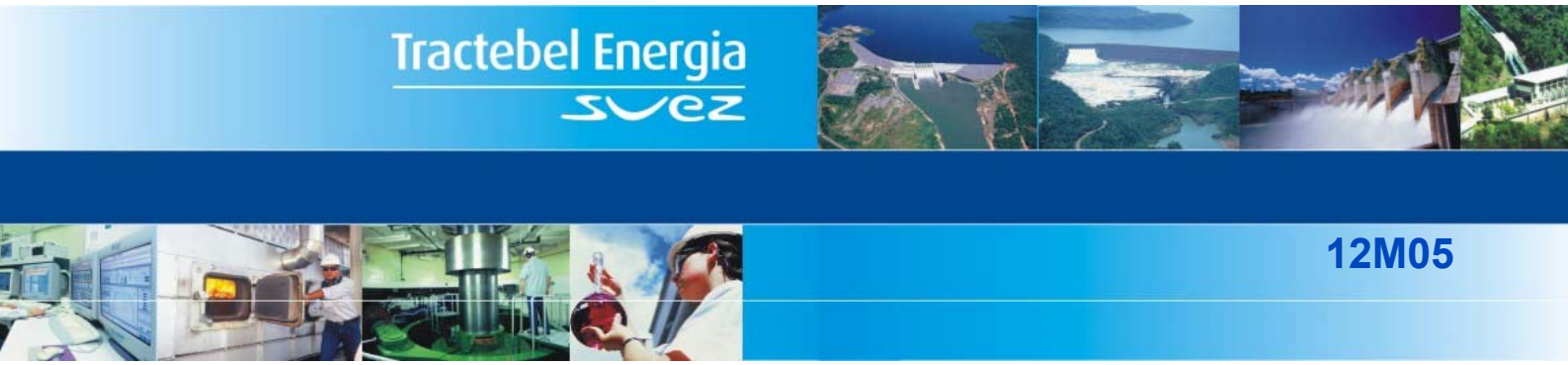


12M05

TRACTEBEL ENERGIA announces net profit of R$ 920 million and EBITDA of R$ 1,418 million in 2005

Florianópolis (SC), March 14 2006 – Tractebel Energia S.A. (Bovespa: TBLE3), the largest private sector electricity generating company in Brazil, today announces earnings for the fiscal year ending December 2005 (12M05). 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 Reais, except where otherwise indicated.

For immediate release

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Highlights

- Tractebel Energia reported net profit of R$ 920 million in 2005, a growth of 18.7% over 2004. Dividends and interest on equity reached 95% of net profit, or R$ 1.34/share, out of which an amount of R$ 413 million was paid out in 2005 and the remaining R$ 461 million will be paid out by May 2006.
- EBITDA grew by 11.6% in the period reaching R$ 1,418 million, representing an EBITDA margin of 54.5%.
- Consolidated gross revenues amounted to R$ 2,904 million with a growth of 9.1% compared with 2004, reflecting the positive combination of volumes and prices in the contracted energy portfolio.
- Energy sales volume in the fiscal year was 29,823 GWh, representing an expansion of 1.3% compared to the 29,440 GWh sold in 2004.
- At the electricity power auctions held in 2005, the Company sold 531 average MW of existing energy and 200 average MW of new energy for delivery from 2008 at prices of between R$ 81.55/MWh and R$ 115.90/MWh.
- In September 2005, Tractebel Energia concluded the process of converting its preferred shares into common shares and in November 2005, listed its shares on Bovespa's *Novo Mercado*, underscoring the Company's commitment to best corporate governance practice.

Summary of economic and operational indicators

Tractebel - Consolidated	Quarter			Accumulated		
In Millions of Reais	**4Q04**	**4Q05**	**Chg.**	**12M04**	**12M05**	**Chg.**
Gross operating revenue	676.2	712.2	5.3%	2,661.8	2,904.2	9.1%
Net operating revenue	616.9	639.8	3.7%	2,469.9	2,599.8	5.3%
Result from service (EBIT)	254.3	283.3	11.4%	1,047.4	1,209.7	15.5%
EBITDA (1)	321.0	335.5	4.5%	1,270.9	1,417.8	11.6%
EBITDA / NOR - %	52.0%	52.4%	0,4 p.p.	51.5%	54.5%	3,0 p.p.
Net income	241.3	220.1	-8.8%	775.2	920.1	18.7%
Net debt	1,344.6	1,244.2	-7.5%	1,344.6	1,244.2	-7.5%
Energy sold (GWh)	7,368	7,469	1.4%	29,440	29,823	1.3%
Number of employees	849	893	5.2%	849	893	5.2%

(1) EBITDA represents: net income + financial results + non-operating results + social contribution tax and income tax + depreciation and amortization + amortization of goodwill.

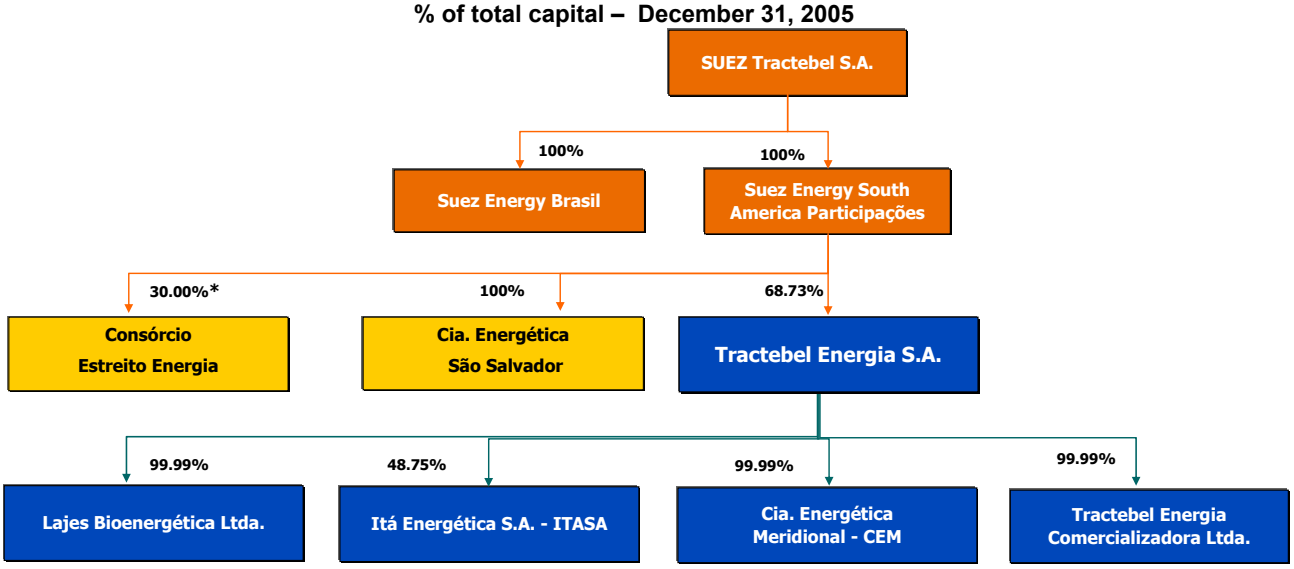
CORPORATE PROFILE

Tractebel Energia is the largest private sector electricity generating company in Brazil. It is made up of a generating complex of 13 hydroelectric and thermoelectric power plants located in the states of Paraná, Santa Catarina, Rio Grande do Sul, Mato Grosso do Sul and Goiás, accounting for 7.5% of the country's entire electricity generating capacity.

In 2005, the Company completed seven years since the privatization auction at which the SUEZ Group acquired the controlling stake in the generator, Gerasul, which subsequently became the controlling company under the new name of Tractebel Energia S.A. During this period, the Company has invested approximately R$ 2.5 billion in expanding capacity and upgrading its plants, thus consolidating its business as an integral part of the Brazilian electricity sector. The Company's installed capacity has jumped from 3,719 MW to 5,860 MW, a growth of 58%, while power supply capacity, including the energy purchase contracts, reached 5,968 MW.

Tractebel Energia is controlled by SUEZ ENERGY South America Participações Ltda.-SESA (previously denominated Tractebel EGI South America Ltda.), in turn owned by the Franco-Belgian SUEZ Group. Tractebel Energia holds stakes in four subsidiaries, of which three are wholly owned (Companhia Energética Meridional - CEM, Lages Biogenética Ltda. and Tractebel Energia Comercializadora Ltda.) and one, Itá Energética S.A.- Itasa, in which the Company owns 48.75% of the voting and total capital stock.

% of total capital – December 31, 2005



(*) In February 2006, Suez Energy South America Participações acquired an additional stake in this project, increasing its holding in the consortium to 40.07%.

Lages Bioenergética Ltda.: constituted in 2002, this subsidiary operates as an independent energy producer through the Lages thermoelectric power plant, located in the municipality of Lages (SC). This is a co-generating plant with a 28 MW steam turbo-generator, which produces energy from timber waste as a fuel. The concession period for construction and operating the plant expires in October 2032.

Itá Energética - ITASA: holds the concession for operating the Itá Hydroelectric Plant together with Companhia Siderúrgica Nacional-CSN and Companhia de Cimento Itambé. The plant is located on the Uruguai River, between the municipalities of Itá (SC) and Aratiba (RS) and has an installed capacity of 1,450 MW with five sets of generators, each having an output of 290 MW. The concession period for the construction and commercial operating of the plant expires in October 2030.

Cia. Energética Meridional-CEM: holds the concession for the Cana Brava Hydroelectric Plant sited on the Tocantins River, northern region of the state of Goiás with an installed capacity of 450 MW. The concession period for construction and commercial operating of the plant expires in August 2033.

Tractebel Energia Comercializadora: constituted in October 2000 with its corporate objective being trading electricity in the unregulated contracting market, including buying, selling, importing and exporting electricity as well as the intermediation of any of these operations. In December 2005, Tractebel Energia Comercializadora had contracts with 32 customers, representing a sales volume of 360 average MW.

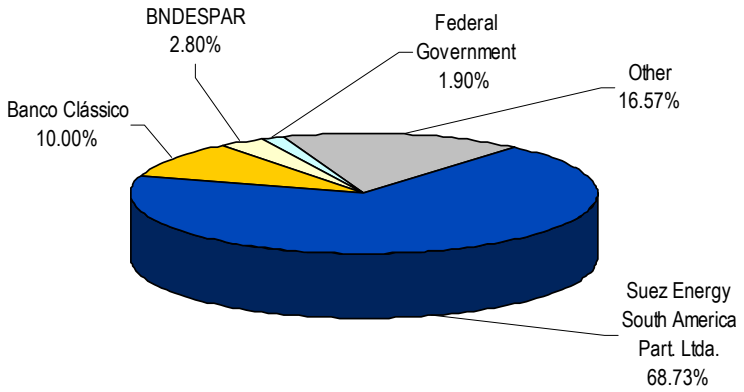
Capital Stock

Tractebel Energia held two Extraordinary General Meetings on June 27 and August 17 2005, approving a grouping and the unification of all the share classes making up the capital stock into a single type of ordinary share, through the exchange and conversion of each existing preferred share (of the A and B classes) into a ordinary share. On September 19 2005, the Company concluded the conversion process, achieving its objectives, namely: the equalization of rights granted to all shares, adaptation of the shareholding structure in line with the best corporate governance practice and creating a better basis for improved share liquidity.

On December 31 2005, the Company's capital stock was R$ 2,445.8 million, representing 652,742,192 ordinary shares with no par value, following the grouping and conversion of shares mentioned above.

The breakdown of corporate ownership of the Company is as follows:

Breakdown of capital on December 31, 2005



OPERATING PERFORMANCE

Generating Complex

The Company continues to rank as the largest private sector generating company in the country with an installed capacity of 6,977 MW, made up of 6 hydroelectric and 7 thermoelectric power plants, of which 11 are wholly owned by Tractebel Energia S.A and 2 hydro plants (UHE Itá and UHE Machadinho) owned by consortia, of which Tractebel Energia is a member.

The Company's generating complex reports one of the best performances in the Brazilian electricity sector, registering low levels of non-scheduled downtime (time during which the plant is not generating electricity for the National Electricity System for corrective maintenance), which translates into operating at a higher volume of available energy for delivery.

Tractebel Energia's generating complex

Power plants	Hydro/ Thermal	Location	Installed Capactity (MW)	
			Total	Tractebel's portion
Salto Santiago	Hydro	Rio Iguaçu (PR)	1,420	1,420
Salto Osório	Hydro	Rio Iguaçu (PR)	1,078	1,078
Passo Fundo	Hydro	Rio Passo Fundo (RS)	226	226
Itá	Hydro	Rio Uruguai (SC e RS)	1,450	1,090
Machadinho	Hydro	Rio Uruguai (SC e RS)	1,140	383
Cana Brava	Hydro	Rio Tocantins (GO)	450	450
Total - Hydro			**5,764**	**4,647**
Jorge Lacerda Complex *	Thermal	Capivari de Baixo (SC)	857	857
Charqueadas	Thermal	Charqueadas (RS)	72	72
Alegrete	Thermal	Alegrete (RS)	66	66
Willian Arjona	Thermal	Campo Grande (MS)	190	190
Lages	Thermal	Lages (SC)	28	28
Total - Thermal			**1,213**	**1,213**
Total			**6,977**	**5,860**

(*) Complex composed of 3 power plants.

Production

In 2005, Tractebel Energia's plants accumulated production of 29,801 GWh, thus maintaining the volume very similar to the previous year. Out of this figure, the hydroelectric generation amounted to 24,721 GWh, while thermoelectric generation reached 5.080 GWh. The plants operated at a level of 97.2% uptime, not considering scheduled maintenance. If considered the time associated to this type of maintenance, the overall uptime decreases to 90.8%, being 93.0% for the hydro generation and 80.5% for the thermal one.

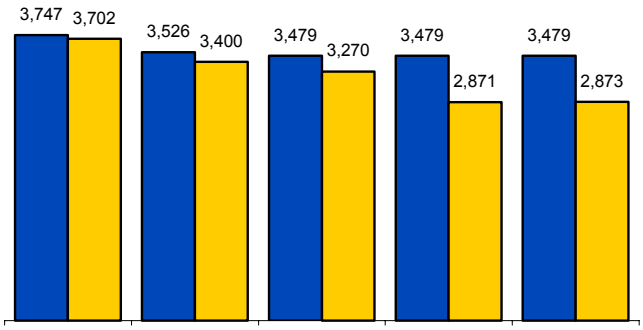
During 2005, full reservoirs at the southeastern region's plants and the increased transmission capacity of the National Electricity System Operator to direct power from the southeast to the south of Brazil meant that the southern power plants were called upon to dispatch electricity rather less than in the previous year.

In this context, Tractebel Energia's generation capacity represented 7.5% of energy demand by SIN – the National Grid System and corresponded to 45% of the total consumption of the 3 states located in Brazil's southern region.

Energy balance

In accordance with the data on assured energy and ongoing contracts for the purchase and sale of energy as of December 31 2005, the Company's energy balance indicates that capacity is almost totally contracted through to 2008.

Energy balance as of December 31, 2005



Average MW	2006	2007	2008	2009	2010
Assured Energy	3,187	3,183	3,279	3,279	3,279
Purchases	560	343	200	200	200
Own Resources	**3,747**	**3,526**	**3,479**	**3,479**	**3,479**
Ordinary sales	3,702	3,390	3,110	2,330	2,132
Gov. Auctions Sales	0	10	160	541	741
Total sales	**3,702**	**3,400**	**3,270**	**2,871**	**2,873**
Balance	**45**	**126**	**209**	**608**	**606**

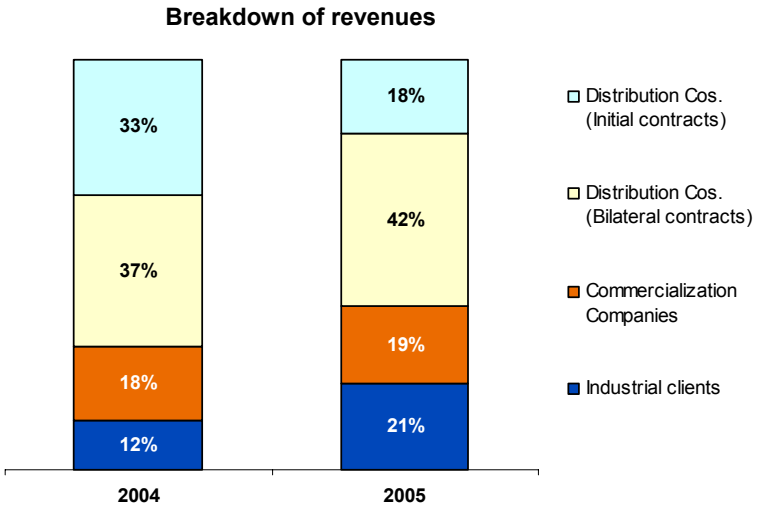
At the electricity power auctions held in 2005, the Company sold 531average MW of existing energy and 200 average MW of new energy for delivery from 2008 at prices of between R$ 81.55/MWh and R$ 115.90/MWh.

Clients

Tractebel Energia has a diversified portfolio of clients, serving energy distribution concessionaires, traders and free consumers (industries), through contracts with flexible duration and volumes. Among the Company's key industrial clients are those operating in the pulp and paper, fertilizer, industrial gases, petrochemicals, automotive and food sectors.

The Company's strategy is to increase the share of the industrial segment in its portfolio of contracts. For this purpose, it actively pursues a policy of enhancing client loyalty by customizing energy purchases to the production characteristics of each consumer. In addition, one of the services provided under this same policy is energy audits to ensure that power utilization is optimized for selected clients. The company is thus able to achieve a competitive edge in the relationship with these clients, at the same time, maximizing the use and availability of energy volumes for sale.

The participation of industrial consumers in the Company's sales revenues – practically zero in 2000 - reached 12% in 2004 and 21% in 2005, when the portfolio included more than 100 free consumers.



ECONOMIC AND FINANCIAL PERFORMANCE

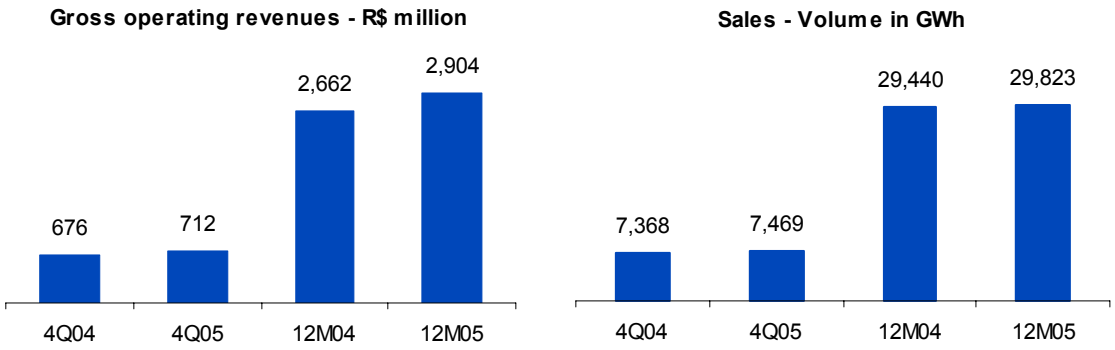
Gross Operating Revenues

Consolidated gross operating revenues were R$ 2,904.2 million in 2005, a growth of 9.1% compared with 2004. Revenues from the sale of energy to the wholesale market reached R$ 2,097.5 million and sales revenues to free consumers, R$ 479.5 million, a growth of 5.6% and 28.7%, respectively, compared with the fiscal year 2004, indicative of the successful development of the free consumer portfolio.

Operating revenue performance is due to a combination of the following aspects:

- energy sales volume during the fiscal year was 29,823 GWh, an expansion of 1.3% compared with the 29,440 GWh sold in 2004;
- electric energy liberated from initial contracts – reflecting sector regulations – was freely re-contracted with distributors, traders and industrial consumers at higher prices than previously contracted, resulting in a portfolio of contracts with higher prices. As a result, the average 2005 price of Tractebel Energia's contracts reached approximately R$ 85/MWh**,** 16% higher than the average price of contracted energy in 2004 of R$ 73/MWh;
- Price readjustments in electricity sold through initial contracts and through bilateral contracts indexed to the IGP-M.

Fourth quarter gross revenue was R$ 712 million, 5.3% higher than in the same period in 2004.



Net Revenues

Net revenues in 2005 amounted to R$ 2,599.8 million, an increase of 5.3% compared with 2004. Deductions from gross revenues - largely related to taxes levied on sales – increased by 61.1% between the two fiscal years from R$ 185.6 million to R$ 298.8 million. This was largely due to the increase in the tax rates of PIS (employees' profit participation tax) and COFINS (Social Contribution for Social Security Funding) from 3.65% to 9.25% and the increase in intra-states sales to end consumers on which ICMS (a sales tax) is colleted.

In the fourth quarter 2005, net revenues were R$ 639.8 million against R$ 616.9 million in the same period in 2004. The growth in this figure, proportionally lower than that in gross revenues, reflected principally the increase in taxes on sales turnover as we have commented above.

Operating Costs and Expenses

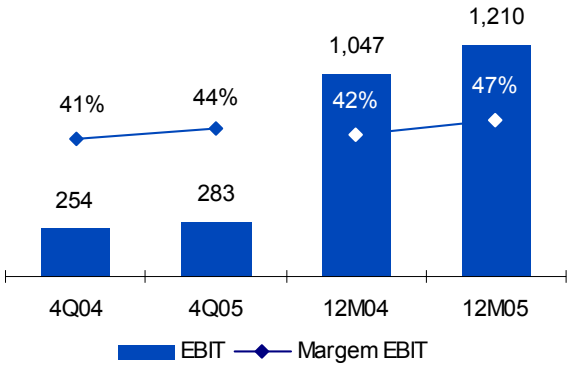
Total operating costs and expenses were R$ 1,390.2 million in the fiscal year, a reduction of 2.3% on 2004. This result was the due mainly to the following:

- **Purchased electricity for resale**: a reduction of R$ 302.9 million to R$ 136.9 million between the two fiscal years, reflecting (i) the reduction in purchases for servicing exports; (ii) less energy purchased by the generator CIEN, due to a reduction in the physical guarantee imposed by ANEEL, the sector regulatory organ on this generator; (iii) reduced exposure of the Company to the short term market (the Electric Power Trade Board - CCEE), due to the increased availability of energy; and (iv) the total amortization in 2004 of additional energy costs during the period of rationing.
- **Fuel costs for generating electricity**: the 0.8% increase in fuel costs reflects a combination of the increase in contract prices and lower coal consumption in 2005, due to the reduced generation of energy for export.
- **Charges for use of the transmission and distribution network**: these expenses registered a growth of 20.4% due to increased sales through bilateral contracts in substitution for initial contracts on which there are no transmission/distribution charges, as well as the increase in these charges on tariffs for this service.
- **Payroll, material and third party services**: this item posted a year-on-year increase of 13.0%, reflecting not only contractual readjustments and payroll, but also unscheduled maintenance at the Jorge Lacerda B thermoelectric power plant.
- **Depreciation**: the reduction from R$ 223.5 million to R$ 208.1 million in this item reflects the provision for accelerated depreciation of R$ 13.8 million in 2004 for units 4 and 5 at the William Arjona thermoelectric power plant.
- **Constitution and reversal of operating provisions**: net operating provisions were established in 2005 amounting to R$ 96.6 million relating largely to: (i) provision for increased post-employment benefits due to changes in economic actuarial estimates; (ii) provision for scheduled maintenance programs following a reevaluation of the maintenance program and (iii) provision for civil contingencies in the light of a claim by the Company relating to non-compliance with contractual clauses on the part of an energy supplier. Of this amount, approximately R$ 65.5 million is considered non-recurring.

Operating Result (EBIT)

The operating result (EBIT) in 2005 was R$ 1,209.7 million, representing an expansion of 4.1% compared with the fiscal year 2004. In the fourth quarter EBIT reached R$ 283.3 million against R$ 254.3 million for the same period in 2004.

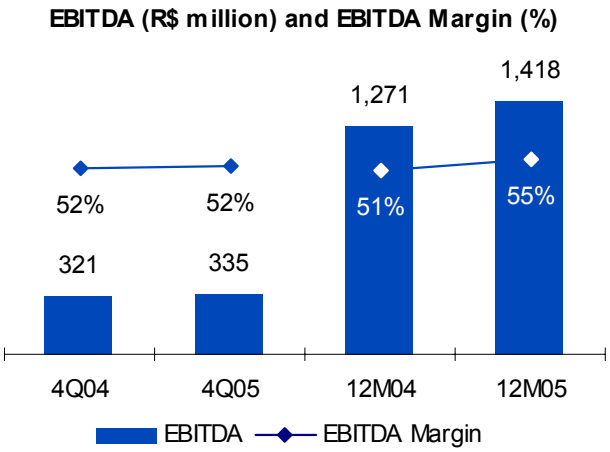
EBIT (R$ million) and EBIT Margin (%)



EBITDA and EBITDA Margin

In the light of the foregoing, EBITDA for 2005 reached R$ 1,417.7 million, translating into an expansion in the EBITDA margin to 54.5%. Fourth quarter 2005 EBITDA amounted to R$ 335.4 million.

Excluding the non-recurring operating provisions for R$ 65.5 million, the adjusted EBITDA for 2005 would be R$ 1,483.3 million and equivalent to a margin of 57.1%.



Financial Result

Net financial expenses fell from R$ 176.6 million for the fiscal year 2004 to R$ 102.4 million in 2005. This variation is due principally to the following aspects:

- increase of R$ 36.8 million in income from financial investments due to a higher cash position available in the fiscal year 2005;
- reduction of R$ 26.6 million in interest expenses, principally due to the prepayment of financing of R$ 328.6 million from the Interamerican Development Bank - IDB in May 2005;
- a gain of R$ 107.8 million on net monetary variation due principally to an 11% appreciation of the Real against a basket of currencies comprising Tractebel Energia' s debt and also monetary restatement of compensated tax credits as well as trade accounts receivable arising from a commercial agreement;
- increase in the loss on swap operations (exchange/interest rate swaps) of R$ 102.1 million, resulting from the appreciation of the Real against a basket of currencies of the debt, partially neutralizing the exchange rate gain on currency denominated debt.

Debt

Gross consolidated debt, including financial expenses was R$ 1,523.8 million on December 31, 2005, a decline of 23.6% compared with the preceding year. This reduction reflects the appreciation of the Real against a basket of currencies in which the Company's debt is denominated, amortizations during the period, and the prepayment of the above mentioned financing from BID, the latter also contributing to the reduction in currency exposure compared with December 31, 2004.

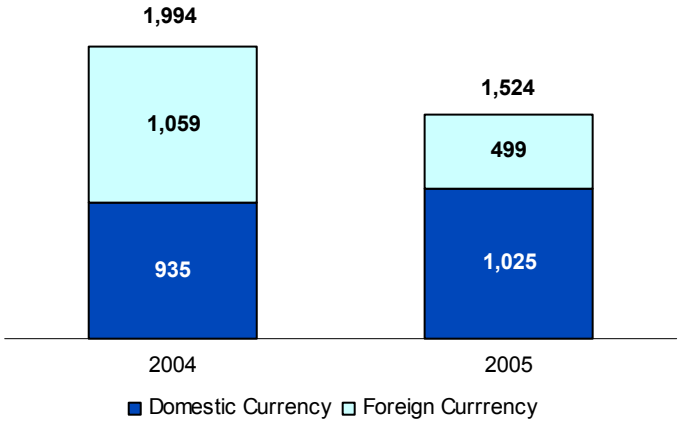
Approximately 33% of total debt was currency denominated on December 31, 2005 as against 53% a year earlier, 37% of the outstanding currency denominated debt being hedged against foreign exchange fluctuations.

A breakdown of loans, financing and debentures as at December 31, 2005 is shown below:

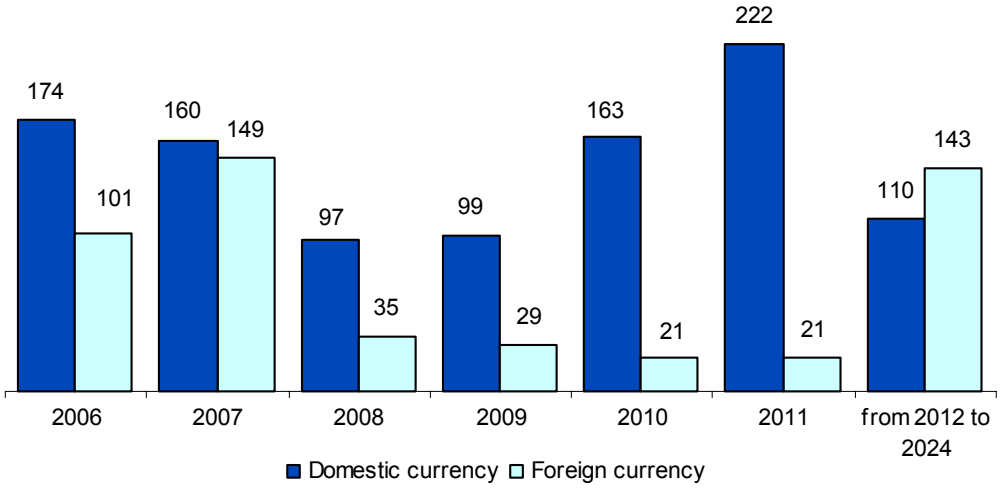
Loans and financing as of 12/31/2005 - R$ million

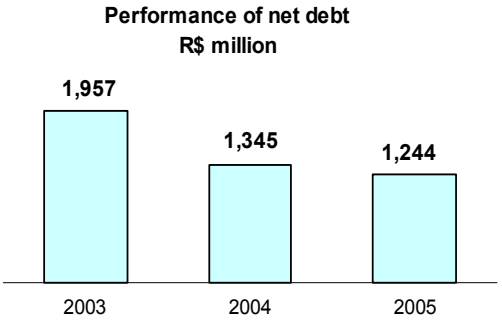
	12/31/2004			12/31/2005		
	Short Term	Long Term	Total	Short Term	Long Term	Total
Domestic Currency						
Eletrobrás	66	248	314	81	175	256
Financial Institutions	58	386	444	62	338	400
Debentures	24	153	177	31	338	369
Total	**148**	**787**	**935**	**174**	**851**	**1,025**
% of Domestic currency	49%	46%	47%	63%	68%	67%
Foreign Currency						
National Treasury Office	104	414	518	88	264	352
Financial Institutions	49	492	541	13	134	147
Total	**153**	**906**	**1,059**	**101**	**398**	**499**
% of Foreign currency	51%	54%	53%	37%	32%	33%
Total	**301**	**1,693**	**1,994**	**275**	**1,249**	**1,524**

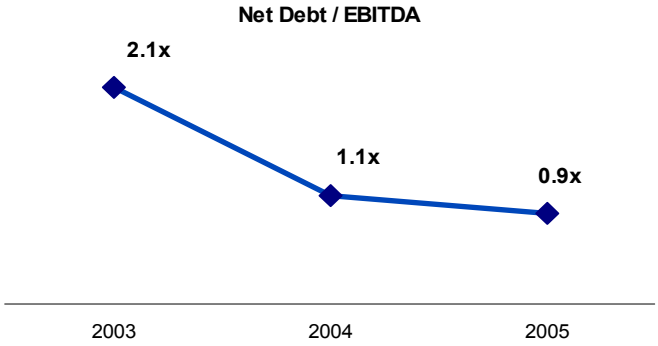
Composition of debt
R$ million



Maturity of long term loans, financing and debentures - R$ million



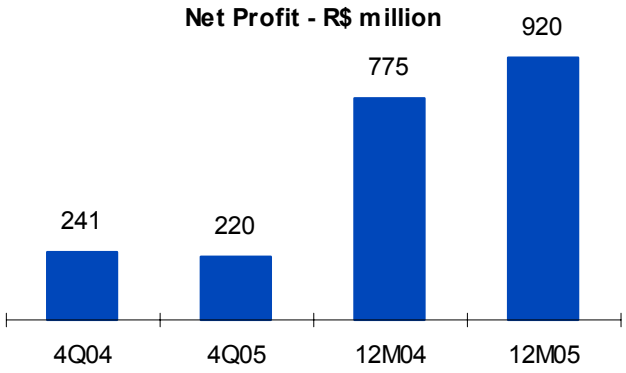




Net Profit

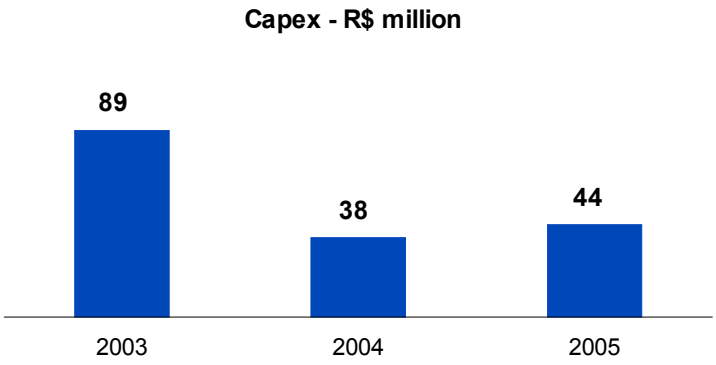
Tractebel Energia reported 2005 net earnings of R$ 920.1 million, 18.7% up on 2004. These improved earnings are largely due to the growth in operating revenues and the reduction in electricity purchasing costs during the year, partially offset against an increase in taxes on sales turnover.

In the fourth quarter 2005, before tax profit was R$ 247.6 million, a year-on-year increase of 10.4%. Net profit for this period was R$ 220.1 million against R$ 241.3 million for the same quarter in 2004. The reduction was due to higher payouts of interest on shareholders' equity in the fourth quarter of 2004 compared with the fourth quarter 2005, positively influencing withholding tax and social contribution and, consequently, net profit for the fourth quarter 2004, in the amount of R$ 34 million.



Capital Expenditures

In 2005, capital expenditures totaled R$ 44 million, the larger part of which was allocated to the annual program for plant maintenance and upgrading. During the year the Company modernized the generators at the Salto Osório hydro plant and at the Jorge Lacerda B thermoelectric plant. The digital telemeasurement system was expanded and new remote units were installed for power plant supervision. Thanks to investment in the upgrading of the generator complex, the Company was able to report a 97.2% production uptime during the year, not considered the scheduled maintenance, a figure above the forecasted target.



CAPITAL MARKETS

Tractebel Energia in Bovespa's *Novo Mercado*

Tractebel Energia has been listed on the Bovespa since May 1998 and on November 16 2005 adhered to Bovespa's Novo Mercado. The latter initiative is part of a sequence of measures taken during the year to further improve the Company's relationship with the capital markets by adopting the best corporate governance practice.

During the year, Tractebel Energia became a component of the **IGC** - Special Corporate Governance Stock Index, the **ITAG** - Special Tag Along Stock Index, which incorporates those companies offering greater protection to minority shareholders in the event of the sale of a controlling stake, as well as the **ISE -** Corporate Sustainability Index comprising companies with recognized commitment to social and corporate responsibility.

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

Corporate Governance

The consolidated regulations for a *Novo Mercado* listing increase shareholders' rights and improve the quality of the information provided by the companies. In addition, the *Novo Mercado's* Arbitration Tribunal, by providing a forum for the solution of disputes, offers investors the security of a quicker and more specialized alternative to the courts of law.

In the final quarter of 2005, Tractebel Energia approved the amendments to its bylaws for aligning them to the rules and procedures of Bovespa's *Novo Mercado* listing. In addition a new dividend policy was approved to include:

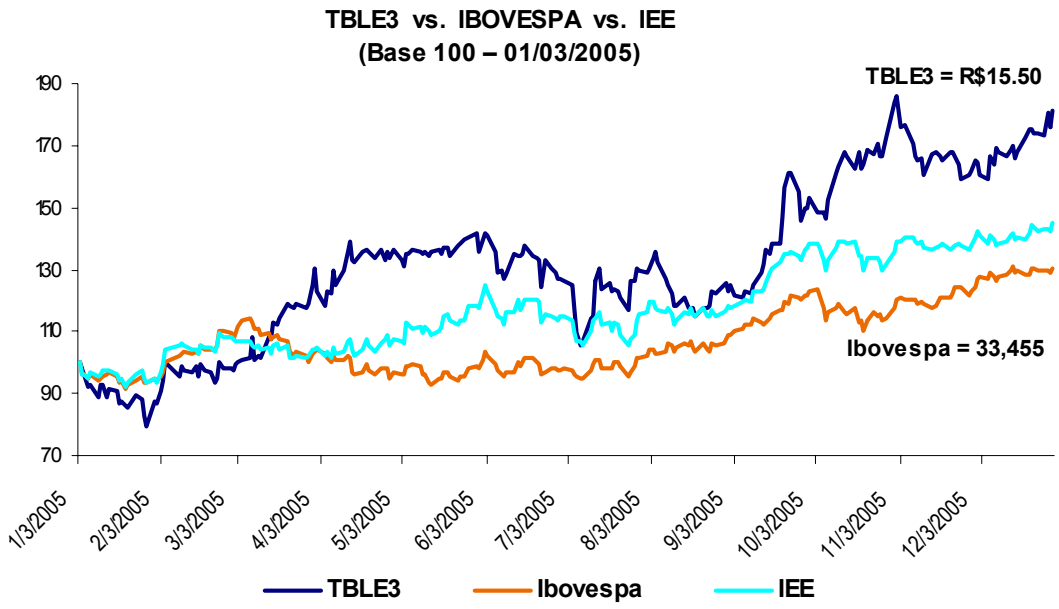
- an increase in the mandatory minimum dividend established in the Company's bylaws from 25% (twenty-five per cent) to 30% (thirty per cent) for the adjusted net profit for the fiscal year according to Law 6.404/76;
- the intention of declaring and paying dividends and/or interest on shareholders' equity not less than 55% of adjusted net profit. Payout value will be a function of various factors such as the financial status of the Company, its future prospects, the macroeconomic conditions and growth strategies; and
- payment of a semi-annual dividend.

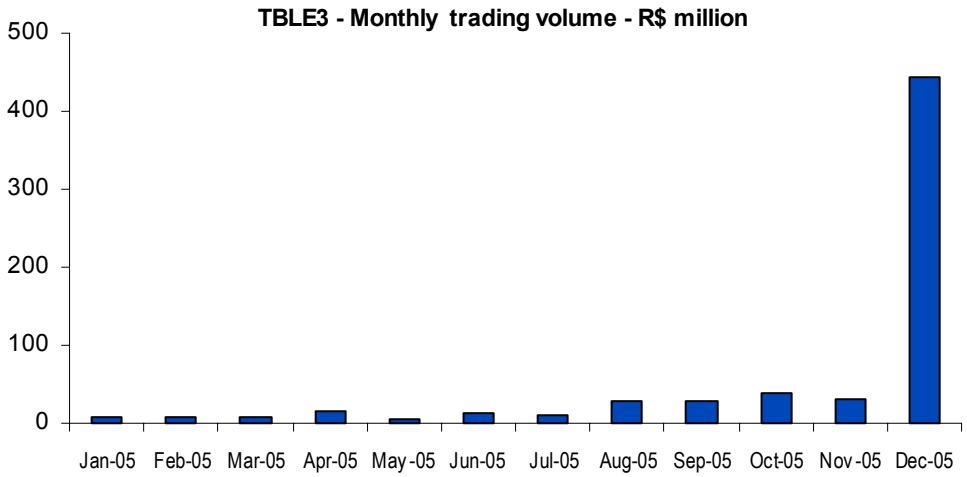
Share Performance – TBLE3

In 2005, Tractebel Energia (TBLE3) ordinary shares posted gains of 70.1%, compared with an appreciation of 27.7% in the Ibovespa – a stock index reflecting the performance of 57 of the most liquid shares in the market and 42.9% for the IEE – Electric Power Index.

During the year, the Company's shares traded every day the stock exchange was open for business. The average daily trading volume was R$ 2,550 thousand, volumes increasing particularly strongly from November following the secondary share offering which expanded the free-float to 31.3%, as well as Tractebel Energia's compliance with the prerequisites of the *Novo Mercado* listing. At the year-end, the shares were priced at R$ 15.05/share, equivalent to a market capitalization of R$ 9,824 million.

Shares Performance





UPCOMING EVENTS

Tractebel Energia will be holding the following events to discuss 2005 earnings:

Meeting with Investment Analysts - Rio de Janeiro

Date: March 16 2006
Time and place: 5:00 p.m. Abamec's offices
To confirm participation call: (21) 2509.9596

Conference Call with Webcast (in English)

Date: March 17 2006
Time: 11:00 a.m.
Telephones for connection:
Participants in Brazil: (11) 4613.0502
Participants in USA: (1 800) 860.2442
Participants from other countries: (1 412) 858.4600
Password for participants: Tractebel

The links for access will be available in the Company's website (www.tractebelenergia.com.br), in the Investor Relations section.

Replay available from March 17 to March 27 2006. Call (11) 4613.4532, code: 738.

Meeting with Investment Analysts – São Paulo

Date: March 17 2006
Time and Place: 12:30 p.m. Hotel Renaissance
To confirm participation call: (11) 3107.1571

Disclaimer

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

ATTACHMENT I

TRACTEBEL ENERGIA S.A

Consolidated Balance Sheet	In Thousand Reais	
ASSETS	**12/31/2004**	**12/31/2005**
Current Assets	**1,193,414**	**864,311**
Cash and Cash Equivalents	7,710	12,179
Securities	634,277	296,958
Consumers, concessionaires and holder of permissions	280,647	304,975
Inventories	13,610	23,512
Advances to suppliers	8,849	3,341
Credit from fuel consumption account - CCC/CDE	35,538	30,553
Disposal, services in progress and expenditure to reimburse	8,050	9,999
Taxes and social contributon recoverable	74,707	16,719
Deferred assets	98,173	82,344
Others	31,853	83,731
LongTerm Assets	**371,741**	**399,978**
Concessionaires and holders of permission	14,920	10,617
Securities	35,550	0
Deposits in court	26,050	71,405
Disposal of assets and rights	29,303	60,220
Deferred assets	186,643	192,309
Others	79,275	65,427
Permanent Assets	**4,639,997**	**4,441,072**
Investments	50,365	43,619
Property plant and equipment	4,536,430	4,353,468
Deferred	53,202	43,985
TOTAL ASSETS	**6,205,152**	**5,705,361**

Consolidated Balance Sheet	In Thousand Reais	
LIABILITIES	**12/31/2004**	**12/31/2005**
Current Liabilities	**1,233,257**	**1,215,167**
Suppliers	117,286	122,125
Dividends and interest on shareholder´s equity	553,045	495,487
Loans and financing	277,712	243,343
Debentures	23,360	31,090
Taxes and social contribution in installments	75,876	47,437
Provision for contingencies	731	42,326
Post-employment benefits	51,619	81,020
Derivatives	28,002	65,876
Others	105,626	86,463
Long-Term Lialities	**2,184,939**	**1,804,233**
Loans and financing	1,539,409	911,138
Debentures	153,619	338,196
Provision for contingencies	108,637	105,383
Concessions payable	160,417	178,130
Post-employment benefits	198,508	205,755
Others	24,349	65,631
Shareholders´ Equity	**2,786,956**	**2,685,961**
Share Capital	2,445,766	2,445,766
Capital Reserves	91,695	91,695
Surplus reserves	249,495	148,500
TOTAL LIABILITIES	**6,205,152**	**5,705,361**

ATTACHMENT II

Income Statement - Consolidated						
In Thousand Reais	**4Q04**	**4Q05**	**Chg. %**	**12M04**	**12M05**	**Chg. %**
Gross operating revenue	**676,180**	**712,164**	**5**	**2,661,810**	**2,904,208**	**9**
Supply of electric energy	486,885	519,332	7	1,986,055	2,097,482	6
Provision of electric energy	96,376	135,847	41	372,743	479,493	29
Fuel subvention - CCC/CDE	87,850	53,685	-39	286,194	311,481	9
Other revenues	5,069	3,300	-35	16,818	15,752	-6
Deduction from operating revenue	**(59,251)**	**(72,413)**	**22**	**(191,879)**	**(304,361)**	**59**
Net revenue from sales and services	**616,929**	**639,751**	**4**	**2,469,931**	**2,599,847**	**5**
Costs and Operating expenses	**(362,666)**	**(356,481)**	**-2**	**(1,422,559)**	**(1,390,174)**	**-2**
Electric energy purchased for resale	(57,014)	(8,087)	-86	(302,956)	(136,861)	**-55**
Fuel to produce energy - CCC	(81,590)	(53,620)	-34	(275,502)	(311,131)	13
Fuel to produce energy - without subvention	(25,934)	(21,272)	-18	(136,933)	(104,694)	-24
Financial cmpensation for use of water resources	(16,850)	(20,347)	21	(59,182)	(69,152)	17
Charges on the use of electric system	(28,414)	(40,599)	43	(134,899)	(162,431)	20
Personnel	(29,045)	(35,152)	21	(113,812)	(125,967)	11
Material	(6,825)	(7,789)	14	(17,931)	(22,853)	27
Third-party services	(23,809)	(22,524)	-5	(66,568)	(75,330)	13
Depreciation and amortization	(66,790)	(52,185)	-22	(223,487)	(208,108)	-7
Other	(26,395)	(94,906)	260	(91,289)	(173,647)	90
Service income	**254,263**	**283,270**	**11**	**1,047,372**	**1,209,673**	**15**
Amortization of goodwill	(1,686)	(1,686)	-	(6,746)	(6,746)	-
Financial income (expenses)	**(27,818)**	**(34,008)**	**22**	**(176,556)**	**(102,432)**	**-42**
Operating income (loss)	**224,759**	**247,576**	**10**	**864,070**	**1,100,495**	**27**
Non-operating income (loss)	(400)	42	-	(3,035)	3,557	-
Income (loss) before taxes	**224,359**	**247,618**	**10**	**861,035**	**1,104,052**	**28**
Social contribution	4,174	(7,661)	-	(53,215)	(74,435)	40
Income tax	12,758	(19,913)	-	(32,628)	(109,521)	236
Net income (loss) for the period	**241,291**	**220,044**	**-9**	**775,192**	**920,096**	**19**
EBITDA	321,053	335,455	4	1,270,859	1,417,781	12
Net income (loss) per thousand shares	0.37	0.34	-9	1.19	1.41	19
EBITDA per thousand shares	0.49	0.51	4	1.95	2.17	12