Tractebel Energia's net income for the 2Q11 is 33.1% higher than 2Q10, reaching R$ 358.8 million. The interim dividend exceeds R$ 1 per share for the first time

Florianópolis, Brazil, July 29, 2011 – Tractebel Energia S.A. ("Tractebel Energia", "Tractebel", or "the Company") – BM&FBOVESPA: TBLE3, ADR: TBLEY, the largest private sector electricity generating company in Brazil, announces earnings for the second quarter and six month period ending June 30, 2011 (2Q11 and 6M11). The information in this release is shown on a consolidated basis and in accordance with Brazilian accounting principles and practices. The values are expressed in Brazilian Reais (R$), except where otherwise indicated.

Highlights

2Q11

● Tractebel reported a second quarter 2011 net income of R$ 358.8 million (R$ 0.5496 per share), 33.1% higher than the R$ 269.5 million posted in 2010. In addition to operational improvements, the reduction in financial expenses also contributed to the bottom line.

● EBITDA (earnings before interest, taxes, depreciation and amortization) for the period presented an increase of 13.5% compared with 2Q10, reaching R$ 725.5 million in 2Q11 mainly due to higher average sale prices and higher margins. EBITDA margin was 68.6%, a growth of 2.3 p.p. in relation to 2Q10.

● There was a 9.7% increase in consolidated net operating revenue in 2Q11 to R$ 1,057.8 million against R$ 964.2 million recorded in 2Q10.

● The average price of contracted energy sales, net of exports and deductions on gross operating revenue reached R$ 121.30/MWh in the second quarter of 2011, 11.5% up on the R$ 108.82/MWh sale price in the same period in 2010. This increase reflects the readjustment in the prices of existing contracts and the higher prices practiced in the new contracts for free consumers and trading companies.

● The Company's Board of Directors has approved the payout of R$ 658.0 million in the form of interim dividends, corresponding to R$ 1.0080763921 per share and 100% of the recorded distributable net income for the first half of 2011.

● In 2Q11, ANEEL authorized the commercial startup of the first generator unit at the Estreito Hydroelectric Plant; and in July, the second. The plant is located on the Tocantins River, and will have eight generator units in all and a total capacity of 1,087 MW, of which 40.07% corresponds to Tractebel's stake.

● In 2Q11, the Company issued the notice to proceed to begin the construction of five wind farms in the Brazilian Northeast worth a total investment of R$ 625.6 million, adding a further 145.4 MW of complementary renewable energy to its generating complex. The startup of these new wind farms is scheduled for 4Q12, output being entirely directed towards energy sales to the free market.

● In an announcement to the press of May 16, Fitch Ratings assigned a 'BBB-' international rating to Tractebel and reiterated the Company's 'AA+(bra)' long term domestic rating, both with a stable outlook.

For immediate release

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

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Conference call and webcast
On 08/01/2011: at 11:00 a.m. (EDT) in Portuguese – simultaneous translation into English.

Further details on Upcoming Events section, available on page 14.

Visit our website
www.tractebelenergia.com.br

Summary of Economic and Operational Indicators

Tractebel - Consolidated						
(in millions of R$)	2Q11	2Q10	Chg.	6M11	6M10	Chg.
Gross Operating Revenue	1,184.3	1,074.6	10.2%	2,334.2	2,131.7	9.5%
Net Operating Revenue (NOR)	1,057.8	964.2	9.7%	2,080.0	1,909.8	8.9%
Result from Service (EBIT) (1)	604.8	523.1	15.6%	1,178.7	1,000.7	17.8%
EBITDA (1) (2)	725.5	639.4	13.5%	1,418.0	1,226.8	15.6%
EBITDA / NOR - (%) (1)	68.6	66.3	2.3 p.p.	68.2	64.2	4.0 p.p.
Net Income (1)	358.8	269.5	33.1%	665.7	516.2	29.0%
Net Debt	3,134.4	2,204.4	42.2%	3,134.4	2,204.4	42.2%
Energy Sold (avg MW)	3,886	3,934	-1.2%	3,877	3,902	-0.6%
Average Net Sales Price* - R$/MWh	121.30	108.82	11.5%	120.68	110.23	9.5%
Number of Employees	1,032	1,021	1.1%	1,032	1,021	1.1%

(1) Considers accounting adjustment for 2Q10.
(2) EBITDA represents: operating results + financial results + depreciation and amortization
(3) Net of taxes and exports

OPERATING PERFORMANCE

Generating Complex

The largest private sector electricity generator in Brazil, Tractebel Energia will have, after the entry into operation of all the Estreito HPP's generator units, an installed capacity of 6,908 MW and will operate a generating complex with installed capacity of 8,630 MW. Two generator units have already begun operations and the total ramp-up of the plant is scheduled for 2012. Thus, the generating complex has 22 plants (nine hydro, six thermal and seven complementary energy source plants - biomass, small hydro – SHP – and wind-powered), 18 of which are wholly owned by the Company and three - the Itá and Machadinho hydro power plants and the biomass Ibitiúva Bioenergética - jointly-owned through consortia with other companies.

Tractebel Energia's Generating Complex

Power Plants	Source	Location	Installed Capacity (MW)	
			Total	Tractebel's Portion
Itá	Hydro	Uruguai River (SC and RS)	1,450.0	1,126.9
Salto Santiago	Hydro	Iguaçu River (PR)	1,420.0	1,420.0
Machadinho	Hydro	Uruguai River (SC and RS)	1,140.0	403.9
Estreito*	Hydro	Tocantins River (TO/MA)	1,087.0	435.6
Salto Osório	Hydro	Iguaçu River (PR)	1,078.0	1,078.0
Cana Brava	Hydro	Tocantins River (GO)	450.0	450.0
Passo Fundo	Hydro	Passo Fundo River (RS)	226.0	226.0
São Salvador	Hydro	Tocantins River (TO)	243.2	243.2
Ponte de Pedra	Hydro	Correntes River (MT)	176.1	176.1
Total - Hydro			**7,270.3**	**5,559.7**
Jorge Lacerda Complex**	Thermal	Capivari de Baixo (SC)	857.0	857.0
William Arjona	Thermal	Campo Grande (MS)	190.0	190.0
Charqueadas	Thermal	Charqueadas (RS)	72.0	72.0
Alegrete	Thermal	Alegrete (RS)	66.0	66.0
Total - Thermal			**1,185.0**	**1,185.0**
Ibitiúva Bioenergética	Biomass	Pitangueiras (SP)	33.0	21.2
Lages	Biomass	Lages (SC)	28.0	28.0
Rondonópolis	SHP	Ribeirão Ponte de Pedra (MT)	26.6	26.6
Beberibe	Wind Farm	Beberibe (CE)	25.6	25.6
José Gelazio da Rocha	SHP	Ribeirão Ponte de Pedra (MT)	23.7	23.7
Areia Branca	SHP	Rio Manhuaçu (MG)	19.8	19.8
Pedra do Sal	Wind Farm	Parnaíba (PI)	18.0	18.0
Total - Complementary			**174.7**	**162.9**
Total			**8,630.0**	**6,907.6**

(*) The complete plant ramp-up is expected for 2012.

(**) Complex comprised of 3 power plants.

Estreito. The Estreito Hydroelectric Power Plant, located on the Tocantins River on the boundary between the states of Tocantins and Maranhão, is one of the largest generation projects in Brazil and will have an installed capacity of 1,087 MW.Tractebel controls SUEZ Energia Renovável S.A., which has a 40.07% stake in the Consórcio Estreito Energia, the latter responsible for the implementation of the Plant. The other partners are Vale, with 30.00%; Alcoa Alumínio, with 25.49%; and Camargo Corrêa Energia, with 4.44%.

The energy corresponding to the Company's stake in the project (256 average MW) was sold at the new energy auction on October 16, 2007 at R$ 155.54/MWh, the price referenced to June 30, 2011, with deliveries beginning in 2012 for a period of 30 years. Two of the eight generator units at Estreito HPP have begun commercial operations this year, the first on April 29 and the second on July 2. The following table shows the impact of ramp-up in the commercial capacity of the Plant.

Ramp-up and Commercial Capacity of the Estreito HPP (average MW) – Tractebel's Share

Unity	Assured Energy	Tractebel's Share of the Assured Energy
Turbine 1	52.01	52.01
Turbine 2	51.69	103.71
Turbine 3	50.80	154.51
Turbine 4	38.38	192.88
Turbine 5	25.99	218.87
Turbine 6	18.50	237.37
Turbine 7	12.51	249.88
Turbine 8	7.00	256.88

Projects under Construction

New Projects

Power plants	Source	Location	Installed Capacity (MW)	
			Total	Group's portion
Jirau*	Hydro	Madeira River (RO)	3,450.0	1,728.5
Porto do Delta and Trairi Complex**	Wind Farm	Pranaíba (PI) and Trairi (CE)	145.4	145.4
Total			**3,595.4**	**1,873.9**

(*) Share of the Parent Company in the project, considering a total installed capacity of 3,450 MW.

(**) Trairi Complex is comprised of the Mundaú, Fleixeiras I, Trairi and Guajirú power plants.

Jirau. Energia Sustentável do Brasil (ESBR), comprising IPR-GDF SUEZ (50.1%), Eletrosul (20.0%), Chesf (20.0%) and Camargo Corrêa (9.9%), is a Special Purpose Company responsible for the construction, maintenance, operation and sale of energy to be generated by the Jirau Hydroelectric Power Plant, under construction in the city of Porto Velho, state of Rondônia. ESBR submitted the winning bid at the 35-year concession auction organized by the Brazilian Electric Energy Agency (Aneel) on May 19, 2008, offering the most competitive proposal for 70% of the energy to be produced by the plant for captive consumers supplied by electric energy distributors as from January 2013.The plant is to have a capacity of 3,450 MW, operating 46 turbines, its assured energy being 1975 average MW (44 units). These figures may increase in the light of project modifications submitted to Aneel and the Ministry of Mines and Energy (MME). In line with the prevailing business model, it is envisaged that the project will be transferred to Tractebel when main development risks have been mitigated, an event which is expected to take place around the plant's commercial operation date (COD).

Wind farms. On 2Q11, Tractebel announced the notice to proceed to start the construction of five wind farms in Northeast Brazil – one in the state of Piauí and four in the state of Ceará – with a total installed capacity of 145.4 MW and representing an investment of R$ 625.6 million. The first stage of the work involves the executive project and equipment manufacture. Siemens is responsible for the supply and assembly of the towers and wind turbines - model SWT 2.3-101 units, each with a capacity of 2.3 MW.

Uptime Operating

In 2Q11, the plants operated by Tractebel achieved a 98.7% uptime ratio, excluding scheduled stoppages: 98.8% in hydroelectric generation, 98.9% in thermoelectric generation and 95.3% for the plants classified as complementary – SHPs, biomass and wind. This ratio is in line with the accumulated value for the year of 98.6%.

Production

In 2Q11, electric energy output from the plants operated by Tractebel was 9,759 GWh (4,468 average MW), a year-on-year decline of 7.7%. Out of total generated energy, the hydroelectric plants were responsible for 8,835 GWh (4,045 average MW), the thermal plants for 790 GWh (362 average MW) and the complementary plants for 134 GWh (61 average MW). The results point to a reduction of 5.6% in relation to the hydro plants and 28.9% for the thermoelectric operations. On the other hand, there was a 27.6% increase in the output of the complementary plants.

Rainfall patterns in the Southern Region in 2Q11 permitted a high degree of dispatch from the Company's hydro plants albeit less than reported in the same quarter 2010 - the reason for the decline in hydroelectric generation mentioned in the preceding paragraph.

Such patterns, in fact, have been found in other regions of the country and resulted in the natural decision to obtain maximum leverage from the abundant rainfall. This led to a reduced need for dispatch of electricity from the thermoelectric plants - in Tractebel's case translating into a decline of 28.9% as already described above. In the light of this, the Company brought forward its maintenance schedule of programmed stoppages for the thermal plants. Notwithstanding, it is worth mentioning the 100% uptime reported for the C unit at the Jorge Lacerda Thermoelectric Complex in 2Q11. From May 5th until the end of the quarter, the unit operated continuously to meet demand for electricity exports.

Also in 2Q11, it was worth of note the entry into commercial operation of the first generator unit at the Estreito Hydroelectric Power Plant on April 29th.

It should be pointed out that the Company's increase in hydroelectric generation does not necessarily mean an improvement in economic-financial performance. Similarly, a decline in this type of generation does not inevitably translate into economic and financial deterioration. This characteristic is due to the adoption of the Energy Reallocation Mechanism (MRE), which spreads the risks of hydroelectric generation among its various participants.

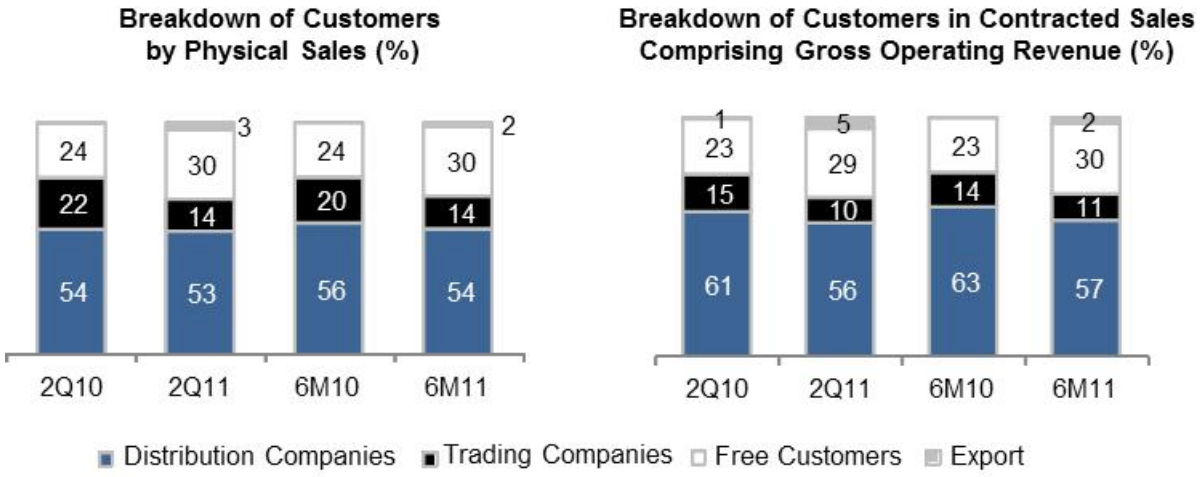
Alternatively, any increase in the Company's thermoelectric generation reduces the exposure to spot prices (Price for Settlement of Differences - PLD), the reverse also being the case, all other factors being equal.

Clients

Tractebel Energia has a well-diversified customer portfolio, serving energy distribution concessionaires through Government-organized electric energy auctions, and also trading companies and free consumers (mostly large industrial clients) mainly served through flexible contracts both in terms of duration and volume. In addition, the Company's strategy is to diversify its sales between the different segments of the economy.

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

In 2Q11, the share of free consumers in the Company's portfolio was 29.9% of physical sales and 28.6% of gross operating revenue, an increase of 5.9 p.p. and 5.3 p.p., respectively, over the same period in 2010 - reflecting sales to the free market and expansion in industrial customer consumption, a trend already seen in 1Q11.



STRATEGY

The Company pursues a commercial strategy of gradual sales of future energy availability for any given year as a means of offsetting the risk of exposure to spot prices (Price for Settlement of Differences - PLD) for that particular year. Electric energy sales are made during windows of opportunity which open when the market shows a greater buying propensity.

In line with data for proprietary commercial capacity and purchase and sale contracts in effect on June 30, 2011, Tractebel reported the following energy balance.

Energy Balance

	(avg MW)	2011	2012	2013	2014	2015	2016	Auction Gross Price (R$/MWh)	Reference Date	Gross price adjusted as of 06/30/2011 (R$/MWh)
	Own Resources	3,440	3,598	3,683	3,683	3,683	3,683			
+	Purchases for Resale	450	574	390	309	216	206			
=	Total Resources (A)	3,890	4,172	4,073	3,992	3,899	3,889			
	Regulated Sales*	1,439	1,695	1,695	1,695	1,685	1,535			
	2004-EE-2007-08	10	10	10	10	-	-	70.9	Dec-04	93.7
	2005-EE-2008-08	150	150	150	150	150	-	81.6	Apr-05	105.4
	2005-EE-2009-08	381	381	381	381	381	381	94.0	Oct-05	118.3
	2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	144.5
	2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	158.9
	2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	165.1
	2007-NE-2012-30	-	256	256	256	256	256	126.6	Jun-07	155.5
	Proinfa	44	44	44	44	44	44	147.8	Jun-04	217.3
	1st Reserve Energy Auction	13	13	13	13	13	13	158.1	Aug-08	179.9
+	Bilateral Sales	2,391	2,329	2,297	1,993	1,652	1,188			
=	Total Sales (B)	3,830	4,024	3,992	3,688	3,337	2,723			
	Balance (A - B)	**60**	**148**	**81**	**304**	**562**	**1,166**			
	Sales average **net** price (R$/MWh)*1:	123.0	128.3	128.4						
	Purchases average **net** price (R$/MWh)*2:	121.0	116.7	118.9						

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

*1: Sales price is net of ICMS and taxes over revenues (PIS/Cofins, R&D), as of 06/30/11.
*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 06/30/11.

Note: The balance refers to the settlement point. It considers the energy generated by the Estreito, from 2Q11.
The average prices are considered simply estimates and are based on financial planning revisions, not considering contrated quantity, which are updated quarterly.

ADOPTION OF THE NEW ACCOUNTING PROCEDURES AND ECONOMIC AND FINANCIAL PERFORMANCE

Adoption of the new accounting procedures

During the course of 2010, the Company adopted the option permitted by the Brazilian Securities and Exchange Commission - CVM of presenting the information with respect to 2Q10 in accordance with the accounting practices prevailing up to December 31, 2009. The companies which adopted this course of action are obliged to republish this information before the date for submitting the 1st ITR (1Q Quarterly Information) 2011, adjusted to the new standards issued by the Accounting Pronouncement Committee (CPC) and approved by the CVM, and consistent with the International Financial Reporting Standards (IFRS). In view of this, information included in this document already contemplates the adjustments arising from the adoption of these accounting practices.

Economic and Financial Performance

Net Sales Revenue

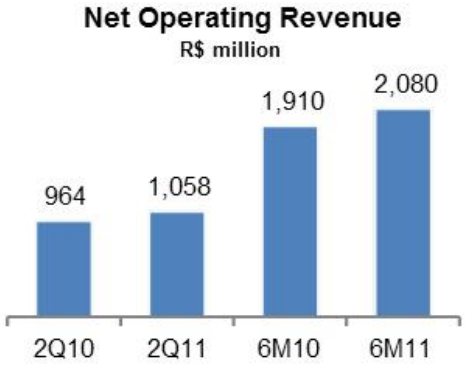
Net sales revenue was R$ 1,057.8 million in 2Q11 against R$ 964.2 million recorded in the same period for the preceding year and an increase of 9.7%. Variation in average price and sales volume are commented below.

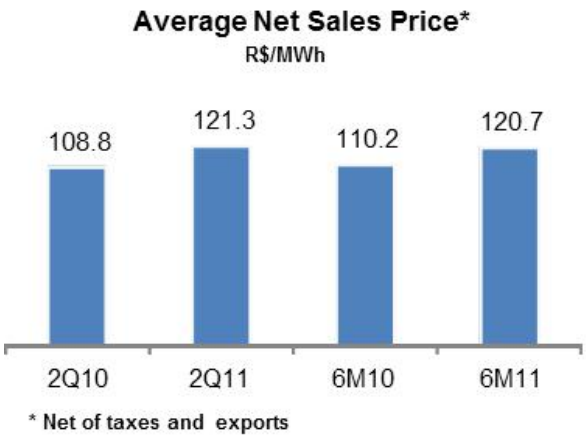
- **Net average selling price**

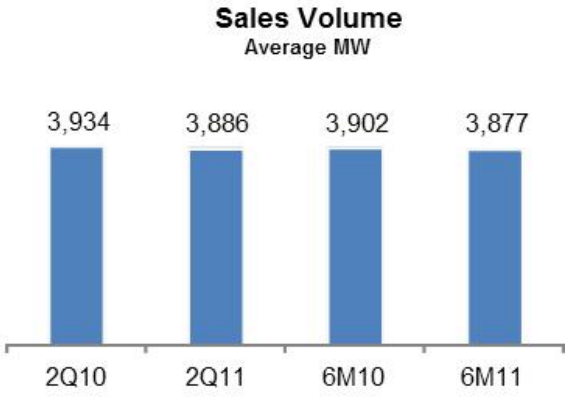
The average price of contracted energy sales, net of exports and deductions on gross operating revenue, reached R$ 121.30/MWh in the second quarter of 2011, 11.5% up on the R$ 108.82/MWh sale price in the same period in 2010. This increase reflects the readjustment in the prices of existing contracts and the higher prices practiced in the new contracts for free consumers and energy trading companies.

- **Sales Volume**

Sales volume in 2Q11 was 8,488 GWh (3,886 average MW), 1.2% down on the 8,592 GWh (3,934 average MW) sold in the same quarter in 2010. Discounting energy exports, which between comparative periods jumped from 30 GWh (14 average MW) in 2Q10 to 303 GWh (139 average MW) in the quarter under review, the reduction in sales would have been 4.4%, or 377 GWh (172 average MW). The decline reflects a combination of the following principal factors: (i) termination or reduction in bilateral sales contracts signed with distribution companies prior to the auctions conducted in the Regulated Contracting Market (ACR) as well as lower supplies of energy to clients with the flexibility for defining purchasing volume or reduction of contracts; (ii) the startup in operations of the first generating unit at the Estreito Hydroelectric Power Plant (Estreito HPP), which added a further 75 GWh (34 average MW) to the Company's commercial capacity; and (iii) a lesser amount of energy sold in the form of spot commercialization transactions due to lower prices practiced in this market in 2Q11. The reduction in physical sales, however, is related to the fall of 476 GWh (218 average MW) in the purchase of energy for resale.







Gross Operating Revenue

In 2Q11, gross operating revenue amounted to R$ 1,184.3 million, 10.2% more than the R$ 1,074.6 million in 2Q10. This improvement is essentially due to the combination of the following factors: (i) an increase of R$ 110.5 million as a result of a 12.9% hike in the average gross sale price; (ii) an increase of R$ 49.8 million in the export of electricity to Argentina and Uruguay; (iii) a reduction of R$ 28.4 million due to the decline of 377 GWh (172 average MW) in energy sales volume, discounting exports; and (iv) a decrease of R$ 25.3 million in revenue from transactions conducted through the Electric Energy Trading Board (CCEE), as described in a specific item below.

Gross operating revenue is made up of the following principal accounts relating to electric energy operations:

a) Wholesale market for electric energy

Revenue from the wholesale supply of energy, namely energy sales to distributors and trading companies, reached R$ 784.0 million in 2Q11 against R$ 795.2 million reported for the same quarter in 2010, representing a reduction of 1.4%. This variation reflects the following factors: (i) a decline of R$ 18.6 million in sales to distributors, principally a function of the termination or

reduction of contracts signed prior to the auctions in the Regulated Contracting Market (ACR) and the lower wholesale supply of energy to distributors - which have the flexibility to decide purchasing volume - of the order of 451 GWh (208 average MW), combined with the beginning of supplies from the São Salvador Hydroelectric Power Plant in 2011 in the ACR of 148 average MW; (ii) a fall of R$ 69.3 million (720 GWh or 329 average MW) in commercialization revenue as a result of the termination or reduction of certain contracts and a lower volume of spot sales operations, which were settled in 2Q11 at lower prices than in 2Q10; and (iii) an increase of R$ 76.6 million due to a rise of 7.0% and 25.4% in the average sale prices to distributors and trading companies, respectively.

It is worth pointing out that a substantial part of the energy freed up due to termination of contracts with distributors and trading companies has been redirected to new contracts with free consumers as discussed in the following item.

b) Retail market for electric energy

Revenue from retail market sales (sales to free consumers) reported a year-on-year increase of 38.3% from R$ 243.6 million in 2Q10 to R$ 336.9 million in 2Q11. This trend reflected the following increases: (i) R$ 33.8 million due to the increase of 12.5% in the average energy selling price; and (ii) R$ 59.5 million due to the growth of 474 GWh (217 average MW) in the amount of energy sold as a result of new sales contracts and growth in consumption of existing industrial customers.

c) Transactions channeled through the Energy Trading Board (CCEE)

In 2Q11, revenue recorded under this item reported a decline of R$ 25.3 million - from R$ 26.9 million in 2Q10 to R$ 1.6 million in the quarter under review. More detailed explanations on these operations and variation can be found below under the item “Details of CCEE operations”.

d) Electric energy exports

Energy exports to Argentina and Uruguay amounted to R$ 56.3 million in 2Q11, an increase of R$ 49.8 million over the total exported of R$ 6.5 million in 2Q10. Export volumes from each plant in the Brazilian Electricity System are decided by the National Electrical System Operator (ONS) based on plant uptime and the declared cost of the plants themselves.

Deductions from Operating Revenue

The deductions from gross operating revenue increased 14.6% between two quarters from R$ 110.4 million in 2Q10 to R$ 126.5 million in the quarter under review, representing 10.3% and 11.2%, respectively, of the gross operating revenue excluding exports, which are not computed in the calculation base for the purpose of these deductions.

In relative terms, the trend of the deductions reflects largely the increase (i) of PIS and Cofins due to the maturity of sales contracts, which were being taxed on a cumulative basis (a rate of 3.65%), but due to the recontracting of this energy, charges are now being collected on a non-cumulative basis (rate of 9.25%, but enjoying a tax credit on certain purchases); and (ii) of ICMS due to higher sales to industrial consumers, on which the tax is charged, there being no deferral in the calculation of this tax.

Costs of Electric Energy and Services

The costs of energy sales and services fell 2.9% or R$ 13.2 million from R$ 462.1 million in 2Q10 to R$ 448.9 million in the current quarter. The variation basically reflected the trend in the following components:

a) **Electric power purchased for resale:** reduction of R$ 52.2 million in 2Q11 or 476 GWh (218 average MW) due principally to the maturity of sales agreements on energy supplied during 2010. The average purchase price remained stable between the comparable periods.

b) **Transactions channeled through the (CCEE):** there was a year-on-year increase of R$ 6.5 million as described in a specific item below.

c) **Fuel Expenses:** a growth of R$ 25.1 million during 2Q11 due principally to the consumption of thermal coal used in the generation of energy for export.

d) **Charges for the use of and connection to the electricity grid:** a reduction of R$ 1.7 million compared with the same period in 2010 due to the combination of the following: (i) a net reduction of R$ 3.2 million of expenses relative to the Tariff for the Use of the Transmission System (TUST) as part of the tariff revision process for transmission companies;

and (ii) an increase of R$ 1.5 million due to the startup in commercial operations of the first generating unit at Estreito HPP.

e) **Financial compensation for the use of water resources:** fall of R$ 0.6 million in the second quarter 2011, the result of a year-on-year reduction in hydroelectric generation.

f) **Personnel:** an increase of R$ 4.2 million in 2Q11 justified largely by the annual collective bargaining agreement on compensation for employees and the increase in payroll to meet the growth in the Company's business.

g) **Third party services:** an increase of R$ 2.9 million in 2Q11 due to greater demand for maintenance and conservation services at the Company's generation units as well as an increase in consultancy fees, especially those relating to environmental and engineering questions at the units already mentioned.

h) **Depreciation and amortization:** this item posted an increase of R$ 3.8 million in 2Q11 due principally to the depreciation resulting from the startup of the commercial operations of the first generating unit at Estreito HPP as well as the conclusion of repowering work on certain plants during 2010 and 2011.

Energy Trading Board – Details of CCEE Operations

The various monthly credit or debit entries to the account of a CCEE agent are summarized in a single billing as a receivable or a payable. This therefore requires an entry to either an income or an expenses account. In this context it is worth pointing out that due to adaptations to the Company's portfolio management strategy, changes have been taking place in the billing profile in the past few years. Such fluctuations complicate the direct comparison of the elements comprising each billing in the two years- the reason for including this specific topic, allowing us to analyzethe oscillations of the principal elements involved in spite of allocation being either to income or expenses according to the credit or debit nature of the billing to which they relate.

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

In 2Q11, the Company recorded a net negative result (difference between income and expenses) arising out of transactions conducted within the scope of the CCEE of R$ 5.2 million against a net positive result of R$ 26.6 million posted in the same period in the preceding year, a negative variation of R$ 31.8 million between comparable periods.

This variation was principally due to the following factors: (i) an increase in expenses due to a shorter position held at the CCEE, though partially compensated by the reduction in average spot prices; (ii) despite the larger volume, there was a reduction in revenue from secondary energy (hydroelectricity generated by the whole system over the global self-declared assured energy) due to the accentuated fall of 49.3% in average spot prices in the South and Southeast/Midwest submarkets, varying from R$ 40.31/MWh in 2Q10 to R$ 20.45/MWh in 2Q11; and (iii) lower revenue in the MRE consequent to the lower hydroelectric generation volume between comparable periods.

General and Administrative Expenses

General and administrative expenses increased R$ 8.7 million or 24.2% from R$ 35.9 million in 2Q10 to R$ 44.6 million in 2Q11 due to the following combination of events: (i) an increase of R$ 2.5 million in payroll expenses reflecting the annual collective bargaining agreement on compensation for the employees and an increased workforce in line with the growth in the Company's business; (ii) the growth of R$ 1.3 million in contributions and donations to community entities and cultural projects; and (iii) a non-recurring expense item of R$ 5.0 million relating to the agreement for complementing the mathematical reserve of the private pension plan sponsored by the Company. This value was reversed from the provisions account as mentioned below, there being no impact on the Company's net result. If this effect is discounted then general and administrative expenses in the quarter would have been R$ 39.6 million, that is, 10.7% more than recorded in the same period last year.

Reversals of Operating Provisions, Net

The increase of R$ 14.5 million in the account reversals of net operating provisions between the comparable quarters is essentially a reflection of reversals of provisions for: (i) R$ 6.4 million with respect to an agreement on litigation with some of the plaintiffs for an amount less than provisioned by the Company, in a lawsuit where a claim was made for waiving the social security ceiling for the purposes of revising retirement pension values to be paid by the pension plan sponsored by Tractebel; (ii)

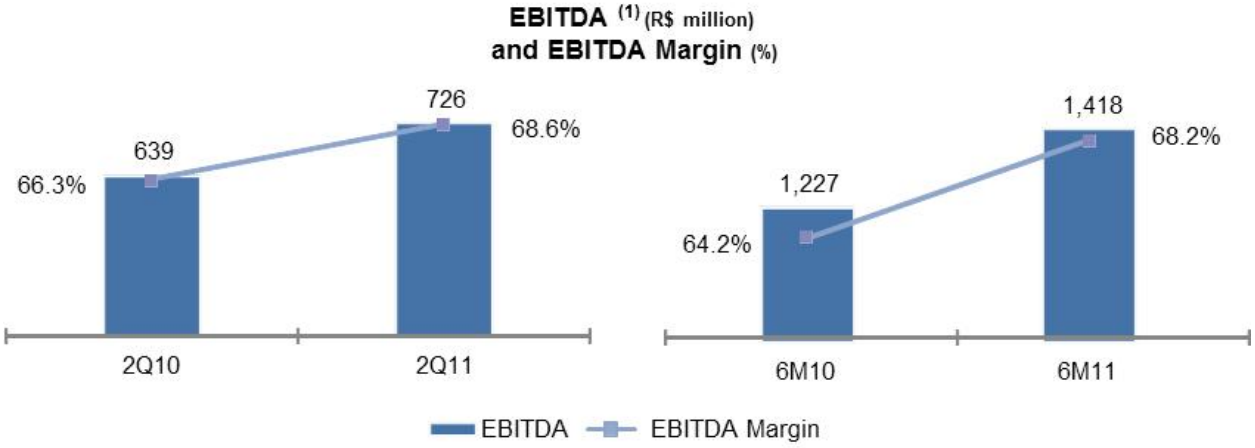
R$ 2.1 million relating principally to an increase in the recorded actuarial gain; and (iii) R$ 5.0 million with respect to the agreement for complementing the mathematical reserve as already mentioned.

Other Revenues and Operational Expenses

In the quarter under review, the Company recognized a non-recurring capital gain of R$ 15.4 million, resulting from the conclusion of the sale of assets of the Seival Project. In 2Q10, the Company had already recognized non-recurring revenue of R$ 45.8 million as a result of a ruling with no right of appeal for a lawsuit claiming the right to collect PIS and Cofins charges on revenues from contracts signed prior to October 31, 2003, with a maturity of more than one year and at a predetermined price based on the cumulative tax regime applicable under the previous legislation.

EBITDA and EBITDA Margin

Reflecting the effects already commented, EBITDA in 2Q11 reached R$ 725.5 million, 13.5% above the R$ 639.4 million for 2Q10. The EBITDA margin was 68.6%, against the 66.3% reported in the same period in the preceding year. The increase in margin reflects: (i) higher average selling prices; (ii) the decrease in the volume of energy purchased for resale; and (iii) the lower energy spot sale transaction volume. The transactions mentioned both in (ii) and (iii) presented margins that were thinner than that for energy sold under medium and long-term contracts.



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

To allow the reconciliation of the operating result with EBITDA, we show the following table:

(in thousand R$)	2Q11	2Q10	Chg. %	6M11	6M10	Chg. %
Operating income	525,466	406,502	29.3	990,915	780,572	26.9
(+/-) Financial Result	79,376	116,583	-31.9	187,788	220,169	-14.7
(+) Depreciation and Amortization	120,680	116,352	3.7	239,311	226,023	5.9
EBITDA	**725,522**	**639,437**	**13.5**	**1,418,014**	**1,226,764**	**15.6**

Financial Result

Financial income: in 2Q11, this item reported R$ 22.6 million, R$ 6.9 million less than compared with the R$ 29.5 million for the same quarter in 2010. The variation reflects the following reductions: (i) R$ 3.2 million in income on financial investments due to lower invested volume as a result of debenture amortizations in 2Q11; (ii) R$ 2.4 million in interest on accounts receivable on energy sales operations; and (iii) R$ 1.5 million in monetary restatement on court escrow deposits, due to a lower volume held in these deposits.

Financial expenses: a decline of R$ 44.1 million from R$ 146.0 million in 2Q10 to R$ 101.9 million in 2Q11. This variation reflected the combination of the following factors: (i) a reduction of R$ 18.9 million in interest on loans, financing and debentures largely the result of the amortizations of debentures in 2Q11 totaling R$ 821.2 million; (ii) a decrease of R$ 10.1 million in monetary restatement on debt principally due to the amortization of debentures, as already commented, and the reduction in the adjustment in the IGP-M inflation index in the periods compared; (iii) a decline of R$ 4.4 million in the foreign exchange rate

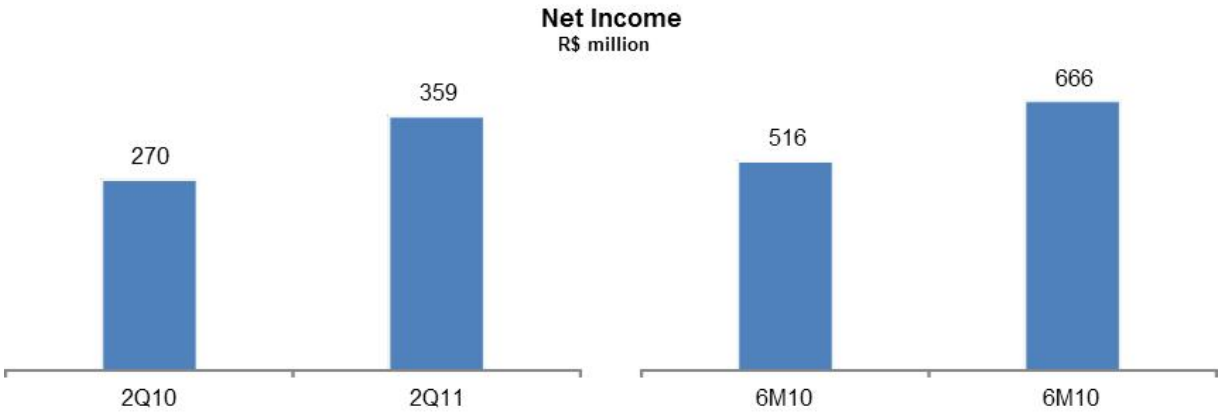
translation gain on debt due to the increased appreciation of the Real against a basket of currencies comprising Company debt; (iv) an increase of R$ 3.5 million in interest on concessions payable due to the higher outstanding balance resulting from its monetary restatement; and (v) recognition of a non-recurring loss in 2Q10 of R$ 20.2 million due to an unfavorable ruling without right of appeal against the tax amnesty claimed by the Company for interest and a fine, both payable in installments on Social Contribution on Net Income (CSLL) debits, the amount for which had not been provisioned given that the Company had received favorable rulings from lower courts and for that reason had not classified the loss of the law suit as probable.

Income Tax and Social Contribution on Net Income

Income Tax and Social Contribution expenses in 2Q11 were R$ 166.7 million, R$ 29.7 million greater than the same period in 2010 when this item was R$ 137.0 million. This variation largely reflects the increase in pre-income tax and social contribution result.

Net Income

Net income for 2Q11 recorded an advance of R$ 89.3 million, or 33.1% over the value reported for the same period in 2010 increasing from R$ 269.5 million to R$ 358.8 million in the quarter under review. This improvement essentially reflects the combination of the following factors: (i) an increase in the average net selling price of 11.5%; (ii) the substantial increase in energy exports; (iii) reduction in energy purchases due to the maturing of contracts, the prices of which were high; (iv) the fall in financial expenses largely due to the amortization of debentures and the smaller variation in monetary restatement year-on-year; (v) the negative impact on transactions executed within the scope of the CCEE; and (vi) reduction in non-recurring gains due to law suits, reversal of provisions and capital gain.

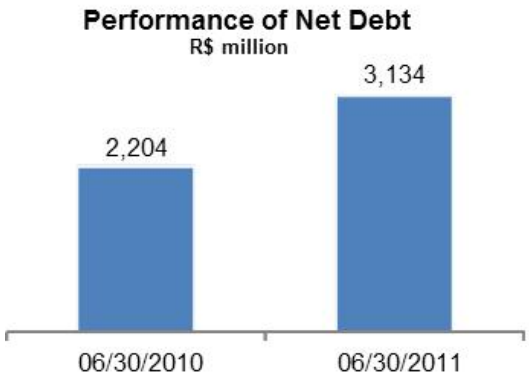


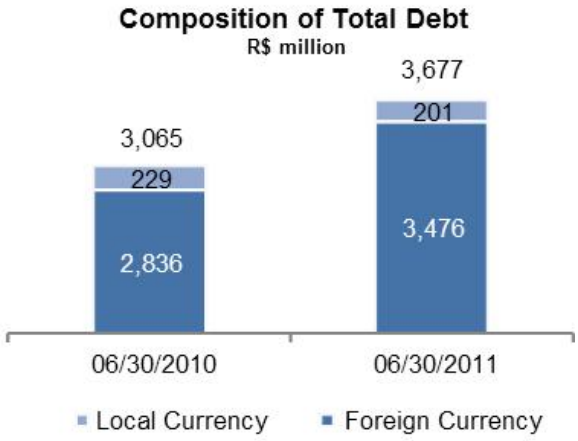
Debt

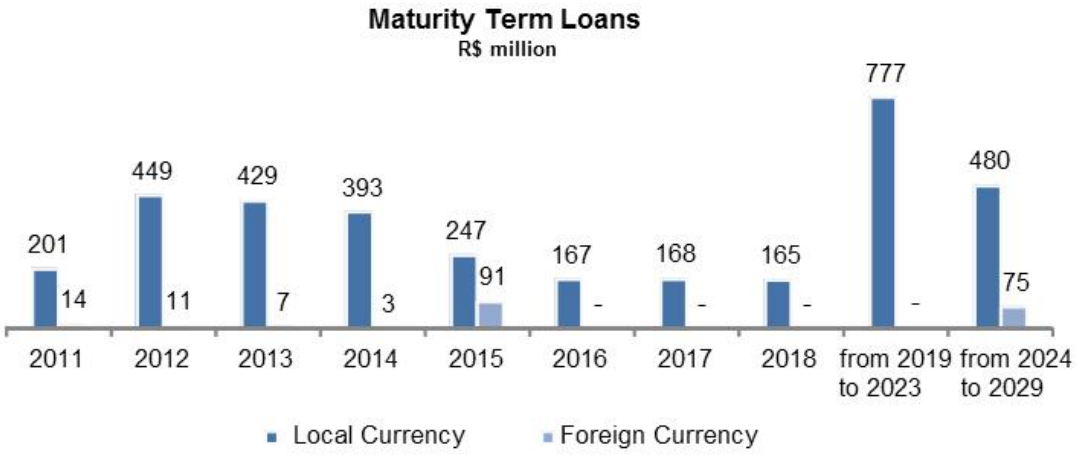
On June 30, 2011, the Company recorded net debt (total debt less cash and cash equivalents) of R$ 3,134.4 million, 42,2% higher than the R$ 2,204.4 million posted on June 30, 2010.

Total consolidated gross debt – represented principally by loans, debentures and financing – amounted to R$ 3,676.9 million, an increase of 19.9% compared to the position on June 30, 2010. Of total debt outstanding at the end of the period, 5.5% were foreign currency denominated (7.5% at the end of 2Q10), this portion being unhedged.

The growth in Tractebel's debt reflects the following combination of factors: (i) as from 3Q10, consolidation in the Company's balance sheet of the value of the financing to SUEZ Energia Renovável S.A. by the BNDES and on-lending financial agents and used for the construction of Estreito HPP, amounting to R$ 1,160.5 million; (ii) drawdowns from the BNDES and its financial agents in the total accumulated amount of R$ 295.1 million between 2Q10 and 2Q11 for effecting investments in Estreito HPP and the Ibitiúva Bioenergética Thermoelectric Plant; (iii) the generation of R$ 391.2 million in charges to be paid and monetary and foreign exchange restatement between the comparable periods; (iv) amortization of debentures in 2Q11 in the amount of R$ 821.2 million, of which R$ 169.3 million relates to the 1st Series of the 1st Issue, a further R$ 637.2 million for the 3rd Issue and R$ 14.8 million corresponding to an installment pertaining to Tractebel in the amortization of debentures issued by Itá Energética S.A., a company in which Tractebel holds a 48.75% stake in the capital stock; and (v) amortizations of loans and financing in the value of R$ 410.4 million, between the two comparable periods.







Capital Expenditures

In the quarter under review, R$ 20.9 million was spent on maintenance and repowering projects for the Company's generating complex, while R$ 48.2 million was applied in the construction of new plants, of which R$ 28.4 million was allocated to Estreito HPP and R$ 19.8 million to the five new wind farms described in the Projects under Construction section.

In all the Company's investments amounted to a total of R$ 69.2 million.

Dividend Payments

At its meeting of July 29, 2011, the Board of Directors of Tractebel Energia approved the payment of interim dividends based on the financial statements raised as at June 30, 2011 for the amount of R$ 658.0 million (R$ 1.0080763921 per share), translating into a payout of 100% for the first half of 2011 based on distributable net income.

To allow the reconciliation of the net income of the first half 2011 with distributed net income, we show the following table:

(in thousand R$)	6M11
Net Income	665,728
(-) Legal Reserve	(33,286)
(-) Fiscal Incentive Reserve of Ponte de Pedra HPP	(2,865)
(+) Realization of Assets Valuation Adjustment	28,438
Distributable Net Income (DNI)	**658,014**
Interim Dividends (100% of DNI)	**658,014**
Dividends per Share (R$)	**1.0080763921**

The Company's shares will trade ex-dividend as from August 11, 2011, this income to be paid out on October 6, 2011.

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 Energia plants are NBR ISO 9001 and NBR ISO 14001 certified, except from those acquired in 2008 and after. 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.

Thanks to this permanent commitment, the Company remained listed in BM&FBovespa'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 BM&FBovespa'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, is 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 minimum mandatory dividend of 30% of net income for the fiscal year, adjusted pursuant to Law 6,404/76. In addition, the Company policy determines the intention of paying in each calendar year dividends and/or interest on shareholders' equity for a value of not less than 55% of adjusted net income in the form of semi-annual payouts.

With respect to the asset transfer model, Tractebel and its controlling company understand that its existing corporate governance standards should be raised even further. Among the initiatives announced of particular note was the creation in October 2010 of the Special Independent Committee for Valuation of Transactions with Related Parties, the majority of its members made up of independent directors of the Company's Board.

CAPITAL MARKETS

Since its listing on BM&FBovespa's Novo Mercado, Tractebel 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 (BM&FBovespa) under the TBLE3 symbol. In addition, the Company's Level I American Depositary Receipts (ADRs) trade on the US Over-The-Counter OTC market under the TBLEY symbol at a ratio of one ADR for each common share.

Share Performance – TBLE3

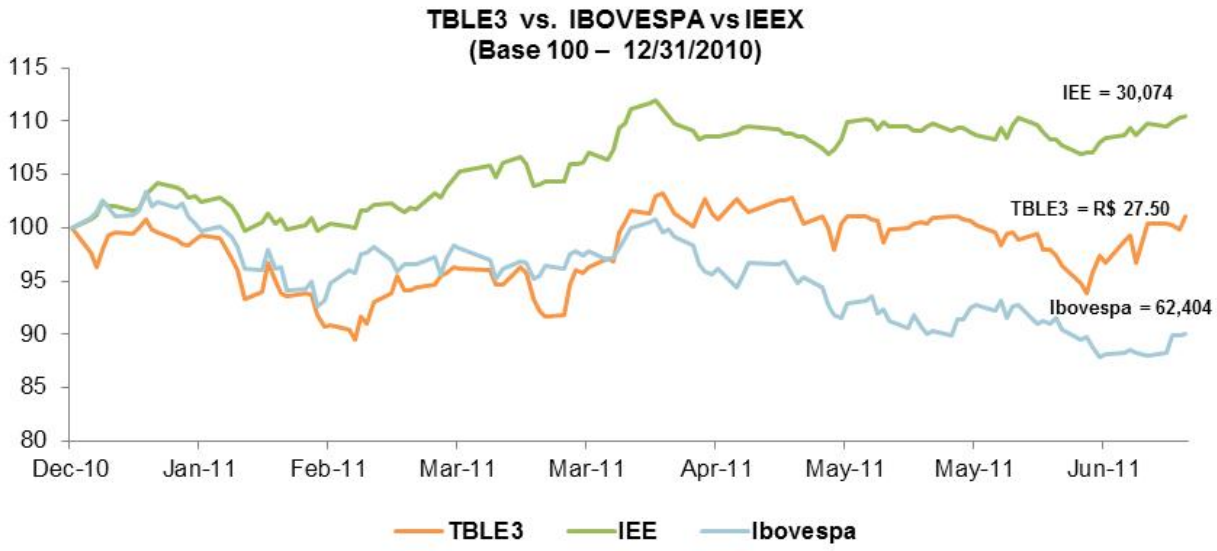
Four aspects have depressed the Brazilian equities market so far this year, all of them driven by the overseas market: the recovery in the United States economy which has been slower than expected; the US real estate market which has turned negative again; the nuclear accident which has afflicted Japan following the March earthquake and the economic difficulties facing European countries such as Portugal, Ireland and particularly, Greece.

The Brazilian stock exchange lost 9.0% in the second quarter 2011, the worst performance since the same quarter last year. For the year to date, the Ibovespa has given back 10.0% of its value. Meanwhile, the Dow Jones has risen 7.2% for year to date.

Tractebel's shares recorded an appreciation of 0.5% in 2Q11, a performance in line with the IEE – the electric energy stock index which rose 0.6%. In the first six months of 2011, TBLE3 gained 1.1%, while the IEE reported an appreciation of 10.4%.

The Company's securities were traded on all the days the BM&FBOVESPA was open for business in the period. The average daily trading volume was up by 4.7% from volumes recorded in the same period for 2010 with R$ 12.4 million against R$ 11.8 million in 2Q10.

Tractebel's shares closed the trading day on June 30, 2011 priced at R$ 27.50/share, giving the Company a market capitalization equivalent to about R$ 18.0 billion.



UPCOMING EVENTS

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

Conference call
(in Portuguese - simultaneous translation into English)

Date: August 1, 2011
Time: 10:00 a.m. (EDT) / 11:00 a.m. (Brasília time)

Connection numbers:
Participants in Brazil: (11) 4688-6361
Participants in the USA: (1 888) 700-0802
Participants from other countries: (1 786) 924-6977
Access code: Tractebel

A replay will be available from August 1st to 8th, 2011. Access by dialing: (55 11) 4688-6312, code: 1875596.

Webcast

The access links will be found at the company's website (www.tractebelenergia.com.br), at the Investors section.

Meetings with analysts

Florianópolis
Date: August 2, 2011
Time: 6:30 p.m. (Brasília Time)
Venue: Majestic Hotel

Belo Horizonte
Date: August 3, 2011
Time: 12:00 p.m. (Brasília Time)
Venue: Hotel Mercure BH Lourdes

São Paulo
Date: August 4, 2011
Time: 8:30 a.m. (Brasília Time)
Venue: Renaissance Hotel

Rio de Janeiro
Date: August 4, 2011
Time: 6:30 p.m. (Brasília Time)
Venue: Pestana Hotel

Porto Alegre
Date: August 5, 2011
Time: 12:30 p.m. (Brasília Time)
Venue: Embaixador Hotel

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 affect 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

(in thousands of R$)		
Assets	**6/30/2011**	**12/31/2010**
Current Assets	**1,314,913**	**1,906,733**
Cash and cash equivalents	542,494	1,082,580
Accounts receivables from clients	523,016	531,106
Non-current assets for sale	-	23,057
Taxes to recover	108,476	91,818
Warehouse	43,217	46,032
Pledges and restricted deposits	8,372	81,553
Other credits	89,338	50,587
Non Current Assets	**10,882,984**	**10,943,555**
Long Term Assets	**829,547**	**872,025**
Taxes to recover	215,469	219,880
Pledges and restricted deposits	47,669	51,244
Deposits in court	106,336	133,464
Receivable on assets	86,886	86,886
Deferred income taxes and social contribution	321,877	328,240
Other credits	51,310	52,311
Property, Plant and Equipment	**9,961,062**	**9,976,009**
Intangible	**92,375**	**95,521**
Total	**12,197,897**	**12,850,288**

ATTACHMENT II
TRACTEBEL ENERGIA S.A.
CONSOLIDATED BALANCE SHEET – LIABILITIES

(in thousands of R$)		
Liabilities	**6/30/2011**	**12/31/2010**
Current Liabilities	**1,289,422**	**2,259,838**
Suppliers	264,264	268,851
Dividends and interest on shareholder´s equity	1,814	189,509
Loans and financing	220,684	189,414
Debentures	254,242	905,017
Tax obligations	300,915	457,937
Labor Obligations	40,165	54,881
Research and development (R&D) program obligations	22,912	14,991
Provision for tax, civil and labor risks	12,742	10,866
Concessions payable	44,761	42,297
Post-employment benefits	52,680	25,939
Other obligations	74,243	100,136
Non Current Liabilities	**5,328,333**	**5,517,766**
Loans and financing	2,562,046	2,567,145
Debentures	639,915	782,344
Research and development (R&D) program obligations	30,626	41,260
Provision for tax, civil and labor risks	143,285	143,416
Concessions payable	1,161,963	1,092,650
Post-employment benefits	330,731	409,452
Deferred income taxes and social contribution	436,879	445,691
Other obligations	22,888	35,808
Shareholders' Equity	**5,580,142**	**5,072,684**
Share capital	2,445,766	2,445,766
Capital reserves	91,695	91,695
Fixed asset valuation	679,752	708,190
Profit reserves	1,671,628	1,827,033
Retained Earnings	691,301	-
Total	**12,197,897**	**12,850,288**

ATTACHMENT III
TRACTEBEL ENERGIA S.A.
CONSOLIDATED INCOME STATEMENT

(in thousands of R$)	2Q11	2Q10	Chg. %	6M11	6M10	Chg. %
Gross Operating Revenue	**1,184,314**	**1,074,643**	**10.2**	**2,334,189**	**2,131,671**	**9.5**
Deductions from operating revenue	**(126,471)**	**(110,398)**	**14.6**	**(254,217)**	**(221,902)**	**14.6**
Net Operating Revenue	**1,057,843**	**964,245**	**9.7**	**2,079,972**	**1,909,769**	**8.9**
Energy Sales Costs	**(448,884)**	**(462,076)**	**-2.9**	**(863,242)**	**(909,431)**	**-5.1**
Electric power purchased for resale	(110,590)	(162,815)	-32.1	(215,816)	(337,741)	-36.1
Transactions channeled through the CCEE	(6,770)	(321)	2,009.0	(20,952)	(1,023)	1,948.1
Fuel expenses	(34,806)	(9,660)	260.3	(39,747)	(13,964)	184.6
Charges for the use of and connection to the electricity grid	(66,922)	(68,659)	-2.5	(133,208)	(137,255)	-2.9
Financial compensation for use of water resources	(32,487)	(33,055)	-1.7	(70,695)	(64,475)	9.6
Personnel	(37,971)	(33,680)	12.7	(69,441)	(63,396)	9.5
Materials and third party services	(33,515)	(29,605)	13.2	(64,774)	(53,003)	22.2
Depreciation and amortization	(117,232)	(113,436)	3.3	(232,567)	(220,222)	5.6
Others	(8,591)	(10,845)	-20.8	(16,042)	(18,352)	-12.6
Gross Income	**608,959**	**502,169**	**21.3**	**1,216,730**	**1,000,338**	**21.6**
Operating Income (Expenses)	**(4,117)**	**20,916**	**-119.7**	**(38,027)**	**403**	**-9,536.0**
Selling expenses	(3,748)	(3,581)	4.7	(8,604)	(7,205)	19.4
General and administrative expenses	(44,603)	(35,898)	24.2	(82,906)	(69,430)	19.4
Favorable ruling on law suit	-	45,803	-	-	45,803	0.0
Gains arising from assets disposals	15,436	-	-	15,436	-	0.0
Reversal of operating provisions, net	28,745	14,278	101.3	38,743	30,917	25.3
Other operating income (expenses), net	53	314	-83.1	(696)	318	-318.9
Service Income	**604,842**	**523,085**	**15.6**	**1,178,703**	**1,000,741**	**17.8**
Net Financial Result	**(79,376)**	**(116,583)**	**-31.9**	**(187,788)**	**(220,169)**	**-14.7**
Financial income	22,561	29,463	-23.4	62,246	57,895	7.5
Financial expenses	(101,937)	(146,046)	-30.2	(250,034)	(278,064)	-10.1
Income Before Taxes	**525,466**	**406,502**	**29.3**	**990,915**	**780,572**	**26.9**
Income tax	(119,380)	(100,310)	19.0	(235,239)	(194,212)	21.1
Social contribution	(47,312)	(36,691)	28.9	(89,948)	(70,139)	28.2
Net Income for the Period	**358,774**	**269,501**	**33.1**	**665,728**	**516,221**	**29.0**
EBITDA	**725,522**	**639,437**	**13.5**	**1,418,014**	**1,226,764**	**15.6**
Net income per share	0.5496	0.4129	33.1	1.0199	0.7908	29.0

ATTACHMENT IV
TRACTEBEL ENERGIA S.A.
CONSOLIDATED STATEMENT OF CASH FLOW

(in thousands of R$)	2Q11	2Q10	6M11	6M10
Operating Activities				
Net income for the period	358,774	269,501	665,728	516,221
Expenses (revenues) that do not affect cash:				
Depreciation and amortization	120,680	116,353	239,311	226,023
Monetary variations	12,605	16,909	53,069	47,269
Interests	79,295	72,445	169,816	136,116
Reversal of operating provisions, net	(28,704)	(17,375)	(36,567)	(32,347)
Income tax and social contribution - current	166,573	129,129	329,238	264,837
Income tax and social contribution - deferred	119	3,494	(4,051)	(9,052)
Others	(49)	186	700	(502)
	709,293	590,642	1,417,244	1,148,565
Decrease (Increase) in Assets				
Accounts receivables from clients	(13,127)	6,494	7,503	(23,984)
Fuel acquisition reimbursement	(46,609)	306	(46,609)	(15)
Taxes to recover	5,971	(39,408)	1,159	(40,068)
Warehouse	8,478	(1,526)	2,786	3,369
Pledges and linked / judicial deposits	52,905	(10,179)	109,090	25,627
Non-current assest for sale	23,057	-	23,057	-
Others	6,342	(1,755)	5,224	1,543
	37,017	(46,068)	102,210	(33,528)
Increase (Decrease) in Liabilities				
Suppliers	10,058	(4,922)	1,880	15,427
Taxes and social contribution	1,379	(29,400)	3,619	(29,920)
Paid income tax and social contribution	(58,659)	(4,868)		
Payments of loans, financing and debentures charges	(135,709)	(101,355)		
Post-employment benefits	(10,548)	(7,929)	(20,284)	(15,536)
Research and development (R&D) program obligations	1,128	(467)	(2,713)	4,039
Advancement to clients	(24,219)	11,100	(24,219)	11,100
Others	(18,259)	(4,797)	(17,851)	(7,494)
	(234,829)	(142,638)	(59,568)	(22,384)
Funds from Operating Activities	**511,481**	**401,936**	**1,459,886**	**1,092,653**
Investments activities	**(88,938)**	**(38,236)**	**(185,750)**	**(403,509)**
Increase of investments, net of cash availability	-	-	-	(304,556)
Used in fixed assets	(88,347)	(36,212)	(182,669)	(96,403)
Used in intangibles	(591)	(2,024)	(3,081)	(2,550)
Financing activities	**(1,171,014)**	**(327,927)**	**(1,166,641)**	**(598,391)**
Financing	-	35,657	54,007	35,657
Payment of loans, financing and debentures	(817,827)	(119,912)	(857,976)	(381,129)
Payments of concessions payable	(10,686)	(9,843)	(20,948)	(19,604)
Pledges and deposits for funding	3,461	16,291	4,241	16,805
Payment of dividends and interest on shareholders' equity	(345,962)	(250,120)	(345,965)	(250,120)
Total Effects on Cash	**(748,471)**	**35,773**	**107,495**	**90,753**
Cash and cash equivalents				
Opening balance	1,290,965	825,309	1,082,580	1,254,642
Closing balance	542,494	861,082	542,494	861,082
	(748,471)	**35,773**	**(540,086)**	**(393,560)**
Transactions that do not affect cash				
Offsetting of income tax and social contribution	187	(132)	485	(132)
Supplier's of fixed assets	20,641	(2,956)	26,179	24,658
Interest on capitalized debt	27,701	-	56,499	982