.7% in the period.

The Company's shares were traded on all the days the Stock Exchange was open for business, the average daily trading volume for the quarter being R$ 8.7 million.

On June 30 2007 the Company's shares were quoted at R$ 21.49/share, representing market capitalization equivalent to R$ 14.0 billion.



SUBSEQUENT EVENT

On July 5 2007 Tractebel announced the appointment of Banco UBS Pactual S.A. to perform the function of market maker in its common shares on the Bovespa, the objective being to foster greater liquidity.

UPCOMING EVENTS

Tractebel Energia will be holding the following events to discuss quarterly earnings:

Conference Call with Webcast (in Portuguese)

Date: August 15 2007
Time: 10:00 a.m. (Brasília time)
Telephones for connection:
Participants in Brazil: 11 4688-6301
Password for participants: Tractebel

Conference Call with Webcast (in English)

Date: August 15 2007
Time: 11:00 a.m. (ET) / 12:00 noon (Brasília time)
Telephones for connection:
Participants in Brazil: (55 11) 4688-6301
Participants in USA: (1 800) 860-2442
Participants in other countries: (1 412) 858-4600
Password for participants: Tractebel

The links for access will be available on the Company's website (www.tractebelenergia.com.br), at the Investors section. Replay available from August 15 to August 23 2007. Access by calling (55 11) 4688-6225, code 323.

Meetings with Analysts

São Paulo
Date: August 16 2007
Time: 8:30 a.m. (Brasília time)
Venue: Hotel Meliá Mofarrej

Rio de Janeiro
Date: August 16 2007
Time: 6:30 p.m. (Brasília time)
Venue: Pestana Hotel

Florianópolis
Date: August 21 2007
Time: 6:30 p.m. (Brasília time)
Venue: Hotel Majestic Palace

Disclaimer

This release contains information and opinions on future events subject to risks and uncertainties based on current forecasts, projections and tendencies of the Company's business. Innumerous factors can effect the estimates and suppositions on which these opinions are based. In view of these risks and uncertainties described herein, estimates and declarations with respect to future events contained in this material may not be become realities. In view of these restrictions, shareholders and investors should not take any decisions based on estimates, projections and declarations as to future events contained in this release.

ATTACHMENT I

TRACTEBEL ENERGIA S.A.

CONSOLIDATED BALANCE SHEET – ASSETS

Consolidated Balance Sheet	In Thousand Reais	
ASSETS	**6/30/2007**	**3/31/2007**
CURRENT ASSETS	**957,810**	**1,053,892**
Cash and cash equivalents	19,315	19,602
Securities	452,258	528,762
Resources subject to payment of obligations	13,002	4,632
Consumers, concessionaires and holder of permissions	378,664	351,889
Taxes and social contributon recoverable	20,377	40,008
Warehouse	20,586	22,975
Pledges and restricted deposits	8,100	37,940
Deferred assets	19,741	24,205
Advances to suppliers	6,639	1,672
Others	19,128	22,207
NON CURRENT ASSETS	**5,124,737**	**4,730,969**
Long Term Assets	**465,186**	**457,024**
Concessionaires and holders of permission	9,629	12,781
Taxes and social contributon to offset	13,963	13,342
Pledges and restricted deposits	30,908	30,430
Deposits in court	140,558	134,501
Disposal of assets and rights	72,945	70,852
Deferred assets	195,324	193,133
Others	1,859	1,985
Permanent Assets	**4,659,551**	**4,273,945**
Investments	97,252	63,979
Property plant and equipment	4,452,242	4,099,892
Intangible	76,786	77,611
Deferred	33,271	32,463
TOTAL	**6,082,547**	**5,784,861**

ATTACHMENT II

TRACTEBEL ENERGIA S.A.

CONSOLIDATED BALANCE SHEET – LIABILITIES

Consolidated Balance Sheet	In Thousand Reais	
LIABILITIES	**3/31/2007**	**12/31/2006**
CURRENT LIABILITIES	**958,014**	**1,276,216**
Suppliers	232,100	170,285
Dividends and interest on shareholder´s equity	78,250	478,043
Loans and financing	268,512	287,290
Debentures	29,529	49,049
Taxes and social contribution in installments	180,216	145,494
Estimated obligations	34,009	31,759
Derivatives	21,149	13,515
Research and development (R&D) program obligations	41,506	37,248
Provision for contingencies	8,545	10,295
Post-employment benefits	19,536	19,620
Others	44,662	33,618
NON CURRENT LIABILITIES	**1,976,312**	**1,501,971**
Long Term Liabilities	**1,976,312**	**1,501,971**
Loans and financing	686,654	570,270
Debentures	665,654	323,434
Taxes and contributons payable in installments	7,251	5,161
Estimated obligations	1,054	703
Provision for contingencies	61,668	59,492
Concessions payable	213,673	208,257
Post-employment benefits	301,641	298,119
Deferred fiscal liabilities	36,535	36,535
Others	2,182	0
SHAREHOLDERS' EQUITY	**3,148,221**	**3,006,674**
Share capital	2,445,766	2,445,766
Capital reserves	91,695	91,695
Surplus reserves	227,111	227,111
Net Income	383,649	242,102
TOTAL	**6,082,547**	**5,784,861**

ATTACHMENT III

TRACTEBEL ENERGIA S.A.

CONSOLIDATED INCOME STATEMENT

In Thousand Reais	2Q07	2Q06	Chg. %	1H07	1H06	Chg. %
Gross operating revenue	**812,544**	**739,510**	**9.9**	**1,573,858**	**1,437,850**	**9.5**
Deductions from operating revenue	**(80,862)**	**(74,161)**	**9.0**	**(166,628)**	**(142,061)**	**17.3**
Net revenue from sales and services	**731,682**	**665,349**	**10.0**	**1,407,230**	**1,295,789**	**8.6**
Eletric energy and service costs	**(315,671)**	**(237,421)**	**33.0**	**(516,013)**	**(433,532)**	**19.0**
Personnel	(21,862)	(22,118)	-1.2	(42,147)	(38,753)	8.8
Electric energy purchased from third-party	(70,447)	(61,336)	14.9	(110,377)	(120,468)	-8.4
Transactions conducted through the CCEE	(91,160)	(38,108)	139.2	(138,376)	(54,462)	154.1
Fuel expenses	(29,669)	(40,261)	-26.3	(39,189)	(64,709)	-39.4
Financial compensation for use of water resources	(26,763)	(6,669)	301.3	(37,573)	(19,872)	89.1
Depreciation and amortization	(55,325)	(49,342)	12.1	(108,537)	(98,798)	9.9
Costs of services rendered	(2,517)	(2,592)	-2.9	(4,520)	(4,638)	-2.5
Others	(17,928)	(16,995)	5.5	(35,294)	(31,832)	10.9
Gross income	**416,011**	**427,928**	**-2.8**	**891,217**	**862,257**	**3.4**
Operating expenses	**(86,229)**	**(62,871)**	**37.2**	**(166,271)**	**(150,006)**	**10.8**
Selling expenses	(55,654)	(51,863)	7.3	(106,155)	(101,688)	4.4
General and administrative expenses	(32,860)	(30,833)	6.6	(63,094)	(64,102)	-1.6
Reversal of operational provisions, net	2,285	19,825	-88.5	2,978	15,784	-81.1
Service income	**329,782**	**365,057**	**-9.7**	**724,946**	**712,251**	**1.8**
Result of corporate participations	**(1,687)**	**(1,686)**	**0.1**	**(3,374)**	**(3,073)**	**9.8**
Amortization of goodwill	(1,687)	(1,686)	0.1	(3,374)	(3,373)	-
Equity income	-	-	-	-	300	-
Net financial income (expenses)	**(26,057)**	**(44,110)**	**-40.9**	**(52,543)**	**(64,950)**	**-19.1**
Financial income	21,895	29,178	-25.0	45,253	60,368	-25.0
Financial expenses	(47,952)	(73,288)	-34.6	(97,796)	(125,318)	-22.0
Operating income	**302,038**	**319,261**	**-5.4**	**669,029**	**644,228**	**3.8**
Non-operating income (loss)	(414)	(34,531)	-98.8	(1,116)	17,134	-
Income before taxes	**301,624**	**284,730**	**5.9**	**667,913**	**661,362**	**1.0**
Income tax	(52,854)	(70,346)	-24.9	(143,256)	(69,400)	106.4
Social contribution	(19,223)	(25,622)	-25.0	(53,008)	(59,394)	-10.8
Net income for the period	**229,547**	**188,762**	**21.6**	**471,649**	**532,568**	**-11.4**
EBITDA	**387,805**	**417,010**	**-7.0**	**838,878**	**816,576**	**2.7**
Net income per share	0.3517	0.2892	21.6	0.7226	0.8159	-11.4



ATTACHMENT IV

TRACTEBEL ENERGIA S.A.

CONSOLIDATED STATEMENT OF CASH FLOW

In thousands R$	2Q07	2Q06	1H07	1H06
Operating activities				
Net income for the year	229,547	188,762	471,649	532,568
Expenses (Revenues) that do not affect cash:				
Depreciation and amortization	58,023	51,960	113,932	104,044
Amortization of goodwill	1,687	1,686	3,374	3,373
Net monetary variations	(10,538)	6,766	(14,852)	(11,955)
Net interest	15,155	8,414	23,154	26,373
Operating provision (reversion), net	4,314	(12,669)	8,779	(8,438)
Investiments of resources in R&D	7,207	5,900	14,156	22,698
Deferred income tax and social contribution	2,272	29,327	(5,225)	50,421
Result of writing off of permanent assetes	459	34,531	1,161	(17,134)
Others	52	1,845	104	7,049
	308,178	**316,522**	**616,232**	**708,999**
Decrease (increase) in assets				
Consumers and concessionaires	(23,623)	18,949	(14,228)	1,587
Resources subject to payment of obligations	(8,370)	-	8,641	-
Disposals, services in progress and expenditures to reimburse	6,804	222	8,568	2,535
Taxes and social contributions recoverable	19,583	37,689	6,085	(26,694)
Collateral and linked / judicial deposits	27,994	(20,889)	45,240	(41,514)
Warehouse	2,389	(4,352)	3,037	2,510
Pre-paid expenses	(4,966)	2,901	(3,617)	8,647
Others	(2,474)	1,514	610	4,469
	17,337	**36,034**	**54,336**	**(48,460)**
Increase (decrease) in liabilities				
Suppliers	63,727	34,042	(5,296)	52,304
Loans, financing and debentures	(13,952)	(17,980)	1,762	(116)
Taxes and social contributions	38,498	10,172	137,902	(9,745)
Estimated obligations	(4,978)	(3,997)	(6,040)	1,803
Provision for contingencies	(1,870)	(2,475)	(1,894)	(3,339)
Post-employment benefits	(7,440)	(7,216)	(15,142)	(16,185)
Research anda development	(2,948)	-	(7,785)	-
Others	11,242	(3,211)	4,608	(13,767)
	82,279	**9,335**	**108,115**	**10,955**
Funds from operating activities	**407,794**	**361,891**	**778,683**	**671,494**
Investments activities	**(391,993)**	**(14,172)**	**(426,624)**	**(23,329)**
Used in fixed assets and deferred items	(111,313)	(14,172)	(117,151)	(23,329)
Investments in acquisitions, net of acquired cash and cash equivalents	(280,680)	-	(309,473)	-
Financing activities	**(92,592)**	**(620,131)**	**(137,326)**	**(670,374)**
Payment of loans, financing and debentures	(59,220)	(85,206)	(103,641)	(126,631)
Debentures	459,414	-	459,414	-
Payment of *swap* adjusts	(3,264)	(37,226)	(3,577)	(46,044)
Payment of dividends and interest on shareholders' equity	(489,522)	(497,699)	(489,522)	(497,699)
Total effects on cash	**(76,791)**	**(272,412)**	**214,733**	**(22,209)**
Cash and cash equivalents				
Opening balance	548,364	559,340	256,840	309,137
Closing balance	471,573	286,928	471,573	286,928
	(76,791)	**(272,412)**	**214,733**	**(22,209)**
Payments made in the year				
Interest on loans, financing and debentures	49,131	53,308	61,996	73,242
Income tax and social contribution	41,574	16,502	94,798	105,907
Transactions that do not affect cash				
Offseting of income tax and social contribution	-	2,024	132	588
Proposed dividends and interest on shareholders' equity credited	88,000	-	88,000	-
Adjustement for previous fiscal years	-	-	-	29,953