Tractebel Energia reports improving 3Q14 results and announces interest on shareholders' equity of R$ 0.3416/share

Florianópolis, Brazil, October 24, 2014 – 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 quarter and nine month period ending September 30, 2014 (3Q14 and 9M14). 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.

3Q14

HIGHLIGHTS

● Net revenue from sales amounted to R$ 1,736.6 million in 3Q14, a 22.6% improvement on 3Q13, and reflecting the effects of increased net average selling prices, increased energy volumes and transactions conducted in the short term market including those executed on the CCEE as well as recognition of the rights relative to revenue re-composition on the CCEE.

● EBITDA for the period reported an increase of 25.8% compared with 3Q13, totaling R$ 1,015.4 million in 3Q14. The EBITDA margin for 3Q14 was 58.5%, an increase of 1.5 p.p. in relation to the 57.0% recorded for 3Q13.

● Tractebel Energia posted net income of R$ 538.2 million in the 3rd quarter of 2014, corresponding to R$ 0.8246 per share, a 34.0% improvement on the net income of R$ 401.5 million recorded in 3Q13.

● Energy sold in the 3Q14 was 9,291 GWh (4,208 average MW), corresponding to a year-on-year increase of 5.8% due largely to the impact of higher volumes purchased, the startup of operations at the Trairí Wind Farm Complex and the acquisition of the Ferrari Thermoelectric Power Plant.

● The average contracted energy price, net of exports and tax on revenues, increased 7.8% between comparable quarters from R$ 140.75 /MWh in 3Q13 to R$ 151.70/MWh in 3Q14. This increase is largely the reflection of price hikes to existing contracts as well as the higher prices set for new sales agreements.

● On August 9, commercial operations began at Tractebel Energia's first voltaic plant, the Cidade Azul Photovoltaic Solar Plant. Fruit of a R&D project, the plant has a nominal output of 3.0 MWp and is the largest photovoltaic installation built to date in Brazil. The unit is located adjacent to the Jorge Lacerda Thermoelectric Complex in Tubarão (SC).

● On September 25, Tractebel was elected a highlight of the 18th Transparency Trophy, awarded by Anefac – Fipecafi – Serasa Experian, for the transparency and quality of its financial statements published in 2014 in the category "Company with net sales up to R$ 5 billion". This was the Company's fifth recognition under the Trophy award scheme.

● At a meeting held on October 24, 2014, Tractebel Energia's Board of Directors approved the credit of interest on shareholders' equity for the period from January 1 to December 31, 2014 in the amount of R$ 223.0 million (R$ 0.3416356453 per share). The Company's shares will be traded ex-interest on shareholders' equity as from November 26, 2014.

Summary of Economic and Operational Indicators

Tractebel - Consolidated						
(in millions of R$)	3Q14	3Q13	Chg.	9M14	9M13	Chg.
Net Revenue from Sales (NRS)	1,736.6	1,416.5	22.6%	4,744.4	4,080.7	16.3%
Results from Operations (EBIT)	870.3	659.5	32.0%	1,569.2	1,963.8	-20.1%
EBITDA (1)	1,015.4	806.9	25.8%	2,011.0	2,397.3	-16.1%
EBITDA / NRS - (%)(1)	58.5	57.0	1.5 p.p.	42.4	58.7	-16.3 p.p.
Net Income	538.2	401.5	34.0%	901.2	1,150.4	-21.7%
Net Debt (2)	2,580.4	2,597.4	-0.7%	2,580.4	2,597.4	-0.7%
Energy Sold (avg MW)	4,208	3,978	5.8%	4,196	4,041	3.8%
Average Net Sales Price (R$/MWh) (3)	151.70	140.70	7.8%	148.16	138.52	7.0%
Number of Employees	1,143	1,119	2.1%	1,143	1,119	2.1%

(1) EBITDA represents: net income + income tax and social contribution + financial results + depreciation and amortization.
(2) Adjusted amount, as explained in the item "Debt".
(3) Net of taxes and exports.

For immediate release

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

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Conference call and webcast:
On 10/28/2014 at 9:00 a.m. (EDT) in Portuguese – simultaneous translation into English.

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

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OPERATING PERFORMANCE

Generating Complex

During the third quarter of 2014, the Company initiated commercial operations at the 3MWp capacity Cidade Azul Photovoltaic Solar Plant, located in the Municipality of Tubarão (SC), adjacent to the Jorge Lacerda Thermoelectric Complex (CTJL), thus increasing the Company's total installed capacity to 7,027.2 MW, confirming Tractebel's ranking as the largest private sector electric energy generator in Brazil. As a result, the generating complex now has 27 plants, nine of which are hydro, five thermal plants and 13 fired from complementary sources – biomass, wind, solar and small hydroelectric plants (SHPs) - 23 of which are wholly owned by the Company and four (the Itá, Machadinho and Estreito hydro plants and the Ibitiúva Bioenergética biomass-fired plant) are commercially operated in partnership with other companies.

Tractebel Energia's Generating Complex

Power Plants	Source	Location	Installed Capacity (MW)		Concession/Authorization original term expiration date
			Total	Tractebel's Share	
Itá	Hydro	Uruguai River (SC and RS)	1,450.0	1,126.9	out-30
Salto Santiago	Hydro	Iguaçu River (PR)	1,420.0	1,420.0	set-28
Machadinho	Hydro	Uruguai River (SC and RS)	1,140.0	403.9	jul-32
Estreito	Hydro	Tocantins River (TO/MA)	1,087.0	435.6	nov-37
Salto Osório	Hydro	Iguaçu River (PR)	1,078.0	1,078.0	set-28
Cana Brava	Hydro	Tocantins River (GO)	450.0	450.0	ago-33
Passo Fundo	Hydro	Passo Fundo River (RS)	226.0	226.0	set-28
São Salvador	Hydro	Tocantins River (TO)	243.2	243.2	abr-37
Ponte de Pedra	Hydro	Correntes River (MT)	176.1	176.1	set-34
Total - Hydro			**7,270.3**	**5,559.7**	
Jorge Lacerda Complex*	Thermal	Capivari de Baixo (SC)	857.0	857.0	set-28
William Arjona	Thermal	Campo Grande (MS)	190.0	190.0	abr-29
Charqueadas	Thermal	Charqueadas (RS)	72.0	72.0	set-28
Total - Thermal			**1,119.0**	**1,119.0**	
Ferrari	Biomass	Pirassununga (SP)	65.5	65.5	jun-42
Ibitiúva Bioenergética	Biomass	Pitangueiras (SP)	33.0	22.9	abr-30
Guajiru	Wind Farm	Trairi (CE)	30.0	30.0	set-41
Fleixeiras	Wind Farm	Trairi (CE)	30.0	30.0	set-41
Mundaú	Wind Farm	Trairi (CE)	30.0	30.0	set-41
Lages	Biomass	Lages (SC)	28.0	28.0	out-32
Rondonópolis	SHP	Ribeirão Ponte de Pedra (MT)	26.6	26.6	dez-32
Beberibe	Wind Farm	Beberibe (CE)	25.6	25.6	ago-33
Trairi	Wind Farm	Trairi (CE)	25.4	25.4	set-41
José Gelazio da Rocha	SHP	Ribeirão Ponte de Pedra (MT)	23.7	23.7	dez-32
Areia Branca	SHP	Rio Manhuaçu (MG)	19.8	19.8	mai-30
Pedra do Sal	Wind Farm	Parnaíba (PI)	18.0	18.0	out-32
Cidade Azul	Solar	Tubarão (SC)	3.0	3.0	Not applicable
Total - Complementary			**358.6**	**348.5**	
Total			**8,747.9**	**7,027.2**	

(*) Complex comprised of 3 power plants.

Expansion

Projects under Construction

Power plants	Source	Location	Installed Capacity (MW)		Concession/Authorization original term expiration date
			Total	Tractebel's/Group's Share	
Jirau *	Hydro	Madeira River (RO)	3,750.0	1,500.0	Aug-43
Santa Mônica	Wind Farm	Trairi (CE)	97.2	97.2	To be defined
Ferrari (retrofit)	Biomass	Pirassununga (SP)	15.0	15.0	To be defined
Total			**3,862.2**	**1,612.2**	

(*) It is envisaged that the plant will be transferred from GDF SUEZ, the parent Company, to Tractebel Energia.

Jirau. Energia Sustentável do Brasil (ESBR), 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 Electricity Regulatory Agency (Aneel) on May 19, 2008, offering the most competitive proposal for 70% of the energy to be produced by the Plant, at the time, based on a total of 44 generating units, a 3,300 MW installed capacity and 1,975.3 average MW of commercial capacity for captive customers supplied by electric energy distributors. At the A-3 energy auction held on August 17, 2011, ESBR sold a further 209.3 average MW for delivery in 2014 over a 30-year period, the result of increased

expansion of the initial project to 50 generating units and 3,750 MW of installed capacity. Hence, the total commercial capacity has risen to 2,184.6 average MW. Additionally, on December 26, 2012, the Plant has become eligible for trading carbon credits as it was successfully registered with the United Nations (UN), thus being granted the right to sell approximately 6 million tons of CO_2/year when operating at full capacity. Additionally, as per the announcement to the market published by Tractebel Energia on May 13, 2013, GDF SUEZ, the Company's parent, sold a 20.0% stake in Jirau to Mitsui & Co. Ltd. The transaction was completed on January 16, 2014, after the approval of the Brazilian Development Bank (Banco Nacional de Desenvolvimento Econômico e Social - BNDES) and the on-lending banks - the Brazilian anti-trust authority (Conselho Administrativo de Política Econômica - Cade) approval was granted on July 1, 2013, and by Aneel on September 24, 2013. With the conclusion of the transaction, GDF SUEZ currently holds a stake of 40.0%, while the Chesf and Eletrosul, both of which are subsidiaries of Eletrobrás, remain with 20.0% each, the same percentage as that of the Japanese partner. Currently, the project has 15 units in commercial operation and another one synchronized to the electricity grid. Therefore, 16 units are connected to the National Power Grid System (SIN). Additionally, two units are currently undergoing pre-operational tests. In line with the prevailing business model, it is envisaged that the plant will be transferred to Tractebel Energia when the main development risks have been mitigated.

Santa Mônica Wind Complex – Ceará. On 2Q14, authorization was given for construction work to begin on the Santa Mônica Wind Complex to be installed in the Municipality of Trairi (CE). The Complex will be made up of the following projects with the respective installed capacities: Trairi II Wind Farm, 29.7 MW; Cacimbas Wind Farm, 18.9 MW; Santa Mônica Wind Farm, 18.9 MW; and Santa Mônica SPE II Wind Farm, 29.7 MW. The project is located close to the Trairi Wind Complex with a capacity of 115.4 MW - already in commercial operation - and will benefit from the synergies to be derived from existing structures such as a substation and transmission line which both projects have in common. The Company is to invest about R$ 460 million in the Santa Mônica Wind Complex, increasing the capacity of its generator park by a further 97.2 MW of unconventional renewable energy once all the generator units are in commercial operations - scheduled for 2016. Total energy output will be negotiated through the Free Contracting Environment.

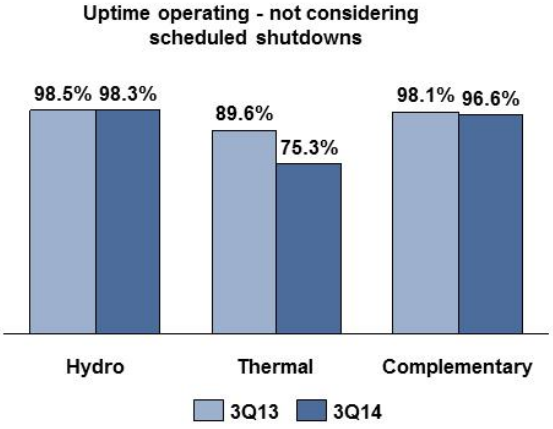
Ferrari Thermoelectric Power Plant – São Paulo (expansion). The Company is dedicating investments of about R$ 85 million to the modernization and expansion of Ferrari TPP with installed capacity to be ramped up to 80.5 MW. As a result, commercial capacity is expected to reach 35.6 average MW. Expansion work was begun on March 2014 and conclusion is forecast for the first half of 2015**.**

Uptime Operating

In 3Q14, the plants operated by Tractebel Energia reported uptime working of 95.3% if scheduled shutdowns are not considered: 98.3% for the hydroelectric plants, 75.3% for the thermoelectric plants and 96.6% for the plants fired from complementary sources – namely SHPs, biomass, wind and solar. This ratio is 1.3 p.p. below the accumulated level for the year to date: 96.6%.

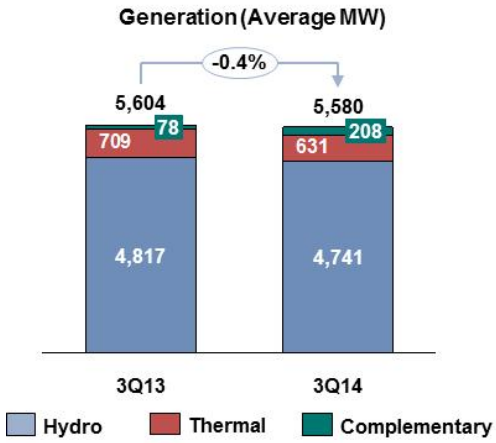
The reduction can be attributed almost entirely to the thermoelectric power plant segment and principally due to an unscheduled stoppage at generation unit 6 of the Jorge Lacerda Thermoelectric Complex (CTJL) caused by a short circuit. This event occurred late in June and is expected to result in the unit remaining idle until November 2014. The accumulated values for the first nine months of 2014 for the hydroelectric, thermoelectric and units fired from complementary energy sources were 98.4%, 84.9% and 95.5%, respectively.

If all unscheduled stoppages are also taken into account, overall uptime in the third quarter 2014 was 83.1% - 85.9% in the case of hydroelectric plants, 61.1% for thermoelectric units and 94.2% in the case of operations involving complementary energy sources. The uptime ratio for the year to September 30 was 86.8% - 88.9% for hydro plants, 72.4% for the thermoelectric units and 90.3% for plants fired from complementary sources.



Production

In 3Q14, electricity output from the plants operated by Tractebel Energia reached 12,319 GWh (5,580 average MW). This result is practically unchanged from the Company's production in 3Q13, the difference being less than 0.5%. Out of total energy generated, the hydroelectric plants accounted for 10,467 GWh (4,741 average MW), the thermoelectric units for 1,393 GWh (631 average MW) and the units powered from complementary sources, 459 GWh (208 average MW). These results indicate a reduction of 1.6% in the case of the hydro plants, a reduction of 11.0% in thermal output and an increase of 165.3% in relation to the plants operating with complementary energy sources. Generation from the latter plants was boosted by the startup in commercial operations at the Trairi Wind Farm Complex.



Generation operations from the hydro plants in 3Q14 were particularly impacted by scheduled shutdowns at all the plants with the exception of the Salto Osório Hydroelectric Power Plant. In addition, the generation units of three of these plants are undergoing modernization - Salto Santiago HPP, Passo Fundo HPP and Ponte de Pedra HPP -, further increasing the duration of shutdowns. The reduction in generation from the thermoelectric plants was also exacerbated by the unscheduled stoppage of CTJL's unit 6 as well as programmed maintenance work on unit 7 in the same complex – this lasting 24 days during the month of July.

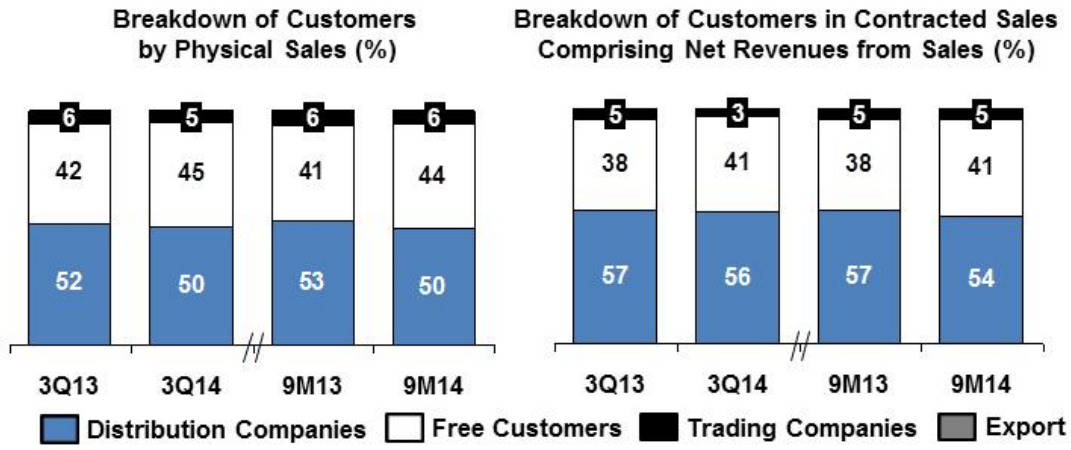
During the course of the quarter under review, Tractebel Energia's plants broke several monthly generation records. In July, the William Arjona Thermoelectric Power Plant produced 113.0 GWh (152 average MW). In August, production of 33.6 GWh (45.0 average MW) at the Ferrari TPP; 15.4 GWh (21.0 average MW) at the Trairi Wind Farm; and a joint 161.6 GWh (217.2 average MW) for the plants fired from complementary energy sources. In September, the Fleixeiras and Mundaú wind farms generated 16.9 GWh (23.5 average MW) and 14.6 GWh (20.2 average MW), respectively, while the Cidade Azul Photovoltaic Solar Plant – which began commercial operations on August 9 – reported a production of 238.1 MWh (0.3 average MW).

It is worth noting that the increase in hydroelectric generation does not necessarily result in an improvement or deterioration in the Company's economic and financial performance. In the same way, the reduction in this type of generation does not of itself imply deterioration in economic-financial performance. This is due to the use of the Energy Reallocation Mechanism (MRE), which dilutes the risks of hydroelectric generation among all the Mechanism's participants.

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

Clients

In 3Q14, the share of free consumers reached 44.6% in relation to total physical sales and 40.7% of its total net revenue from contracted sales, a rise of 2.4 p.p. and 2.2 p.p., respectively, in relation to the same quarter in 2013.



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, 2014, Tractebel reported the following energy balance.

Energy Balance

(avg MW)	2014	2015	2016	2017	2018	2019	Auction Gross Price (R$/MWh)	Reference Date	Gross Price Adjusted as of 09/30/2014 (R$/MWh)
Own Resources	3,529	3,534	3,522	3,550	3,573	3,573			
+ Purchases for Resale	950	712	623	423	390	370			
= Total Resources (A)	4,479	4,246	4,145	3,973	3,963	3,943			
Regulated Sales*	1,780	1,819	1,676	1,323	1,323	1,322			
2004-EE-2007-08	10	-	-	-	-	-	70.9	Dec-04	115.2
2005-EE-2008-08	143	143	-	-	-	-	81.6	Apr-05	129.3
2005-EE-2009-08	353	353	353	-	-	-	94.0	Oct-05	146.5
2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	177.3
2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	195.0
2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	203.2
2007-NE-2012-30	256	256	256	256	256	256	126.6	Jun-07	183.1
2014-EE-2014-06	101	150	150	150	150	150	270.7	May-14	270.7
Proinfa	44	44	44	44	44	44	147.8	Jun-04	267.7
1st Reserve Energy Auction	14	14	14	14	14	14	158.1	Aug-08	214.0
Auction Mix (Reserve / New Energy / DG)	18	18	18	18	18	17	-	-	201.8
+ Bilateral Sales	2,507	2,352	2,215	1,970	1,557	1,198			
= Total Sales (B)	4,287	4,171	3,891	3,293	2,880	2,520			
Balance (A - B)	**192**	**75**	**254**	**680**	**1,083**	**1,423**			
Sales average **net** price (R$/MWh)*1:	149.9	156.6	153.2						
Purchases average **net** price (R$/MWh)*2:	159.8	165.6	162.7						

* 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 09/30/14, i.e. future inflation is not considered.
*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 09/30/14, i.e. future inflation is not considered.

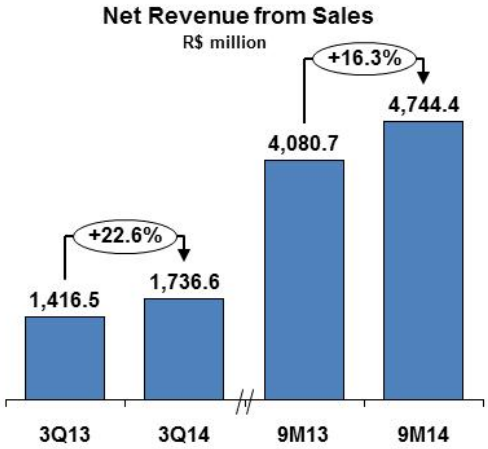
Note: The balance refers to the settlement point.
The average prices are considered simply estimates and are based on financial planning revisions, not considering contracted quantities, which are updated quarterly.

Economic-Financial Performance

Net Revenue from Sales

In 3Q14, Tractebel Energia posted growth in net revenue from sales of 22.6% or R$ 320.1 million compared to the same period in 2013, increasing from R$ 1,416.5 million to R$ 1,736.6 million. The principal factors driving this variation were: (i) R$ 99.2 million – an increase in average net selling price; (ii) R$ 74.0 million – an increase in average energy sales volume; (iii) R$ 47.4 million – an increase in revenues from transactions conducted in the short term market, including those ocurred within the scope of the Electric Power Trade Board (CCEE); and (iv) R$ 100.9 million – recognition of rights with respect to the reorganization of

contractual revenue flow in the CCEE due to the forced stoppage at the Jorge Lacerda Thermoelectric Complex's generation units.



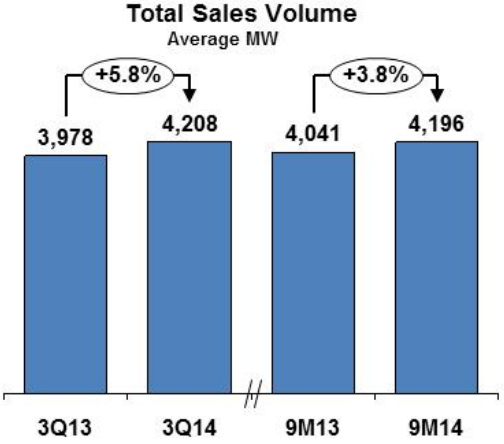
- **Net average selling price**

The average energy selling price, net of taxes on revenue, reached R$ 151.70/MWh in 3Q14, 7.8% higher than reported in the same quarter for 2013, when this same item stood at R$ 140.75/MWh. The price increase is essentially due to monetary restatement of existing contracts as well as higher prices for new sales agreements.



- **Sales volume**

Energy sales volume increased from 8,783 GWh (3,978 average MW) in 3Q13 to 9,291 GWh (4,208 average MW) in 3Q14, a year-on-year increase of 5.8% or 508 GWh (230 average MW). This increase is largely the result of a greater availability of energy for sale, due principally to the combined effect of increased purchased volumes, the startup in operations at the Trairí Wind Farm Complex and the acquisition of Ferrari TPP, events partially offset by the lower quantity of energy recorded at the CCEE.



Comments on Variation in Net Revenue from Sales by Client Class

a) Distributors

The Company reported revenue from sales to distributors of R$ 790.4 million in 3Q14, 12.9% higher than the R$ 700.0 million posted in 3Q13. A combination of the following factors contributed to this effect: (i) R$ 64.4 million – an increase of 9.0% in the net average selling price; and (ii) R$ 26.0 million – an increase of 161 GWh (73 average MW), or 3.5%, in sales volume due to energy sales on the occasion of the 13th Existing Energy Auction, partially offset by the reduction in contracted energy volume.

b) Trading Companies

Revenue from sales to trading companies declined from R$ 60.6 million in 3Q13 to R$ 45.8 million in 3Q14, a year-on-year reduction of 24.4%. This reflected the following factors: (i) R$ 9.9 million - a 88 GWh (40 average MW) or 17.0% decrease in the volume of energy sales; and (ii) R$ 4.9 million – a reduction of 8.9% in the net average selling price.

c) Free Consumers

Revenue from sales to free consumers increased by 20.5% between quarters from R$ 475.6 million in 3Q13 to R$ 573.2 million in the period under review. The following events contributed to this variation: (i) R$ 57.9 million – an 11.7% growth of 435 GWh (197 average MW) in the volume of energy sold; and (ii) R$ 39.7 million – an increase of 7.9% in the net average price of energy sales.

d) Transactions in the short term market including those conducted through the CCEE

In 3Q14, revenues generated from transactions in the short term market, including those within the scope of the CCEE, were R$ 219.4 million against R$ 172.0 million in the same period in 2013, representing year-on-year growth of R$ 47.4 million. A more detailed explanation as to these operations is to be found in the item below “Details of short term operations including transactions conducted through the CCEE”.

Costs of Electric Energy and Services

The costs of electric energy sales and services increased year-on-year by R$ 108.7 million, or 15.3%, from R$ 709.3 million in 3Q13 to R$ 818.0 million in the quarter under analysis. These variations are principally due to the following components:

a) **Electric power purchased for resale:** an increase of R$ 146.9 million, or 74.3% in 3Q14, corresponding to 780 GWh (353 average MW) compared with the same quarter in 2013, reflecting the medium and long term power purchasing agreements as well as pricing readjustments to existing contracts.

b) **Transactions in the short term market, including those conducted through the CCEE:** on a year-on-year comparative basis, these transactions were 71.6% lower – equivalent to R$ 99.2 million. Greater details are described in the specific item below.

c) **Charges for the use of and connection to the electricity grid:** a year-on-year increase of R$ 8.9 million, equivalent to 11.3% reflecting the annual readjustment in transmission tariffs as well as the start-up in commercial operations at the Trairi Wind Farm Complex.

d) **Fuels for production of electric energy:** a growth of 975.7% or R$ 46.9 million relative to the same period in 2013 and reflecting principally the increase in natural gas consumption at the William Arjona Thermoelectric Power Plant (UTWA) in the light of the greater deployment of this unit during the quarter under review.

e) **Personnel:** an increase of R$ 5.4 million (or 12.7%) in 3Q14 compared with the third quarter in 2013 substantially due to the annual readjustment in employee salaries and benefits as well as further employees signing up to Voluntary Severance Packages (PDV), the latter having been reinstated in 2013 at the Company.

f) **Materials and third party services:** a year-on-year growth of 11.6%, or R$ 4.7 million due largely to greater demand for operating and maintenance services, more especially at the Jorge Lacerda Thermoelectric Complex, the São Salvador HPP and the Ferrari TPP.

Details of Short Term Operations Including Transactions Conducted through the CCEE

Short term operations are considered to be energy purchase or sale operation, not exceeding six months and having the optimization of Tractebel's exposure to the CCEE as their prime objective. Consequently, the price of these operations is characterized by the linkage with Price for Settlement of Differences (PLD) or spot price. This item also includes the transactions conducted through the CCEE, given the volatile and seasonal nature - and, therefore, short-term transactions - of the results originated from accounting in CCEE. Additionally, the long and short positions are settled at the spot price, thus, similar to the short-term operations described above.

As to the transactions conducted through the CCEE, the various monthly credit or debit entries to the account of an 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 analyze the 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 Assured Energy Adjustment Factor which occurs when the generation from the plants which are part of the MRE, in relation to allocated energy, is greater (Secondary Energy) or less (Generation Scaling Factor - GSF); (iii) the so-called "sub-market risk"; (iv) dispatch triggered by the Risk Aversion Curve (CAR); (v) the application of System Service Charges (ESS), resulting in dispatch which diverges from the thermal plants order of merit; and (vi) naturally, exposure (a short or long position in the monthly accounting) which will be settled at the spot price.

In 3Q14, the Company recorded a net positive result (the difference between revenues and expenses – less taxes and contributions thereon) from short term transactions (including those conducted within the scope of the CCEE) in the amount of R$ 180.0 million against a similarly positive figure of R$ 33.4 million posted in 3Q13. This represents a positive variation of R$ 146.6 million between the two compared quarters.

The trend essentially reflects a combination of the following factors: (i) a significant increase in the long position, reflecting the Company's strategy adopted for monthly allotments of energy; (ii) the negative effect of the Generation Scaling Factor (GSF), reflecting the deficit in hydro generation in the Brazilian electricity grid system in relation to energy allotted by market players; (iii) the increase in the Company's thermoelectric exposure, largely related to the impact of incidents which have resulted in forced stoppages at the Jorge Lacerda Thermoelectric Complex's generation units; and (iv) the constitution of provisions for covering the costs relative to the participation of the generators in the prorating of the System Service Charges (ESS), as ordained under CNPE Resolution 03/2013, in 3Q13, for the amount of R$ 18.0 million.

The impacts in 3Q14 relative to the incidents mentioned above reflect the insurance policy deductible – the latter being equivalent to the costs for the first 45 days of stoppage of the generation units and estimated at R$ 77.0 million – and the indemnification of the costs of the remaining days with no generation – R$ 100.9 million, net of tax as already described in the item "Net Revenue from Sales", as per the insurance policy agreement.

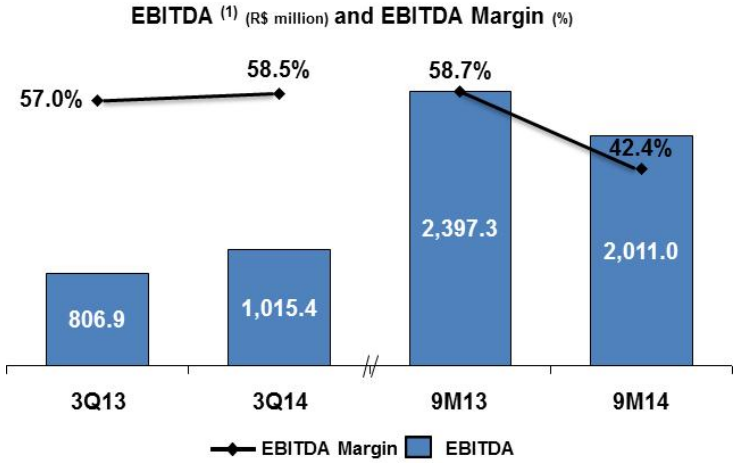
Worthy of consideration is the increase in the average PLD for the South and Southeast/Mid-Western submarkets from R$ 174.56/MWh in 3Q13 to R$ 662.10/MWh in 3Q14, making a notable contribution to the positive effects mentioned in item (i) and having negative impact on items (ii) and (iii).

Sales, General and Administrative Expenses

There was a year-on-year increase of R$ 3.6 million or 7.8% in sales, general and administrative expenses from R$ 46.0 million in 3Q13 to R$ 49.6 million in the quarter under review. These variations partially reflect the annual adjustment in employee salaries and benefits.

EBITDA and EBITDA Margin

Reflecting the effects mentioned above, Tractebel's 3Q14 EBITDA was R$ 1,015.4 million, 25.8% or R$ 208.5 million greater than the R$ 806.9 million reported for 3Q13. The Company's EBITDA margin was 58.5% in 3Q14, representing an increase of 1.5 p.p. in relation to the 57.0% recorded in the same period in 2013. These increases can be largely ascribed to a combination of the following key factors, already commented above: (i) an increase of R$ 173.2 million in net revenue from energy sales; (ii) the positive effect of R$ 146.6 million in transactions conducted across the short term market and including those conducted within the scope of the CCEE; (iii) recognition of reorganization of revenue flows from contracts in the CCEE due to claims for forced stoppages at the Jorge Lacerda Thermoelectric Complex of R$ 100.9 million; (iv) an increase of R$ 146.9 million in energy purchases for resale; (v) a growth of R$ 46.9 million in fuel consumption; (vi) a rise of costs of R$ 8.9 million in charges for use of the network; and (vii) an increase in personnel expenditure of R$ 7.9 million, of which R$ 5.4 million on personnel costs and the remainder embedded on the sales, general and administrative expenses.



(1) EBITDA represents: net income + income tax and social contribution + financial expenses, net + depreciation and amortization.

To allow the reconciliation of the net income with EBITDA, we show the following table:

(in thousand R$)	3Q14	3Q13	Chg. %	9M14	9M13	Chg. %
Net income	538,224	401,543	34.0	901,200	1,150,434	-21.7
(+) Income tax and social contribution	257,560	195,998	31.4	440,064	561,088	-21.6
(+) Financial expenses, net	74,486	61,943	20.2	227,915	252,261	-9.7
(+) Depreciation and Amortization	145,081	147,382	-1.6	441,806	433,558	1.9
EBITDA	**1,015,351**	**806,866**	**25.8**	**2,010,985**	**2,397,341**	**-16.1**

Financial Result

Financial income: In 3Q14, revenues from this source were R$ 34.9 million, R$ 43.6 million lower than the R$ 78.5 million reported for the same quarter in 2013. This was essentially due to the recognition in 3Q13 of a non-recurring gain of R$ 49.1 million due to the early liquidation at market value of debt due to the Brazilian National Treasury Department (STN).

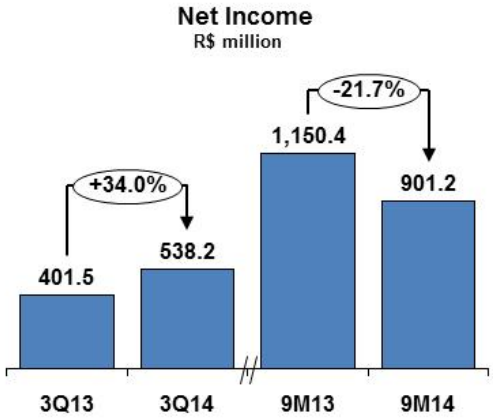
Financial expenses: These expenses reported a year-on-year decline of R$ 31.1 million from R$ 140.5 million in 3Q13 to R$ 109.4 million in 3Q14 principally due to the following factors: (i) a reduction of R$ 23.0 million interest and monetary restatement on concession charges payable, a combination of the interest rate increase in R$ 3.8 million and the reduction of monetary variation of R$ 26.8 million, motivated by the deflation of the IGPM in 3Q14; (ii) a decrease of R$ 10.9 million in the foreign exchange translation effect on currency denominated loans; and (iii) an increase of R$ 3.9 million in interest and monetary restatement on loans.

Income Tax and Social Contribution on Net Income

Income Tax and Social Contribution overheads increased from R$ 196.0 million in the third quarter 2013 to R$ 257.6 million in 3Q14, an increase of R$ 61.6 million or 31.4%. This trend is consistent with the increase in pre-tax profits and taxable income.

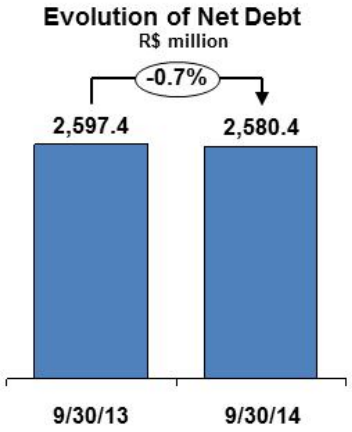
Net Income

Net income in 3Q14 was R$ 538.2 million, representing a 34.0% or R$ 136.7 million increase over the R$ 401.5 million reported by the Company in the same quarter for 2013. This increase is largely due to the growth of R$ 208.5 million in EBITDA, as already commented, and partially offset by the increase in financial expenses of R$ 12.5 million and income tax and social contribution of R$ 61.6 million.

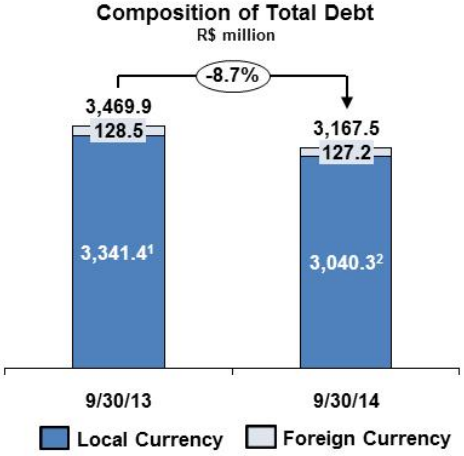


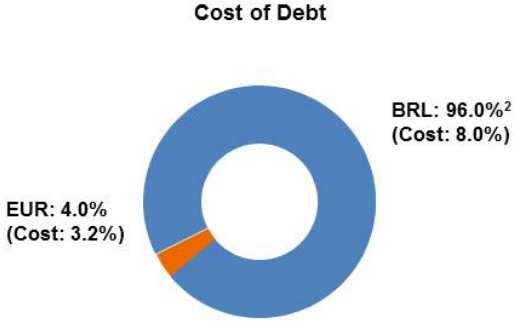
Debt

On September 30, 2014, the Company recorded net debt (total debt less cash and cash equivalents) of R$ 2,580.4 million, a decrease of 0.7% compared with the end of the 3Q13. From the 3Q14 on, restricted deposits to guarantee the payment of the debt service started to be deducted from the gross debt for purposes of composition of net debt disclosed by the Company. In order to maintain the consistency of procedures between the analyzed periods, the net debt of September 30, 2013 decreased from R$ 2,704.6 million to R$ 2,597.4 million.



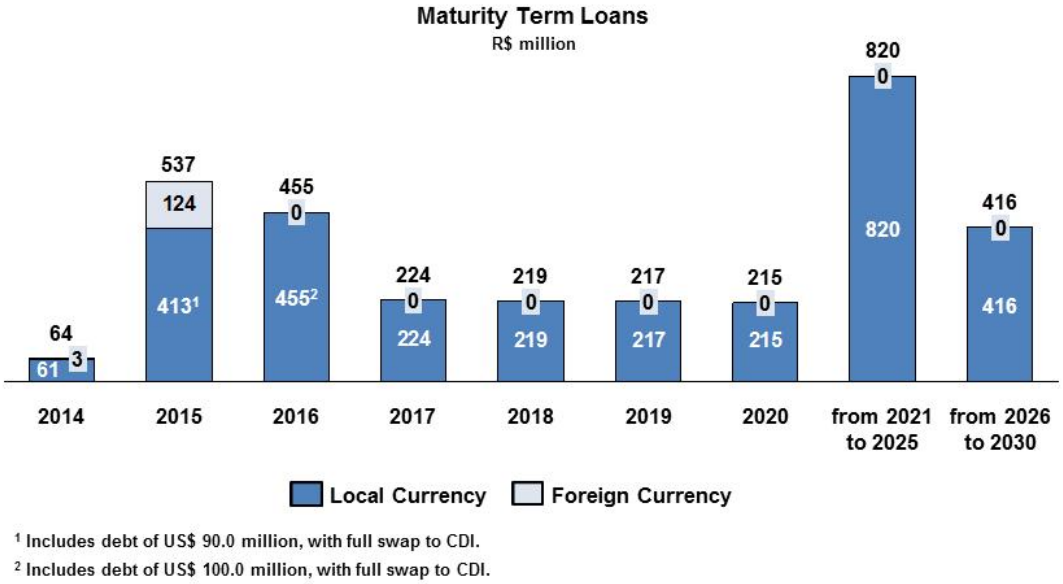
Total consolidated gross debt – represented principally by loans, debentures and financing – amounted to R$ 3,167.5 million at the end of 3Q14, a decrease of 8.7% compared to the position on September 30, 2013. Of total debt outstanding at the end of the period, 18.0% was foreign currency denominated (9.7% at the end of 3Q13). However, taking into account the swap operation in 3Q13, the effective currency exposure was 4.0% of total gross debt at the end of the period under review





¹ Includes debt of US$ 90.0 million, with full swap to CDI.
² Includes debt of US$ 190.0 million, with full swap to CDI.

The decrease in the Company's debt is related principally to a combination of factors occurring between 3Q13 and 3Q14: (i) drawdown of lines of credit with the Brazilian Development Bank (BNDES) and its financial agents amounting to a total of R$ 64.5 million, for investments in Estreito HPP and Trairi Wind Complex; (ii) assumption of a financing agreement for R$ 44.5 million with the BNDES and agent banks as a result of the acquisition of Ferrari TPP; (iii) conclusion of two loan agreements with HSBC Bank USA totaling US$ 100.0 million (equivalent to R$ 230.9 million) subject to a swap operation to hedge total future funds flows against an appreciation in the USD-Real exchange rate; (iv) payment of R$ 268.0 million in charges and monetary and foreign exchange restatement; (v) amortization of debentures amounting to R$ 184.6 million; and (vi) R$ 725.7 million in amortization of loans and financing.



[1] Includes debt of US$ 90.0 million, with full swap to CDI.

[2] Includes debt of US$ 100.0 million, with full swap to CDI.

Capital Expenditures

In 3Q14, the Company invested R$ 62.1 million, of which R$ 17.9 million was applied in the construction of new plants and R$ 44.2 million in the maintenance and revitalization of the Company's generator Complex.

Credit of Interest on Shareholders' Equity

Tractebel Energia's Board of Directors approved the record of interest on shareholders' equity relative to the period from January 1st to December 31, 2014, in the amount of R$ 223.0 million (R$ 0.3416356453 per share).

The Company's shares will be traded ex-interest as from November 26, 2014. Distribution of profits will take place on a date to be fixed by the Board of Executive Officers and will be announced in a Notice to Shareholders.

SUSTAINABILITY: COMMITMENT, CERTIFICATIONS AND PERFORMANCE

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.

Regarding social-environmental indicators, the following table presents the quarter highlights:

Sustainability Indices[1]				
	Index	**3Q14**	**3Q13**	**Change**
Quality	Number of certified plants	15	15	-
	Generation plant uptime, except for scheduled stoppages (%)	95.3	97.4	-2.1 p.p.
	Generation plant uptime, including scheduled stoppages (%)	83.1	92.4	-9.3 p.p.
Environment	Percentage of licensed plants (%)	100	100	-
	Saplings donated and planted (sum-total of planed and donated saplings)[2]	84,931	27,899	204.4%
	Number of visitors at the plants	26,552	78,663	-66.2%
	CO2 Emissions (fossil fuel plants) (t/MWh)	0.955	1.054	-9.4%
	CO2 Emissions from the Tractebel Energia generation plant (t/MWh)	0.108	0.133	-18.8%
Occupational Heath and Safety and Social Responsibility	Average number of in-house employees	1,136	1,116	1.8%
	Frequency Rate ("Taxa de Frequência" - TF), except for outsourced positions[3]	0.000	0.000	⇔
	Severity Rate ("Taxa de Gravidade" - TG), except for outsourced positions[4]	0.057	0.000	⇧
	Frequency Rate ("Taxa de Frequência" - TF), including outsourced positions[3]	2.610	0.000	⇧
	Severity Rate ("Taxa de Gravidade" - TG), including outsourced positions[4]	0.020	0.000	⇔
	Investments via Children and Teenagers Fund and Cultural Incentives Act (R$ thousands)	2,383	1,938	6.3%
	Non-incentive investments, except for Estreito Social Investment (R$ thousands)	1,198	844	16.8%

Notes: 1) Additional indices available from ITR (Tractebel website / Investor / CVM information).
2) CESTE not included.
3) TF = number of occupational accidents for every million hours of exposure to hazards.
4) TG = number of days lost due to occupational accidents for every one thousand hours of exposure to hazards.

CORPORATE GOVERNANCE

Tractebel Energia's Corporate Bylaws are being permanently adjusted to the new rules and procedures of the BM&FBovespa Novo Mercado Listing Regulations, the highest corporate governance level of that stock exchange. The Company has also been a component of BM&FBovespa's Corporate Sustainability Stock Index (ISE) since its inception in 2005. Tractebel Energia's Board of Directors' meetings are monitored in relation to the time dedicated to strategic and short term issues, relative to corporate sustainability. The Board is made up of nine effective members, one of whom represents the employees. A further two directors are independent. With the exception of the employee representative, all are elected by the shareholders at a General Shareholders Meeting. Permanently installed, the Fiscal Council is totally independent of management and the outside auditor, and is accountable for the supervision of management acts and for examining and opining on the financial statements, for evaluating risk management systems and internal controls as well as proposals to be submitted to the Board of Directors when engaging additional services from the external auditor of the financial statements.

Ethical behavior is one if the Company's corporate values. In this context it has adopted a Code of Ethics – a public document which can be accessed from the corporate website -, as well as having an Ethics Committee responsible for updating the Code and for the analyzing ethical issues. In 2013, Tractebel Energia ratified its adherence to the Business Pact for Integrity and against Corruption, an Instituto Ethos initiative in parallel with the United Nations Global Compact to which GDF SUEZ has been a signatory since launch.

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 and other transactions with related parties, Tractebel and its controlling shareholder understand that its existing corporate governance standards should be raised even further. Among the initiatives implemented stands out the creation, by means of adaptation to the Company's Bylaw, of the Special Independent Committee for Valuation of Transactions with Related Parties, a non-permanent body, which, when called, will be composed in its majority by independent directors of the Tractebel Energia'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.

On January 6, 2014, the Company's shares became a component of BM&FBovespa's Ibovespa Stock Index.

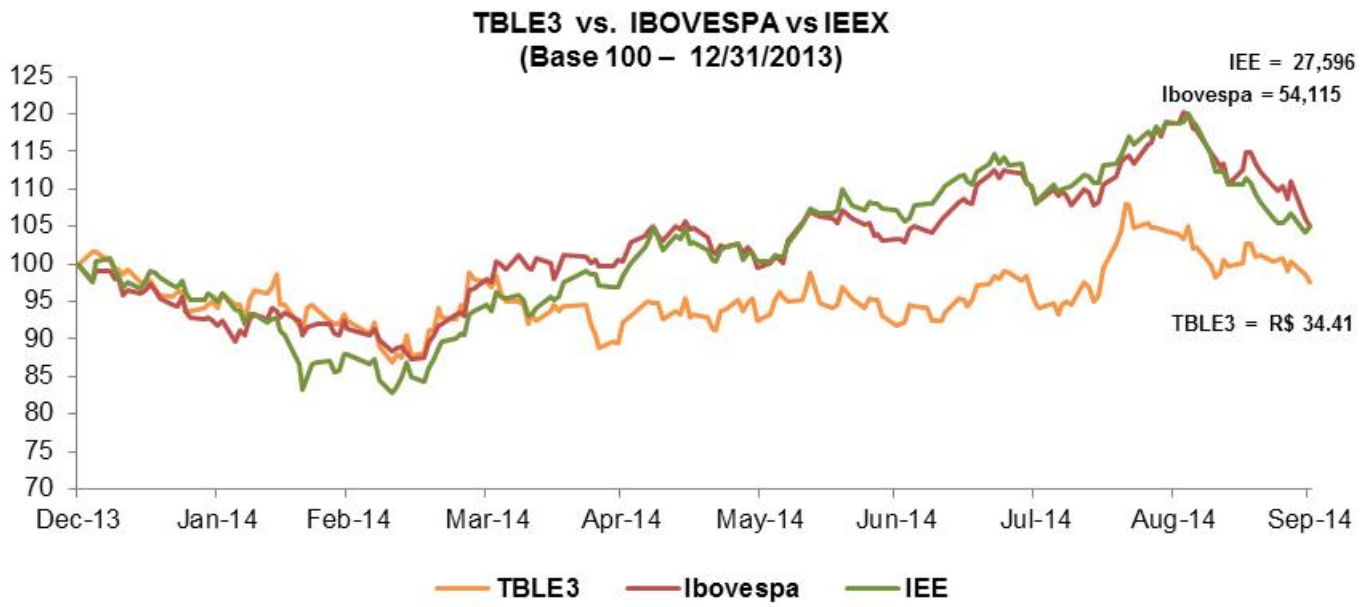
Tractebel Energia's common shares are traded on the São Paulo Stock Exchange (BM&FBovespa) under the TBLE3 symbol. In addition, the Company's Level I American Depositary Receipts (ADRs) trade on the US Over-The-Counter OTC market under the TBLEY symbol at a ratio of one ADR for each common share.

Share Performance – TBLE3

The Brazilian equities market was highly volatile during the third quarter of 2014 set against a background of the impending general elections. The BM&FBovespa Stock Index appreciated by 1.8% for the quarter and recording a gain of 5.1% for the first nine month period of 2014.

Tractebel Energia's shares recorded an appreciation of 6.4% in 3Q14 and a drop of 2.4% in 9M14, while the Electric Energy Stock Index (IEE) fell 1.9% in the period under review and appreciated by 5.1% in the year. The closing price of TBLE3 as at September 30, 2014 was R$ 34.41/share, translating into a market capitalization for the Company of approximately R$ 22.5 billion.

In 3Q14, the average daily trading volume for TBLE3 was R$ 24.3 million, 23.1% higher than recorded for the same period in 2013, when this reached R$ 19.7 million.



UPCOMING EVENT

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

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

Date: October 28, 2014
Time: 9:00 a.m. (EDT) / 11:00 a.m. (Brasília time)

Connection numbers**:**
Participants in Brazil: (55 11) 3193-1001 / (55 11) 2820 4001
Participants in the USA: (1 786) 924-6977
Participants from other countries: (1 888) 700-0802
Access code: Tractebel

Webcast

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

Replay will be available from October 28th to November 3, 2014. Access by dialing: (55 11) 3193-1012, code: 1271520#.

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 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	**9/30/2014**	**12/31/2013**
Current Assets	**1,948,698**	**2,338,458**
Cash and cash equivalents	450,140	1,224,276
Accounts receivables from clients	840,310	740,326
Inventory	73,745	64,785
Income tax and social contribution recoverable	7,486	21,752
Other fiscal credits recoverable	54,597	59,830
Restricted deposits	48,973	3,833
Refund of fuel purchases	224,786	139,601
Recomposition of revenues receivable from the CCEE	111,155	-
Unrealized gain on swap operation	10,101	-
Other current assets	127,405	84,055
Non Current Assets	**10,378,532**	**10,315,939**
Long Term Assets	**509,741**	**481,360**
Accounts receivables from clients	3,581	4,432
Income tax and social contribution recoverable	11,228	8,125
Other fiscal credits recoverable	94,445	100,222
Asset held for sale	86,886	86,886
Restricted deposits	146,155	130,857
Deposits in court	113,362	106,854
Unrealized gain on swap operation	12,244	1,115
Deferred income taxes and social contribution	16,132	17,575
Other non current assets	25,708	25,294
Property, Plant and Equipment	**9,555,319**	**9,708,227**
Intangible	**313,472**	**126,352**
Total	**12,327,230**	**12,654,397**

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

(in thousands of R$)		
Liabilities	**9/30/2014**	**12/31/2013**
Current Liabilities	**1,899,599**	**2,183,704**
Suppliers	390,560	510,346
Dividends and interest on shareholder´s equity	395,608	221,276
Loans and financing	431,546	492,843
Debentures	-	174,072
Concessions payable	54,657	51,763
Tax and social contribution obligations	247,791	434,166
Other fiscal and regulatory obligations	89,867	62,927
Provision for labor obligations	70,656	64,122
Research and development (R&D) program obligations	63,908	55,997
Obligations on investments acquisition	70,829	3,573
Provision for tax, civil and labor risks	16,907	15,136
Obligations related to retirement benefits	28,851	28,851
Other current liabilities	38,419	68,632
Non Current Liabilities	**5,003,722**	**5,106,082**
Loans and financing	2,758,313	2,829,645
Concessions payable	1,654,982	1,543,406
Research and development (R&D) program obligations	32,813	27,416
Obligations on investments acquisition	792	12,846
Provision for tax, civil and labor risks	194,995	179,836
Obligations related to retirement benefits	185,348	189,668
Deferred income taxes and social contribution	122,738	163,663
Other non current liabilities	53,741	159,602
Shareholders' Equity	**5,423,909**	**5,364,611**
Share capital	2,445,766	2,445,766
Capital reserve	91,695	91,695
Adjustment on fixed asset	497,004	527,416
Profit reserves	1,782,294	2,233,572
Other comprehensive income	62,924	62,924
Retained earnings	540,465	-
Non controlling interests	3,761	3,238
Total	**12,327,230**	**12,654,397**

ATTACHMENT III
TRACTEBEL ENERGIA S.A.
CONSOLIDATED INCOME STATEMENT

(in thousands of R$)	3Q14	3Q13	Chg. %	9M14	9M13	Chg. %
Net Revenue from Sales	**1,736,565**	**1,416,462**	**22.6**	**4,744,410**	**4,080,708**	**16.3**
Costs of Energy Sold and Services Provided	**(818,040)**	**(709,313)**	**15.3**	**(3,031,220)**	**(1,972,421)**	**53.7**
Electric power purchased for resale	(344,787)	(197,836)	74.3	(929,386)	(564,197)	64.7
Transactions in the short term market, including those conducted through the CCEE	(39,413)	(138,552)	-71.6	(893,427)	(328,319)	172.1
Charges for the use of and connection to the electricity grid	(87,659)	(78,763)	11.3	(244,467)	(228,775)	6.9
Fuel expenses	(51,741)	(4,810)	975.7	(152,735)	(38,452)	297.2
Financial compensation for use of water resources	(45,341)	(44,505)	1.9	(123,111)	(99,341)	23.9
Personnel	(48,881)	(43,427)	12.6	(147,630)	(134,751)	9.6
Materials and third party services	(44,938)	(40,282)	11.6	(125,438)	(113,365)	10.6
Depreciation and amortization	(143,099)	(145,561)	-1.7	(435,869)	(427,517)	2.0
Others	(12,181)	(15,577)	-21.8	20,843	(37,704)	-155.3
Gross Income	**918,525**	**707,149**	**29.9**	**1,713,190**	**2,108,287**	**-18.7**
Operating Income (Expenses)	**(48,255)**	**(47,665)**	**1.2**	**(144,011)**	**(144,504)**	**-0.3**
Selling expenses	(3,830)	(4,436)	-13.7	(12,972)	(13,331)	-2.7
General and administrative expenses	(45,782)	(41,528)	10.2	(134,653)	(126,571)	6.4
Other operating income (expenses), net	1,357	(1,701)	-179.8	3,614	(4,602)	-178.5
Income Before Financial Result and Taxes	**870,270**	**659,484**	**32.0**	**1,569,179**	**1,963,783**	**-20.1**
Net Financial Result	**(74,486)**	**(61,943)**	**20.2**	**(227,915)**	**(252,261)**	**-9.7**
Financial income	34,923	78,545	-55.5	169,653	154,018	10.2
Financial expenses	(109,409)	(140,488)	-22.1	(397,568)	(406,279)	-2.1
Income Before Taxes	**795,784**	**597,541**	**33.2**	**1,341,264**	**1,711,522**	**-21.6**
Income tax	(187,654)	(142,281)	31.9	(320,521)	(408,555)	-21.5
Social contribution	(69,906)	(53,717)	30.1	(119,543)	(152,533)	-21.6
Net Income for the Period	**538,224**	**401,543**	**34.0**	**901,200**	**1,150,434**	**-21.7**
Income allocated to:						
Tractebel Energia's shareholders	538,020	401,387	34.0	900,677	1,149,964	-21.7
Non-controlling shareholder of Ibitiúva Bioenergética S.A.	204	156	30.8	523	470	11.3
Net income per share	0.8246	0.6152	34.0	1.3806	1.7625	-21.7
EBITDA	**1,015,351**	**806,866**	**25.8**	**2,010,985**	**2,397,341**	**-16.1**

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

(in thousands of R$)	3Q14	3Q13	9M14	9M13
Cash flow from operating activities				
Income before taxes	795,784	597,541	1,341,264	1,711,522
Adjustments to reconcile net income before taxes generated from operating cash flow:				
Depreciation and amortization	145,081	147,382	441,806	433,558
Monetary and exchange rate variation	(4,807)	33,159	37,864	92,972
Interests	103,302	38,235	260,375	223,766
Constitution (reversals) of operating provisions, net	1,093	(2,407)	3,166	254
Others	299	2,161	748	2,587
Adjusted profit	1,040,752	816,071	2,085,223	2,464,659
Reduction (increase) in assets				
Accounts receivables from clients	(182,858)	(133,343)	(94,723)	(116,928)
Refund of fuel purchases	6,547	(2,476)	(85,185)	(64,727)
Other fiscal credits recoverable	534	9,762	11,894	27,004
Inventory	(727)	(1,296)	(8,960)	(17,847)
Deposits in court and restricted deposits	(1,465)	26,381	3,980	(312)
Recomposition of revenues receivable from the CCEE	(111,155)	-	(111,155)	-
Other assets	(34,151)	(21,204)	(59,369)	1,973
Increase (reduction) in liabilities				
Suppliers	(219,792)	97,369	(96,650)	97,552
Taxes and social contribution obligations	(7,514)	(5,906)	(85,952)	(11,832)
Other fiscal and regulatory obligations	18,544	10,246	22,876	10,564
Research and development obligations	4,870	5,612	13,308	16,499
Obligations related to retirement benefits	(7,284)	(6,366)	(21,863)	(18,995)
Other liabilities	(1,780)	6,138	(56,996)	(5,257)
Cash generated from operating activities	504,521	800,988	1,516,428	2,382,353
Payment of income tax and social contribution	(63,620)	(63,288)	(518,671)	(474,527)
Payment of interests on loans, financing and debentures	(61,441)	(57,029)	(193,650)	(183,312)
Net cash from operating activities	**379,460**	**680,671**	**804,107**	**1,724,514**
Investments activities	**(77,760)**	**(168,266)**	**(456,434)**	**(429,050)**
Acquisitions of investments, net of cash and cash equivalents received	(97)	(1,224)	(215,526)	(11,462)
Used in fixed assets	(68,737)	(164,702)	(231,553)	(412,620)
Used in intangibles	(8,926)	(2,340)	(9,355)	(4,968)
Financing activities	**(669,596)**	**(732,434)**	**(1,121,809)**	**(1,710,140)**
Loans and financing contracted	-	286,234	234,415	458,934
Payment of loans, financing and debentures	(192,910)	(250,080)	(606,732)	(520,557)
Payments of concessions payable	(13,741)	(12,924)	(40,621)	(38,198)
Payments of dividends and interest on shareholders' equity	(459,408)	(756,446)	(703,145)	(1,612,076)
Deposits for funding	(3,537)	782	(5,726)	1,757
Increase (decrease) in cash and cash equivalents	**(367,896)**	**(220,029)**	**(774,136)**	**(414,676)**
Reconciliation of cash and cash equivalents				
Opening balance	-	-	1,224,276	1,179,976
Closing balance	(367,896)	(220,029)	450,140	765,300
Increase (decrease) in cash and cash equivalents	**(367,896)**	**(220,029)**	**(774,136)**	**(414,676)**
Transactions that do not affect cash and cash equivalents				
Capitalized interest on loans and concession	48	5,242	1,246	17,172
Supplier's of fixed assets and intangibles	(1,130)	(45,229)	(29,357)	30,227
Offsetting of income tax and social contribution	(4,418)	909	16,521	70,752
Acquisition of property, plant and equipment provisioned due to future disbursements estimate	(5,342)	(4,396)	(15,088)	84,035
Balance of remaining installments related to purchase of investments, net of escrow account	6,005	3,660	13,429	15,881