

CTEEP REPORTS NET REVENUES OF R\$ 409.2 MILLION IN 2Q10; EBITDA MARGIN REACHES 81.3%

São Paulo, August 13 2010 – CTEEP - Companhia de Transmissão de Energia Elétrica Paulista (“CTEEP or Company”) (Bovespa: **TRPL3** and **TRPL4**), the principal private sector electricity transmission concessionaire in Brazil, announces its results for the second quarter 2010. The following financial and operating information for the periods shown below is in accordance with generally accepted Brazilian accounting rules, except where otherwise stated.

HIGHLIGHTS

- ↳ **Net Revenues** in 2Q10 was R\$ 409.2 million, a growth of 5.4% against 1Q10 and stable in relation to 2Q09;
- ↳ **Ebitda** reached R\$ 332.8 million in 2Q10 – equivalent to an Ebitda margin of 81.3% -, a growth of 8.3% compared with 1Q10 and a reduction of 5.7% in comparison with the same period in 2009;
- ↳ There was a **growth in revenue** of R\$ 7.9 million following additions to energized transmission assets in 2Q10;
- ↳ In 2Q10, a resolution was approved for the payout to shareholders in **dividends and interest on shareholders equity** amounting to **R\$ 203.9 million**, corresponding to **R\$ 1.34295** per share;
- ↳ **Ratification of the Increase in Capital Stock:** on April 23, CTEEP’s Board of Directors ratified the increase in capital stock amounting to **R\$ 56,862.4 thousand**, through the issue of 1,172,421 new shares;
- ↳ **Ratifying Resolution 1,021**, was published on June 29 2010 establishing the **new Annual Allowed Revenue - RAP** for the next 12-month cycle covering the period from July 1 2010 to June 30 2011 and amounting to **R\$ 1,768.15 million**.

Key Indicators (R\$ 000)

	2Q10	1Q10	2Q09	Change % 2Q10/1Q10	Change % 2Q10/2Q09	1H09	1H09	Change % 1H10/1H09
Net Revenues	409,247	388,107	413,118	5.4%	-0.9%	797,353	833,035	-4.3%
EBITDA	332,807	307,373	352,909	8.3%	-5.7%	640,180	707,634	-9.5%
EBITDA Margin	81.3%	79.2%	85.4%	2.1 p.p	-4.10 p.p	80.3%	84.9%	-4.7 p.p
Net Income	196,844	200,706	219,678	-1.9%	-10.4%	396,918	447,669	-11.3%
Net Margin	48.1%	51.7%	53.2%	-3.6 p.p	-5.08 p.p	49.8%	53.7%	-4.0 p.p
Earnings per Share	1.30	1.33	1.47	-2.7%	-10.4%	2.61	3.00	-12.8%

About CTEEP

Companhia de Transmissão de Energia Elétrica Paulista (CTEEP) is controlled by Grupo Empresarial ISA, one of the largest groups in the electricity and telecommunications sectors in Latin America. CTEEP is the principal private sector electricity transmission concessionaire in Brazil, accounting for the transmission of 30% of all the energy produced in the country and 60% of energy consumption in Brazil's southeast region.

With an installed capacity of 43,973 MVA, the Company is responsible for the transmission of nearly all the electricity consumed in the state of São Paulo, accounting for 30% of Brazilian GDP. The excellence of the Company's customer service is ensured by a network infrastructure of 12,272 km of transmission lines, 18,698 km of transmission circuits, 105 substations with tension of up to 550 kV and 2,488 km of optic fiber cable.

CTEEP invests in modernizing its systems, in innovation of processes and in the expansion of transmission system capacity.

It pursues a growth strategy of optimization of the existing assets, participation in new transmission line auctions and an ongoing assessment of acquisition opportunities in the electric energy transmission segment.

CTEEP's shares are listed on the BM&FBovespa and since 2002, the Company has adhered to BM&FBovespa's Level 1 Corporate Governance. Its preferred shares are a component of the Ibovespa stock index, the most important indicator of average share prices in the Brazilian stock market. In addition, the Company has an American Depositary Receipts – ADR Program under SEC Rule 144 A in the United States. The depositary bank for the ADRs is the Bank of New York. Banco Itaú is the custodian.

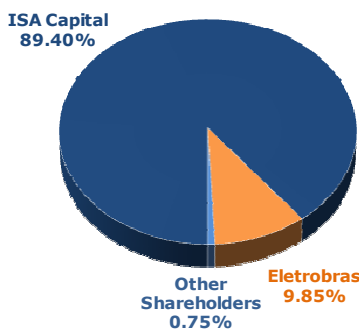
ISA Breakdown of shareholding in 2Q10

On April 23 2010, CTEEP's Board of Directors ratified the increase in capital stock of R\$ 56,862.4 thousand through the issue of 661,263 common shares and 511,158 preferred shares amounting to a total of 1,172,421 new shares. The value subscribed by the controlling company was R\$ 28,832.1 thousand, this through the paying in of the tax benefit accruing from the amortization of goodwill with respect to the acquisition of CTEEP. The remainder subscribed by minority shareholders totaled R\$ 28,030.3 thousand. The new breakdown of the Capital Stock is as follows:

Common Shares

TRPL3

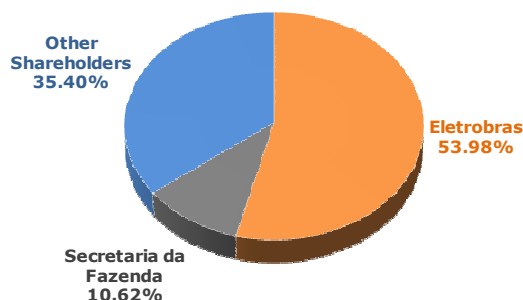
(42% of the total)



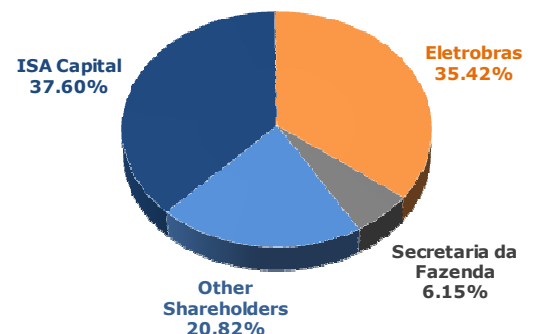
Preferred Shares

TRPL4

(58% of the total)



Total Capital Stock



Contact Information

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Conference Call and Webcast

(in Portuguese – simultaneous translation in English)

Date: August 16, 2010

Time: 1:00 p.m. (New York DST)

Connection numbers:

Participants from Brazil: (+55 11) 4688-6361

Participants from USA: (+1 888) 700-0802

Participants from other countries: (+1 786) 924-6977

Access code: CTEEP

The access links will be available in our website:

www.ctEEP.com.br/ir

Operating Performance

Operating Excellence

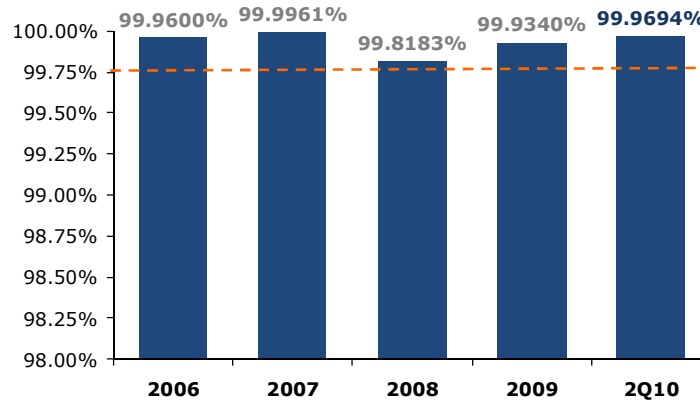
CTEEP's operating revenue is directly related to the uptime of its assets: transmission lines, reactors and transformers. The Company operates a continuous program of investing in the upgrading of operational efficiency and the quality of the operation given that asset downtime can be discounted against its revenues (variable portion).

Below are some of the indicators which illustrate the Company's operating efficiency in the second quarter of 2010:

Transmission Lines

18,698 Km of circuits

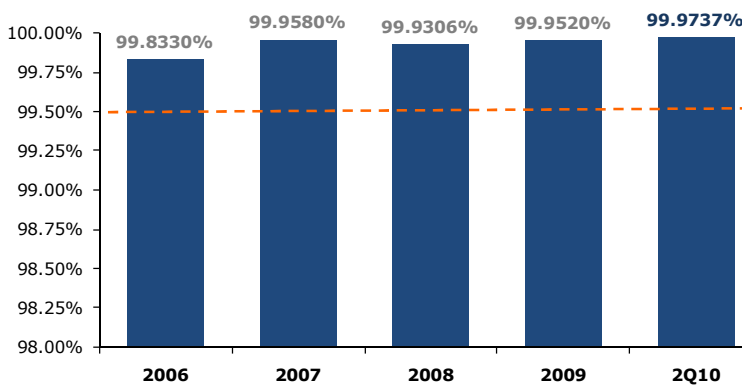
Target: 99.75%



Transformers

516 in operation

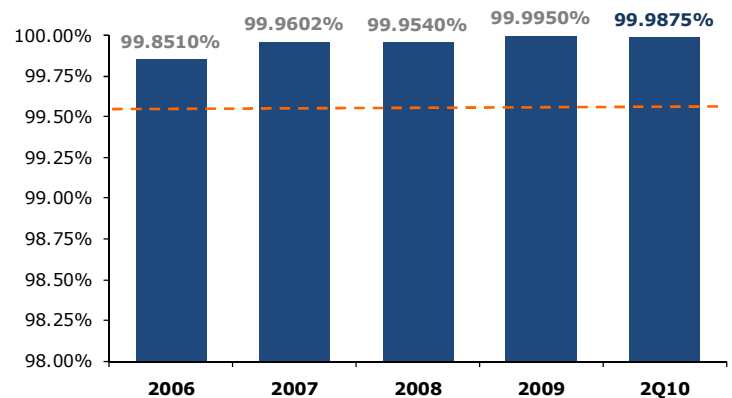
Target: 99.50%



Reactors

79 in operation

Target: 99.55%

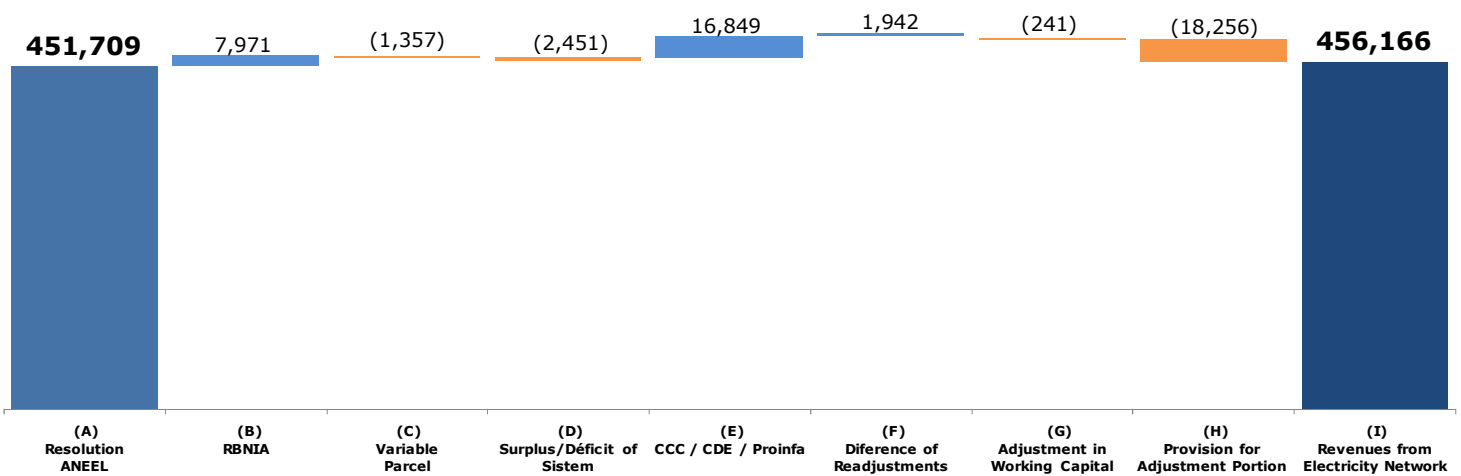


Economic and Financial Performance

LSA CTEEP Annual Allowed Revenue - RAP

In 2Q10, CTEEP’s electricity usage network revenue totaled R\$ 456.2 million as described below:

CTEEP’s ELECTRICITY NETWORK USAGE REVENUE - 2Q10



(A) Ratifying Resolution 948/10, of March 9, 2010 (which rectified the Resolution 843/09) establishes CTEEP’s RAP on the basis of the uptime capacity of the Company’s transmission installations comprising the Basic Network (RB) and Other Transmission Facilities (DITs) for the 2009/2010 cycle.

(B) Revenue from the basic network with respect to assets that have been brought into operation in the current cycle, that is in the period from April 1 2010 to June 30 2010 (RBNIA - New Basic Network Investments in the cycle). In the subsequent cycle, these assets cease to be classed as RBNIA and are reclassified as RBNI (Basic Network – New Facilities) assets and in accordance with the next ratifying resolution will be incorporated into the base for establishing CTEEP’s revenues for the next 12 months from July 1 2010.

(C) Basic and Frontier Network Variable Portion: relates to the contractually and regulatory established amount which is deductible from transmission entities’ RAP due to downtime or operational restrictions of the installations forming part of the Basic and Frontier Network under its responsibility.

(D) Basic and Frontier Network Surplus/Deficit Result recorded for the period. Tariff collection and revenue requirements are variable during the period of the tariff cycle due to new installations – and their respective revenue – brought into operation in the period, in addition to the dynamic of incorporating network users. A mechanism for registering revenue surpluses or deficits during the period has had to be set up since transmission tariffs are set for a year at a time. There is no specific account which centralizes user charges. All payments are made directly from the users of the network to the transmission companies, surpluses and deficits being prorated for each one of them. The difference in this result will then be converted into an Adjustment Portion (PA) at the subsequent tariff cycle.

(E) Regulatory Charges: CCC – Fuel Consumption Account; CDE – Energy Development Account, RGR – Global Reversion Reserve, R&D – Research and Development and PROINFA – Alternative Energy Sources Incentive Program. These are values linked to the passing on of charges associated with the consumption of electric energy by users directly connected to the Basic Network (free consumers).

(F) Readjustment of the exclusive DITs: exclusive DITs are assets available to a single agent and remunerated via bilateral contract. Each distributor will have its CCT (Connection to the Transmission System Contract) readjusted at the end of its tariff cycle (which can terminate on a date different from CTEEP’s own tariff cycle).

(G) Adjustment in Working Capital: Reconciliation of receivables for the period with the Adjustment Portion pursuant to Resolution 843 and fully recognized in September in 2009.

(H) Provision for Adjustment Portion (PA): the periodic tariff review encompasses the repositioning of the revenue through the calculation of: (i) the regulatory remuneration base for the RBNI, (ii) the efficient operational costs, (iii) the optimal capital structure and the setting of the remuneration of the transmission companies and (iv) the establishment of the value of the tariff reduction factor (other revenue).

The second periodic tariff review cycle which contractually was due take place in July 2009, was postponed to July 2010. On December 21 2009, ANEEL published Normative Resolution 386, which sets out the applicable methodology for the tariff review for the period. Consequently, Article 6 of the review establishes that the result of the tariff repositioning shall be effective from July 1 2009. In accordance with this retroactivity and considering the reduction in the cost of capital from 9.18% to 7.24% for this second cycle, we have recognized the reduction in revenues in our account statements, corresponding to the period from April to June 2010.

(I) Revenue from the Usage of the CTEEP’s Electricity Transmission Network.

LSA CTEEP IEMG – Interligação Elétrica Minas Gerais

In December 2008, CTEEP's Interligação Elétrica de Minas Gerais (IEMG) subsidiary energized the 500 kV Neves I - Mesquita transmission line and the TL maneuverable reactor of 91 MVar (Mega Volt Ampere Reactive) at the Neves I substation. The transmission line is 172 km in length linking the Neves I and Mesquita substations and crossing 14 municipalities in the state of Minas Gerais, located between the cities of Contagem and Ipatinga.

In 2Q10, the increase in revenue from the IEMG operation was R\$ 1.95 million, recognized in CTEEP's consolidated revenue.

LSA CTEEP Other Operating Revenue

Other Operating Revenue in 2Q10 reached R\$ 3.8 million and relates to leasing income from a fixed telephony company, maintenance services and technical analysis services contracted by third parties.

LSA CTEEP Deductions from Operating Revenue

In 2Q10, deductions from operating revenue fell 16.3%, totaling R\$ 52.7 million against R\$ 62.9 million in 2Q09, due to a reduction of 22.8% in regulatory charges and reflecting a decline in the consumption of free consumers.

LSA CTEEP Net Operating Revenue

Net operating revenue in the quarter was R\$ 409.2 million, 5.4% greater than 1Q10 and 0.9% less than the same period in 2009. For the accumulated first six months of 2010 there was a year-on-year reduction of 4.3%. The principal factor impacting the result was a provision for a reduction in revenue of R\$ 18.3 million, the result of the second periodic tariff review and relating to the period from April to June 2010.

The periodic tariff review encompasses the repositioning of the revenue on the basis of the calculation of:

- (i) the regulatory remuneration base for the RBNI;
- (ii) the efficient operating costs;
- (iii) the optimum capital structure and definition of the transmission company's remuneration; and
- (iv) the identification of the value of the tariff reduction factor (other revenue).

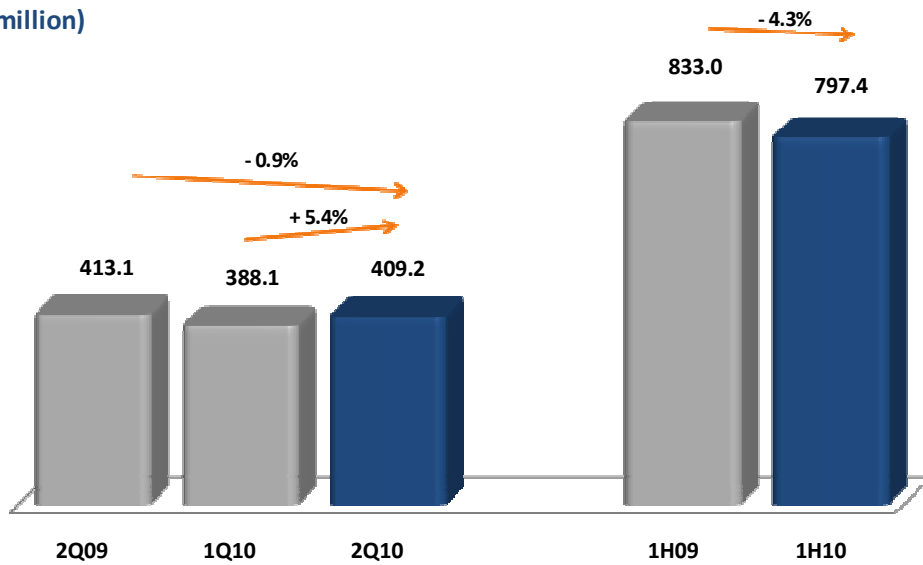
The second periodic tariff review cycle which contractually was due to take place in July 2009, was postponed to July 2010. On December 21 2009, ANEEL published Normative Resolution 386, which sets out the applicable methodology for executing the tariff review for the period. Consequently, Article 6 of this review establishes that the tariff repositioning shall be effective from July 1 2009. In accordance with this retroactivity and considering the reduction in the cost of capital from 9.18% to 7.24% for this second cycle, we have recognized the reduction in revenue of R\$ 82.086 million, offsetting the adjustment portion in the current liabilities as follows:

- ✓ 4Q09 – R\$ 42.554 million
- ✓ 1Q10 – R\$ 21.277 million
- ✓ 2Q10 – R\$ 18.255 million.

The result of the second Periodic Tariff Review Cycle was ratified by ANEEL's Resolution 994 of June 8 2010.

By virtue of the retroactive impact of the new revenue, R\$ 82,086 million collected in excess in the period from July 1 2009 to 30 June 2010, will be reversed in 12 monthly installments through an adjustment installment.

**Net Revenues
(million)**



Costs of Operating Services and Operational Expenses

The costs of services and general and administrative expenses reported a reduction of 4.3% against 1Q10 when this item reported a balance of R\$ 131.4 million and an increase of 17.2% to R\$ 125.7 million in 2Q10 against R\$ 107.2 million in 2Q09. This performance is largely a reflection of the reduction of 74.4% in the actuarial gain from the pension and healthcare plans combined with the increase in payroll and materials expenses.

The reduction in the actuarial gain in the pension and healthcare plans is due to the Company's practice of recording an actuarial gain up to the actuarial liability limit and not recognizing eventual actuarial assets.

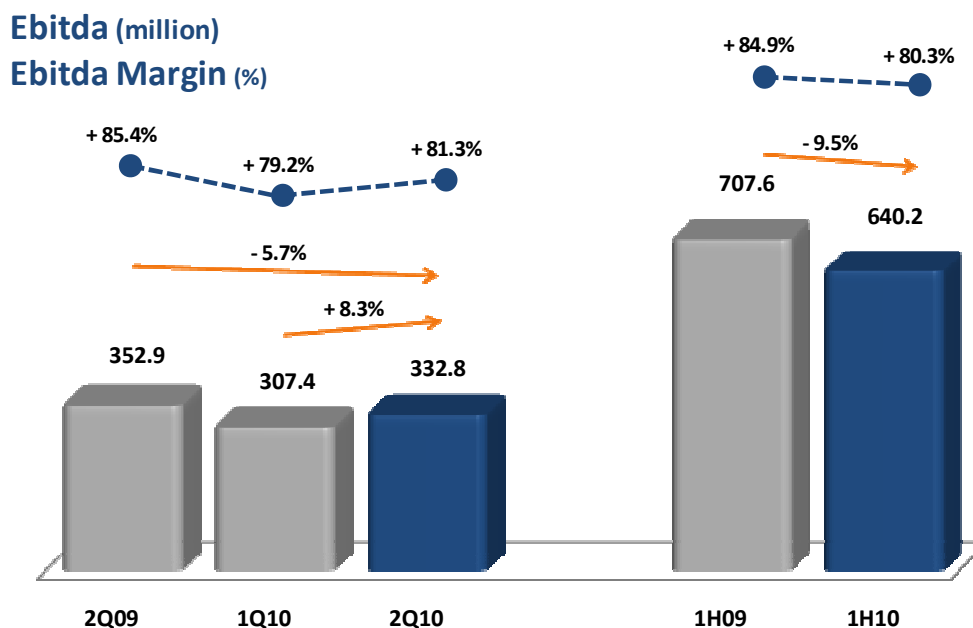
The most significant impact on payroll expenses was a 6.2% increase in salaries in August 2009 following a collective bargaining agreement. In addition, the increase in materials-related expenses was the result of a reclassification of expenses of R\$ 2.4 million to property plant and equipment and booked in 2Q09.

Cost of Services (R\$' 000)	2Q10	1Q10	2Q09	Change % 2Q10/1Q10	Change % 2Q10/2Q09	1H10	1H09	Change % 1H10x1H09
Personnel	(33,773)	(31,088)	(24,338)	8.6%	38.8%	(64,861)	(46,882)	38.3%
Material	(2,348)	(2,645)	(1,984)	-11.2%	18.3%	(4,993)	(3,909)	27.7%
Services	(14,677)	(15,075)	(15,149)	-2.6%	-3.1%	(29,752)	(26,845)	10.8%
Depreciation	(47,748)	(49,166)	(46,191)	-2.9%	3.4%	(96,914)	(92,373)	4.9%
Leases and rental	(1,724)	(1,709)	(1,172)	0.9%	47.1%	(3,433)	(2,282)	50.4%
Other	(2,277)	(3,477)	(1,731)	-34.5%	31.5%	(5,754)	(4,482)	28.4%
Total	(102,547)	(103,160)	(90,565)	-0.6%	13.2%	(205,707)	(176,773)	16.4%

General and Administrative Expenses (R\$' 000)	2Q10	1Q10	2Q09	Change % 2Q10/1Q10	Change % 2Q10/2Q09	1H10	1H09	Change % 1H10x1H09
Personnel	(9,019)	(7,070)	(4,035)	27.6%	123.5%	(16,089)	(12,329)	30.5%
Material	(512)	(273)	2,092	87.5%	-124.5%	(785)	(458)	71.4%
Services	(7,789)	(6,564)	(7,643)	18.7%	1.9%	(14,352)	(15,380)	-6.7%
Leases and rental	(937)	(887)	(1,136)	5.6%	-17.5%	(1,823)	(2,020)	-9.8%
Depreciation	(1,480)	(1,480)	(821)	0.0%	80.3%	(2,960)	(1,215)	143.6%
Contingencies	2,192	(9,627)	(2,390)	-122.8%	-191.7%	(7,435)	(5,860)	26.9%
Other	(5,576)	(2,319)	(2,723)	140.4%	104.8%	(7,896)	(4,954)	59.4%
Total	(23,121)	(28,220)	(16,656)	-18.1%	38.8%	(51,340)	(42,216)	21.6%

EBITDA and EBITDA Margin

In 2Q10, EBITDA reported R\$ 332.8 million, an 8.3% improvement on 1Q10 and 5.7% less than recorded for the same period in 2009.



Financial Result

The financial result was negative at R\$ 85.9 million in 2Q10, an increase of 5.8% in relation to the same period in 2009 due to an increase in payout of remuneration on debentures.

Financial Income (R\$' 000)	2Q10	1Q10	2Q09	Change % 2Q10/1Q10	Change % 2Q10/2Q09	1H10	1H09	Change % 1H10x1H09
Income from financial investments	7,328	8,154	4,383	-10.1%	67.2%	15,679	7,120	120.2%
Interest on assets	2,037	2,527	943	-19.4%	116.0%	4,587	1,902	141.2%
Net monetary variation	2,129	2,651	3,377	-19.7%	-37.0%	4,780	32,361	-85.2%
Other	818	103	200	694.2%	309.0%	921	388	137.4%
Total Financial Income	12,312	13,435	8,903	-8.4%	38.3%	25,967	41,771	-37.8%
Financial Expenses (R\$' 000)	2Q10	1Q10	2Q09	Change % 2Q10/1Q10	Change % 2Q10/2Q09	1H10	1H09	Change % 1H10x1H09
Interest on own capital	(62,926)	(61,920)	(63,938)	1.6%	-1.6%	(124,846)	(127,174)	-1.8%
Interest on liabilities	(18,139)	(15,625)	(15,944)	16.1%	-	(34,605)	(32,685)	-
Charges on promissory notes	(1,970)	(5,941)	(9,279)	-66.8%	-78.8%	(7,912)	(16,272)	-51.4%
Charges on debentures	(14,095)	(11,730)	-	20.2%	N/A	(25,825)	-	N/A
Other	(1,034)	(402)	(889)	157.2%	16.3%	(1,446)	(1,642)	-11.9%
Total Financial Expenses	(98,164)	(95,618)	(90,050)	2.7%	9.0%	(194,634)	(177,773)	9.5%
Financial Result (R\$' 000 mil)	(85,852)	(82,183)	(81,147)	4.5%	5.8%	(168,667)	(136,002)	24.0%

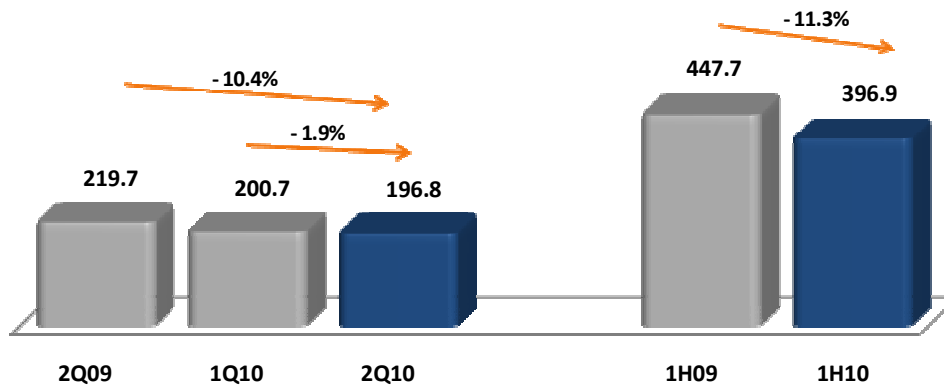
Excluding the effect of interest on shareholders' equity on financial expenses, the financial result for 2Q09 would have been a financial expenses of **R\$ 22.9 million**, and stable to 1Q10 and 2Q09.

LSA CTEEP Net Income

CTEEP reported net earnings in 2Q10 of R\$ 196.8 million, 1.9% less compared with 1Q10 and 10.4% relative to 2Q09.

The Company posted earnings per share of R\$ 1.2965 in 2Q10.

Net Income (million)



Capital Structure

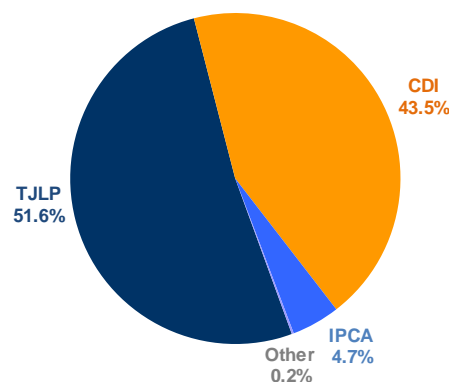
Debt

Gross consolidated debt as at June 30 2010 totaled R\$ 1,295.7 thousand of which, R\$ 667.7 million (51.5%) was in the form of National Economic and Social Development Bank – BNDES loan contracts.

At the end of 2Q10 net debt was R\$ 957.2 million.

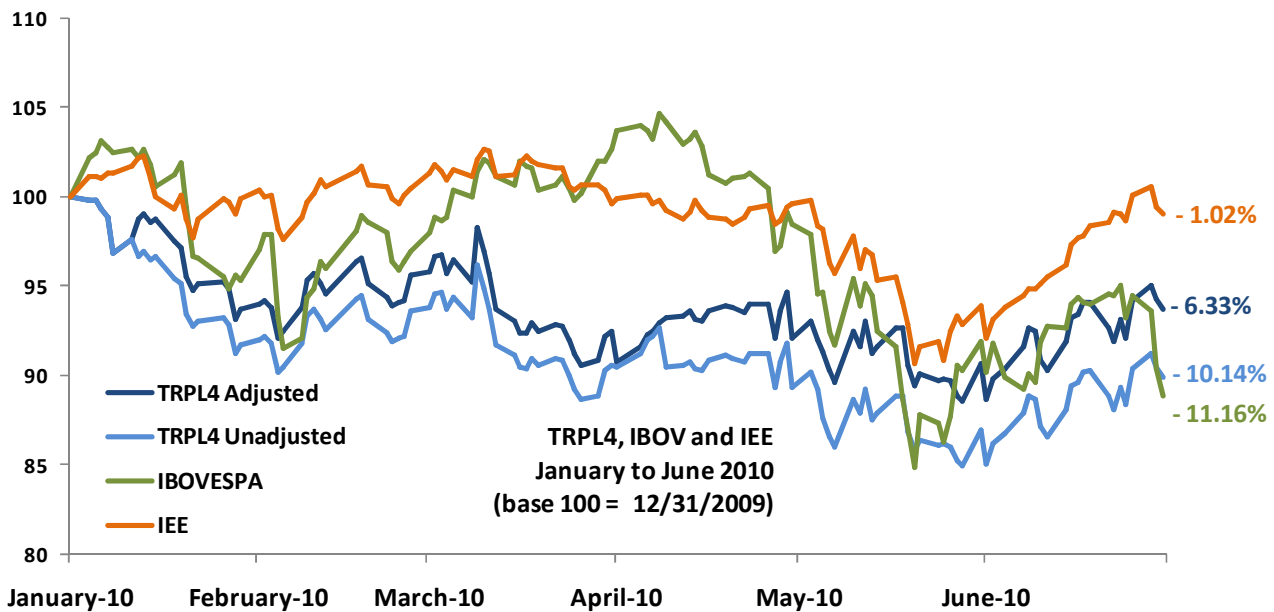
Breakdown of Debt in 2Q10

Funding	Charges	Maturity	2Q10	1Q10
BNDES (R\$ millions)				
CTEEP	TJLP + 2.3% year	06/15/15	467,974	491,209
	TJLP + 1.8% year	06/15/15	160,544	160,541
IEMG	TJLP + 2.4% year	04/15/23	39,146	39,918
Commercial Papers				
2 ^{sd} Issue	119.5% CDI	04/19/10	-	218,901
Debentures				
1 st Issue	CDI + 1.3% year	12/15/14	488,604	499,659
2 ^{sd} Issue	IPCA + 8.1% year	12/15/17	61,311	59,216
Banks				
IENNE	CDI + 2.5% year	07/30/10	55,522	54,760
IESUL	CDI + 3.0% year	10/13/10	19,956	18,953
Eletrobras	8% per year	11/15/21	466	478
Leasing		-	2,231	1,815
Total			1,295,754	1,545,450



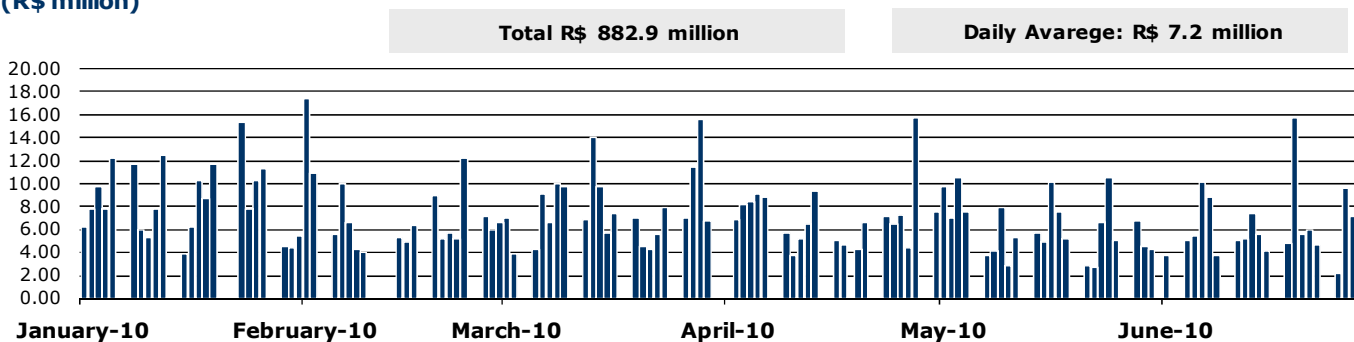
Capital Markets

On June 30 2010, CTEEP’s preferred shares (TRPL4) reported a closing price of R\$ 45.68, a depreciation of 10.14% in the first half. Adjusting the preferred share price for distribution of profits in the period, CTEEP’s preferred shares would have closed the second quarter 2010 reporting a depreciation of 6.33%. During the same period the IBOVESPA stock index fell 11.16% and the IEE (Electric Power Stock Index), by 1.02%.

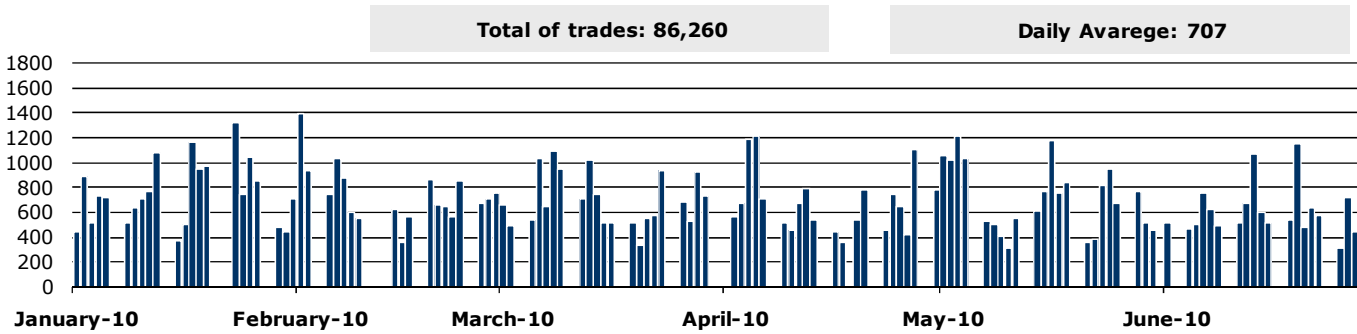


At the end of the second quarter 2010, CTEEP’s capital stock was represented by 151,828,980 shares - 63,860,513 common shares and 87,968,467 preferred shares. Trading volume in 2Q10 reached 86.3 thousand transactions and the average daily financial turnover was R\$ 7.2 million.

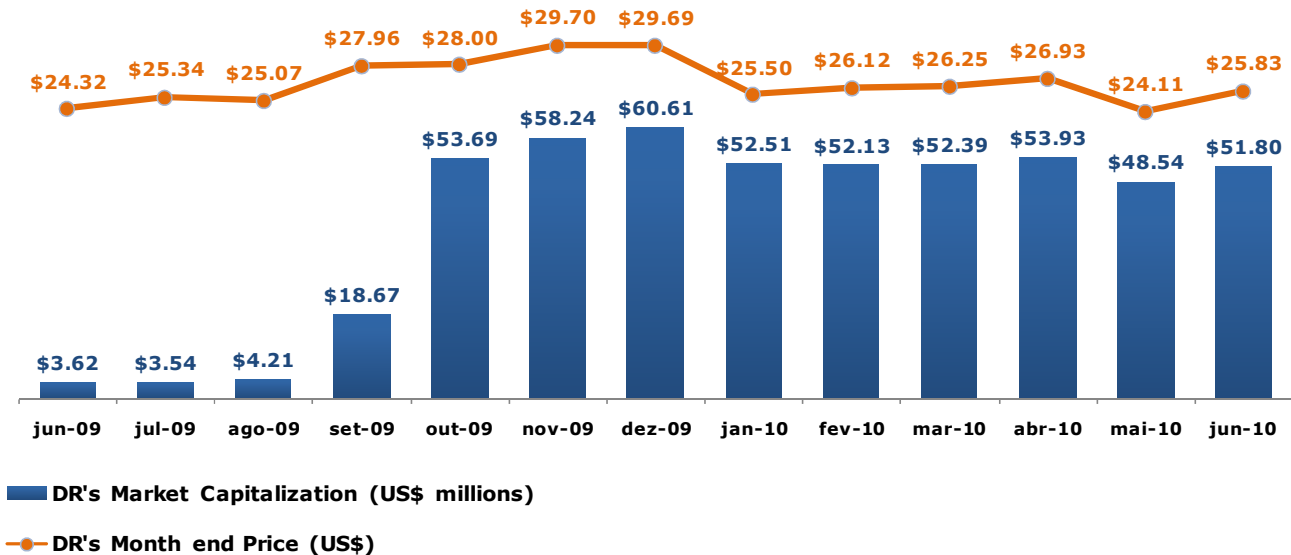
Trading Financial - 2Q10 (R\$ million)



Trade Volume - 2Q10 (units)



CTEEP also participates in the Sponsored Level 1 American Depositary Receipts (ADR) Program supported by underlying common and preferred shares of the Company. Bank of New York Mellon is the depository institute for the ADRs in the United States and Itaú S.A. is the custodian for the underlying shares at a ratio of one Depositary Share for each Company share of both classes. At the close of 2Q10, CTEEP's shareholder base included 23,699 ADRs represented by underlying common shares and 2,005,318 ADRs, represented by preferred shares. The following graph shows the trend in market value of the ADRs traded and the closing price for each month in the past year ending June 30 2010.



Shareholder Remuneration

In 2Q10, the Company approved the payout of R\$ 62.9 million in interest on shareholders' equity, corresponding to R\$ 0.414452 per share and R\$ 141.0 million in dividends, equivalent to R\$ 1.928507 per share.

AUTHORIZED		TYPE	FISCAL YEAR	AMOUNT R\$		DATE OF PAYMENT
EVENT	DATE			TOTAL	P/SHARE	
AGO/E	4/29/2010	Dividendos	2009	77,302,605.60	0.509143	23/07/2010
RCA	6/28/2010	Dividendos	2010	63,671,569.98	0.419364	23/07/2010
RCA	6/28/2010	JCP	2010	62,925,824.42	0.414452	23/07/2010
TOTAL OF PAYMENT - 2Q10				203,900,000.00	1.342959	

Subsequent Events

ISA Readjustment in annual RAP

Ratifying Resolution 1021 was published on June 29 2010 establishing CTEEP's permitted annual allowed revenue for making its transmission installations available as an integral part of the Basic Network and Other Transmission Facilities for the 12-month cycle **incorporating the period from July 1 2010 to June 30 2011.**

In accordance with this Resolution, CTEEP's RAP which was set at R\$ 1,815.66¹ million on July 1 2009 was amended to R\$ 1,765.26 million on July 1 2010, a reduction of R\$ 50.4 million, equivalent to 2.78% of the 2009 RAP. This largely reflects the result of the second periodic tariff review as established in concession contract 59, originally due to take place in July 2009 and postponed to July 2010.

¹ Rectified pursuant to ANEEL's REH 948/10

Attachments

Attachment I – Balance Sheet

Assets (R\$' 000)	2Q10	1Q10
CURRENT ASSETS		
Cash and Banks	338,552	586,025
Trade Account Receivable	279,463	274,686
Inventory	50,206	46,720
Amounts Receivable from the State Finance Secretariat	21,153	20,271
Taxes and Contributions to be offset	51,904	144,788
Tax benefit - Goodwill	28,832	28,832
Deferred income Tax and Social Contribution	58,001	52,620
Prepaid Expenses	6,690	11,540
Others	19,938	26,499
	854,739	1,191,981
NON-CURRENT ASSETS		
Long-Term Assets		
Amounts Receivable from the State Finance Secretariat	601,805	574,749
Trade Account Receivable	33,165	48,210
Deferred income Tax and Social Contribution	61,612	64,888
Pledges and Escrow	42,921	39,400
Tax benefit - incorporated goodwill	133,495	140,703
Others	12,566	3,195
	885,564	871,145
Permanent Assets		
Property, Plant and Equipment	4,825,238	4,708,538
Intangible Assets	71,535	72,270
	4,896,773	4,780,808
Total Assets	6,637,076	6,843,934

Liabilities and Shareholders' Equity	2Q10	1Q10
CURRENT LIABILITIES		
Loans and Financing	194,766	402,885
Suppliers	74,445	62,872
Taxes, Fees and Contributions	87,528	87,151
Taxes installments - Law 11,941	10,041	9,911
Regulatory Charges	40,836	42,031
Interest on Shareholders' Equity	210,960	275,717
Provisions	22,292	17,573
Amounts Payable - Fundação CESP	6,793	6,253
Installment of Adjustment	82,086	55,519
Others	17,821	27,703
	747,568	987,615
NON-CURRENT LIABILITIES		
Long-Term Liabilities		
Loans and Financing	551,073	583,690
Debentures	548,281	550,800
Provisions for Contingencies	152,536	160,793
Taxes installments - Law 11,941	140,586	138,676
Amounts Payable - Fundação CESP	6,800	10,201
Especial Liabilities - Reversal/Amortization	24,053	24,053
Regulatory Charges	3,269	3,269
Negative Goodwill	41,048	45,294
Installment of Adjustment	-	15,958
Others	-	-
	1,467,646	1,532,734
SHAREHOLDERS' EQUITY		
Paid-up Capital	1,119,911	1,063,049
Capital Reserves	2,231,113	2,259,945
Revenue Reserves	860,393	860,999
Retained Profits/Losses	209,779	138,926
Advance for future capital increase	666	666
	4,421,862	4,323,585
Total Liabilities and Shareholders' Equity	6,637,076	6,843,934

Attachment II – Income Statement (R\$ thousand)

	2Q10	1Q10	2Q09	Var % 2Q10x1Q10	Var % 2Q10x2Q09	1H10	1H09	Var % 1H10x1H09
Gross operating revenue	461,959	442,374	476,076	4.4%	-3.0%	904,333	959,399	-5.7%
Electricity network usage revenue	458,115	437,923	470,704			896,038	949,558	
Other Revenues	3,844	4,451	5,372			8,295	9,841	
Deductions from gross revenues	(52,712)	(54,267)	(62,958)	-2.9%	-16.3%	(106,980)	(126,364)	-15.3%
Social Contribution on Revenues (COFINS)	(18,506)	(17,456)	(19,520)			(35,964)	(39,270)	
Social Integration Program (PIS)	(4,012)	(3,787)	(4,233)			(7,799)	(8,516)	
Services Tax (ISS)	(34)	(64)	(122)			(98)	(222)	
Global Reversion Reserve (RGR)	(11,210)	(11,210)	(11,258)			(22,419)	(22,523)	
Energy Development Account (CDE)	(5,365)	(7,238)	(8,630)			(11,489)	(16,986)	
Fuel Consumption Account (CCC)	(6,340)	(6,124)	(9,360)			(13,578)	(18,423)	
Research and Development (P&D)	(4,059)	(3,474)	(5,267)			(7,533)	(9,556)	
Alternative Sources of Electric Energy (PROINFRA)	(3,186)	(4,914)	(4,568)			(8,100)	(10,868)	
Net Operating revenue	409,247	388,107	413,118	5.4%	-0.9%	797,353	833,035	-4.3%
Cost of operating services	(102,547)	(103,160)	(90,565)	-0.6%	13.2%	(205,707)	(176,773)	0.0%
Personnel	(36,425)	(33,741)	(24,338)			(70,166)	(46,882)	
Deliberation CVM 371/00	2,652	-	-			5,305	-	
Material	(2,348)	(2,645)	(1,984)			(4,993)	(3,909)	
Services	(14,677)	(15,075)	(15,149)			(29,752)	(26,845)	
Depreciation	(47,748)	(49,166)	(46,191)			(96,914)	(92,373)	
Leases and rental	(1,724)	(1,709)	(1,172)			(3,433)	(2,282)	
Other	(2,277)	(3,477)	(1,731)			(5,754)	(4,482)	
Gross Revenue	306,700	284,947	322,553	7.6%	-4.9%	591,646	656,262	-9.8%
Operational expenses	(23,121)	(28,220)	(16,656)	-18.1%	38.8%	(51,340)	(42,216)	0.0%
Personnel	(9,767)	(7,818)	(4,035)			(17,585)	(12,329)	
Deliberation CVM 371/00	748	-	-			1,496	-	
Material	(512)	(273)	2,092			(785)	(458)	
Services	(7,789)	(6,564)	(7,643)			(14,352)	(15,380)	
Leases and rental	(937)	(887)	(1,136)			(1,823)	(2,020)	
Depreciation	(1,480)	(1,480)	(821)			(2,960)	(1,215)	
Provision for contingencies	2,192	(9,627)	(2,390)			(7,435)	(5,860)	
Other Expenses	(5,576)	(2,319)	(2,723)			(7,896)	(4,954)	
Service income	283,579	256,727	305,897	10.5%	-7.3%	540,306	614,046	-12.0%
Financial income	(85,852)	(82,183)	(81,147)	4.5%	5.8%	(168,667)	(136,002)	24.0%
Income	12,312	13,435	8,903			25,967	41,771	
Income from financial investments	7,328	8,154	4,383			15,679	7,120	
Interest on assets	2,037	2,527	943			4,587	1,902	
Monetary and exchange rate variations	2,129	2,651	3,377			4,780	32,361	
Other	818	103	200			921	388	
Expenses	(98,164)	(95,618)	(90,050)			(194,634)	(177,773)	
Interest on own capital	(62,926)	(61,920)	(63,938)			(124,846)	(127,174)	
Interest on liabilities	(18,139)	(15,625)	(15,944)			(34,605)	(32,685)	
Goodwill amortization	-	-	-			-	-	
Tax on Bank Accounts Outflows (CPMF)	(1,970)	(5,941)	(9,279)			(7,912)	(16,272)	
Charges on RGR	(14,095)	(11,730)	-			(25,825)	-	
Other	(1,034)	(402)	(889)			(1,446)	(1,642)	
Equity's Equivalence	-	-	-			-	-	
Other Income/Expenses Operating	(324)	(2,076)	(3,223)			(2,400)	(6,152)	
Operating Results	197,403	172,468	221,527	14.5%	-10.9%	369,239	471,892	-21.8%
Profit before income tax and social contribution	221,527	221,527	185,197	0.0%	19.6%	229,210	185,197	23.8%
Current Income tax and social contribution	(65,590)	(52,639)	(62,097)			(118,229)	(144,754)	
Deferred Income tax and social contribution	2,105	18,957	(3,690)			21,062	(6,643)	
Profit before reversal of interest on own capital	133,918	138,786	155,740	-3.5%	-14.0%	272,072	320,495	-15.1%
Reversion of Interest on Shareholders' Equity	62,926	61,920	63,938			124,846	127,174	
Net Income for the period	196,844	200,706	219,678	-1.9%	-10.4%	396,918	447,669	-11.3%
Earnings Per Share	1.2965	1.3322	1.4715			3	3	
Number of shares outstanding (units)	151,829	150,657	149,285			151,829	149,285	

Attachment III – Cash Flow (R\$ thousand)

	2Q10	2Q09
Cash Flow of operating activities		
Net income for the period	196,844	219,678
Adjustments to reconcile net income to cash generated by (used in) operating activities	-	-
Depreciation and amortization	49,229	47,012
Provision for adjustments inventories	-	-
Deferred income tax and social contribution	(2,105)	3,690
Provision for contingencies	(8,243)	(3,773)
Residual value of permanent asset disposals and donations	3,192	1,612
Amortization of negative goodwill	(4,246)	(4,246)
Amortization of goodwill	7,208	7,208
Interest and foreign exchange variation on assets and liabilities	30,992	25,626
Result of Equity	-	-
(Increase) decrease in assets		
Trade accounts receivable	10,731	17,537
Inventories	(3,486)	(6,998)
Amounts receivable - State Finance Department	(26,032)	(26,384)
Deferred income tax and social contribution	-	-
Taxes and contributions to offset	92,885	(2,128)
Pledges and restricted deposits	(3,521)	(1,162)
Prepaid expenses	4,849	3,634
Other	(11,976)	(3,250)
Increase (decrease) in liabilities		
Suppliers	11,413	12,837
Taxes and social charges payable	376	(15,402)
Taxes installments - Law 11,941	-	-
Regulatory charges payable	(1,195)	2,935
Provisions	4,707	(1,191)
Amounts payable	(2,864)	(13,051)
Other	16,497	7,393
Net cash generated by operating activities	365,254	271,577
Cash flow of investment activities		
Purchase of property, plant and equipment	(168,384)	(157,832)
Increase in deferred charges	-	(190)
Investment	-	-
Net cash used in investment activities	(168,384)	(158,022)
Cash flow of financing activities		
Loans and financing		
New loans	2,510	240,000
Loan payments (including interest)	(283,527)	(274,006)
Dividends paid	(191,356)	(192,907)
Payment of capital	28,030	-
Net cash provided by (used in) financing activities	(444,343)	(226,913)
Net reduction in cash and cash equivalent		
Cash and cash equivalents at the end of the period	338,552	73,028
Cash and cash equivalents at the beginning of the period	586,025	186,386
Changes in cash and cash equivalents	(247,473)	(113,358)