



FOR FURTHER INFORMATION, CONTACT:

Paulo Roberto Zibetti Jorge
Investors Relations Coordinator
Phone: 55 -27-3321-9135
Fax: 55 -27-3321-9149
e-mail: zibetti@escelsa.com.br

Curtis Smith
Thomson Financial
Phone: 55 -11-3838-0887 ext. 215
e-mail: curtis.smith@thomsonir.com.br

ESCELSA ANNOUNCES RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2002

November 12, 2002, Vitória, Espírito Santo, Brazil – Espírito Santo Centrais Elétricas S.A. – ESCELSA, today announced its financial results stated in corporate law in accordance with Brazilian GAAP, for the third quarter ended September 30, 2002. Consolidated results include the incorporation of wholly-owned subsidiaries Magistra Participações S.A., a 65.2% shareholder of ENERSUL, and TVIX, a cable TV provider in Vitória and Vila Velha, and ESCELSAPAR, a provider of internet service and information technology. Further information is available at the Company's website: www.escelsa.com.br

THIRD QUARTER 2002 HIGHLIGHTS

- Electric energy sales in the first nine months of 2002 totaled 4,661,858 MWh, 2.4% lower than the 4,777,614 MWh sold in the same period in 2001. This decrease is attributed mainly to lower residential consumption, which fell 12.2% due basically to the effects of greater conservation, which is now a part of consumer habits
- On August 7, 2002, ANEEL (The Brazilian Electric Energy Regulatory Agency) disclosed its annual tariff increase for ESCELSA's customers, as per its concession agreement:

The total increase effective as of August 7, 2002 was **15.97%**, composed of the following:

14.27% is related to **costs not managed by ESCELSA that are passed through to customers**, such as energy purchased from FURNAS and ITAIPU, as well as transmission costs.

1.70% is related to **costs managed by ESCELSA that are adjusted to the IGP-M inflation index**, net of the **0.51%** discount applied to account for the pass through of productivity gains to clients (the "X" factor, which was established by ANEEL last year upon ESCELSA's Periodic Tariff Revision).

- In an extraordinary meeting of ESCELSA's Board of Directors on October 10, 2002, the following members of management were elected:

Armando Fernandes Bernardo

Distribution Officer, accumulating the positions of CEO and Engineering and Construction Officer on an interim basis.

Sergio Pereira Pires -

Chief Financial Officer, accumulating the positions of Administrative Officer and Investor Relations Officer.

The Board members also approved the nomination of **Antônio Eduardo Silva Oliva** as Chief Executive Officer and **Manuel Fernando das Neves Bento** as Engineering and Construction Officer, both of whom will assume their respective duties immediately following the processing of their visas for employment in Brazil, as both are Portuguese nationals.

- In September 2002 the BNDES (Brazilian Economic Development Bank) released the second installment of the funding to offset the reduction in revenue that occurred during the Emergency Electric Energy Consumption Reduction Program, in the amount of R\$105,463 thousand.

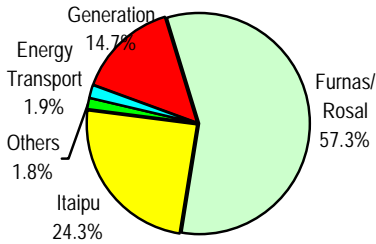


ESCELSA'S NUMBERS

	PARENT COMPANY			CONSOLIDATED		
	UP TO 3rd QUARTER 2002	UP TO 3rd QUARTER 2001	UP TO 2nd QUARTER 2002	UP TO 3rd QUARTER 2002	UP TO 3rd QUARTER 2001	UP TO 2nd QUARTER 2002
FINANCIAL INFORMATION (In thousands of reais)						
Net operating revenues	589,632	498,728	371,345	902,687	785,778	566,826
Income from operations	48,620	(8,786)	24,900	59,521	(4,499)	28,294
Loss for the period	(658,439)	(218,885)	(174,368)	(658,439)	(218,885)	(174,368)
EBITDA (1)	91,241	32,694	53,243	150,732	75,868	88,206
Adjusted EBITDA (2)	185,805	170,248	114,207	284,007	237,933	181,106
Total Assets	2,756,901	2,241,274	2,633,001	3,734,893	3,064,874	3,561,715
Shareholders' equity	76,483	557,903	559,437	76,483	557,903	559,437
Shares outstanding (number)	4,550,833	4,550,833	4,550,833			
Share price (R\$) (4)	64.00	91.99	72.89			
Market value	291,253	418,631	331,710			
INDICATORS						
Operating margin (%) (Income from operations/Net operating revenues)	8.25	(1.76)	6.71	6.59	(0.57)	4.99
EBITDA margin (%) (EBITDA)/Net operating revenues	15.47	6.56	14.34	16.70	9.66	15.56
Current ratio (Current assets/Current liabilities)	1.58	1.68	1.53	1.20	1.12	1.06
Personnel expenses plus third party services/net oper.revenues (%)	11.94	13.55	12.06	14.47	15.12	14.75
Energy losses (%) (3)	11.64	10.02	11.71			
DEC - Equivalent Outage Duration per Customer (hours) (3)	14.73	14.24	14.99			
FEC - Equivalent Outage Frequency per Customer (number) (3)	11.34	11.87	11.23			
TMA - Average Service Response Time (minutes)(3)	109	109	109			
Number of customers per employee	696	628	678	646	601	641
MARKET						
Energy Sales - MWh	4,661,858	4,777,614	3,058,198	6,677,359	6,838,672	4,409,683
Maximum demand - MWh/h	1,077.6	1,138.1	1,077.6			
Number of customers	945,132	902,748	939,961	1,534,006	1,463,182	1,528,457
Average tariff to final customers - R\$/MWh	134.81	111.66	132.97	-		
Average cost of electricity purchased - R\$/MWh	79.84	69.64	78.25	-		
HUMAN RESOURCES						
Number of employees	1,357	1,438	1,386	2,375	2,433	2,385
Number of trainees	91	84	87	131	108	109
Personnel expenses (thousands of reais)	47,226	46,402	29,699	84,712	79,855	54,269
Personnel expenses plus third party services (thousands of reais)	70,403	67,586	44,802	130,620	118,819	83,610
Note: (1) EBITDA=Income from operations plus depreciation and amortization (2) Adjusted EBITDA=EBITDA plus financial revenues plus non-operating revenues (expenses) (3) 12-month period (4) Share price= at close of each quarter						

MARKET PERFORMANCE

ENERGY REQUIREMENTS

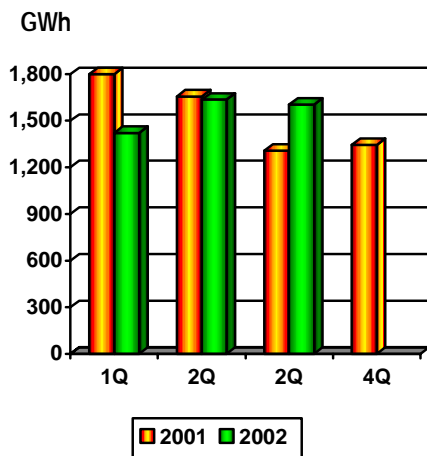


Energy requirements during the first nine months of 2002 totaled 5,360,470 MWh 0.1% higher when compared to 5,354,839 MWh in the same period last year.

In order to satisfy market demand, the company generated 788,466 MWh and purchased 3,073,369 MWh from Furnas and Rosal, 1,303,753 MWh from Itaipu and 93,595 MWh from other companies. In addition, 101,287 MWh, generated by self-producers was transported on ESCELSA's system.

The maximum demand during the first nine months of 2002 was 1,077.6 MWh/h, compared to 1,138.1 MWh/h in the same period last year

ENERGY SOLD



Electric energy Sales in the first nine months of 2002 totaled 4,661,858 MWh, 2.4% lower than the 4,777,614 MWh sold in the same period in 2001. This decrease is attributed mainly to lower residential consumption, which fell 12.2% due basically to the effects of greater conservation, which is now a part of consumer habits.

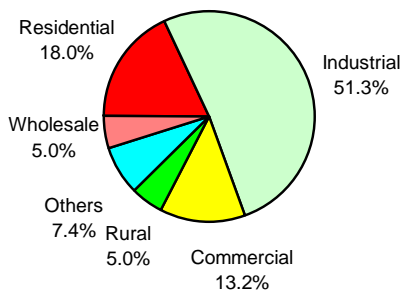
	MWh					
	PARENT COMPANY			CONSOLIDATED		
	First Nine Months		% Change	First Nine Months		% Change
2002	2001	2002		2001		
Retail:						
Residential	840,271	956,822	(12.2)	1,468,239	1,636,359	(10.3)
Industrial	2,391,003	2,362,373	1.2	2,889,274	2,830,600	2.1
Commercial	616,728	602,839	2.3	1,003,335	1,007,810	(0.4)
Rural	233,824	272,645	(14.2)	433,525	462,659	(6.3)
Other	345,198	346,665	(0.4)	629,227	646,459	(2.7)
	4,427,024	4,541,344	(2.5)	6,423,600	6,583,887	(2.4)
Wholesale	234,834	236,270	(0.6)	253,759	254,785	(0.4)
TOTAL	4,661,858	4,777,614	(2.4)	6,677,359	6,838,672	(2.4)

CUSTOMER PROFILE

The customer breakdown in terms of sales volume and revenue changed significantly among the residential and industrial segments, due mainly to the effects of rationing.

In calculating the breakdown of energy sold, the impacts from the regulatory asset and short-term sales were not considered.

BREAKDOWN OF ENERGY SOLD



	PARENT COMPANY			
	First Nine Months of 2002		First Nine Months of 2001	
	As a % of Sales Volume	As a % of Revenues	As a % of Sales Volume	As a % of Revenues
Retail:				
Residential	18.02	31.00	21.99	34.42
Industrial	51.29	37.49	43.27	35.97
Commercial	13.23	17.92	15.03	16.44
Rural	5.02	4.15	6.49	4.51
Other	7.40	7.19	9.42	6.75
	94.96	97.75	96.20	98.09
Wholesale	5.04	2.25	3.80	1.91
Total	100.00	100.00	100.00	100.00



NUMBER OF CUSTOMERS

22,553 new customers were connected in the first nine months of 2002

The number of customers on September 30, 2002 totaled 945,132, 4.7% higher than the same period last year. During the first nine months of 2002, 22,553 customers were connected.

	PARENT COMPANY			CONSOLIDATED		
	September 30		% Change	September 30		% Change
	2002	2001		2002	2001	
Retail:						
Residential	749,207	717,764	4.4	1,231,904	1,179,767	4.4
Industrial	11,035	10,901	1.2	15,716	15,574	0.9
Commercial	83,587	79,315	5.4	135,292	128,727	5.1
Rural	92,219	86,142	7.1	135,632	124,473	9.0
Other	9,082	8,624	5.3	15,457	14,636	5.6
	945,130	902,746	4.7	1,534,001	1,463,177	4.8
Wholesale	2	2	-	5	5	-
Total	945,132	902,748	4.7	1,534,006	1,463,182	4.8

AVERAGE TARIFF

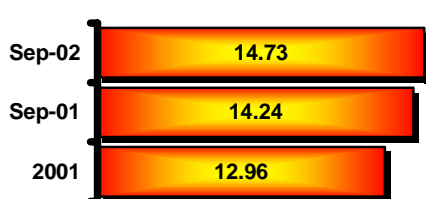
The average tariff charged to retail customers was R\$149.13/MWh in September 2002.

The average tariff charged to retail customers in September 2002 was R\$ 149.13/MWh, while the wholesale rate to other distributors was R\$ 66.33/MWh, resulting in an overall average tariff of R\$ 144.66/MWh, an increase of 19.8%, compared to the same period last year.

	R\$/MWh					
	PARENT COMPANY					
	SEP-2002	SEP-2001	% Change	9M2002	9M2001	% Change
Retail:						
Residential	237.76	215.51	10.3	221.15	184.76	19.7
Industrial	107.32	88.84	20.8	94.33	76.66	23.0
Commercial	200.11	171.10	17.0	175.36	138.81	26.3
Rural	150.29	125.59	19.7	132.51	106.80	24.1
Other	153.58	123.70	24.2	133.43	105.03	27.0
	149.13	123.83	20.4	134.81	111.66	20.7
Other distributors	66.33	70.37	(5.7)	66.92	63.65	5.1
Average	144.66	120.71	19.8	131.39	109.29	20.2

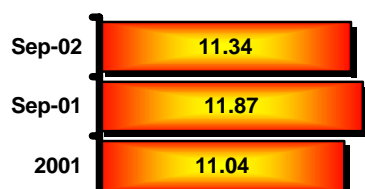
PERFORMANCE INDICATORS

In order to more accurately reflect service quality indicators, the amounts have been presented on a 12-month basis in order to eliminate any effects of seasonality.



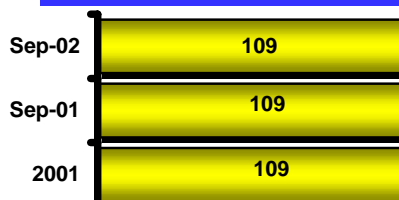
Equivalent Outage Duration per Customer - DEC

Indicator that measures the average number of hours that customer remain without the supply of electric energy. For the period ended September 30, 2002, DEC was 14.73 hours, compared to 14.24 hours in the same period last year, an increase of 3.4%.



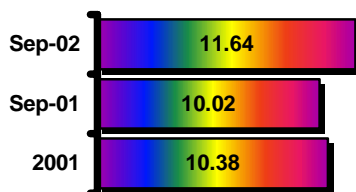
Equivalent Outage Frequency Duration per Customer - FEC

Indicator that measures the average number of interruptions in the supply of electric energy, per customer. For the period ended September 30, 2002, FEC was 11.34, compared to 11.87 in the same period last year, an improvement of 4.5%.



Average Service Response Time - TMA

Indicator that measures the average time between a complaint of interruptions in energy and the reestablishment of service. For the period ended September 30, 2002, TMA was 109 minutes, unchanged from the same period last year.

ENERGY LOSSES


Energy losses increased during the last 12 months, from 10.02% in the twelve-month period ended September 30, 2001 to 11.64% in the same period this year. This increase is due to the effect of energy rationing. As the effects of rationing subside, losses are reduced.

FINANCIAL PERFORMANCE
INCOME FROM OPERATIONS

Income from operations in the first nine months of 2002 totaled R\$ 48,620 thousand, compared to negative R\$ 8,786 thousand in the same period last year, resulting in an EBITDA of R\$ 91,241 thousand, equal to an EBITDA margin of 15.5%. The main items of income from operations were:

The income from operations resulted in an EBITDA margin of 15.5%

	thousands of reais			
	First Nine Months			
	PARENT COMPANY		CONSOLIDATED	
	2002	2001	2002	2001
Gross operating revenues	830,811	693,119	1,240,423	1,062,178
Operating revenues deductions	(241,179)	(194,391)	(337,736)	(276,400)
Net operating revenues	589,632	498,728	902,687	785,778
Operating expenses	(541,012)	(507,514)	(843,166)	(790,277)
Income from operations	48,620	(8,786)	59,521	(4,499)
EBITDA	91,241	32,694	150,732	75,868
EBITDA margin %	15.5	6.6	16.7	9.7

Gross operating revenues in the first nine months of 2002 totaled R\$ 830,811 thousand, 19.9% higher compared to 2001. The revenue from the retail sector was R\$ 770,906 thousand, 16.3% higher compared to the same period in 2001.

OPERATING REVENUES

The increase in the wholesale revenue in the first nine months of 2002 compared to the same period last year was due to the short-term supply sales of excess energy.

Net operating revenues increased 12.2%

The increase in other revenues is due to the new breakdown in revenues as per the new sector model, as well as to the growth in the utilization of the distribution system by customers.

Net operating revenues in the first nine months of 2002 totaled R\$589,632 thousand, 12.2% higher than the same period in 2001.

	thousands of reais			
	PARENT COMPANY		CONSOLIDATED	
	First Nine Months			
	2002	2001	2002	2001
Retail:				
Residential	237,914	233,889	390,360	380,659
Industrial	287,645	244,416	353,686	297,919
Commercial	137,509	111,688	222,668	187,981
Rural	31,825	30,598	58,541	53,229
Other	55,158	45,878	97,613	84,436
Unbilled revenues	2,739	(3,654)	6,687	(4,687)
Emergency charge	11,271	-	15,539	-
Regulatory assets	6,845	-	35,410	-
	770,906	662,815	1,180,503	999,537
Wholesale:				
Other distributors	17,239	13,008	20,318	15,613
Short-term	24,839	10,459	8,039	24,518
	42,078	23,467	28,357	40,131
Other operating revenues	17,827	6,837	31,563	22,510
Gross operating revenues	830,811	693,119	1,240,423	1,062,178
(-) Operating revenues deductions	(241,179)	(194,391)	(337,736)	(276,400)
Net operating revenues	589,632	498,728	902,687	785,778

OPERATING COSTS

The increase in costs controlled by the Company was mainly due energy conservation programs and services provided to customers

Operating costs including operating expenses plus RGR quotas increased from R\$ 520,052 thousand to R\$ 552.531 thousand, when comparing the nine-months periods of 2001 and 2002, an increase of 6.2%.

Operating costs outside Company control such as energy purchased, electric power transport, CCC, and RGR quotas increased 5.7% compared to the same period in 2001.

Costs controlled by the Company such as personnel, material, third party services and other expenses increased from R\$ 91,433 thousand in the first nine months of 2001 to R\$ 100,573 thousand in the first nine months of 2002, or 10%. Depreciation increased 2.8%. The increase in controlled costs was due to energy conservation programs, provisions for civil and labor contingencies and customer services, for which matching entries are recorded in other operating revenues

	thousands of reais				
	PARENT COMPANY				
	First Nine Months				
	2002	%	2001	%	%Change
Company Controlled Costs:					
Personnel	47,226	8.55	46,402	8.92	1.8
Material	5,147	0.93	5,822	1.12	(11.6)
Third party services	23,177	4.19	21,184	4.07	9.4
Other	25,023	4.53	18,025	3.47	38.8
	100,573	18.20	91,433	17.58	10.0
Depreciation	42,621	7.71	41,480	7.98	2.8
TOTAL COMPANY CONTROLLED COSTS	143,194	25.92	132,913	25.56	7.7
Outside Company Control:					
Energy purchased	356,959	64.60	330,715	63.59	7.9
CCC	38,095	6.89	41,606	8.00	(8.4)
Financial compensation	1,818	0.33	1,032	0.20	76.2
ANEEL fiscal fee	946	0.17	1,248	0.24	(24.2)
RGR	11,519	2.08	12,538	2.41	(8.1)
TOTAL COSTS OUTSIDE COMPANY CONTROL	409,337	74.08	387,139	74.44	5.7
GRAND TOTAL	552,531	100.00	520,052	100.00	6.2

ENERGY PURCHASED EXPENSES

The increase in costs of energy purchased was mainly due to the impact of the tariff adjustments from FURNAS in August of 2002.

	PARENT COMPANY		CONSOLIDATED	
	First Nine Months			
	2002	2001	2002	2001
From FURNAS and TRACTEBEL				
Expenses - thousands of reais	191,375	155,937	263,244	218,807
Volume - MWh	3,073,369	3,135,483	4,646,792	4,584,828
Average cost - R\$/MWh	62.27	49.73	56.65	47.72
WHEELING From ITAIPU				
Expenses - thousands of reais	4,513	4,125	6,351	5,803
Average cost - R\$/MWh	3.46	3.15	3.46	3.15
WHEELING-OTHER				
Expenses - thousands of reais	44,067	48,206	72,842	77,484
Average cost - R\$/MWh	14.34	15.37	15.68	16.90
From ITAIPU				
Expenses - thousands of reais	127,018	105,258	178,821	147,993
Volume - MWh	1,303,753	1,308,666	1,834,847	1,839,309
Average cost - R\$/MWh	97.42	80.43	97.46	80.46
From OTHER				
Expenses - thousands of reais	6,893	17,189	12,155	30,032
Volume - MWh	93,595	304,863	197,831	400,988
Average cost - R\$/MWh	73.65	56.38	61.44	74.90
SECTOR AGREEMENT AND CVA				
Expenses - thousands of reais	(16,907)	-	(24,122)	-
TOTAL				
Expenses - thousands of reais	356,959	330,715	509,291	480,119
Volume - MWh	4,470,717	4,749,012	6,679,470	6,825,125
Average cost - R\$/MWh	79.84	69.64	76.25	70.35



FINANCIAL RESULTS

The 67.9% devaluation of the Brazilian real against the U.S. dollar caused an increase in financial expenses.

The net financial result in the first nine months of 2002 was negative R\$ 746,545 thousand, while in the same period last year was negative R\$ 280,081 thousand. The difference in the first nine months of this year is due mainly to the 67.9% devaluation of the Brazilian real against the U.S. dollar, which caused a significant increase in financial expenses on U.S. dollar denominated debt.

CASH AND EQUIVALENTS

ESCELSA has funds invested in dollar denominated securities in the amount of US\$ 73 million.

ESCELSA has funds deposited in banks or invested in financial instruments in the amount of R\$ 289,633 thousand for the Company and R\$ 295,202 thousand on a consolidated basis as shown below:

	PARENT COMPANY		CONSOLIDATED	
	September 30, 2002			
	Thousands of reais	US\$ thousand	Thousands of reais	US\$ thousand
Investments in Reais:				
Cash and banks	3,912	-	6,299	-
Banking Certificates of Deposits	-	-	34	-
Other	120	-	3,268	-
Total real denominated investments	4,032	-	9,601	-
Investments in Dollars:				
Currency Exchange Securities - NTN's	285,601	73,327	285,601	73,327
Total Dollar denominated investments	285,601	73,327	285,601	73,327
Total cash and equivalents	289,633		295,202	
US dollar = 3.8949 Real				

Cash investments in foreign exchange securities primarily to offset the company's foreign currency liability exposure are recognized at marked-to-market values. Due to market volatility, the market values of such investments was R\$128 million lower vis-à-vis their contractual values.

LOANS AND FINANCING

PARENT COMPANY						
	AVERAGE ANNUAL INTEREST RATE	MATURITY		thousands of reais		
		TYPE (*)	PERIOD	SEPTEMBER 2002		
				Charges	Current	Long Term
Local currency:						
ELETOBRAS	5.0% - 7.0%	M	May/99 to Jul/07	-	1,927	4,464
BNDES	TJLP plus 3.8%	M	Nov/99 to Oct/10	1,729	29,509	168,336
BNDES-Rationing losses	SELIC plus 1,0%	M	Feb/02 to Jun/06	666	37,476	87,835
Bank Loan	107% of CDI	M	Oct/01 to Nov/02	-	21,780	-
				2,395	90,692	260,635
Foreign currency:						
Senior Notes	10.0%	S	July/07	34,969	-	1,678,538
BBA (*)	16.0%	S	Jan/03	1,392	48,846	-
				36,361	48,846	1,678,538
TOTAL				38,756	139,538	1,939,173
CONSOLIDATED						
Local currency:						
ELETOBRAS - ESCELSA	5.0% - 7.0%	M	May/99 to Jul/07	-	1,927	4,464
ELETOBRAS - ENERSUL	6.0% - 12.0%	M	Dec/97 to May/22	184	14,266	41,547
BNDES - ESCELSA	TJLP plus 3.8%	M	Oct/99 to Oct/10	1,729	29,509	168,336
BNDES - MAGISTRA	TJLP plus 4.0%	H	Nov/99 to Nov/04	3,614	38,850	58,275
BNDES - ENERSUL	TJLP plus 3.85%	M	Sep/99 to Feb/08	256	12,909	57,013
BNDES - ENERSUL	TJLP plus 4.0%	M	Feb/02 to Apr/04	5	925	540
BNDES-Perdas Racionamento	SELIC plus 1.0%	M	Feb/02 to Jun/06	1,042	54,410	145,008
BNDES - CESA	TJLP plus 4.5%	M	Jul/04 to Jul/12	-	-	15,576
BCO BRASIL - FCO	11.20%	M	Nov/02 to Nov/13	569	-	30,000
CITIBANK	104% - 108% of CDI	M	Oct/02 to Nov/02	400	8,214	-
Bank Loan	103%-111.5% of CDI	M	Oct/02 to Mar/03	62	77,179	-
FUNDAÇÃO ENERSUL	10%	M	Jul/98 to Nov/13	109	1,760	16,771
OTHER	1.35%	M	May/00 to Jun/09	30	-	881
TOTAL				8,000	239,949	538,411
Foreign currency:						
SENIOR NOTES	10%	S	July/07	34,969	-	1,678,538
BRANDESCO (*)	4.90% - 12.00%	S	Oct/02 to Nov/02	572	23,779	-
UNIBANCO (*)	10.85% - 11.40%	S	Mar/04	-	-	10,998
EUROPEAN INVEST BANK	LIBOR plus 4.0% - 5.0%	H	Dec/02 to Mar/09	1,241	5,311	57,786
STN-DMLP	LIBOR plus 4.5% - 8.2%	H	Oct/96 to Apr/24	1,383	1,661	54,774
BBA FMO (*)	8.90%	H	Mar/02 a Sep/07	134	4,547	11,020
ITAU (*)	1.5% - 3.5%	S	Oct/02	246	13,838	-
BBA (*)	16.0%	S	Jan/03	1,392	48,846	-
				39,937	97,982	1,813,116
				47,937	337,931	2,351,527
Type:						
S= Single						
M= Monthly						
H = Half-Year						

(*) Loans protected by Swap Contracts against currency fluctuations.

MATURITY OF SHORT AND LONG-TERM INSTALLMENTS IS AS FOLLOWS:

thousands of reais

Maturity	PARENT COMPANY			CONSOLIDATED		
	Currency					
	Local	Foreign	Total	Local	Foreign	Total
Current:						
2002	37,326	-	37,326	133,991	38,359	172,350
2003						-
1st Quarter	15,531	48,846	64,377	26,497	50,756	77,253
2nd Quarter	18,649		18,649	49,102	6,230	55,332
3rd Quarter	19,186		19,186	30,359	2,637	32,996
	90,692	48,846	139,538	239,949	97,982	337,931
Long-Term:						
2003	27,074		27,074	58,223	6,230	64,453
2004	88,937	-	88,937	176,623	31,154	207,777
2005	92,008	-	92,008	133,782	20,156	153,938
2006	35,116	-	35,116	70,864	16,423	87,287
2007	5,058	1,678,538	1,683,596	31,106	1,694,357	1,725,463
2008	4,502	-	4,502	18,259	9,362	27,621
2009	4,502	-	4,502	13,103	3,275	16,378
2010	3,438	-	3,438	12,039	2,500	14,539
2011	-	-	-	8,601	2,500	11,101
After 2011	-	-	-	15,811	27,159	42,970
	260,635	1,678,538	1,939,173	538,411	1,813,116	2,351,527
TOTAL	351,327	1,727,384	2,078,711	778,360	1,911,098	2,689,458

INTEREST CAPITALIZED

thousands of reais

	PARENT COMPANY		CONSOLIDATED		
	Distribution	Total	Generation	Distribution	Total
Interest on loans and financing	125,665	125,665	11,828	168,475	180,303
(-) Interest Capitalized	(1,167)	(1,167)	(9,538)	(3,967)	(13,505)
Net	124,498	124,498	2,290	164,508	166,798
Monetary and exchange variation	702,128	702,128	4,806	758,667	763,473
(-) Capitalized	(346)	(346)	(4,713)	(1,205)	(5,918)
Net	701,782	701,782	93	757,462	757,555

BALANCE SHEETS (in thousands of Brazilian reais)						
A S S E T S	PARENT COMPANY			CONSOLIDATED		
	SEP-2001	SEP-2001	JUN-2002	SEP-2002	SEP-2001	JUN-2002
CURRENT ASSETS	652,635	559,277	593,242	850,860	678,524	774,011
Cash and bank	3,912	3,250	7,368	6,299	5,761	8,262
Accounts receivable	262,805	118,902	240,925	415,296	189,776	380,363
Other accounts receivable	14,102	9,665	19,278	29,915	12,299	34,313
Allowance for doubtful accounts	(21,687)	(9,933)	(19,998)	(32,546)	(18,197)	(30,124)
Income tax paid in advance	40,766	65,223	43,451	57,316	83,234	57,827
Marketable securities	285,721	295,398	214,501	288,903	296,302	214,693
Materials and supplies	2,704	3,554	3,735	5,652	6,230	7,112
Escrow deposits	39,382	39,382	39,382	39,382	39,382	39,382
Prepaid expenses-CVA	2,928	-	26,843	11,417	-	31,730
Prepaid expenses-Other	1,062	910	242	1,176	953	460
Services in progress	7,263	7,414	7,957	10,261	-	9,977
Other credits	13,677	25,512	9,558	17,789	62,784	20,016
LONG-TERM ASSETS	581,598	262,128	527,525	965,954	535,431	884,158
Accounts receivable	183,552	22,885	171,309	278,301	22,885	253,407
Escrow deposits	69,413	57,398	66,441	98,008	76,167	90,006
Emergency program for energy reduction	46,611	-	46,609	71,828	-	71,826
Funding costs	2,851	3,659	3,043	2,851	3,659	3,043
Deferred income tax	170,130	158,070	170,130	286,748	310,893	286,930
Affiliates and subsidiaries	6,473	4,808	1,362	63,031	62,474	57,561
Prepaid expenses-CVA	83,278	-	50,200	133,670	-	91,412
Other	19,290	15,308	18,431	31,517	59,353	29,973
PERMANENT ASSETS	1,522,668	1,419,869	1,512,234	1,918,079	1,850,919	1,903,546
Investments	762,238	657,535	749,836	377,018	384,620	379,688
Property, plant and equipment						
In Service	1,267,308	1,233,571	1,254,286	2,415,139	2,280,729	2,385,571
(-)Accumulated depreciation and amortization	(501,663)	(453,736)	(490,022)	(922,196)	(827,680)	(897,953)
	765,645	779,835	764,264	1,492,943	1,453,049	1,487,618
Under construction	90,207	73,756	92,402	235,153	186,433	220,808
	855,852	853,591	856,666	1,728,096	1,639,482	1,708,426
Obligations related to concessions	(95,422)	(91,257)	(94,268)	(187,114)	(173,262)	(184,647)
Deferred charges	-	-	-	79	79	79
TOTAL ASSETS	2,756,901	2,241,274	2,633,001	3,734,893	3,064,874	3,561,715

BALANCE SHEETS

(in thousands of Brazilian reais)

LIABILITIES AND SHAREHOLDERS' EQUITY	PARENT COMPANY			CONSOLIDATED		
	SEP-2001	SEP-2001	JUN-2002	SEP-2002	SEP-2001	JUN-2002
CURRENT LIABILITIES	413,311	332,999	387,833	708,771	603,561	728,770
Suppliers	116,034	128,811	111,164	164,747	175,435	157,126
Accrued interest and fees	38,756	24,359	57,773	47,937	35,970	63,548
Accrued taxes and social contribution	37,653	31,936	33,220	52,729	43,786	49,146
Dividends	21	21	21	30	27	105
Loans and financing	139,538	68,212	86,399	337,931	248,604	343,153
Provision for contingencies	39,382	39,382	39,382	39,382	39,382	39,382
Accrued obligations	12,369	12,982	9,163	23,467	22,802	17,638
Regulatory charges payable	5,593	10,049	5,938	10,022	15,445	9,621
Postretirement benefits	2,420	-	2,420	2,420	-	2,420
Variation of parcel "A" items	3,322	-	29,051	4,844	-	29,438
Other	18,223	17,247	13,302	25,262	22,110	17,193
LONG-TERM LIABILITIES	2,267,107	1,350,372	1,685,731	2,774,380	1,735,697	2,088,204
Suppliers	66,972	-	68,596	97,669	-	95,329
Deferred income tax	8,259	10,731	8,875	8,259	10,731	8,875
Emergency program for energy reduction	35,228	-	26,312	53,925	-	40,166
Loans and financing	1,939,173	1,245,882	1,392,854	2,351,527	1,604,655	1,715,917
Provision for contingencies	121,353	77,015	117,964	156,437	103,007	148,785
Affiliates and subsidiaries	104	1,810	-	-	-	-
Postretirement benefits	28,032	-	28,032	28,032	-	28,032
Variation of parcel "A" items	22,502	-	1,833	25,746	-	3,769
Other	45,484	14,934	41,265	52,785	17,304	47,331
MINORITY INTEREST	-	-	-	175,259	167,713	185,304
SHAREHOLDERS' EQUITY	76,483	557,903	559,437	76,483	557,903	559,437
Capital stock	153,947	153,947	153,947	153,947	153,947	153,947
Capital reserves	580,975	609,696	579,858	580,975	609,696	579,858
Income reserves	-	13,145	-	-	13,145	-
Accumulated losses	(658,439)	(218,885)	(174,368)	(658,439)	(218,885)	(174,368)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,756,901	2,241,274	2,633,001	3,734,893	3,064,874	3,561,715

STATEMENTS OF INCOME

(in thousands of Brazilian reais, except per share amounts)

	PARENT COMPANY			CONSOLIDATED		
	UP TO 3rd QUARTER 2002	UP TO 3rd QUARTER 2001	UP TO 2nd QUARTER 2002	UP TO 3rd QUARTER 2002	UP TO 3rd QUARTER 2001	UP TO 2nd QUARTER 2002
GROSS OPERATING REVENUES	830,811	693,119	521,267	1,240,423	1,062,178	776,263
Electricity sales to final customers	759,635	662,815	480,787	1,164,964	999,537	745,313
Emergency charge	11,271	-	-	15,539	-	-
Electricity sales to distributors	42,078	23,467	29,967	28,357	40,131	11,599
Other revenues	17,827	6,837	10,513	31,563	22,510	19,351
DEDUCTIONS FROM OPERATING REVENUES	(241,179)	(194,391)	(149,922)	(337,736)	(276,400)	(209,437)
Global reserve for reversion quota - RGR	(11,519)	(12,538)	(8,136)	(20,083)	(20,494)	(13,842)
VAT (ICMS)	(188,697)	(156,551)	(122,714)	(257,142)	(216,812)	(167,965)
PIS and COFINS	(29,645)	(25,298)	(19,033)	(44,525)	(38,791)	(27,328)
Emergency charge	(11,271)	-	-	(15,539)	-	-
Other	(47)	(4)	(39)	(447)	(303)	(302)
Net operating revenues	589,632	498,728	371,345	902,687	785,778	566,826
OPERATING EXPENSES	(541,012)	(507,514)	(346,445)	(843,166)	(790,277)	(538,532)
Electricity purchased for resale	(356,959)	(330,715)	(224,563)	(509,291)	(480,119)	(321,476)
Depreciation and amortization	(42,621)	(41,480)	(28,343)	(91,211)	(80,367)	(59,912)
Personnel	(47,226)	(46,402)	(29,699)	(84,712)	(79,855)	(54,269)
Material	(5,147)	(5,822)	(3,210)	(10,503)	(15,360)	(7,664)
Third party services	(23,177)	(21,184)	(15,103)	(45,908)	(38,964)	(29,341)
Fuel usage quota - CCC	(38,095)	(41,606)	(26,464)	(56,696)	(59,495)	(38,167)
Provision for contingencies	-	-	(1,256)	(5,290)	539	(2,029)
Other expenses	(27,787)	(20,305)	(17,807)	(39,555)	(36,656)	(25,674)
Income from operations	48,620	(8,786)	24,900	59,521	(4,499)	28,294
EQUITY IN SUBSIDIARIES	(34,449)	(24,000)	(14,452)	-	-	-
FINANCIAL REVENUES	98,572	138,668	64,020	140,342	165,928	97,691
Short-term investments	44,989	126,957	33,653	56,182	127,109	39,822
Increase on overdue collections	7,929	5,989	4,770	12,115	9,254	7,224
Hedge	15,326	-	7,335	15,326	-	17,970
SELIC - regulatory assets	23,187	-	13,766	40,136	-	23,131
Other	7,141	5,722	4,496	16,583	29,565	9,544
FINANCIAL EXPENSES	(845,117)	(418,749)	(323,107)	(950,123)	(494,036)	(384,910)
Monetary variation-electricity purchased	(4,068)	(6,839)	(3,874)	(6,058)	(9,453)	(5,002)
Monetary and exchange variation on loans and financing	(701,782)	(312,234)	(235,572)	(757,555)	(350,735)	(266,797)
Interest on loans and financing	(124,498)	(88,920)	(74,042)	(166,798)	(118,479)	(100,248)
Other	(14,769)	(10,756)	(9,619)	(19,712)	(15,369)	(12,863)
Financial Results	(746,545)	(280,081)	(259,087)	(809,781)	(328,108)	(287,219)
Operating profit (loss)	(732,374)	(312,867)	(248,639)	(750,260)	(332,607)	(258,925)
NON-OPERATING REVENUES	400	2,570	263	747	3,330	512
NON-OPERATING EXPENSES	(4,408)	(3,684)	(3,319)	(7,814)	(7,193)	(5,303)
Non-operating expenses(loss), net	(4,008)	(1,114)	(3,056)	(7,067)	(3,863)	(4,791)
LOSS BEFORE TAXES	(736,382)	(313,981)	(251,695)	(757,327)	(336,470)	(263,716)
Social contribution and income tax	77,943	95,096	77,327	84,367	108,586	84,675
MINORITY INTEREST	-	-	-	14,521	8,999	4,673
LOSS FOR THE PERIOD	(658,439)	(218,885)	(174,368)	(658,439)	(218,885)	(174,368)
Loss per share - R\$	(144.68)	(48.10)	(38.31)			

STATEMENTS OF CASH FLOWS

(in thousands of Brazilian reais)

	PARENT COMPANY			CONSOLIDATED		
	UP TO 3rd QUARTER 2002	UP TO 3rd QUARTER 2001	UP TO 2nd QUARTER 2002	UP TO 3rd QUARTER 2002	UP TO 3rd QUARTER 2001	UP TO 2nd QUARTER 2002
Loss for the period	(658,439)	(218,885)	(174,368)	(658,439)	(218,885)	(174,368)
Adjustments to reconcile loss to net cash provided by:						
operating activities:	718,600	307,038	215,230	746,277	329,088	217,973
Long-term monetary and exchange variation	701,914	312,234	235,572	751,937	340,475	254,153
Equity in subsidiaries	34,449	24,000	14,452	-	-	-
Depreciation and amortization	42,621	41,480	28,343	91,211	80,367	59,912
Disposal of property, plant and equipment	3,507	3,627	2,330	7,188	6,576	5,070
Provision for contingencies	9,153	20,793	5,764	12,880	20,254	6,797
Other expenses	5,829	-	4,541	5,829	-	4,541
Deferred income tax	(76,328)	(95,096)	(75,712)	(83,564)	(108,723)	(83,130)
Minority share in profit	-	-	-	(14,521)	(8,999)	(4,673)
Regulatory assets	9,339	-	(60)	(11,890)	-	(23,952)
Hedge	(11,884)	-	-	(11,884)	-	-
Remuneration on construction work in progress and other	-	-	-	(909)	(862)	(745)
	60,161	88,153	40,862	87,838	110,203	43,605
changes in current assets and liabilities:	(54,564)	9,247	(56,836)	(75,347)	1,328	(62,821)
Accounts receivable	(65,869)	1,216	(36,339)	(75,421)	(2,512)	(24,223)
Other accounts receivable	14,359	(43,481)	6,498	3,008	(49,457)	(1,901)
Prepaid expenses	2,135	(105)	(20,960)	(3,983)	(144)	(23,580)
Other credits	(1,512)	(3,977)	(9,971)	(2,767)	(15,654)	(16,703)
Suppliers	(20,253)	60,066	(25,123)	(14,253)	74,281	(21,762)
Accrued taxes and social contribution	9,103	2,097	4,670	4,556	761	972
Accrued obligations	12	(980)	(3,194)	1,585	308	(2,938)
Regulatory charges	(2,788)	(1,536)	(2,443)	(3,218)	(2,997)	(3,619)
Variation of parcel "A" items	3,082	-	28,825	4,604	-	29,212
Other	7,167	(4,053)	1,201	10,542	(3,258)	1,721
changes in non-current assets and liabilities:	(6,117)	(8,001)	17,212	(20,017)	(19,164)	(34,396)
Accounts receivable	-	-	15,981	-	-	15,981
Escrow deposits	(8,318)	(10,786)	(5,346)	(13,798)	(14,435)	(8,575)
Emergency program for reduction in energy consumption	11,321	-	2,407	16,613	-	2,856
Affiliates and subsidiaries	(4,116)	(1,668)	891	(3,528)	(151)	(41,502)
Prepaid expenses	(3,725)	-	3,956	(17,680)	-	(3,863)
Other	(1,279)	4,453	(677)	(1,624)	(4,578)	707
Net cash provided by operating activities	(520)	89,399	1,238	(7,526)	92,367	(53,612)
Investing activities:	(132,725)	(65,281)	(87,956)	(129,258)	(115,674)	(85,392)
Capital expenditures	(36,353)	(43,449)	(22,828)	(133,571)	(121,665)	(87,240)
Investments	(99,395)	(25,232)	(66,996)	(105)	653	(102)
Consumers' contributions and donations	3,023	3,400	1,868	4,418	5,338	1,950
Net cash used in investing activities	(132,725)	(65,281)	(87,956)	(129,258)	(115,674)	(85,392)
Financing activities:	165,113	1,760	50,822	172,489	47,579	102,462
Loans and financing	172,883	27,437	39,767	189,019	79,733	60,367
Accrued interest and fees	(7,770)	(14,247)	11,055	(2,158)	(6,855)	11,939
Dividends	-	(13,240)	-	(4,053)	(15,348)	(4,531)
Affiliates and subsidiaries	-	1,810	-	(10,319)	(9,951)	34,687
Net cash provided by (used in) financing activities	165,113	1,760	50,822	172,489	47,579	102,462
Net increase(decrease)in cash and cash equivalents	31,868	25,878	(35,896)	35,705	24,272	(36,542)
Cash and cash equivalents, beginning of period	257,765	272,770	257,765	259,497	277,791	259,497
Cash and cash equivalents, end of period	289,633	298,648	221,869	295,202	302,063	222,955
	31,868	25,878	(35,896)	35,705	24,272	(36,542)



ESPIRITO SANTO CENTRAIS ELÉTRICAS S.A.

STATEMENTS OF INCOME BY QUARTER - UNCONSOLIDATED

(in thousands of Brazilian Reais)

PARENT COMPANY

	2002				2001					LTM ended September-02
	1st Quarter	2nd Quarter	3rd Quarter	Total	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	
NET OPERATING REVENUES	208,163	163,182	218,287	589,632	184,373	167,209	147,146	369,068	867,796	958,700
OPERATING EXPENSES	(176,949)	(169,496)	(194,567)	(541,012)	(165,482)	(175,336)	(166,696)	(238,514)	(746,028)	(779,526)
Electricity purchased for resale	(108,323)	(116,240)	(132,396)	(356,959)	(108,695)	(117,248)	(104,772)	(149,984)	(480,699)	(506,943)
Depreciation and amortization	(14,131)	(14,212)	(14,278)	(42,621)	(13,564)	(13,924)	(13,992)	(14,019)	(55,499)	(56,640)
Personnel	(14,225)	(15,474)	(17,527)	(47,226)	(15,988)	(15,607)	(14,807)	(15,922)	(62,324)	(63,148)
Material	(1,557)	(1,653)	(1,937)	(5,147)	(1,786)	(1,982)	(2,054)	(2,158)	(7,980)	(7,305)
Third party services	(7,698)	(7,405)	(8,074)	(23,177)	(6,741)	(7,309)	(7,134)	(8,046)	(29,230)	(31,223)
Fuel usage quota - CCC	(12,907)	(13,557)	(11,631)	(38,095)	(12,151)	(14,436)	(15,019)	(6,942)	(48,548)	(45,037)
Provision for contingencies	-	(1,256)	1,256	-	-	-	-	(29,924)	(29,924)	(29,924)
Other expenses	(18,108)	301	(9,980)	(27,787)	(6,557)	(4,830)	(8,918)	(11,519)	(31,824)	(39,306)
Income from operations	31,214	(6,314)	23,720	48,620	18,891	(8,127)	(19,550)	130,554	121,768	179,174
EQUITY IN SUBSIDIARIES	8,268	(22,720)	(19,997)	(34,449)	(942)	(4,745)	(18,313)	45,355	21,355	10,906
FINANCIAL REVENUES	19,215	44,805	34,552	98,572	41,079	49,484	48,105	(27,041)	111,627	71,531
FINANCIAL EXPENSES	(37,757)	(285,350)	(522,010)	(845,117)	(118,945)	(110,727)	(189,077)	120,657	(298,092)	(724,460)
Monetary variation-electricity purchased	(305)	(3,569)	(194)	(4,068)	(1,562)	(1,545)	(3,732)	2,748	(4,091)	(1,320)
Monetary and exchange variation on loans and financing	(2,821)	(232,751)	(466,210)	(701,782)	(89,789)	(62,655)	(159,790)	154,151	(158,083)	(547,631)
Interest on loans and financing	(32,037)	(42,005)	(50,456)	(124,498)	(24,720)	(27,869)	(36,331)	(26,476)	(115,396)	(150,974)
Other	(2,594)	(7,025)	(5,150)	(14,769)	(2,874)	(18,658)	10,776	(9,766)	(20,522)	(24,535)
Financial results	(18,542)	(240,545)	(487,458)	(746,545)	(77,866)	(61,243)	(140,972)	93,616	(186,465)	(652,929)
NON-OPERATING REVENUES(EXPENSES), net	(2,974)	(82)	(952)	(4,008)	(952)	592	(754)	(2,930)	(4,044)	(6,938)
INCOME(LOSS) BEFORE TAXES	17,966	(269,661)	(484,687)	(736,382)	(60,869)	(73,523)	(179,589)	266,595	(47,386)	(469,787)
Social contribution and income tax	(3,811)	81,138	616	77,943	19,581	22,586	52,929	(73,846)	21,250	4,097
NET INCOME(LOSS) FOR THE PERIOD	14,155	(188,523)	(484,071)	(658,439)	(41,288)	(50,937)	(126,660)	192,749	(26,136)	(465,690)

FINANCIAL RATIOS AND OTHER INFORMATION

EBITDA	45,345	7,898	37,998	91,241	32,455	5,797	(5,558)	144,573	177,267	235,814
(+)Financial revenues	19,215	44,805	34,552	98,572	41,079	49,484	48,105	(27,041)	111,627	71,531
(+)Non-operating revenues(expenses), net	(2,974)	(82)	(952)	(4,008)	(952)	592	(754)	(2,930)	(4,044)	(6,938)
=Adjusted EBITDA	61,586	52,621	71,598	185,805	72,582	55,873	41,793	114,602	284,850	300,407
CAPEX	12,241	10,587	13,525	36,353	12,568	15,226	15,655	22,081	65,530	58,434
TOTAL DEBT	1,242,033	1,479,253	2,078,711	2,078,711	1,070,065	1,115,652	1,314,094	1,203,914	1,203,914	2,078,711
INTEREST ON LOANS AND FINANCING	32,037	42,005	50,456	124,498	24,720	27,869	36,331	26,476	115,396	150,974
EBITDA margin	21.8%	4.8%	17.4%	15.5%	17.6%	3.5%	-3.8%	39.2%	20.4%	24.6%
EBITDA/Interest on loans and financing	1,4x	0,2x	0,8x	0,7x	1,3x	0,2x	-0,2x	5,5x	1,5x	1,6x
Adjusted EBITDA margin	29.6%	32.2%	32.8%	31.5%	39.4%	33.4%	28.4%	31.1%	32.8%	31.3%
Adjusted EBITDA/Interest on loans and financing	1,9x	1,3x	1,4x	1,5x	2,9x	2,0x	1,2x	4,3x	2,5x	2,0x