TRACTEBEL ENERGIA incorporates Estreito, increases results and announces interest on shareholders' equity of R$ 0.337 per share.

Florianópolis, Brazil, November 5, 2010 – 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 third 2010 and nine month period ending September 30, 2010 (3Q10 and 9M10).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

3Q10

● Growth in net income of 13.4% compared with 3Q09, reaching R$ 324.1 million (R$ 0.4965 per share).

● EBITDA posted R$ 669.7 million in 3Q10, a year-on-year growth of 17.0% with an EBITDA margin of 61.8%, 2.8 p.p. down on the 64.6% for the same quarter 2009 due to the higher transaction volume of energy purchased for resale.

● Consolidated net operating revenue in 3Q10 totaled R$ 1,083.0 million, 22.1% more than recorded in 3Q09 (R$ 886.7 million).

● Consolidated 3Q10 sales rose 5.3% in relation to 3Q09, totaling 3,722 average MW. The increase reflects the startup of new plants and a higher volume of energy purchases for resale.

● The average price of energy sales net of exports and deductions from gross operating revenue reached R$ 117.90/MWh in 3Q10, 7.4% higher against 3Q09 when the average price was R$ 109.75/MWh. This increase reflects the readjustment in prices of existing contracts and the higher prices practiced for new contracts, principally those with the trading companies.

● In August, Tractebel again exceeded its instantaneous generation record by producing 4,070 GWh (5,470 average MW), equivalent to a capacity factor of 93.8%.

● A meeting of Tractebel Energia's Board of Directors on November 5, 2010 approved the payout of interest on shareholders' equity for the period from January 1 to December 31, 2010 in the amount of R$ 220.0 million (R$ 0.3370396501 per share). The outlook for 2010 as a whole continues to be for a payout of 55%.

● On October 19, 2010 an Extraordinary General Meeting unanimously approved the acquisition of SUEZ Energia Renovável S.A., which owns a stake of 40.07% in Estreito Energia Consortium, responsible for the construction of the Estreito Hydroelectric Power Plant. The financial closing of the operation occurred on October 25th.

For immediate release

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

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Conference call and webcast
On 11/08/2010: at 8:00 a.m. (ET) in Portuguese – simultaneous translation into English.

Further details on Upcoming Events section, available on page 13.

Visit our website
www.tractebelenergia.com.br

Summary of Economic and Operational Indicators

Tractebel - Consolidated				Accumulated		
(in millions of R$)	3Q10	3Q09	Chg.	9M10	9M09	Chg.
Gross Operating Revenue	1,212.9	983.0	23.4%	3,344.5	2,867.5	16.6%
Net Operating Revenue (NOR)	1,083.0	886.7	22.1%	2,992.8	2,582.5	15.9%
Result from Service (EBIT)	579.8	488.0	18.8%	1,586.0	1,329.2	19.3%
EBITDA (1)	669.7	572.5	17.0%	1,858.8	1,568.6	18.5%
EBITDA / NOR - (%)	61.8	64.6	-2.8 p.p.	62.1	60.7	1.4 p.p.
Net Income	324.1	285.7	13.4%	844.2	782.9	7.8%
Net Debt	3,101.4	2,609.7	18.8%	3,101.4	2,609.7	18.8%
Energy Sold (avg MW)	3,722	3,534	5.3%	3,841	3,531	8.8%
Number of Employees	1,025	956	7.2%	1,025	956	7.2%

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

OPERATING PERFORMANCE

Generating Complex

The largest private sector electricity generator in Brazil, Tractebel Energia has an installed capacity of 6,469 MW and operates a 7,543 MW generating complex made up of 21 plants (eight hydro, six thermal and seven complementary energy source plants - biomass, small hydro 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
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			**6,183.3**	**5,124.1**
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	18.3
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**	**160.0**
Total			**7,543.0**	**6,469.1**

(*) Complex comprised of 3 power plants.

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
Estreito	Hydro	Tocantins River (TO/MA)	1,087.0	435.6
Total			**4,537.0**	**2,164.1**

(*) Share of GDF SUEZ in the project, based on a total installed capacity of 3,450 MW.

Estreito. The Estreito Hydroelectric Power Plant, under construction 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. An Extraordinary General Meeting held on October 19, 2010 unanimously approved the acquisition of all the common shares issued by SUEZ Energia Renovável S.A. (SER), which holds a 40.07% stake in the Consórcio Estreito Energia, which in turn is responsible for the construction of the power plant. Other partners in the project 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$ 146.48/MWh, the price referenced to September 30, 2010, with deliveries beginning in 2012 for a period of 30 years. The operations startup of Estreito Hydroelectric Power Plant is foreseen to the first quarter 2011.

Jirau. Energia Sustentável do Brasil, a Special Purpose Company, is 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. The company, comprising GDF SUEZ (50.1%), Eletrosul (20.0%), Chesf (20.0%) and Camargo Corrêa (9.9%), submitted the winning bid at the 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 start of Jirau Hydroelectric Power Plant commercial operation is foreseen for May 2012 and the anticipation of the turbine ramp up will make available a substantial volume of energy to be sold in the free market.

The plant is to have a capacity of 3,450 MW, operating 46 turbines, each with a 75 MW capacity, its assured energy being more than 2 thousand average MW and the respective concession has duration of 35 years. The installed capacity and assured energy of Jirau HPP 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 Tractebel Energia will acquire the stake in the project of its controlling company as soon as the principal development risks have been mitigated, an event which is not expected to take place before the end of the second half 2011.

Uptime Operating

In 3Q10, the plants operated by Tractebel achieved a 97.3% uptime ratio, excluding scheduled stoppages. This overall ratio breaks down as follows: 98.5% for the hydro plants; 91.0% for the thermoelectric plants and 97.9% for the plants classified as complementary (SHPs, biomass and wind farms). If we also consider scheduled stoppages the total uptime of the generator complex in the quarter was 90.9%.

Production

In 3Q10, electric energy production from the plants operated by Tractebel Energia was 11,532 GWh (5,223 average MW), an increase of 13.8% in relation to 3Q09. This improvement in generation is a reflection of excellent hydrological conditions, notably in the south of Brazil.

Just as was the case last year, in August, the Company broke its monthly generation record with an output of 4,070 GWh (5,470 average MW), representing a capacity factor of 93.8% and reflecting peak hydroelectricity generation for the year.

Of total generation in 3Q10, the hydro plants accounted for 9,760 GWh (4,420 average MW), the thermoelectric plants for 1,631 GWh (739 average MW) and the plants powered by complementary sources, 141 GWh (64 average MW). These figures represent year-on-year increases of 7.6% in relation to the hydro plants, 66.8% for the thermal plants and 70.8% for those plants powered by complementary energy sources.

It is worth noting that the increase in hydro generation does not necessarily result in an improvement in the Company's economic and financial performance. Likewise, the reduction in this type of generation does not as such imply deterioration in economic and financial performance. This characteristic reflects the use of the Energy Reallocation Mechanism (MRE), which dilutes the risks of hydroelectric generation among the Mechanism's participants.

The increase in the Company's thermal generation mitigates exposure to the spot price (PLD), the opposite also being true, all other variables remaining unchanged.

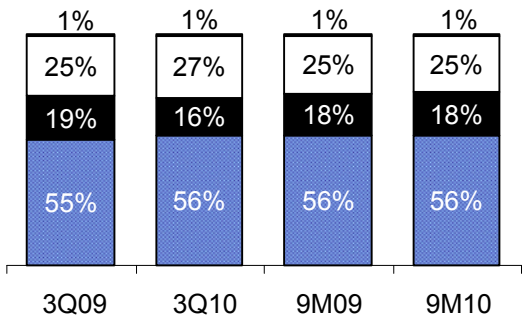
Clients

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.

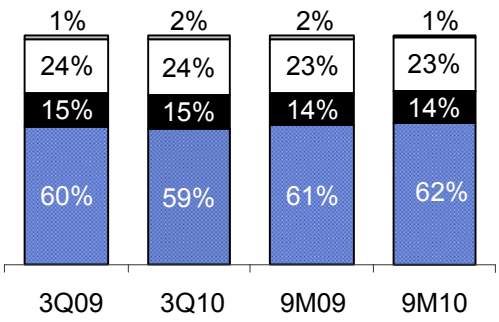
The Company actively pursues a policy of enhancing consumer loyalty by providing tailor-made services, thus permitting the adaptation of energy purchases to the production processes of each customer.

Compared with 3Q09, the participation of free customers as a percentage of total physical sales of the Company in 3Q10 grew 1.2 p.p. reaching 26.6%. The contribution of these customers to total gross operating revenue relative to contracted sales reported an increase of 0.4 p.p. from 23.5% in 3Q09 to 23.9% in 3Q10.

Breakdown of Customers by Physical Sales



Breakdown of Customers in Contracted Sales Comprising Gross Operating Revenue



Distribution Companies ■ Trading Companies □ Free Customers ■ Export

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 September 30, 2010, Tractebel reported the following energy balance.

Energy Balance

	(avg MW)	2010	2011	2012	2013	2014	2015	Auction Gross Price (R$/MWh)	Reference Date	Gross price adjusted as of 09/30/2010 (R$/MWh)
	Own Resources	3,365	3,504	3,617	3,617	3,617	3,617			
+	Purchases for Resale	649	308	306	278	253	200			
=	Total Resources (A)	4,014	3,812	3,923	3,895	3,870	3,817			
	Regulated Sales*	1,298	1,446	1,701	1,702	1,702	1,692			
	2004-EE-2007-08	10	10	10	10	10	-	70.9	Dec-04	90.9
	2005-EE-2008-08	150	150	150	150	150	150	81.6	Apr-05	102.0
	2005-EE-2009-08	381	381	381	381	381	381	94.0	Oct-05	115.7
	2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	139.9
	2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	153.9
	2006-NE-2011-30	-	148	148	148	148	148	135.0	Nov-06	162.7
	2007-NE-2012-30	-	-	256	256	256	256	126.6	Jun-07	146.5
	Proinfa	53	53	52	53	53	53	147.8	Jun-04	199.2
	1st Reserve Energy Auction	11	11	11	11	11	11	158.1	Aug-08	169.7
+	Bilateral Sales	2,632	2,332	2,166	2,077	1,773	1,490			
=	Total Sales (B)	3,930	3,778	3,867	3,779	3,475	3,182			
	Balance (A - B)	**84**	**34**	**56**	**116**	**395**	**635**			
	Sales average **net** price (R$/MWh)*1:	113.8	118.7	119.6						
	Purchases average **net** price (R$/MWh)*2:	117.3	118.1	115.5						

* 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 09/30/10.
*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 09/30/10.

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

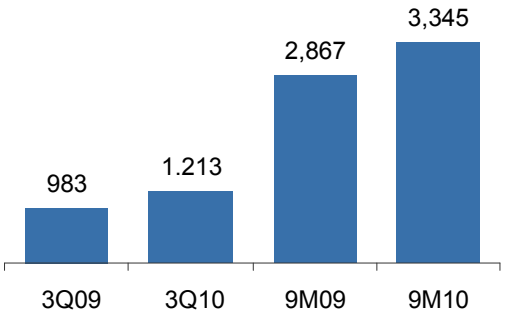
ECONOMIC AND FINANCIAL PERFORMANCE

Gross Operating Revenue

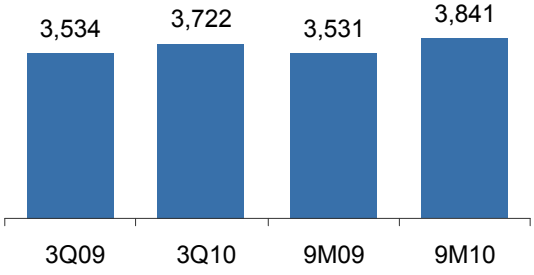
The Company reported gross operating revenue in 3Q10 of R$ 1,212.9 million, 23.4% higher than the same period in 2009 when this item totaled R$ 983.0 million. This variation is essentially a combination of the following increases: (i) R$ 42.0 million as a result of the startup in commercial operations of new plants, responsible for sales of 373 GWh (169 average MW); (ii) R$ 79.9 million due to the increase of 9.9% in the average price of energy sold; (iii) R$ 12.5 million as a result of the higher sales volume of energy bought for resale; (iv) R$ 84.1 million in transactions conducted through the Energy Trading Board (CCEE) as described under a specific heading; and (v) R$ 8.9 million in electric energy exports to Argentina and Uruguay.

Sales volume in 3Q10 was 8,218 GWh (3,722 average MW), 5.3% greater than the 7,804 GWh (3,534 average MW) sold in the same quarter 2009.

Gross Operating Revenue - R$ million



Sales Volume - avg MW



Principal Components of Gross Operating Revenue

Wholesale market for electric energy

Revenue from the wholesale market, namely sales to entities other than free consumers, reported R$ 813.5 million in 3Q10, 13.7% higher than recorded in 3Q09 when the Company posted a total of R$ 715.6 million. This growth represented the combination of the following key factors: (i) an increase of R$ 66.4 million following an average price hike for energy sold of 11.4%, in particular for sales to trading companies, whose prices were impacted by significant increase in the spot market prices (PLD); (ii) a growth of R$ 52.1 million (equivalent to 378 GWh – 171 average MW) in sales to distributors; and (iii) a decline of R$ 21.2 million (corresponding to 194 GWh – 88 average MW) in sales to the trading companies.

Retail market for electric energy

Retail market sales revenue (sales to free consumers), reported an improvement of 17.0% from R$ 225.0 million in 3Q09 to R$ 263.2 million in 3Q10, a reflection of the following: (i) growth of R$ 14.8 million due to the rise in the average price of energy sold of 6.3%; and (ii) an increase of R$ 23.4 million (equivalent to 200 GWh – 91 average MW) principally due to higher sales volume on the back of a recovery in industrial demand.

Transactions channeled through the Energy Trading Board (CCEE)

In 3Q10, revenues under this item were R$ 108.4 million as against R$ 24.3 million in the same quarter of 2009. Further explanations on these operations and changes can be found below under “Details of CCEE operations”.

Exports of electric energy

In 3Q10, the Company reported export revenues on energy sales to Argentina and Uruguay of R$ 22.7 million, compared with the same period in 2009 of R$ 13.8 million.

Deductions from Operating Revenue

Deductions from operating revenue reported a year-on-year increase of 34.7% from R$ 96.3 million to R$ 129.8 million. These deductions represented 9.9% and 10.9% of gross operating revenue (net of exports which are exempt from these deductions) in the third quarter for 2010 and 2009, respectively.

This increase reflects a combination of the following factors: (i) an increase of R$ 21.4 million in PIS and Cofins charges, in large part due to higher gross operating revenue and the change introduced for levying these charges from a cumulative method (rate of 3.65%) to a non-cumulative method (rate of 9.25%, but with the right to a tax credit on certain acquisitions) on those contracts with pre-fixed prices set during and after 3Q09; and (ii) a rise of R$ 10.3 million in ICMS sales tax payments over the same period in 2009 and reflecting the expansion in billing in states where ICMS rates are higher.

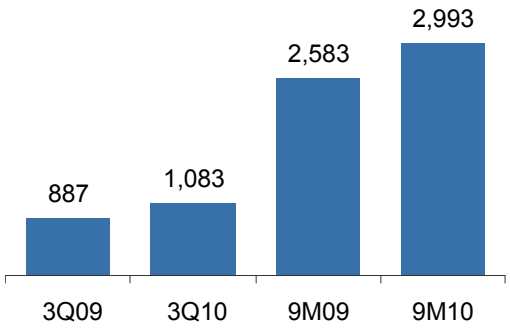
Net Operating Revenue

In 3Q10, net operating revenue registered growth of 22.1% when compared with the same quarter in 2009, rising from R$ 886.7 million to R$ 1,083.0 million. The increase reported is directly related to the evolution in gross operating revenue and the deductions therefrom as indicated above.

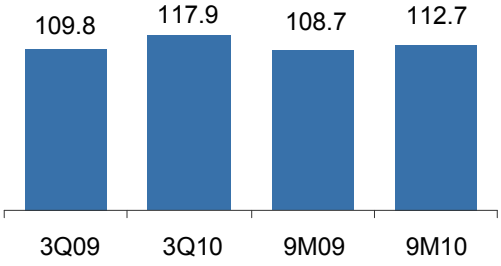
The average price of electric energy sales, net of exports and deductions from operating revenue, reached R$ 117.90/MWh in 3Q10, 7.4% higher than the 3Q09 price which was R$ 109.75/MWh. This increase is the result of price readjustments to existing contracts and the higher prices practiced for new contracts, principally with the trading companies, which registered an average price rise of 27.5%, due to the increase in the spot market prices (PLD), as mentioned on the item "Wholesale market for electric energy".

Net Operating Revenue - R$ million

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Average Net Sales Price - R$/MWh



Costs of Electric Energy and Services

The Company's costs were R$ 449.8 million in 3Q10, 26.3% up on the R$ 356.1 million in the same quarter in 2009. This variation is fundamentally due to the trend in the principal cost components as follows:

- **Electric power purchased for resale:** an increase of R$ 57.8 million in 3Q10 due basically to the increase of 481 GWh (218 average GW) of purchased energy, allowing the Company to sell a 30-year product in the so-called "botox" energy auction at attractive prices, deliveries to begin in 2010, and to meet energy sales commitments. A large number of these purchase contracts was signed some years ago – and therefore bear no relation to spot market prices (PLD).

- **Transactions channeled through the Energy Trading Board (CCEE):** an increase of R$ 0.9 million in relation to the same period for the preceding year as described below under a specific item.

- **Fuel Expenses:** a rise of R$ 15.2 million in 3Q10 due to: (i) an increase of R$ 11.7 million in natural gas requirements from the William Arjona TPP, dispatch from which was to satisfy demand; and (ii) an increase of R$ 3.3 million in coal consumption for electricity generation for export.

- **Charges for the use of and connection to the electricity grid:** reduction of R$ 1.6 million compared with the same quarter 2009, reflecting the startup of commercial operations of new plants together with the reduction in Tariffs for Use of the Transmission System (TUSTs) introduced in July 2010 on conclusion of the transmission companies' tariff revision.

- **Financial compensation for the use of water resources:** an increase of R$ 3.2 million, reflecting the annual tariff readjustment and the increase in dispatch from hydro plants in 3Q10 when compared with the same quarter in 2009.

- **Personnel:** an increase of R$ 4.1 million in 3Q10 due to the increase in headcount and the annual salary readjustment for employees.

- **Third party services:** an increase of R$ 6.8 million in 3Q10 as a function of substantially stronger demand for maintenance and conservation services at the Company's generating units and the engagement of complementary services at the São Salvador and Areia Branca plants which began commercial operations during and after 3Q09.

- **Depreciation and amortization:** R$ 4.8 million higher in 3Q10 year-on-year principally due to the initial depreciation of the assets at the Areia Branca and Ibitiúva Bioenergética plants.

Energy Trading Board – Details of CCEE Operations

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

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

In 3Q10, the Company reported a net revenue of R$ 107.5 million against R$ 24.3 million in the same period for 2009, for transactions conducted through the CCEE and producing additional revenue of R$ 83.2 million to the result between the comparable periods. This improved result principally reflects the following factors:

I. an increase of R$ 6.7 million in the MRE result from R$ 11.1 million in 3Q09 to R$ 17.8 million in the quarter under review following greater dispatch from the Company's hydro plants in 3Q10. This improvement in revenue was partially offset by higher royalties as described under item "Financial compensation for use of water resources"; and

II. other transactions executed through the CCEE recorded an improvement of R$ 76.5 million due to (i) the success of the strategy in optimizing the allocation of generation resources implemented by the Company, combined with the significant hike in spot (PLD) prices which in 3Q10 reached an average of R$ 113.32/MWh against R$ 21.02/MWh in 3Q09; and (ii) the reduction in thermoelectric exposure following guidance issued under an ordinance from the National Electrical Systems Operator (ONS) in the context of overall energy needs.

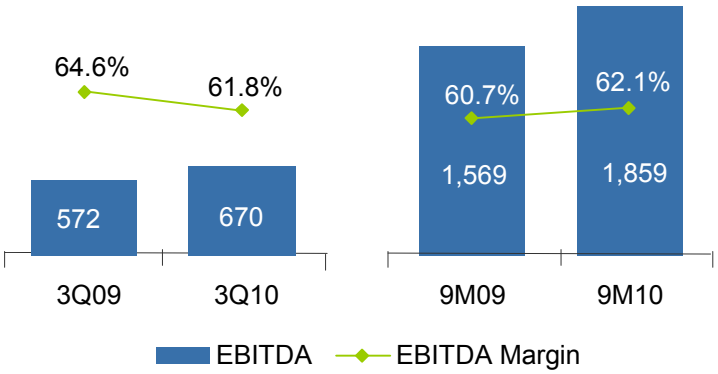
General and Administrative Expenses

General and administrative expenses grew R$ 6.3 million or 15.0% from R$ 42.2 million in 3Q09 to R$ 48.5 million in 3Q10 essentially due to the increase (i) in personnel and management overheads following the annual readjustment in salaries and benefits and an increase in overall headcount; and (ii) in third party services due to the greater volume of work contracted from consultancies.

EBITDA and EBITDA Margin

Given the impact of the factors already discussed above, 3Q10 EBITDA reached R$ 669.7 million, 17.0% higher than the R$ 572.5 million in 3Q09. EBITDA margin in 3Q10 was 61.8% against 64.6% in 3Q09. However, it should be pointed out that the principal reason for the reduction in EBITDA margin was the higher transaction volume of energy purchased for resale.

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



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

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

EBITDA (in thousands of R$)	3Q10	3Q09	Chg. %	9M10	9M09	Chg. %
Operating income	490,644	428,383	14.5	1,276,654	1,169,174	9.2
(+/-) Financial Expenses	89,182	59,602	49.6	309,351	160,053	93.3
(+) Depreciation and Amortization	89,874	84,488	6.4	272,807	239,393	14.0
Total	**669,700**	**572,473**	**17.0**	**1,858,812**	**1,568,620**	**18.5**

Financial Result

Financial income: amounted to R$ 36.4 million in 3Q10, an increase of R$ 22.2 million compared to the R$ 14.2 million reported in 3Q09, principally due to higher income from financial investments in the quarter.

Financial expenses: a rise of R$ 51.7 million from R$ 73.8 million in 3Q09 to R$ 125.5 million in 3Q10 and the result of a combination of the following factors: (i) increase of R$ 18.0 million of interest on debt principally due to the increase of interest on loans and financing; (ii) growth of R$ 16.9 million in monetary restatement of debt and financing due largely to variation in the IGP-M inflation index applicable to concession charges payable; (iii) reduction of R$ 21.6 million in the gain from the foreign exchange translation effect on currency denominated loans, due to the variation in the exchange rates of a basket of currencies comprising the Company's debt in relation to the Real; and (iv) reduction of R$ 5.8 million in charges on the Company's actuarial liabilities.

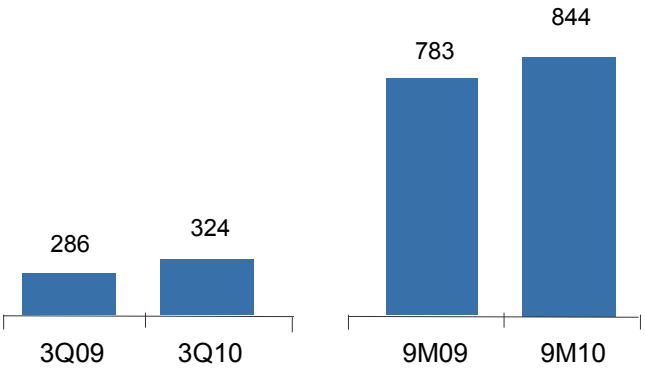
Income Tax and Social Contribution

Income tax and social contribution expenses in 3Q10 were R$ 166.6 million, R$ 24.0 million higher than the R$ 142.6 million for the same period in 2009. The variation is largely due to the increase in the pre-tax/social contribution earnings.

Net Income

Again reflecting comments made during the course of this release, 3Q10 net earnings were R$ 324.1 million, a 13.4% improvement on the same quarter in 2009 when this item recorded R$ 285.7 million. For the accumulated nine-month period the Company reported a net income of R$ 844.2 million, 7.8% more than the R$ 782.9 million reported for the first nine months of 2009.

Net Income - R$ million



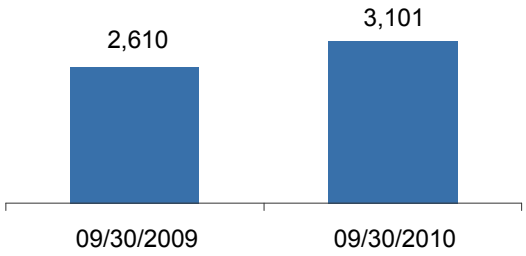
Debt

As of September 30, 2010, the Company's net debt (total debt less cash and cash equivalents) was R$ 3,101.4 million, 18.8% higher than R$ 2,609.7 million registered for September 30, 2010.

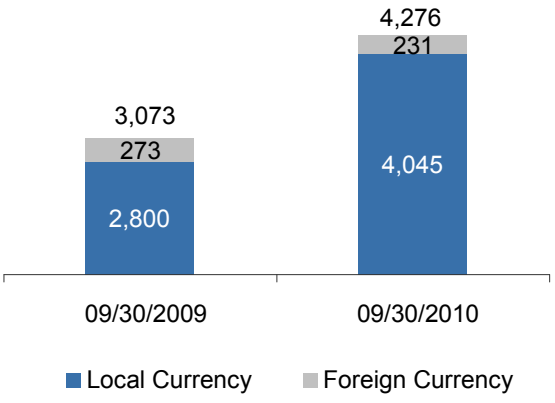
Total consolidated gross debt – represented principally by loans, debentures and financing - totaled R$ 4,275.8 million on September 30, 2010, an increase of 39.2% compared to the position on September 30, 2009. Of total debt outstanding at the end of the period, 5.4% was foreign currency denominated (8.9% at the end of 3Q09), this portion being unhedged.

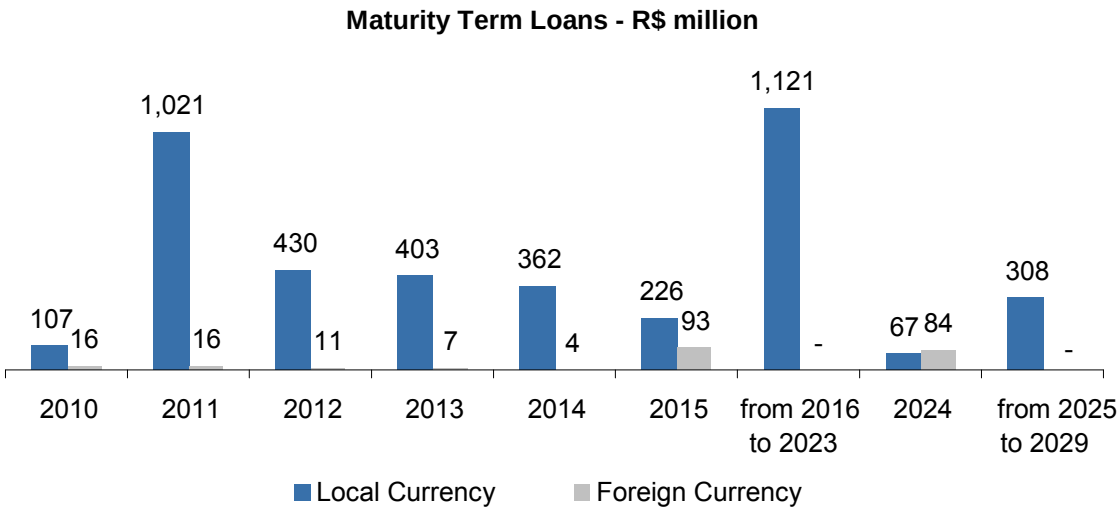
Growth in Company debt is related principally to a combination of the following factors: (i) drawdown from the National Economic and Social Development Bank - BNDES and its financial agents in the total accumulated amount of R$ 142.8 million between the comparative periods for meeting capital expenditure requirements at the São Salvador HPP, Areia Branca SHP, the Pedra do Sal Wind Farm and the Ibitiúva Bioenergética TPP; (ii) the drawdown of the fourth debenture issue of R$ 400.0 million in 4Q09, the value of which was used for the acquisition of SUEZ Energia Renovável S.A., cost savings and the lengthening of the debt maturity profile as well as for bolstering working capital for ongoing requirements of the Company's businesses; (iii) as from 3Q10, consolidation into the Company's balance sheet of existing financing of SER amounting to R$ 1,160.9 million, raised prior to consolidation, and obtained from the BNDES and its financial agents for use in the construction of the Estreito HPP; (iv) R$ 293.1 million in charges incurred and to be paid and monetary and currency restatement, between the comparative periods; and (v) amortization of loans, financing and debentures amounting to R$ 796.2 million between 3Q09 and 3Q10.

Performance of Net Debt - R$ million



Composition of Total Debt - R$ million





Capital Expenditures

In 3Q10, the Company's total investments reached R$ 179.4 million of which R$ 17.8 million used in projects for maintenance and modernization of plants and R$ 161.6 million applied in the construction of Estreito HPP, Areia Branca SHP and the Ibitiúva Bioenergética TPP, and in complementary work on the São Salvador HPP.

Record of Interest on Shareholders' Equity

Tractebel Energia's Board of Directors approved at its meeting on November 5, 2010, the record of interest on shareholders' equity relative to the period from January 1st to December 31, 2010, in the amount of R$ 220.0 million (R$ 0.3370396501 per share).

The Company's shares will be traded ex-dividend as from November 18, 2010. 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.

The Company's guidance is kept for 55% payout for the full year of 2010.

SUBSEQUENT EVENTS

Meeting with investors and capital markets professionals

On October 1, 2010, jointly with its controlling company, the Company held an event with investors and capital markets' professionals to announce initiatives for increasing standards of corporate governance with transactions involving related parties.

The event was in the form of a conference call as well as a webcast enabling not only those present in loco to participate but also allowing a broad audience access to the content of the event and to the senior management of the Company and its Controlling Company through a session of questions and answers.

Among the initiatives announced of particular note was the creation of an ad hoc 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.

The independent Committee will be responsible for negotiations with GDF SUEZ and presentation of recommendations to the Company's Board of Directors, ensuring that Tractebel retains at least 50% of the value added to the project.

Approval of the acquisition of SUEZ Energia Renovável S.A.

At an Extraordinary General Meeting held on October 19, 2010, the Company's shareholders unanimously approved the acquisition of all the shares of SUEZ Energia Renovável S.A., which has a 40.07% stake in the Consórcio Estreito Energia, responsible for the Estreito HPP.

On October 25, 2010, following compliance with all conditions precedent, payment of R$ 328.8 was effected, this value relating to the second installment of the acquisition and restated in accordance with the conditions announced in the Material Fact published on December 21, 2009.

The Estreito HPP is currently being built on the Tocantins River which forms the border between the states of Tocantins and Maranhão. This is one of the largest generation projects under construction in Brazil and has an installed capacity of 1,087 MW.

12th Abrasca Annual Report Award

The Brazilian Association of Listed Capital Companies (Abrasca) elected Tractebel's Sustainability Report 2009 as one of the finalists in the "12th Abrasca Annual Report Award". The Report was produced in digital format only and is no longer printed.

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. 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.

The Management Board of Tractebel Energia has established a Sustainability Committee for enhancing the Company's operations as a partner and catalyst for economic, social and environmental development in the locations where it has a presence and in accordance with its values which are professionalism, sense of partnership, team work, creation of value, respect for the environment and ethics.

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, 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, the Company 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

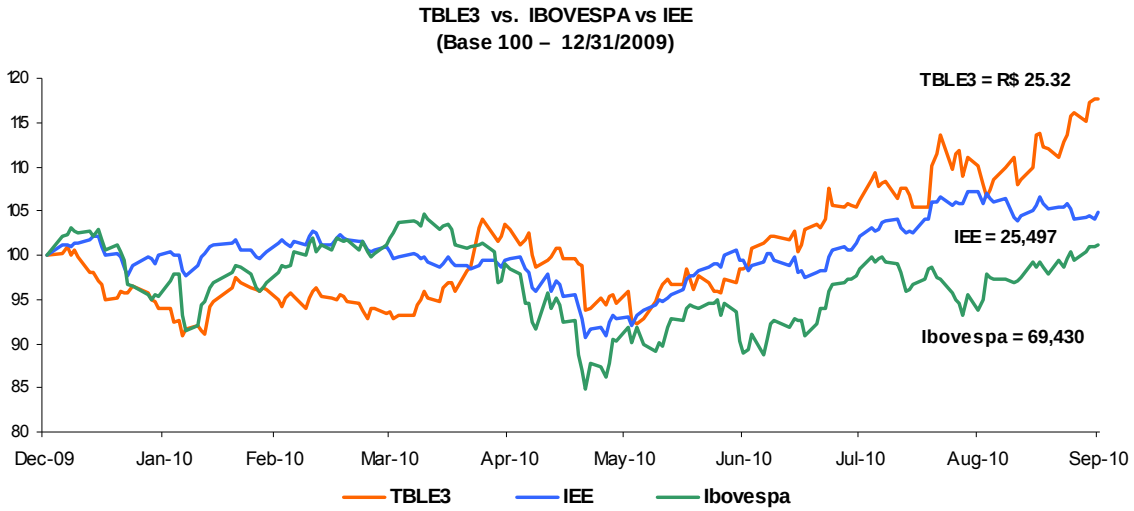
The third quarter of 2010 was characterized by a recovery in the BM&F Bovespa which rallied 13.9% in the period, driven by the better equities' performance of commodities' producers and the positive performance of the US bourses which reported their best quarter in a year.

In September the Standard & Poor's 500 and Nasdaq stock indices reported their largest monthly gains since April 2009, following the release of more optimistic data for the recovery in the economy. In the third quarter, the Dow Jones stock index, a benchmark for the New York exchange, jumped 10.4%; the Nasdaq, 12.3% and the S&P, 10.7%.

Tractebel's shares closed the third quarter 2010 recording an increase of 19.5%, outperforming both the Ibovespa and also the IEE – the electric energy stock index which closed the quarter reporting gains of 13.9% and 5.4%, respectively. For the first nine month period of 2010, TBLE3 delivered gains of 17.6%, as compared with only 1.2% for the Ibovespa and 3.5% for the IEE.

During the quarter, the Company's securities were traded on all the days the BM&F Bovespa was open for business with an average daily turnover of R$ 10.9 million, 2.6% less than the R$ 11.2 million traded in 3Q09.

Tractebel's shares posted a closing price for September 30, 2010 of R$ 25.32/share, equivalent to a market capitalization of approximately R$ 16.5 billion.



UPCOMING EVENTS

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

Conference call and webcast
(in Portuguese - simultaneous translation into English)

Date: November 8, 2010
Time: 8:00 a.m. (ET) / 11:00 a.m. (Brasília time)
Telephones for connection:
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

The links for access will be available on the Company's website (www.tractebelenergia.com.br), at the Investors section.

Replay available from November 8 to November 14, 2010. Access by dialing: (55 11) 4688-6312 - Code: 47820.

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	**9/30/2010**	**6/30/2010**
Current Assets	**1,957,829**	**1,546,406**
Cash and cash equivalents	1,174,420	861,082
Consumers, concessionaires and holder of permissions	550,184	459,277
Taxes and social contributon recoverable	92,183	94,330
Warehouse	44,409	41,283
Pledges and restricted deposits	16,914	16,429
Asset kept for sale	23,057	23,057
Deferred assets	19,318	19,192
Others	37,344	31,756
Non Current Assets	**9,707,932**	**7,989,712**
Long Term Assets	**639,102**	**664,166**
Taxes and social contributon to offset	185,814	103,799
Pledges and restricted deposits	49,459	49,319
Deposits in court	63,130	169,487
Receivable on tangible assets disposal	86,886	86,886
Deferred assets	231,542	232,375
Others	22,271	22,300
Investments	**33,945**	**338,339**
Property plant and equipment	**8,941,408**	**6,895,372**
Intangible	**93,477**	**91,835**
Total	**11,665,761**	**9,536,118**

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

(in thousands of R$)		
Liabilities	**9/30/2010**	**6/30/2010**
Current Liabilities	**2,559,046**	**1,702,321**
Suppliers	319,061	262,180
Dividends and interest on shareholder´s equity	286,100	1,302
Loans and financing	174,605	173,478
Debentures	837,740	788,892
Taxes and social contribution	381,240	270,150
Estimated obligations	59,188	46,106
Research and development (R&D) program obligations	12,266	15,294
Concessions payable	41,020	38,525
Provision for contingencies	11,658	12,658
Post-employment benefits	25,679	26,369
Related-party	327,710	-
Others	82,779	67,367
Non Current Liabilities	**4,867,302**	**3,632,347**
Loans and financing	2,399,918	1,236,862
Debentures	863,515	866,275
Estimated obligations	2,421	2,207
Obligations under the research and development program	41,522	36,857
Concessions payable	1,051,615	985,284
Provision for contingencies	86,757	83,345
Post-employment benefits	354,183	354,923
Deferred fiscal liabilities	53,794	52,020
Others	13,577	14,574
Shareholders' Equity	**4,239,413**	**4,201,450**
Share capital	2,445,766	2,445,766
Capital reserves	91,695	91,695
Profit reserves	1,143,806	1,143,806
Retained Earnings	558,146	520,183
Total	**11,665,761**	**9,536,118**

ATTACHMENT III
TRACTEBEL ENERGIA S.A.
CONSOLIDATED INCOME STATEMENT

(in thousands of R$)	3Q10	3Q09	Chg. %	9M10	9M09	Chg. %
Gross Operating Revenue	**1,212,869**	**983,003**	**23.4**	**3,344,540**	**2,867,477**	**16.6**
Deductions from operating revenue	**(129,827)**	**(96,344)**	**34.8**	**(351,729)**	**(284,971)**	**23.4**
Net Operating Revenue	**1,083,042**	**886,659**	**22.1**	**2,992,811**	**2,582,506**	**15.9**
Eletric Energy and Service Costs	**(449,846)**	**(356,113)**	**26.3**	**(1,305,509)**	**(1,107,725)**	**17.9**
Electric power purchased for resale	(166,762)	(108,927)	53.1	(504,503)	(300,811)	67.7
Transactions channeled through the CCEE	(892)	-	-	(1,915)	(122,904)	-98.4
Fuel expenses	(25,304)	(10,091)	150.8	(39,268)	(40,420)	-2.9
Charges for the use of and connection to the electricity grid	(65,697)	(67,326)	-2.4	(202,952)	(192,986)	5.2
Financial compensation for use of water resources	(36,329)	(33,138)	9.6	(100,804)	(58,540)	72.2
Personnel	(32,148)	(28,007)	14.8	(92,397)	(82,720)	11.7
Materials and third party services	(29,866)	(21,575)	38.4	(93,469)	(84,838)	10.2
Depreciation and amortization	(86,916)	(82,109)	5.9	(264,048)	(232,236)	13.7
Others	(5,932)	(4,940)	20.1	(18,659)	(14,120)	32.1
Gross Income	**633,196**	**530,546**	**19.3**	**1,687,302**	**1,474,781**	**14.4**
Operating Expenses	**(53,370)**	**(42,561)**	**25.4**	**(101,297)**	**(145,554)**	**-30.4**
Selling expenses	(3,563)	(4,068)	-12.4	(10,768)	(10,992)	-2.0
General and administrative expenses	(48,523)	(42,204)	15.0	(128,631)	(117,569)	9.4
Favorable ruling on lawsuit	-	-	-	45,803	-	-
Constitution of operating provisions, net	(1,434)	228	-728.9	(8,169)	(21,665)	(62.3)
Other operating income (expenses), net	150	3,483	-95.7	468	4,672	-90.0
Service Income	**579,826**	**487,985**	**18.8**	**1,586,005**	**1,329,227**	**19.3**
Net Financial Result	**(89,182)**	**(59,602)**	**49.6**	**(309,351)**	**(160,053)**	**93.3**
Financial income	36,360	14,200	156.1	94,255	61,070	54.3
Financial expenses	(125,542)	(73,802)	70.1	(403,606)	(221,123)	82.5
Income Before Taxes	**490,644**	**428,383**	**14.5**	**1,276,654**	**1,169,174**	**9.2**
Income tax	(121,878)	(103,817)	17.4	(317,078)	(281,309)	12.7
Social contribution	(44,703)	(38,835)	15.1	(115,330)	(104,983)	9.9
Net Income for the Period	**324,063**	**285,731**	**13.4**	**844,246**	**782,882**	**7.8**
EBITDA	**669,700**	**572,473**	**17.0**	**1,858,812**	**1,568,620**	**18.5**
Net income per share	0.4965	0.4377	13.4	1.2934	1.1994	7.8

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

(in thousands of R$)	3Q10	3Q09	9M10	9M09
Operating Activities				
Net income for the period	324,063	285,731	844,246	782,882
Expenses (revenues) that do not affect cash:				
Depreciation and amortization	89,874	84,488	272,807	239,393
Net monetary variations	10,602	(24,329)	57,871	(79,532)
Net interests	74,841	85,077	107,105	134,007
Operating provision, net	4,478	(4,809)	9,784	21,794
Deferred income tax and social contribution	1,895	522	(5,681)	833
Others	(844)	(2,618)	(1,183)	(3,416)
	504,909	424,062	1,284,949	1,095,961
Decrease (Increase) in Assets				
Consumers and concessionaires	(92,757)	(34,292)	(116,741)	(57,507)
Taxes and social contributions recoverable	(10,464)	3,670	(50,544)	(7,318)
Warehouse	(3,125)	(1,421)	244	11,916
Collateral and linked / judicial deposits	113,799	(26,322)	139,426	(49,499)
Others	9,016	1,673	10,541	(8,072)
	16,469	(56,692)	(17,074)	(110,480)
Increase (Decrease) in Liabilities				
Suppliers	25,099	5,133	40,526	22,514
Taxes and social contributions	113,841	100,916	(31,692)	(72,062)
Labor obligations	12,419	1,681	15,676	7,114
Provision for contingencies	(474)	(552)	(2,577)	(8,513)
Post-employment benefits	(7,699)	(9,576)	(23,235)	(27,317)
Research and development (R&D) program obligations	1,638	1,246	5,677	(11,003)
Others	12,054	21,248	14,348	5,278
	156,878	120,096	18,723	(83,989)
Funds from Operating Activities	**678,256**	**487,466**	**1,286,598**	**901,492**
Investments activities	**(344,070)**	**(70,481)**	**(747,579)**	**(229,228)**
Acquisition of investments, net of cash availability	(162,880)	(2,003)	(467,436)	(2,003)
Used in fixed assets	(179,411)	(68,373)	(275,814)	(226,932)
Used in intangibles	(1,779)	(105)	(4,329)	(293)
Financing activities	**(20,848)**	**(380,846)**	**(619,239)**	**(629,317)**
Financing and debentures	30,383	-	66,040	926,601
Payment of loans, financing and debentures	(38,314)	(29,155)	(419,443)	(826,650)
Payments to related Parties	-	-	-	(221,306)
Payments of concessions payable	(9,942)	(3,661)	(29,546)	(4,836)
Pledges and escrow deposits related to debt	(1,673)	(169)	15,132	(7,985)
Payment of dividends and interest on shareholders' equity	(1,302)	(347,861)	(251,422)	(495,141)
Total Effects on Cash	**313,338**	**36,139**	**(80,220)**	**42,947**
Cash and cash equivalents				
Opening balance	861,082	426,813	1,254,640	420,005
Closing balance	1,174,420	462,952	1,174,420	462,952
	313,338	**36,139**	**(80,220)**	**42,947**
Payments made in the year				
Interest on loans, financing and debentures	24,553	20,147	178,208	177,802
Income tax and social contribution	54,314	45,223	446,532	421,674
Transactions that do not affect cash				
Offsetting of income tax and social contribution	6,017	344	5,815	299
Concession to be paid	41,799	16,830	41,799	352,097
Amount to pay related to the acquisition of Suez Energia Renovável	327,710	-	327,710	-