Tractebel Energia announces record net income for the 6th consecutive year: R$ 1,134.4 million in 2009

Florianópolis (SC), February 24, 2010 – Tractebel Energia S.A. ("Tractebel Energia", "Tractebel", or "the Company") – BM&F Bovespa: TBLE3, ADR: TBLEY, the largest private sector electricity generating company in Brazil, announces earnings for the fourth quarter and twelve month period ending December 31, 2009 (4Q09 and 12M09). 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 reals, except where otherwise indicated.

HIGHLIGHTS

● The Company posted a record annual net income for the sixth successive year at R$ 1,134.4 million (R$ 1.7379 per share), a growth of 1.7% in relation to the R$ 1,115.2 million recorded in 2008.

● At a meeting held on February 24, 2010, the Board of Directors approved a proposal for a payout of complementary dividends for 2009 in the amount of R$ 81.9 million (R$ 0.1254900014 per share). For the fiscal year as a whole, total dividends and interest on shareholders' equity reached R$ 623.9 million, equivalent to R$ 0.9558426155 per share and a payout of 55%.

● In 2009, EBITDA was R$ 2,177.7 million, slightly higher than reported in the preceding year - R$ 2,176.6 million. EBITDA margin in 2009 reached 62.3% as against 64.0% in 2008.

● Consolidated net operating revenue for 2009 amounted to R$ 3,496.7 million, 2.8% more than reported in 2008, the direct impact of the increase on the average price of energy sold between the two comparative fiscal years and the sales revenue of companies acquired or which began operations during and after 2008.

● The average price of energy sales contracts net of exports and deductions from operating revenue posted R$ 108.81/MWh in 2009, 8.1% up on the R$ 100.65 /MWh reported for 2008. The increase reflects the price rise on existing contracts, mainly those signed with free consumers and the higher average prices of sales to the distributor pool.

● Tractebel Energia's consolidated sales in 2009 amounted to 3,529 average MW, a volume marginally up on 2008, when the same figure was 3,491 average MW, and a positive result in the light of the global financial crisis and its negative repercussions on the economy and electricity demand.

● Plants operated by Tractebel Energia achieved a level of 98.9% uptime, ignoring scheduled stoppages, representing an all-time record for the Company.

● The meeting of the Board of Directors on December 21, 2009 unanimously approved the acquisition of the common shares of SUEZ Energia Renovável S.A., which holds a 40.07% stake in the Consórcio Estreito Energia, responsible for implementing and operating the Estreito hydroelectric facility.

● At the end of 2009, Tractebel Energia was reconfirmed as a component of BM&FBovespa's Corporate Sustainability Index – ISE. The Company has been a component member of the index since its inception.

2009

For immediate release

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

Eduardo Sattamini
Finance and IR Director
sattamini@tractebelenergia.com.br

Antonio Previtali Jr.
IR Manager
previtali@tractebelenergia.com.br
Phone: + 55 48 3221-7221

Conference call and webcast
On 02/26/2010: at 09:00 a.m. (ET)
in Portuguese –
simultaneous translation
into English

Further details on Upcoming Events section, available on page 16.

Visit our website
www.tractebelenergia.com.br

Summary of Economic and Operational Indicators

Tractebel - Consolidated	Quarter			Accumulated		
(in millions of R$)	4Q09	4Q08	Chg.	12M09	12M08	Chg.
Gross Operating Revenue	1,018.8	946.3	7.7%	3,886.3	3,793.3	2.5%
Net Operating Revenue (NOR)	914.2	844.0	8.3%	3,496.7	3,400.3	2.8%
Result from Service (EBIT)	508.6	461.0	10.3%	1,837.8	1,910.2	-3.8%
EBITDA (1)	609.1	530.2	14.9%	2,177.7	2,176.6	0.1%
EBITDA / NOR - (%)	66.6	62.8	3.8 p.p.	62.3	64.0	-1.7 p.p.
Net Income	351.5	275.6	27.5%	1,134.4	1,115.2	1.7%
Net Debt	2,160.0	2,558.6	-15.6%	2,160.0	2,558.6	-15.6%
Energy Sold (avg MW)	3,522	3,515	0.2%	3,529	3,491	0.8% (2)
Number of Employees	990	941	5.2%	990	941	5.2%

(1) EBITDA represents: operating results + financial results + depreciation and amortization
(2) Due to the fact that 2008 was a leap year in contrast to 2009, the calculation was in GWh, and not in average MW.

OPERATING PERFORMANCE

Generating Complex

The largest private sector electricity generator in Brazil, Tractebel Energia has an installed capacity of 6,431 MW and operates a 7,490 MW generating complex made up of 19 plants (eight hydro, six thermal and five complementary energy source plants - biomass, small hydro and wind-powered), 17 of which are wholly owned by the Company and two - the Itá and Machadinho plants - jointly-owned through consortia with other companies.

Tractebel Energia's Generating Complex

Power Plants	Source	Location	Installed Capactity (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)	243.0	243.2
Ponte de Pedra	Hydro	Correntes River (MT)	176.1	176.1
Total - Hydro			**6,183.1**	**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**
Lages	Biomass	Lages (SC)	28.0	28.0
Rondonópolis	SHP	Ponte de Pedra Creek (MT)	26.6	26.6
Beberibe	Wind Farm	Beberibe (CE)	25.6	25.6
José Gelazio da Rocha	SHP	Ponte de Pedra Creek (MT)	23.7	23.7
Pedra do Sal	Wind Farm	Parnaíba (PI)	18.0	18.0
Total - Complementary			**121.9**	**121.9**
Total			**7,490.0**	**6,431.0**

(*) Complex comprised of 3 power plants.

Projects under Construction

New Projects

Power plants	Source	Location	Installed Capactity (MW)	
			Total	Tractebel's portion
Estreito	Hydro	Tocantins River (TO/MA)	1,087.0	435.6
Andrade	Biomass	Pitangueiras (SP)	33.0	18.3
Areia Branca	SHP	Manhuaçu River (MG)	19.9	19.9
Jirau	Hydro	Madeira River (RO)	3,450.0	1,728.5
Total			**4,589.9**	**2,202.3**

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. On December 21, 2009, Tractebel Energia's Board of Directors unanimously approved the acquisition of all the common shares of SUEZ Energia Renovável S.A (SER), which holds a 40.07% stake in the Consórcio Estreito Energia, the project's controlling shareholder. The other members in the consortium 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$ 139.90/MWh, the price referenced to September 30, 2009, 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.

At a meeting of the Company's Board of Directors on December 21, 2009, unanimous approval was granted for the acquisition of SER's stake in the project. Pursuant to Article 256, Paragraph 1 of the Brazilian Corporate Law, the value of SER was determined by a valuation report. Such report was prepared by Banco Santander (Brasil) S.A. using the discounted cash flow methodology with a baseline date of September 30, 2009. The report established an acquisition price to be paid by Tractebel Energia of R$ 604.4 million, based on conditions published in the material fact disclosed on that date.

The transaction will have to be ratified by an Extraordinary General Meeting to be called for this purpose, following the obtaining of the necessary approvals to the conclusion of the transaction.

Andrade. The Andrade Thermoelectric Power Plant, under construction in the municipal district of Pitangueiras, state of São Paulo, will have an installed capacity of 33 MW. It is to operate with sugarcane bagasse, a byproduct from Andrade Açúcar e Álcool S.A.'s (Guarani Group) sugar refining and ethanol distilling unit. The project is being developed by the Andrade Consortium, the component members of which are Ibitiúva Bioenergética S.A. (a subsidiary company of Tractebel Energia, with a 76.0% stake) with a 72.9% stake and Andrade Açúcar e Álcool S.A. (subsidiary of Açúcar Guarani S.A.) with the remaining 27.1% of the capital stock. Having said that, the Company owns around 55% of the project.

At the 1st Reserve Energy Auction, held on August 14, 2008, the Andrade Consortium sold 20 average MW of electricity at a historical price of R$ 158.11/MWh, for delivery from the current year for a period of 15 years. The Andrade Thermoelectric Power Plant has the start of its commercial operation foreseen for the second quarter 2010.

Areia Branca. The Areia Branca Small Hydroelectric Plant (SHP), currently being built in the municipal district of Ipanema, state of Minas Gerais, is to be equipped with two turbines with a 9.9 MW capacity each and thus a total installed capacity of 19.8 MW. The electricity to be generated by the plant has been sold under contract to Centrais Elétricas Brasileiras (Eletrobrás) through the Incentive Program for Alternative Electric Energy Sources (Proinfa). The start of the commercial operation of Areia Branca SHP is expected for the second quarter 2010.

Jirau. Energia Sustentável do Brasil is responsible for the construction, maintenance, operation and sale of energy to be generated by the Jirau Hydroelectric Power Plant. 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 rump 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 to have a duration of 35 years. 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.

Uptime Operating

In 4Q09, the plants operated by Tractebel Energia achieved a level of 98.4% uptime, ignoring scheduled stoppages, 99.1% in hydroelectric generation, 95.6% in thermal generation and 91.9% of the plants classified as complementary; that is SHPs, wind farms and biomass-fired facilities. Taking into account all the stoppages, aggregate uptime in 4Q09 was 95.3%, 96.4% for hydro plants, 91.0% for thermal plants and 84.7% in the case of complementary facilities.

The annual accumulated uptime percentage reached in 2009 was 98.9%, ignoring scheduled stoppages, an all-time record for the Company, 99.5% for hydro generation, 96.8% thermal and 92.7% for the plants deemed complementary. When all stoppages are taken into consideration, the aggregate uptime was 95.1%, 96.5% in the case of hydro generation, 88.6% for thermal and 89.1% for electricity generated from complementary sources.

Production

In 4Q09, electric energy output from the plants operated by Tractebel Energia was 11,024 GWh (4,993 average MW), a growth of 10.3% compared with 4Q08. Of total generation, the hydro plants were responsible for 9,901 GWh (4,484 average MW), an increase of 11.9%; the thermoelectric plants for 1,024 GWh (464 average MW), a decrease of 9.9%; and the complementary

plants for 99.1 GWh (45 average MW), an increase of 7.5%. The significant growth in hydroelectric generation was largely due to extremely heavy rainfall in the second half of 2009 resulting in a major inflow to the affected reservoirs. This scenario translated into a decrease in generation from the thermal plants, priority being given to energy dispatch from the hydro plants with a view to maximizing the use of the significant water inflows.

Again in 4Q09, more specifically at 8:20 p.m. on December 9, Tractebel Energia broke the company record for instantaneous aggregate generation from the plants it operates with an output of 6,807.2 MW, equivalent to a capacity factor of 90.9%.

In the 12-month period (12M09), total electric energy production reached 31,763 GWh (3,626 average MW), being 27,251 GWh (3,111 average MW) from hydro plants, 4,178 GWh (477 average MW) from thermal plants and 334 GWh (38 average MW) from the complementary facilities. In relation to 2008, there was a fall in total generation of 5.7%, attributed to a severe drought which affected southern Brazil in the first half of the year. Hydroelectric generation was 3.4% less; thermal generation 22.8% down; and complementary sources more than 500% greater, albeit in this case any comparison is distorted by the considerable number of these plants that was bought on stream during and after 2008. As Tractebel Energia's installed hydroelectric capacity represents approximately 80% of the total and the largest hydro plants are all situated in the south of the country, the relationship between the hydrological conditions in this region and the production level of the Company is immediately apparent.

It is worth noting that the increase in hydroelectric generation does not necessarily result in improvement in the Company's economic and financial performance in any given period analyzed. Likewise, the reduction in hydroelectric generation does not necessarily result in deterioration in the Company's results. This characteristic is due to the Energy Reallocation Mechanism (MRE), which dilutes the risks of hydroelectric generation among its 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.

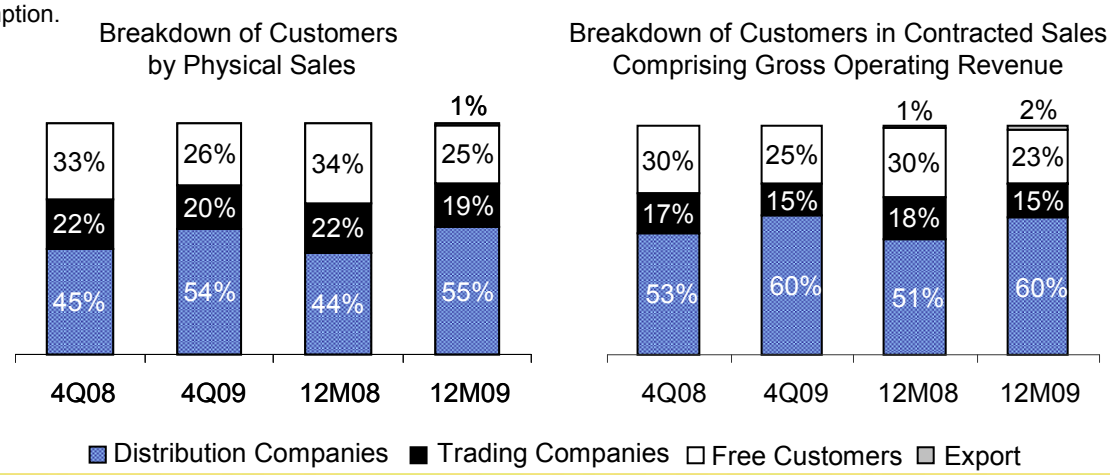
Clients

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 in the free consumer segment.

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

In 4Q09, the share of free consumers in the Company's portfolio reached 26.5% of physical sales and 24.6% of gross operating revenue in relation to contracted sales, reductions of 6.4 p.p. and 4.9 p.p., respectively, against the same quarter in 2008.

For the accumulated 12M09 period, the participation of free consumers in physical sales declined 8.8 p.p. from 33.9% in 2008 to 25.1% at the end of 2009. The participation of these customers in gross operating revenue relative to contracted sales saw a reduction of 7.1 p.p. at 23.3% in 2009. The reduction of the order of 23.8% in volume is a reflection almost equally of (i) the termination of contracts, the sale of the energy related to these contracts being shifted to distribution companies, due to the startup in the supply of 874 average MW to the distributor pool; and (ii) the impact of the world economic crisis on free customer energy consumption.



OUTLOOK AND STRATEGY

The Company has opted to maintain part of its available energy on a non-contracted basis as from 2011, when forecasts for the sector point to a potential increase in prices.

Based on data of commercial capacity and contracts in force as of December 31, 2009, Tractebel Energia's energy balance shows that the Company's current resources, including acquisitions from third parties, is almost entirely contracted until the end of 2010.

Energy Balance

	(avg MW)	2010	2011	2012	2013	2014	2015	Auction Gross Price (R$/MWh)	Reference Date	Gross price adjusted as of 12/31/2009 (R$/MWh)
	Own Resources	3,365	3,504	3,617	3,617	3,617	3,617			
+	Purchases for Resale	680	352	306	278	253	200			
=	Total Resources (A)	4,045	3,856	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	87.5
	2005-EE-2008-08	150	150	150	150	150	150	81.6	Apr-05	97.8
	2005-EE-2009-08	381	381	381	381	381	381	94.0	Oct-05	110.7
	2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	136.8
	2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	147.3
	2006-NE-2011-30	-	148	148	148	148	148	135.0	Nov-06	157.0
	2007-NE-2012-30	-	-	256	256	256	256	126.6	Jun-07	141.4
	Proinfa	53	53	52	53	53	53	147.8	Jun-04	193.4
	1st Reserve Energy Auction	11	11	11	11	11	11	158.1	Aug-08	167.2
+	Bilateral Sales	2,609	2,147	1,929	1,768	1,288	1,068			
=	Total Sales (B)	3,907	3,593	3,630	3,470	2,990	2,760			
	Balance (A - B)	**138**	**263**	**293**	**425**	**880**	**1,057**			
	Sales average **net** price (R$/MWh)*1:	112.3	115.1	115.2						
	Purchases average **net** price (R$/MWh)*2:	114.0	116.4	112.7						

* 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 12/31/09.
*2: Purchase net price, considering benefits from PIS/Cofins credits, as of 12/31/09.

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

The change in accounting treatment applied to energy submarket swap contracts, which have been netted out and included in the gross operating revenue item since 1Q09 and to the charges for the use of and connection to the electricity grid – now shown in the costs of electric energy and services item – and no longer under selling expenses – as from 2Q09, have dictated the reclassification of values of some accounting items. The values for 4Q08 and 12M08 shown as follows already sweep up these reclassifications, thus permitting a comparative analysis between periods.

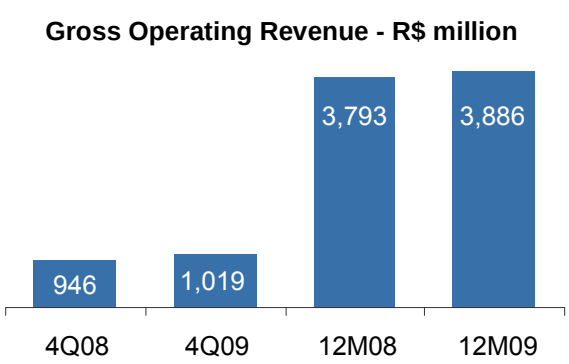
Gross Operating Revenue

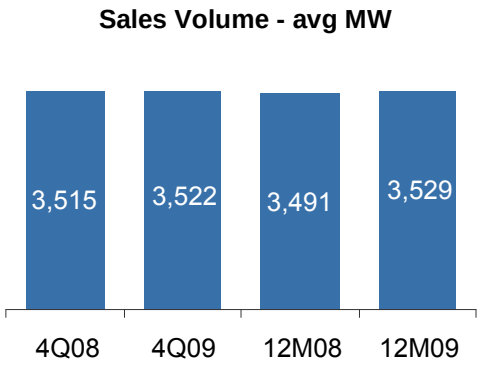
The Company reported gross operating revenue in 4Q09 of R$ 1,018.8 million, 7.7% more than the same period in the preceding year when the figure was R$ 946.3 million. This variation is essentially a combination of the following factors: (i) a decline of R$ 10.1 million in revenue from transactions channeled through the CCEE – Energy Trading Board, according to the item Energy Trading Board – details of CCEE operations shown below; (ii) revenue of R$ 6.3 million from the sale of carbon credits in 4Q09; (iii) revenue of R$ 35.0 million in the quarter under analysis with respect to the agreement with the São Salvador Consortium for indemnification of losses and damages resulting from delays in concluding work on the São Salvador plant; and (iv) an increase of R$ 42.2 million as a result of the 4.5% increase in the average sale price of R$ 116.55/MWh to R$ 121.82/MWh, an impact which already builds in changes in the make-up of the Company's sales portfolio resulting in the reduction of sales volumes through bilateral contracts with distributors, trading companies and free consumers; and in the corresponding increase in sales volume to the distributor pool through auctions, these sales to end customers beginning on January 1, 2009. As an alternative approach, the increase in revenue from operations of companies acquired or beginning operations during or as from 4Q08 totaled R$ 55.7 million, including in this value the indemnity payment mentioned in item (iii) above.

In fiscal year 2009, gross operating revenue reached R$ 3,886.3 million, 2.5% more than the R$ 3,793.3 million reported in 2008. This result is largely explained as follows: (i) reduction of R$ 230.9 million in revenues from transactions channeled through the CCEE, as described under a specific item below; (ii) increase of R$ 26.3 million in revenue from exports to Argentina and Uruguay; (iii) a gain of R$ 35.0 million following the agreement with the São Salvador Consortium as mentioned above; and (iv) an increase of R$ 264.7 million from an increase in average selling price of 7.7% from R$ 112.46/MWh to R$ 121.11/MWh, (discounting export prices which are volatile and distort average price analysis), the impact of which also already builds in the changes in the make-up of the Company's sales portfolio mentioned in the preceding paragraph. Alternatively, the increase in revenue from sales by companies acquired or which began commercial operations during or after 2008 was R$ 131.1 million, including in this value the indemnity payment mentioned in item iii in the foregoing paragraph.

Sales volume in 4Q09 was 7,776 GWh (3,522 average MW), slightly higher than 7,762 GWh (3,515 average MW) sold in the same period in 2008.

For the full fiscal year 2009, the quantity of electric energy sold reached 30,911 GWh (3,529 average MW), 0.8% higher than the 30,661 GWh (3,491 average MW) for 2008.





Principal Components of Gross Operating Revenue

Wholesale market for electric energy

Revenue from the wholesale market, namely sales to entities other than free consumers, reached R$ 714.1 million in 4Q09, 12.0% higher than the R$ 637.7 million posted in 4Q08. This growth reflected the following key factors: (i) growth in sales of R$ 4.8 million from companies acquired or which went into operation during or after 4Q08; (ii) increases in sales to the distributors of R$ 94.4 million (equivalent to 703 GWh – 318 average MW), largely representing a combination of the start of wholesale supplies to the distributor pool as from January 1, 2009 with the termination of bilateral contracts which were not renewed with some of the distributors; and (iii) the reduction in sales to trading companies of R$ 22.7 million (corresponding to 236 GWh – 107 average MW), due to the need to meet the changing composition of the sales portfolio, already mentioned above.

Accumulated 2009 sales revenue to the wholesale energy market reached R$ 2,828.3 million, 18.7% higher than the preceding year, when the figure for this same item was R$ 2,383.1 million, the result largely of the following: (i) growth in sales of R$ 68.3 million from companies acquired or which entered into operation during or after 2008; (ii) increase in sales to distributors of R$ 428.1 million (equivalent to 3,251 GWh – 371 average MW), by virtue of a combination of sales to the distributor pool with the conclusion of bilateral contracts not renewed with some of them; (iii) decline in sales to trading companies of R$ 93.6 million (corresponding to a 974 GWh – 112 average MW), equally driven by the need to meet the change in the composition of the sales portfolio; and (iv) an increase in the average sales price for the distributors and trading companies of 5.0%, resulting in an increase in revenue of R$ 42,8 million.

Retail market for electric energy

Retail electric energy market revenue (sales to free consumers) in 4Q09 fell to 232.8 million from R$ 267.0 million, equivalent to a year-on-year decline of 12.8%, the result of the following factors: (i) reduction of R$ 55.4 million (equivalent to 490 GWh – 222 average MW) due to the decline in sales volume following the termination of contracts and the reduction in contracted quantities due to the world crisis; and (ii) an increase in revenue of R$ 21.2 million in the light of the increase of 7.9% in the average price of energy sold. It is worth noting that this reduction was offset by an increase in sales to the distributor pool, as mentioned above.

Annual revenue from retail sales of energy was R$ 878.8 million, a decrease of 17.1% when compared with the R$ 1,059.5 million in 2008, the consequence of a combination of the following: (i) a fall in sales volume for the same reason as mentioned

above, resulting in drop in sales of R$ 298.7 million (corresponding to 2,639 GWh – 301 average MW); and (ii) an increase in average sales prices of 11.1%, equivalent to a growth in revenue of R$ 118.1 million. As already explained, this fall was offset by the increase in sales to the distributor pool.

Transactions channeled through the Energy Trading Board - CCEE

In 4Q09, revenues under this item reported R$ 28.7 million while in 4Q08 they were R$ 38.8 million. For the accumulated annual period in 2009, revenue amounted to R$ 65.1 million, substantially down on 2008, when the figure for this item was R$ 296.0 million. Further explanations on these operations can be found in the item Energy Trading Board – details of CCEE operations.

Exports of electric energy

In the quarters under review, no energy was exported by the Company. In fiscal year 2009, revenue generated from exports to Argentina and Uruguay reported R$ 60.7 million, an increase over the R$ 34.4 million posted in fiscal year 2008.

Deductions from Operating Revenue

Deductions from operating revenue in 4Q09 reported a slight year-on-year increase of 2.4% from R$ 102.3 million to R$ 104.7 million. These deductions corresponded to 10.3% of gross operating revenue for 4Q09 and 10.8% as a percentage of the same period for the preceding year. This increase is justified by a combination of the following: (i) an increase of R$ 15.7 million in PIS and Cofins due to a change from the cumulative system (rate of 3.65%) used to levy these charges, to a non-cumulative system (rate of 9.25%, but with the right to a tax break on certain transactions) on contracts with pre-determined prices concluded during 2008 and 2009; and (ii) a reduction of R$ 13.4 million of ICMS sales taxes due to a decline in the sales volume to industrial consumers, transactions on which ICMS taxes are levied.

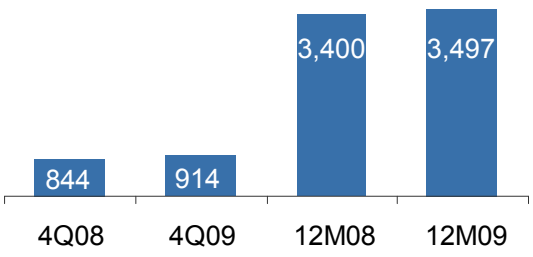
In 2009, deductions reached R$ 389.6 million, a slight reduction from R$ 393.1 million registered in 2008 and corresponding respectively to 10.2% and 10.5% of gross revenues, excluding exports, on which no PIS, Cofins and ICMS are leveled. The variation in balances is justified basically due to the increase in PIS and Cofins in the amount of R$ 32.6 million and by a fall of ICMS in the amount of R$ 37.0 million, due to reasons commented in the preceding paragraph.

Net Operating Revenue

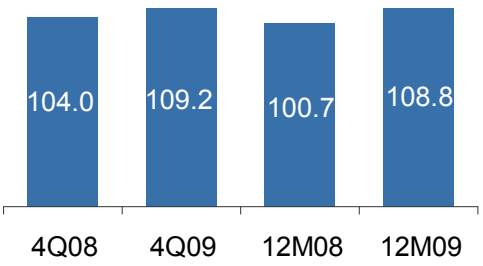
Net operating revenue in 4Q09 registered an increase of 8.3% compared with the same quarter in 2008, rising from R$ 844.0 million to R$ 914.2 million. In fiscal year 2009, net operating revenue reported a value of R$ 3,496.7 million, 2.8% more than 2008, when this same item reported a figure of R$ 3,400.3 million. The increases reported in these periods are directly related to the trend in gross operating revenue and deductions from operating revenue as mentioned above.

The average electric energy sales price, net of exports and deductions from operating revenue, posted R$ 109.21/MWh in 4Q09, 5.1% more than the price in 4Q08 of R$ 103.95/MWh. For the accumulated annual fiscal period, the average price increased from R$ 100.65/MWh in 2008 to R$ 108.81/MWh in 2009, representing growth of 8.1%. These increases reflect the readjustment of the prices of the existing contracts and the prices of the new contracts, principally those with free consumers and with the distributor pool as mentioned above.

Net Operating Revenue - R$ million



Average Net Sales Price - R$/MWh



Costs of Electric Energy and Services

Company costs were R$ 349.8 million in 4Q09, 5.6% up on the value of R$ 331.2 million recorded in 4Q08. In fiscal year 2009, costs increased 5.4% compared with 2008, reaching R$ 1,463.3 million in 12M09 and R$ 1,388.3 million in 12M08. These variations reflect by and large tendencies in the following cost components:

- **Electric power purchased for resale:** a decrease of R$ 16.9 million in 4Q09 due basically to a combination of the following factors: (i) reduction of 268 GWh (121 average MW) of energy purchased, principally reflecting the decline in sales to free consumers, as mentioned under the item retail market for electric energy, and reduced sales volume to the trading companies due to less attractive spot prices (PLD) recorded during the quarter under analysis, R$ 16.31/MWh as opposed to R$ 98.51/MWh in 4Q08; and (ii) the increase of 8.5% in the average price of purchase contracts. A large number of these purchase contracts was signed some years ago – therefore bearing no relation with the lower spot price in 4Q09 – to enable the Company to sell a 30-year product in the so-called "botox" energy auction with respective delivery beginning 2009 at attractive prices. For the accumulated period 2009, there was reduction of R$ 53.7 million for the same reasons as commented above, the fall in purchased volume being 1,325 GWh (151 average MW) and the growth in purchased energy prices, 19.1%.

- **Transactions channeled through the Energy Trading Board - CCEE:** in the quarters under review, these expenses were equivalent to approximately R$ 1.1 million. In 12M09, the increase was R$ 79.0 million as commented under a specific item below.

- **Charges for the use of and connection to the electricity grid:** an increase of R$ 6.8 million in 4Q09 principally due to charges incurred by companies acquired or that started operations during and after 4Q08. During the 12M09 there was an increase of R$ 27.5 million for the same reason.

- **Fuel Expenses:** a reduction of R$ 6.8 million in 4Q09 compared with 4Q08, mainly the result of a readjustment in the cost of biomass used for generating energy from the Lages Co-generation Unit. For the year 2009 as a whole, there was a decline of R$ 66.4 million largely reflecting the combination of the following factors: (i) consumption of diesel oil at the William Arjona and Alegrete plants amounting to R$ 92.4 million in 2008 and insignificant in 2009 by virtue of (i.i) energy dispatch from these plants by the National Electrical Systems Operator (ONS) for maintaining an energy safety grid and due to the low level of water inflow during certain periods of 2008 (these costs were offset by the increase in revenue from operations channeled through the CCEE, as described in a specific item), and (i.ii) the export of energy to Argentina and Uruguay from the Alegrete TPP; (ii) consumption of coal at the Jorge Lacerda Theremoelectric Complex for generating energy for export and amounting to R$ 31.9 million in 2009 against an insignificant amount in 2008; and (iii) a reduction of R$ 5.6 million due to adjustments in biomass costs at the Lages Co-generation Unit as previously commented.

- **Financial compensation for the use of water resources:** a growth of R$ 2.6 million in 4Q09, reflecting the increase in hydroelectricity generation compared with 4Q08. In the fiscal year 2009, there was a reduction of R$ 1.6 million principally due to the combination of lower volume in hydroelectricity generation in the context of drought conditions in southern Brazil in 2Q09, with the readjustment in the annual tariff.

- **Personnel:** an increase of R$ 0.9 million in 4Q09 and of R$ 4.1 million in 12M09 – the result of a readjustment in wages and fringe benefits.

- **Materials and third party services:** a growth of R$ 6.0 million in 4Q09 and R$ 8.6 million in 2009 due mainly to material and third party expenses incurred by companies acquired or which began operations during or after 4Q08 and 2008, respectively.

- **Depreciation and amortization:** a growth of R$ 25.0 million in 4Q09 and R$ 75.3 million in 12M09, principally a reflection of the depreciation of assets of companies acquired or which started operations during and after 4Q08 and 2008, respectively.

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 in turn, will be settled at the spot price.

In 4Q09, the Company reported a net revenue from transactions channeled through the CCEE of R$ 27.7 million, while in the same period in 2008, the net gain was R$ 37.7 million and thus a reduction of R$ 10.0 million between the two comparative periods. This variation was basically the impact of lower prevailing spot prices on long positions in 4Q09 when compared with 4Q08.

For the accumulated period in 2009, the net result was an expense of R$ 58.9 million against a net revenue in the preceding year of R$ 251.1 million, corresponding to a negative variation in the result of R$ 310.0 million for the two years under comparison. This variation arose principally due to the following:

I. there was a deterioration of R$ 26.5 million in the Energy Reallocation Mechanism (MRE) result, this being transformed from a net revenue of R$ 12.3 million in 2008 to a net expense of R$ 14.2 million in 2009 due to a reduction of 3.4% in hydro generation in 2009 caused by lower rainfall than in 2008. Part of this increase in expenses was offset by lower royalty payments as described in the item titled financial compensation for the use of water resources. The explanation for the positive balance of R$ 238.8 million in results from CCEE operations in 2008 and the negative balance of R$ 44.7 million in 2009 is given in II and III, respectively, as follows;

II. during 2008, there was a substantial variation in spot prices. An opportune strategy for allocating the annual assured energy from the hydro plants in general allowed the Company to be long in the months when spot prices were high, while short positions coincided with months when spot prices were low. The effects of the combination of monthly results were principally responsible for the R$ 238.8 million in item I; and

III. with a combination of low and less volatile spot prices, and a lesser need for out-of-merit generation, in 2009 the Company reduced its thermal generation by 22.8% as commented under the item production. This contributed to increase short positions or reduce long positions on the CCEE, depending on the particular month. In addition to being lower, spot prices reported a lower standard deviation during the course of 2009, reducing the potential for gains (and losses) due to the aforementioned strategy of allocation. In addition, short positions were more significant in the months when spot prices were slightly higher. These impacts are largely responsible for the negative R$ 44.7 million in item I.

General and Administrative Expenses

General and administrative expenses rose R$ 7.2 million from R$ 43.9 million in 4Q08 to R$ 51.1 million in 4Q09, mainly the impact of the following factors: (i) an increase of R$ 1.5 million in management, IT and legal consultancy services, among others; and (ii) an increase of R$ 6.4 million in depreciation and amortization expenses, basically a function of the recognition in 4Q09 of the amortization of intangible assets with a defined duration relative to the entire fiscal year 2009.

In 2009, these expenses increased slightly from R$ 162.3 million to R$ 162.9 million, in large part due to the combination of the following: (i) a growth in payroll expenses of R$ 5.1 million due to higher annual wages and benefits; (ii) a reduction of R$ 2.8 million of expenses with contributions and donations; and (iii) a decline of R$ 1.8 million in depreciation and amortization expenses.

Operating provisions

These expenses increased from R$ 4.1 million in 4Q08 to R$ 9.2 million in 4Q09, an increase of R$ 5.1 million due mainly to the reinforcement to the provision for post-employment benefits in the quarter. In 2009, expenses were R$ 30.9 million, R$ 26.9 million higher than the R$ 4.0 million in 2008. This variation reflects principally the following factors: (i) a provision for civil contingencies of R$ 30.4 million in large part relating to litigation involving a revision of retirement benefits by the private pension foundations sponsored by the Company; (ii) an increase in the annual provision for post-employment benefits of R$ 20.4 million; and (iii) the reversal of a provision for labor and tax contingencies of R$ 23.3 million due to the final decision with no right of appeal and agreements reached in court actions.

Recovery of PIS and Cofins Charges

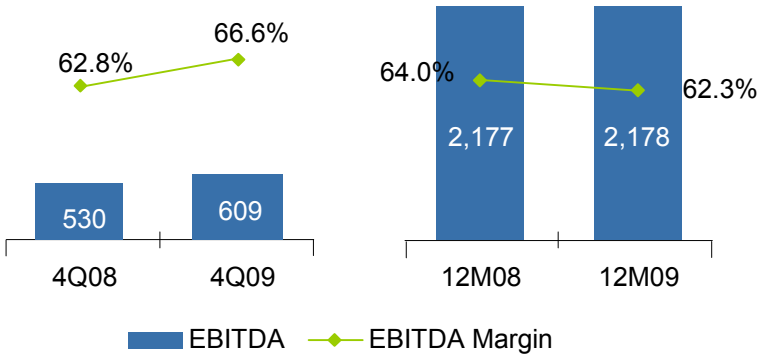
In fiscal year 2008, the Company recognized non-recurring income of R$ 76.4 million relating to the reimbursement of PIS and Cofins charges improperly levied in previous fiscal periods. This amount refers largely to these charges paid on values with respect to the recovery of the consumption of fossil fuels with resources from the Fuel Consumption Account (CCC) and from the Energy Development Account (CDE). In accordance with guidelines published in Aneel order, as from November 2005 these resources ceased to be recognized as operating revenue and were included in the financial statements as an electricity energy production cost rectifying account. In the fiscal year 2009, the Company recorded a non-recurring gain of R$ 8.4 million, the result of a judicial agreement with respect to the rescission of the construction of the biomass-fired São João plant.

EBITDA and EBITDA Margin

Reflecting the impact of factors already commented, EBITDA in 4Q09 reached R$ 609.1 million, 14.9% higher than the R$ 530.1 million in 4Q08. The EBITDA margin in 4Q09 was 66.6%, while in 4Q08 this stood at 62.8%.

In fiscal year 2009, EBITDA posted a figure of R$ 2,177.7 million, slightly higher than in 2008 when the figure was R$ 2,176.6 million. EBITDA in 2009 posted 62.3% as against 64.0% in 2008.

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$)	4Q09	4Q08	Chg. %	12M09	12M08	Chg. %
Operating income	428,837	325,709	31.7	1,598,011	1,589,520	0.5
(+/-) Financial Expenses	79,736	135,286	-41.1	239,789	320,676	-25.2
(+) Depreciation and Amortization	100,519	69,176	45.3	339,912	266,381	27.6
Total	**609,092**	**530,171**	**14.9**	**2,177,712**	**2,176,577**	**0.1**

Financial Result

Financial income: in 4Q09, financial income fell slightly from R$ 26.9 million in 4Q08 to R$ 25.8 million.

For the full fiscal year, this item reported income of R$ 86.9 million, R$ 36.3 million less than the R$ 123.1 million in 2008, largely the result of: (i) a fall of R$ 23.2 million in income from financial investments due to lower market rates of interest in

2009, the result of official efforts to stimulate consumption and mitigate the impact of the world crisis; (ii) a decline in the variation of monetary restatement on court escrow deposit accounts in the amount of R$ 4.3 million, largely the result of the lower Selic rate of interest between comparative periods; and (iii) a reduction of R$ 8.8 million in monetary restatement on long term receivables due to the suspension of restatement in the face value of receivables.

Financial expenses: in 4Q09, these expenses were R$ 105.5 million, R$ 56.6 million less compared with 4Q08, when this item reported R$ 162.2 million, a combined result of the following: (i) a reduction in financial expense in the light of the unrealized currency gain of R$ 70.1 million on loans and financing resulting from the devaluation of the US dollar and euro against the real; and (ii) a growth in charges of R$ 13.6 million on debt liabilities - basically those charges on debt outstandings of Companhia Energética São Salvador amounting to R$ 21.2 million which were recognized in the result as from the plant's start-up in commercial operations in 2009 and the decline of R$ 7.3 million in charges on debts as a function of amortizations made during 2009, and the reduction in the long term interest rate (TJLP) in July 2009.

In fiscal year 2009, financial expenses fell R$ 117.1 million from R$ 443.8 million in 2008 to R$ 326.7 million in 2009 largely due to the combination of the effects of the following factors: (i) an unrealized gain of R$ 157.9 million on loans and financing due to the devaluation of the US dollar and euro against the real; (ii) a growth in charges of R$ 92.6 million on debt liabilities, essentially charges of those companies acquired or which entered into operation during or after 2008, in the amount of R$ 54.4 million, and on the 3rd and 4th debenture issue amounting to R$ 50.1 million, and the reduction of R$ 8.7 million of charges on promissory notes settled in 2009; (iii) a reduction of R$ 76.8 million in monetary restatement on debts due in large part to a decline in the variation of the IGP-M and IPCA inflation indices in 2009 as opposed to 2008; and (iv) a loss of R$ 18.6 million on the remuneration of United States Treasury Bonds used as collateral for the loan from the National Treasury Secretariat (STN).

Income Tax and Social Contribution

The income tax and social contribution expenses in 4Q09 were R$ 77.3 million, R$ 27.2 million up on the R$ 50.1 million for the same period in 2008. The variation is basically due to the (i) growth in the pre-income tax and social contribution result, thus increasing these items by approximately R$ 35.1 million; and (ii) the higher credit entry of interest on shareholders' equity in 4Q09 compared with 4Q08, in turn producing a reduction of R$ 6.1 million in expenses from these charges between comparative periods.

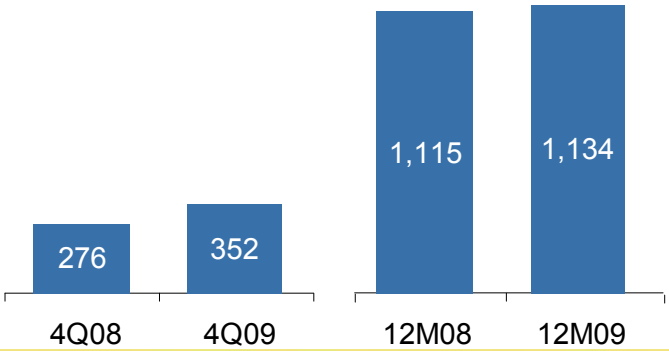
This expense fell from R$ 474.4 million in fiscal year 2008 to R$ 463.7 million in fiscal year 2009, and corresponding to 29.8% and 29.0% respectively to net income before income tax and social contribution.

Net Income

In 4Q09, net income reached R$ 351.5 million, 27.5% higher than the same quarter in the preceding year when the Company reported a net income of R$ 275.6 million. Discounting the 2009 non-recurring indemnity due to the rescission of the contract for the construction of the biomass-fired São João plant in the amount of R$ 5.5 million, company profits net of income tax and social contribution for 4Q09 would have increased by 25.5% when compared with the same quarter in 2008.

In fiscal year 2009, the Company reported a net income of R$ 1,134.4 million, 1.7% up on the net income of R$ 1,115.2 million recorded by the Company in 2008, and representing R$ 1.737895 per share. Excluding the impact, net of taxes, of the non-recurring indemnity already mentioned of R$ 5.5 million reported in 2009 and the revenue - also non-recurring - of R$ 50.4 million recognized in 2008 with respect to the recovery of PIS and Cofins improperly collected in preceding years, then the net income for the year under review would have been 6.0% higher in relation to the preceding fiscal period.

Net Income - R$ million



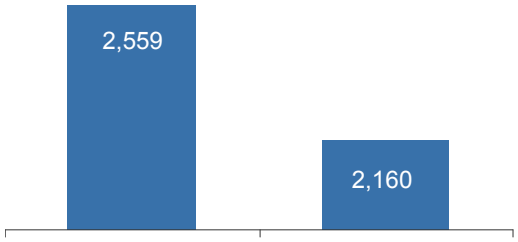
Debt

On December 31, 2009, the Company recorded net debt (total debt less cash and cash equivalents) of R$ 2,160.0 million, 15.6% down on the R$ 2,558.6 million posted on December 31, 2008, due to the higher volume of resources outstanding at the end of 2009, the result of the drawing of R$ 400.0 million relating to the fourth debenture issued commented below.

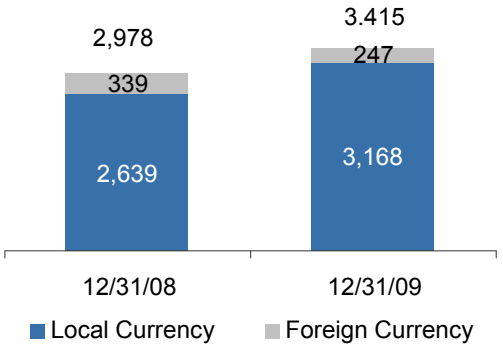
Total consolidated gross debt – represented principally by loans, debentures and financing - totaled R$ 3,414.6 million on December 31, 2009, a rise of 14.6% compared to the position on December 31, 2008. Of total debt outstandings at the end of the period, 7.2% was foreign currency denominated (11.4% at the end of 2008), this portion being unhedged.

The growth in Tractebel Energia's debt is related principally to a combination of the following factors: (i) the drawdown of an accumulated total of R$ 96.3 million during the year from the National Economic and Social Development Bank - BNDES and its financial agents for investments in the São Salvador Hydroelectric Plant, Areia Branca SHP and the Pedra do Sal Wind Farm (the bridging loan made to the Pedra do Sal project by ABN Amro Real was liquidated from the BNDES line); (ii) the third debenture issue of R$ 600.0 million, drawn in 2Q09, the value of which was used to settle promissory notes pertaining to the fourth issue amounting to R$ 300.0 million, drawn in February 2009, and a portion of the R$ 400.0 million relating to the promissory notes of the third issue, drawn on May 20, 2008 and maturing on May 15, 2009; (iii) the fourth debenture issue of R$ 400.0 million drawn in 4Q09 and used in the acquisition of SUEZ Energia Renovável S.A., the reduction in costs and the lengthening of the debt maturity profile as well as the reinforcement of working capital for the Company's business activities; (iv) positive currency variation of R$ 77.7 million; and (v) the combination of charges on amortizations of loans and financing in 2009, resulting in a net value of R$ 182.9 million in amortizations for the period as a whole.

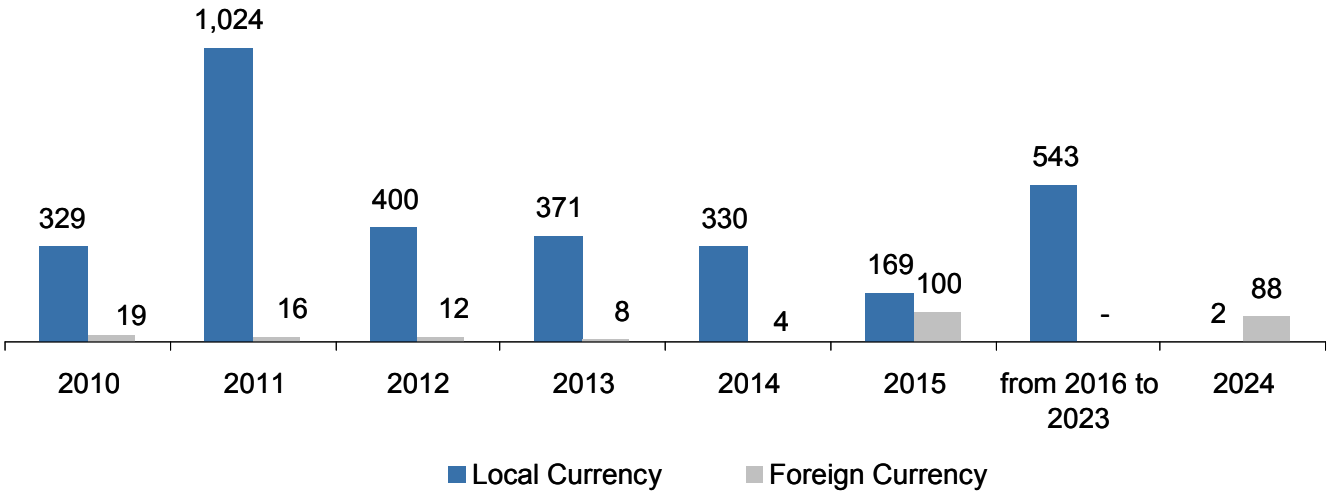
Performance of Net Debt - R$ million



Composition of Total Debt - R$ million



Maturity Term Loans - R$ million



Capital Expenditures

In 2009, Tractebel Energia invested R$ 198.2 million in construction work on the São Salvador Hydroelectric Power Plant, the Areia Branca SHP, the Pedra do Sal Wind Farm and the Destilaria Andrade Thermoelectric Power Plant.

In addition, the Company invested R$ 3.5 million in the Seival Thermoelectric Power Plant and R$ 3.0 million in the acquisition of wind power generation projects.

A further R$ 118.9 million was invested in projects for maintenance and modernization to secure a continued high standard of plant uptime.

As a result in 2009, Company investments amounted to R$ 323.6 million, 78.3% lower than reported in 2008, when this item recorded a figure of R$ 1,488.9 million encompassing R$ 1,085.8 million used in the acquisitions of the Ponte de Pedra Hydroelectric Power Plant, the small hydroelectric plants José Gelazio da Rocha, Rondonópolis and Areia Branca, as well as the Beberibe and Pedra do Sal wind farms.

The forecast of the amount of capital expenditures for maintenance and already committed with São Salvador HPP and the projects Andrade Thermoelectric Power Plant, Areia Branca SHP and Estreito HPP totals R$ 2,211.7 million for 2010, R$ 178.2 million for 2011 and R$ 113.0 million for 2012.

Proposed Complementary Dividends

At a meeting on February 24, 2010, Tractebel Energia's Board of Directors approved the proposal of complementary dividends for the period from January 1 to December 31, 2009, amounting to R$ 81,9 million (R$ 0,1254900014 per share). This proposal must be ratified by the Annual Shareholders' Meeting, which will also define the payment conditions. Having said that, total profit distribution in 2009 will top R$ 623.9 million, representing a payout of 55%. The very same payout level is maintained for fiscal year 2010, given the investments already committed as described in the item capital expenditures.

SUBSEQUENT EVENTS

Early Amortization of Debt

On February 17, 2010, Ponte de Pedra Energética S.A. (PPESA), a wholly owned and indirect subsidiary of the Company, anticipated amortization of all its financial debt with the BNDES and agent banks. This early amortization amounting to R$ 223,2 million was an initiative of the Company as part of the plan for the incorporation of PPESA and its controlling holding company (Energia América do Sul Ltda.) in the Company, the aim being the simplification of the latter's corporate structure.

Payment of the Acquisition of SUEZ Energia Renovável S.A.

On January 19, 2010, the Company paid its controlling company the first of two installments for the acquisition of SUEZ Energia Renovável S.A. (SER) amounting to R$ 304.6 million, considering the inflation adjustment at IPCA plus 6% p.a. as previously determined. SER has a 40.07% stake in Consórcio Estreito Energia, responsible for the construction of the Estreito Hydroelectric Plant. Further details on the project and the acquisition process can be found in the item projects under construction.

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.

CAPITAL MARKETS

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

Tractebel Energia's common shares are traded on the São Paulo Stock Exchange (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

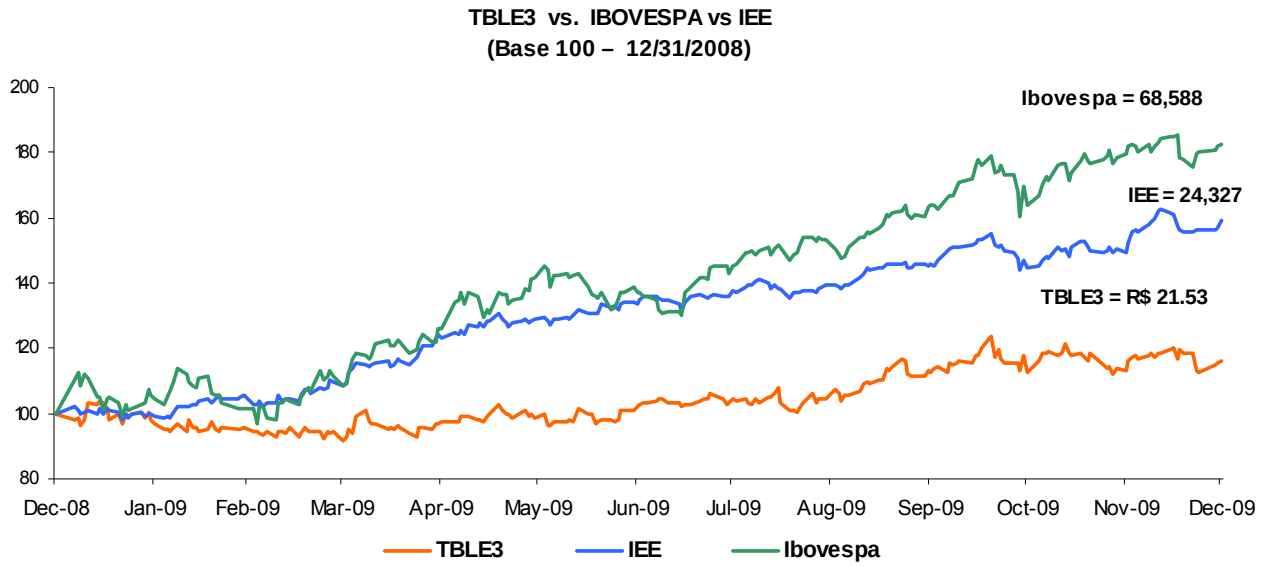
The early part of 2009 was marked by a worsening in the international economic crisis which began in 2008, affecting the banking sector and the money and capital markets, all of which posted significant declines. Only in the second half of 2009 did the Brazilian economy, also impacted by the crisis - albeit to a lesser degree than the US and Euro Zone -, report signs of renewed growth.

Set against this scenario, Tractebel Energia's shares recorded an appreciation of 3.1% in 4Q09, a performance which was exceeded by both the Ibovespa and the Electric Energy Stock Index - IEE, which appreciated by 11.5% and 8.9%, respectively.

The Ibovespa registered a strong recovery in 2009, with an increase of 82.7%, more than offsetting the decline of 41.2% in 2008, and accompanying the appreciation of 59.1% in the Electric Energy Stock Index (IEE), which in 2008 had fallen 11.6%. Tractebel Energia's shares closed 2009 with an increase of 16.1%, against a depreciation of 12.9% for the 12M08 period.

The Company's securities were traded on all the days the BM&FBovespa was open for business in 2009, posting an average daily volume of R$ 13.6 million during the year.

The Company's shares reported a closing price on December 31, 2009 of R$ 21.53/share, equivalent to a market capitalization of approximately R$ 14.1 billion.



UPCOMING EVENTS

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

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

Date: February 26, 2010
Time: 9:00 a.m. (ET)
Telephones for connection:
Participants in Brazil: (11) 4688-6361
Password for participants: Tractebel

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

Replay available from February 26th to March 4, 2010. Access by calling (55 11) 4688-6312, code: 46.031.

Meetings with analysts

Florianópolis
Date: March 1, 2010
Time: 6:30 p.m. (Brasília Time)
Venue: Fundação Certe

São Paulo
Date: March 4, 2010
Time: 8:30 a.m. (Brasília Time)
Venue: Hotel Blue Tree Faria Lima

Porto Alegre
Date: March 5, 2010
Time: 12:30 p.m. (Brasília Time)
Venue: Sheraton Porto Alegre Hotel

Belo Horizonte
Date: March 2, 2010
Time: 6:00 p.m. (Brasília Time)
Venue: Hotel Mercure BH Lourdes

Rio de Janeiro
Date: March 4, 2010
Time: 1:00 p.m. (Brasília Time)
Venue: Apimec Rio

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	**12/31/2009**	**12/31/2008**
Current Assets	**1,888,781**	**958,237**
Cash and cash equivalents	1,254,640	420,005
Consumers, concessionaires and holder of permissions	435,292	387,579
Receivable on tangible assets disposal	-	17,448
Taxes and social contributon recoverable	72,920	27,035
Inventory	44,652	58,788
Pledges and restricted deposits	33,511	1,414
Deferred assets	15,896	14,488
Others	31,870	31,480
Non Current Assets	**7,765,361**	**7,383,579**
Long Term Assets	**638,483**	**587,789**
Taxes and social contributon to offset	74,482	106,682
Pledges and restricted deposits	63,738	25,162
Deposits in court	168,427	161,005
Receivable on tangible assets disposal	86,886	68,469
Deferred assets	223,265	208,431
Others	21,685	18,040
Investments	**33,783**	**30,812**
Property plant and equipment	**6,978,033**	**6,638,263**
Intangible	**115,062**	**126,715**
Total	**9,654,142**	**8,341,816**

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

(in thousands of R$)		
Liabilities	**12/31/2009**	**12/31/2008**
Current Liabilities	**1,488,341**	**1,912,434**
Suppliers	246,117	212,367
Dividends and interest on shareholder´s equity	251,422	154,497
Loans and financing	221,346	671,913
Debentures	126,407	60,591
Taxes and social contribution	411,616	404,108
Labor obligations	41,233	37,759
Research and development (R&D) program obligations	48,112	60,270
Provision for contingencies	12,677	10,262
Concessions payable	37,419	2,343
Post-employment benefits	25,478	21,642
Others	66,514	55,376
Non Current Liabilities	**4,484,534**	**3,258,594**
Loans and financing	1,465,106	1,580,325
Debentures	1,601,783	665,744
Labor obligations	4,547	5,648
Provision for contingencies	78,536	75,750
Concessions payable	920,055	556,683
Post-employment benefits	358,952	321,800
Deferred fiscal liabilities	47,146	38,135
Others	8,409	14,509
Shareholders' Equity	**3,681,267**	**3,170,788**
Capital	2,445,766	2,445,766
Capital reserves	91,695	91,695
Profit reserves	1,143,806	633,327
Total	**9,654,142**	**8,341,816**

ATTACHMENT III
TRACTEBEL ENERGIA S.A.
CONSOLIDATED INCOME STATEMENT

(in thousands of R$)	4Q09	4Q08	Chg. %	12M09	12M08	Chg. %
Gross Operating Revenue	**1,018,842**	**946,267**	**7.7**	**3,886,319**	**3,793,323**	**2.5**
Deductions from operating revenue	**(104,671)**	**(102,254)**	**2.4**	**(389,642)**	**(393,073)**	**-0.9**
Net Operating Revenue	**914,171**	**844,013**	**8.3**	**3,496,677**	**3,400,250**	**2.8**
Eletric Energy and Service Costs	**(349,796)**	**(331,224)**	**5.6**	**(1,463,333)**	**(1,388,263)**	**5.4**
Electric power purchased for resale	(91,288)	(108,235)	-15.7	(392,099)	(445,773)	-12.0
Transactions conducted through the CCEE	(1,041)	(1,071)	-2.8	(123,945)	(44,909)	176.0
Fuel expenses	2,838	(3,952)	-171.8	(37,582)	(103,968)	-63.9
Charges for the use of and connection to the electricity grid	(70,043)	(63,223)	10.8	(263,029)	(235,556)	11.7
Financial compensation for use of water resources	(33,360)	(30,755)	8.5	(91,900)	(93,551)	-1.8
Personnel	(31,401)	(30,531)	2.8	(114,121)	(110,026)	3.7
Materials and third party services	(30,481)	(24,492)	24.5	(93,469)	(84,838)	10.2
Depreciation and amortization	(90,716)	(65,752)	38.0	(328,764)	(253,420)	29.7
Others	(4,304)	(3,213)	34.0	(18,424)	(16,222)	13.6
Gross Income	**564,375**	**512,789**	**10.1**	**2,033,344**	**2,011,987**	**1.1**
Operating Expenses	**(55,802)**	**(51,794)**	**7.7**	**(195,544)**	**(101,791)**	**92.1**
Sales expenses	(3,839)	(3,783)	1.5	(14,831)	(14,527)	2.1
General and administrative expenses	(51,139)	(43,906)	16.5	(162,896)	(162,319)	0.4
Recovery of PIS and Cofins charges	-	-	-	-	76,431	-
Favorable ruling on lawsuit	8,392	-	-	8,392	2,595	223.4
Operating provisions, net	(9,229)	(4,146)	122.6	(30,894)	(3,094)	898.5
Other net operating income (expense)	13	41	-68.3	4,685	(877)	-634.2
Service Income	**508,573**	**460,995**	**10.3**	**1,837,800**	**1,910,196**	**-3.8**
Net Financial Income (Expenses)	**(79,736)**	**(135,286)**	**-41.1**	**(239,789)**	**(320,676)**	**-25.2**
Financial income	25,813	26,893	-4.0	86,883	123,136	-29.4
Financial expenses	(105,549)	(162,179)	-34.9	(326,672)	(443,812)	-26.4
Income before Taxes	**428,837**	**325,709**	**31.7**	**1,598,011**	**1,589,520**	**0.5**
Income tax	(55,359)	(36,283)	52.6	(336,668)	(346,923)	-3.0
Social contribution	(21,962)	(13,797)	59.2	(126,945)	(127,444)	-0.4
Net Income	**351,516**	**275,629**	**27.5**	**1,134,398**	**1,115,153**	**1.7**
EBITDA	**609,092**	**530,171**	**14.9**	**2,177,712**	**2,176,577**	**0.1**
Net income per share	0.5385	0.4223	27.5	1.7379	1.7084	1.7

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

(in thousands of R$)	4Q09	4Q08	12M09	12M08
Operating Activities				
Net income	351,516	275,629	1,134,398	1,115,153
Expenses (revenues) that do not affect cash:				
Depreciation and amortization	100,519	69,178	339,912	266,383
Net monetary variations	(2,105)	73,029	(82,364)	154,662
Net interest	13,318	66,280	146,311	147,461
Operating provision (reversion), net	21,965	(28,489)	46,098	(18,112)
Recovery of PIS and Cofins charges	-	-	-	(76,431)
Deferred income tax and social contribution	(6,470)	6,378	(5,637)	(4,917)
Others	622	73	(2,794)	1,450
	479,365	462,078	1,575,924	1,585,649
Decrease (Increase) in Assets				
Consumers, concessionaires and licentiates	9,795	13,682	(47,713)	(30,581)
Taxes and social contributions recoverable	1,330	28,591	(5,988)	26,511
Inventory	2,220	(4,342)	14,136	(8,705)
Collateral and linked / judicial deposits	(5,314)	(162)	(62,798)	59,219
Receivable on tangible assets disposal	(8,554)	(3,116)	(6,476)	(7,323)
Credits to fuel consumption credit account (CCC/CDE)	3,280	(6,098)	9,494	(10,757)
Others	7,816	(10,266)	(9,592)	(7,047)
	10,573	18,289	(108,937)	21,317
Increase (Decrease) in Liabilities				
Suppliers	11,235	9,958	33,749	(63,125)
Taxes and social contributions	46,207	13,932	(25,855)	99,452
Estimated obligations	(4,770)	(969)	2,345	4,742
Provision for contingencies	(1,006)	(965)	(9,519)	(7,235)
Post-employment benefits	(12,933)	(7,962)	(40,250)	(31,390)
Research and development (R&D) program obligations	(1,305)	161	(12,158)	11,302
Others	217	8,852	937	16,947
	37,645	23,007	(50,751)	30,693
Funds from Operating Activities	**527,583**	**503,374**	**1,416,236**	**1,637,659**
Investments activities	**(93,945)**	**(326,464)**	**(323,155)**	**(1,298,482)**
Acquisitions of investments, net of cash positions	(996)	(181,670)	(2,971)	(831,451)
Used in fixed assets	(88,621)	(128,904)	(315,563)	(401,700)
Used in intangibles	(4,328)	(15,890)	(4,621)	(65,331)
Financing activities	**358,050**	**(588,744)**	**(258,446)**	**(713,263)**
Loans, financing and debentures	478,195	16,707	1,404,796	583,531
Payment of loans, financing and debentures	(120,145)	(25,790)	(946,795)	(187,011)
Related parties	-	-	(221,306)	-
Payment of dividends and interest on shareholders' equity	-	(579,661)	(495,141)	(1,109,783)
Total Effects on Cash	**791,688**	**(411,834)**	**834,635**	**(374,086)**
Cash and cash equivalents				
Opening balance	462,952	831,839	420,005	794,091
Closing balance	1,254,640	420,005	1,254,640	420,005
	791,688	**(411,834)**	**834,635**	**(374,086)**
Payments made in the year				
Interest on loans, financing and debentures	78,247	34,060	256,049	142,734
Income tax and social contribution	46,801	33,031	468,486	351,353
Transactions that do not affect cash				
Accountancy of the São Salvador HPP's concession	-	-	352,097	-
Proposed dividends and interest on shareholders' equity credited	275,913	176,000	275,913	176,000
Acquisitions made by the subsidiary TBLP	-	221,306	-	221,306
Adjustment related to the Law 11,638/07	-	(4,919)	-	(4,919)