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ESCELSA ANNOUNCES FIRST HALF 2003 RESULTS

July 31, 2003, 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 first half ended June 30, 2003. All figures are in Brazilian Reais. Consolidated results include the incorporation of wholly owned subsidiary Magistra Participações, a 65.2% shareholder of EMPRESA ENERGÉTICA DE MATO GROSSO DO SUL S.A. - ENERSUL, and wholly owned subsidiaries TV A Cabo Vitória S.A. - TVIX, which provides cable TV service in Vitória and Vila Velha, and ESCELSAPAR, which operates as an Internet service provider and information technology services provider. Further information is available on the Company's website: www.escelsa.com.br

ESCELSA'S NUMBERS

| | PARENT COMPANY | | | CONSOLIDATED | | |
|--|----------------|---------------|------------------|---------------|---------------|------------------|
| | 1st Half 2003 | 1st Half 2002 | 1st Quarter 2003 | 1st Half 2003 | 1st Half 2002 | 1st Quarter 2003 |
| FINANCIAL INFORMATION (In thousands of reais) | | | | | | |
| Gross operating revenues | 634,392 | 521,267 | 333,961 | 979,804 | 776,263 | 484,020 |
| Net operating revenues | 442,854 | 371,345 | 237,708 | 703,249 | 566,826 | 348,485 |
| Income from operations | 58,600 | 24,900 | 53,044 | 98,217 | 28,294 | 63,414 |
| Net Income(loss) for the period | 183,260 | (174,368) | 82,126 | 183,260 | (174,368) | 82,126 |
| EBITDA (1) | 87,932 | 53,243 | 67,617 | 156,361 | 88,206 | 92,743 |
| Total Assets | 2,656,821 | 2,633,001 | 2,701,895 | 3,587,778 | 3,561,715 | 3,651,015 |
| Shareholders' equity | 406,282 | 559,437 | 305,148 | 406,282 | 559,437 | 305,148 |
| Shares outstanding(number) | 4,550,833 | 4,550,833 | 4,550,833 | | | |
| Book value per share (R\$) | 89.28 | 122.93 | 67.05 | | | |
| Share price (R\$) | 33.00 | 72.89 | 40.00 | | | |
| Market value | 150,177 | 331,710 | 182,033 | | | |
| INDICATORS | | | | | | |
| Operating margin (%) | 13.23 | 6.71 | 22.31 | 13.97 | 4.99 | 18.20 |
| (Income from operations/Net operating revenues) | | | | | | |
| EBITDA margin (%) | 19.86 | 14.34 | 28.45 | 22.23 | 15.56 | 26.61 |
| (EBITDA)/Net operating revenues | | | | | | |
| Personnel expenses plus third party services/net oper.revenues (%) | 10.93 | 12.06 | 9.93 | 12.83 | 14.75 | 12.50 |
| Energy losses (%) (2) | 11.66 | 11.71 | 11.20 | | | |
| DEC-Equivalent Outage Duration per Customer (hours) (2) | 12.01 | 14.99 | 11.17 | | | |
| FEC- Equivalent Outage Frequency per Customer (number) (2) | 9.95 | 11.23 | 9.32 | | | |
| TMA-Average Service Response Time (minutes)(2) | 117 | 109 | 115 | | | |
| Number of customers per employee | 718 | 678 | 710 | 674 | 634 | 664 |
| MARKET | | | | | | |
| Maximum demand - MWh/h | 1,199.3 | 1,078.6 | 1,199.2 | | | |
| Energy Sales - MWh | 2,957,197 | 3,059,037 | 1,514,139 | 4,358,030 | 4,410,523 | 2,219,540 |
| Number of customers | 966,316 | 939,961 | 966,268 | 1,572,339 | 1,528,457 | 1,568,357 |
| Average tariff to final customers - R\$/MWh | 158.16 | 132.97 | 158.56 | - | - | - |
| Average cost of electricity purchased - R\$/MWh | 82.92 | 64.53 | 82.13 | - | - | - |
| HUMAN RESOURCES | | | | | | |
| Number of employees | 1,345 | 1,386 | 1,360 | 2,333 | 2,410 | 2,361 |
| Number of trainees | 40 | 87 | 36 | 72 | 108 | 77 |
| Personnel expenses (thousands of reais) | 33,243 | 29,699 | 15,817 | 59,679 | 54,269 | 28,629 |
| Personnel expenses plus third party services (thousands of reais) | 48,424 | 44,802 | 23,600 | 90,199 | 83,610 | 43,556 |

(1) EBITDA = Income from operations plus depreciation and amortization

(2) Twelve-month period

ENERGY SOLD

Energy sold in the first half of 2003 totaled 2,957,197 MWh, or 3.3% less than the 3,059,037 in the same period in 2002. The decline witnessed in the industrial and commercial segment was due mainly to the discontinuation of Vale do Rio Doce and Samarco as customers, as they elected to become free consumers as of January 2003.

The remaining customer segments showed significant growth; however, January and February of 2002 were rationing months, which distorts the year-on-year comparison.

If we do not consider the customers that became free consumers, energy Sales would have shown a growth of 8.4%.

| Class | MWh | | | | | |
|------------------|------------------|------------------|--------------|------------------|------------------|--------------|
| | PARENT COMPANY | | | CONSOLIDATED | | |
| | First Half | | | First Half | | |
| | 2003 | 2002 | % change | 2003 | 2002 | % change |
| Retail: | | | | | | |
| Residential | 636,359 | 574,031 | 10.9 | 1,083,816 | 1,001,615 | 8.2 |
| Industrial | 1,334,977 | 1,533,620 | (13.0) | 1,654,260 | 1,857,634 | (10.9) |
| Commercial | 394,163 | 421,911 | (6.6) | 672,167 | 685,516 | (1.9) |
| Rural | 186,399 | 150,010 | 24.3 | 330,845 | 285,983 | 15.7 |
| Other | 254,120 | 227,534 | 11.7 | 450,951 | 415,182 | 8.6 |
| | 2,806,018 | 2,907,106 | (3.5) | 4,192,039 | 4,245,931 | (1.3) |
| Wholesale | 151,179 | 151,931 | (0.5) | 165,991 | 164,592 | 0.8 |
| TOTAL | 2,957,197 | 3,059,037 | (3.3) | 4,358,030 | 4,410,523 | (1.2) |

CUSTOMER PROFILES

The sales volume and revenue breakdown among residential and industrial customers underwent a significant change in the first half of 2003, mainly as a result of customers that became free consumers and chose to obtain energy from sources other than ESCELSA.

For the purposes of calculating revenue breakdown per segment, the effects of the regulatory asset and short-term market sales were not considered.

| Class | PARENT COMPANY | | | |
|------------------|------------------------|--------------------|------------------------|--------------------|
| | First half 2003 | | First half 2002 | |
| | As a % of Sales Volume | As a % of Revenues | As a % of Sales Volume | As a % of Revenues |
| Retail: | | | | |
| Residential | 21.52 | 35.76 | 18.77 | 32.21 |
| Industrial | 45.14 | 30.81 | 50.13 | 35.96 |
| Commercial | 13.33 | 18.58 | 13.79 | 18.37 |
| Rural | 6.30 | 4.68 | 4.90 | 4.07 |
| Other | 8.59 | 8.01 | 7.44 | 7.20 |
| | 94.89 | 97.84 | 95.03 | 97.81 |
| Wholesale | 5.11 | 2.16 | 4.97 | 2.19 |
| TOTAL | 100.00 | 100.00 | 100.00 | 100.00 |

NUMBER OF CUSTOMERS

The number of customers on June 30, 2003 totaled 966,316, an increase of 2.8% compared to the same period last year. During the first half of 2003, 11,935 customers were connected.

| Class | PARENT COMPANY | | | CONSOLIDATED | | |
|------------------|----------------|----------------|------------|------------------|------------------|------------|
| | June 30, | | % change | June 30, | | % change |
| | 2003 | 2002 | | 2003 | 2002 | |
| Retail: | | | | | | |
| Residential | 764,935 | 745,613 | 2.6 | 1,262,118 | 1,229,147 | 2.7 |
| Industrial | 10,923 | 11,035 | (1.0) | 15,545 | 15,727 | (1.2) |
| Commercial | 85,058 | 83,298 | 2.1 | 137,763 | 134,904 | 2.1 |
| Rural | 96,564 | 91,057 | 6.0 | 141,493 | 133,449 | 6.0 |
| Other | 8,834 | 8,956 | (1.4) | 15,415 | 15,225 | 1.2 |
| | 966,314 | 939,959 | 2.8 | 1,572,334 | 1,528,452 | 2.9 |
| Wholesale | 2 | 2 | - | 5 | 5 | - |
| TOTAL | 966,316 | 939,961 | 2.8 | 1,572,339 | 1,528,457 | 2.9 |

AVERAGE TARIFF

The average tariff charged to retail customers in June 2003 was R\$ 159.90/MWh, while the wholesale rate to other distributors was R\$ 85.23/MWh, resulting in an overall average tariff of R\$ 155.77/MWh, an increase of 23.5%, compared to the same month last year. The average tariffs per segment are as follows:

| Class | R\$/MWh | | | | | |
|------------------|----------------|---------------|-------------|---------------|---------------|-------------|
| | PARENT COMPANY | | | | | |
| | JUN-2003 | JUN-2002 | % change | ATÉ JUN-2003 | ATÉ JUN-2002 | % change |
| Retail: | | | | | | |
| Residential | 238.81 | 206.35 | 15.7 | 240.46 | 216.67 | 11.0 |
| Industrial | 111.99 | 91.87 | 21.9 | 105.73 | 91.97 | 15.0 |
| Commercial | 217.45 | 172.85 | 25.8 | 213.84 | 171.08 | 25.0 |
| Rural | 144.89 | 128.97 | 12.3 | 145.79 | 128.88 | 13.1 |
| Other | 154.09 | 129.74 | 18.8 | 154.31 | 129.69 | 19.0 |
| | 159.90 | 128.92 | 24.0 | 158.16 | 132.97 | 18.9 |
| Wholesale | 85.23 | 69.24 | 23.1 | 82.89 | 67.09 | 23.6 |
| Average | 155.77 | 126.09 | 23.5 | 154.31 | 129.70 | 19.0 |

QUALITY OF SERVICE RENDERED

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 customers remain without the supply of electric energy.

For the period ended June 30, 2003, DEC was 12.01 hours, compared to 14.99 hours in the same period last year, an improvement of 19.9%.

Equivalent Outage Frequency per Customer–FEC

Indicator that measures the average number of interruptions in the supply of electric energy, per customer.

For the period ended June 30, 2003, FEC was 9.95, compared to 11.23 in the same period last year, an improvement of 11.4%.

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 June 30, 2003, TMA was 117 minutes, compared to 109 minutes in the same period last year.

Energy losses

Energy losses were reduced slightly over the past 12 months from 11.71% in the 12-month period ended June 30, 2002 to 11.66% in the same period this year, a difference of 0.4%. The Company has undertaken initiatives to reduce losses, particularly among commercial customers.

FINANCIAL PERFORMANCE

INCOME FROM OPERATIONS

Income from operations in 1H03 totaled R\$ 58,600 thousand compared to R\$24,900 in the same period last year, resulting in an EBITDA of R\$ 87,932 thousand, equal to an EBITDA margin of 19.9%. The main items of income from operations were:

| | thousands of reais | | | |
|------------------------------------|--------------------|-----------|--------------|-----------|
| | First Half | | | |
| | PARENT COMPANY | | CONSOLIDATED | |
| | 2003 | 2002 | 2003 | 2002 |
| Gross operating revenues | 634,392 | 521,267 | 979,804 | 776,263 |
| Deductions from operating revenues | (191,538) | (149,922) | (209,437) | (276,555) |
| Net operating revenues | 442,854 | 371,345 | 703,249 | 566,826 |
| Operating expenses | (384,254) | (346,445) | (605,032) | (538,532) |
| Income from operations | 58,600 | 24,900 | 98,217 | 28,294 |
| EBITDA | 87,932 | 53,243 | 156,361 | 88,206 |
| EBITDA margin % | 19.86% | 14.34% | 22.23% | 15.56% |

OPERATING REVENUES

Gross operating revenues in 1H03 totaled R\$ 634,392 thousand, 21.7% higher compared to 1H02. Revenue from the retail sector was R\$ 589,450 thousand, 22.6% higher than in 1H02, due to rate increases implemented in 2002 as well as higher sales volume.

Lower wholesale energy sales in 1H03 compared to 1H02 reflects short-term supply sales of excess energy made the previous year.

The increase in other revenues is due to the growth in the utilization of the transmission and distribution system by free consumers and revenues resulting from the agreement with CST.

Net operating revenues in 1H03 totaled R\$ 442,854 thousand, 19.3% higher than the same period in 2002.

| | thousands of reais | | | |
|--|--------------------|----------------|----------------|----------------|
| | PARENT COMPANY | | CONSOLIDATED | |
| | First Half | | | |
| | 2003 | 2002 | 2003 | 2002 |
| Retail: | | | | |
| Residential | 207,250 | 160,717 | 336,236 | 263,686 |
| Industrial | 178,539 | 179,450 | 231,095 | 222,111 |
| Commercial | 107,654 | 91,677 | 179,742 | 148,564 |
| Rural | 27,136 | 20,316 | 49,845 | 38,508 |
| Other | 46,393 | 35,924 | 82,007 | 63,453 |
| Contingency fee | 22,478 | - | 31,721 | - |
| Regulatory assets/other | - | (7,297) | 11,028 | 8,991 |
| | 589,450 | 480,787 | 921,674 | 745,313 |
| Wholesale: | | | | |
| Other distributors | 12,531 | 10,951 | 14,798 | 12,835 |
| Short-term | (106) | 19,016 | (2,758) | (1,236) |
| | 12,425 | 29,967 | 12,040 | 11,599 |
| Other operating revenues | 32,517 | 10,513 | 46,090 | 19,351 |
| Gross operating revenues | 634,392 | 521,267 | 979,804 | 776,263 |
| (-) Deductions from operating revenues | (191,538) | (149,922) | (276,555) | (209,437) |
| Net operating revenues | 442,854 | 371,345 | 703,249 | 566,826 |

OPERATING COSTS

Operating costs, including operating expenses plus RGR quotas increased 10.6% from R\$ 354,581 thousand in 1H02 to R\$ 392,278 thousand in 1H03.

Operating costs outside Company control such as energy purchased, RGR and CCC quotas increased 5.7%.

Costs managed by the Company such as personnel, material, third party services and other expenses increased from R\$ 65,060 thousand to R\$ 86,843 thousand in 1H03, or 14.9%, while depreciation increased 33.5%.

The increase in costs outside Company control is a result of higher energy expenses from Itaipu, a function of the currency devaluation between the two periods.

The increase in costs managed by the Company was due to the following factors:

- a) Personnel – lower transfer of costs to investments due to the reduction of such costs in 1H03 and to higher compensation as a result of the wage agreement;
- b) Materials – higher fuel costs for vehicles used for company transport and to maintain electric system;
- c) Others –higher expenses incurred with energy conservation programs, software fees, contributions to the National Science and Technology Development Fund and an adjustment in the provision for delinquent accounts.

During 1H03 the Company conservatively provisioned R\$14,001 thousand for adjustments to employee and fiscal liability provisions.

| | PARENT COMPANY | | | | |
|--|----------------|--------------|----------------|--------------|-------------|
| | First Half | | | | |
| | 2003 | | 2002 | | % Change |
| R\$ thousand | % | R\$ thousand | % | | |
| Controlled Costs | | | | | |
| Personnel | 33,243 | 8.5 | 29,699 | 8.4 | 11.9 |
| Material | 3,603 | 0.9 | 3,210 | 0.9 | 12.2 |
| Third party services | 15,181 | 3.9 | 15,103 | 4.3 | 0.5 |
| Provision for contingencies | 14,001 | 3.6 | 1,256 | 0.4 | 1,014.7 |
| Other | 20,815 | 5.3 | 15,792 | 4.5 | 31.8 |
| | 86,843 | 22.1 | 65,060 | 18.3 | 33.5 |
| Depreciation | 29,332 | 7.5 | 28,343 | 8.0 | 3.5 |
| TOTAL CONTROLLED COSTS | 116,175 | 29.6 | 93,403 | 26.3 | 24.4 |
| Non-controlled Costs: | | | | | |
| Energy purchased | 244,851 | 62.4 | 224,563 | 63.3 | 9.0 |
| CCC | 21,070 | 5.4 | 26,464 | 7.5 | (20.4) |
| Compensation for the use water resources | 1,518 | 0.4 | 1,388 | 0.4 | 9.4 |
| ANEEL fiscalization fee | 640 | 0.2 | 627 | 0.2 | 2.1 |
| RGR | 8,024 | 2.0 | 8,136 | 2.3 | (1.4) |
| TOTAL NON-CONTROLLED COSTS | 276,103 | 70.4 | 261,178 | 73.7 | 5.7 |
| GRAND TOTAL | 392,278 | 100.0 | 354,581 | 100.0 | 10.6 |

ENERGY PURCHASED EXPENSES

| | PARENT COMPANY | | CONSOLIDATED | |
|---------------------------------|----------------|-----------|--------------|-----------|
| | First Half | | | |
| | 2003 | 2002 | 2003 | 2002 |
| FURNAS / TRACTEBEL | | | | |
| Energy contracted- MWh | 2,029,894 | 2,615,863 | 2,926,733 | 3,835,261 |
| Expenses – thousands of reais | 110,498 | 121,078 | 155,155 | 166,879 |
| Average Tariff - R\$/MWh | 54.44 | 46.29 | 53.01 | 43.51 |
| ITAIPU | | | | |
| Energy contracted- MWh | 890,543 | 864,033 | 1,253,436 | 1,215,985 |
| Expenses – thousands of reais | 86,830 | 74,768 | 122,311 | 105,255 |
| Average Tariff - R\$/MWh | 97.50 | 86.53 | 97.58 | 86.56 |
| OTHER SUPPLIERS | | | | |
| Energy contracted- MWh | 32,290 | - | 252,751 | 115,069 |
| Cesa - MWh | 11,164 | 11,164 | - | - |
| Expenses – thousands of reais | 4,370 | 1,039 | 21,917 | 4,063 |
| Average Tariff - R\$/MWh | 100.57 | 93.07 | 86.71 | 35.31 |
| TRANSPORT FROM ITAIPU | | | | |
| Expenses – thousands of reais | 3,267 | 2,931 | 4,599 | 4,124 |
| Average Tariff - R\$/MWh | 3.67 | 3.39 | 3.67 | 3.39 |
| TRANSPORT FROM OTHER | | | | |
| Expenses – thousands of reais | 32,766 | 27,080 | 52,926 | 44,662 |
| Average Tariff - R\$/MWh | 16.14 | 10.35 | 18.08 | 11.65 |
| SECTOR AGREEMENT AND CVA | | | | |
| Expenses – thousands of reais | 6,742 | (10,221) | 1,262 | (11,690) |
| OTHER EXPENSES | | | | |
| Expenses – thousands of reais | 378 | 7,888 | 844 | 8,183 |
| TOTAL | | | | |
| Energy contracted- MWh | 2,952,727 | 3,479,896 | 4,432,920 | 5,166,315 |
| Cesa - MWh | 11,164 | 11,164 | - | - |
| Expenses – thousands of reais | 244,851 | 224,563 | 359,014 | 321,476 |
| Average Cost - R\$/MWh | 82.92 | 64.53 | 80.99 | 62.23 |

FINANCIAL RESULTS

The net financial result in 1H03 was positive R\$ 225,790 thousand, while in the same period last year was negative R\$ 259,087 thousand. This result was mainly due to the impact of the 5.1% appreciation of the real against the U.S. dollar during the period, which caused a significant reduction in monetary variation and interest on the foreign currency debt obligations.

CASH AND EQUIVALENTS

ESCELSA has funds deposited in banks or invested in financial instruments in the amount of R\$ 244,512 thousand (R\$ 256,574 thousand on a consolidated basis) as shown below:

| | PARENT COMPANY | | CONSOLIDATED | |
|---|-----------------------|------------------|-----------------------|------------------|
| | June 30, 2003 | | | |
| | thousands of reais | US\$ thousand | thousands of reais | US\$ thousand |
| Investments in Reais: | | | | |
| Cash and bank | 4,465 | - | 5,966 | - |
| Investments funds | - | - | 9,124 | - |
| Other | 225 | - | 1,662 | - |
| Total real denominated investments | 4,690 | - | 16,752 | - |
| Investments in Dollars: | | | | |
| Currency Exchange Securities- NBC's | 239,822 | 83,503 | 239,822 | 83,503 |
| Total Dollar denominated investments | 239,822 | 83,503 | 239,822 | 83,503 |
| Total cash and equivalents | 244,512 | 83,503 | 256,574 | 83,503 |
| US dollar = 2.8720 Real | | | | |

LOANS AND FINANCING

| PARENT COMPANY | | | | | | |
|-------------------------------|------------------------------|--------------|----------------|----------------------------|----------------|------------------|
| DESCRIPTION | AVERAGE ANNUAL INTEREST RATE | AMORTIZATION | | JUNE-03 | | |
| | | TYPE (*) | PERIOD MM/YY | Interest and Other Charges | Current | Long-Term |
| Local currency: | | | | | | |
| ELETROBRAS | 5.0% - 7.0% | M | 05/99 to 08/07 | - | 2,168 | 5,512 |
| BNDES | TJLP + 3.8% | M | 11/99 to 10/10 | 487 | 35,807 | 99,693 |
| BNDES-Rationing losses | SELIC+1.0% | M | 03/02 a 01/06 | 1,005 | 26,776 | 111,186 |
| BANK LOAN | 110%-115% do CDI | S | 03/03 | - | 31,055 | - |
| TOTAL LOCAL CURRENCY | | | | 1,492 | 95,806 | 216,391 |
| Foreign currency: | | | | | | |
| BBA (*) | 16% | S | 08/03 | 4,536 | 61,080 | - |
| BNDES | 3.5%+UMBANDES | M | 09/01 to 10/10 | 229 | 10,748 | 23,092 |
| Senior Notes | 10.0% | S | 07/07 | 56,728 | - | 1,237,711 |
| TOTAL FOREIGN CURRENCY | | | | 61,493 | 71,828 | 1,260,803 |
| TOTAL | | | | 62,985 | 167,634 | 1,477,194 |

| CONSOLIDATED | | | | | | |
|---|------------------------------|--------------|----------------|----------------------------|----------------|------------------|
| DESCRIPTION | AVERAGE ANNUAL INTEREST RATE | AMORTIZATION | | JUNE-03 | | |
| | | TYPE (*) | PERIOD MM/YY | Interest and Other Charges | Current | Long-Term |
| Local currency: | | | | | | |
| ELETROBRAS - ESCELSA | 5.0% - 7.0% | M | 05/99 to 08/07 | - | 2,168 | 5,512 |
| ELETROBRAS - ENERSUL | 6.0% - 12.0% | M | 12/97 to 05/22 | 258 | 15,162 | 44,893 |
| BNDES - ESCELSA | TJLP + 3.8% | M | 11/99 to 10/10 | 487 | 35,807 | 99,693 |
| BNDES - MAGISTRA | TJLP + 4.0% | H | 11/99 to 11/04 | 739 | 40,228 | 20,114 |
| BNDES - ENERSUL | TJLP + 3.85% | M | 09/01 to 02/08 | 228 | 13,366 | 49,012 |
| BNDES - ENERSUL | TJLP + 4.00% | M | 02/00 to 04/04 | 60 | 798 | 15,063 |
| BNDES-Rationing losses | SELIC+1.0% | M | 02/02 to 06/06 | 1,566 | 35,491 | 190,680 |
| BNDES- CESA | TJLP + 4.5% | M | 07/04 to 07/12 | 121 | - | 31,057 |
| BCO BRASIL - FCO | 11.20% | M | 11/04 to 11/13 | 591 | - | 30,000 |
| BANK LOAN | 107%-116.38% of CDI | M | 10/02 to 05/03 | 16 | 52,710 | - |
| FUNDAÇÃO ENERSUL | 10% | M | 07/98 to 11/13 | 120 | 2,550 | 17,858 |
| BBV-CDI | 114% of CDI | S | 04/03 to 07/03 | 902 | 17,000 | - |
| OTHER | 1.35% | M | 05/00 to 06/09 | - | - | 1,034 |
| TOTAL LOCAL CURRENCY | | | | 5,088 | 215,280 | 504,916 |
| Foreign currency: | | | | | | |
| SENIOR NOTES | 10% | S | 07/07 | 56,728 | - | 1,237,711 |
| BRANDESCO (*) | 6.5% | S | 07/03 to 11/04 | 25 | 14,169 | 5,909 |
| UNIBANCO (*) | 10.85% - 11.40% | S | 03/04 | 3,718 | 15,435 | - |
| EUROPEAN INVEST BANK | LIBORtri + 4.0% - 5.0% | H | 12/02 to 03/09 | 166 | 8,145 | 34,464 |
| STN-DMLP | LIBORsem + 4.5% - 8.2% | H | 10/96 to 04/24 | 417 | 2,278 | 38,113 |
| BBA FMO (*) | 8.90% | H | 03/02 to 09/07 | 374 | 5,200 | 9,828 |
| ITAÚ (*) | 27.30% | S | 07/03 | 2,281 | 16,986 | - |
| BNDES - ESCELSA | 3.5%+UMBANDES | M | 09/01 to 10/10 | 229 | 10,748 | 23,092 |
| BNDES - ENERSUL | 4%+UMBANDES | M | 04/03 to 10/07 | 93 | - | 2,991 |
| BNDES- CESA | 4.5%+UMBANDES | M | 07/04 to 07/12 | 210 | - | 7,628 |
| BBA (*) | 16.0% | S | 08/03 | 4,536 | 61,080 | - |
| TOTAL FOREIGN CURRENCY | | | | 68,777 | 134,041 | 1,359,736 |
| TOTAL | | | | 73,865 | 349,321 | 1,864,652 |
| Type | | | | | | |
| S = Single M= Monthly H = Half-Yearly | | | | | | |
| (*) Loans protected by Swap contracts against currency fluctuations | | | | | | |

Maturities of short and long-term installments on June 30, 2003 is as follows:

| Maturity | PARENT COMPANY | | | CONSOLIDATED | | |
|------------------|----------------|------------------|------------------|----------------|------------------|------------------|
| | Currency | | | Currency | | |
| | Local | Foreign | Total | Local | Foreign | Total |
| 2003 | 95,806 | 71,828 | 167,634 | 176,347 | 103,093 | 279,440 |
| 2004 | - | - | - | 38,933 | 30,948 | 69,881 |
| Current | 95,806 | 71,828 | 167,634 | 215,280 | 134,041 | 349,321 |
| 2004 | 33,420 | 5,468 | 38,888 | 72,078 | 27,341 | 99,419 |
| 2005 | 68,136 | 11,313 | 79,449 | 119,785 | 28,123 | 147,908 |
| 2006 | 54,966 | 4,147 | 59,113 | 106,105 | 18,088 | 124,193 |
| 2007 | 49,169 | 1,238,276 | 1,287,445 | 102,892 | 1,251,553 | 1,354,445 |
| 2008 | 3,891 | 565 | 4,456 | 44,284 | 7,469 | 51,753 |
| 2009 | 3,891 | 565 | 4,456 | 15,769 | 2,980 | 18,749 |
| 2010 | 2,918 | 469 | 3,387 | 14,796 | 2,313 | 17,109 |
| 2011 | - | - | - | 11,878 | 1,843 | 13,721 |
| 2012 | - | - | - | 8,514 | 1,356 | 9,870 |
| After 2012 | - | - | - | 8,815 | 18,670 | 27,485 |
| Long-Term | 216,391 | 1,260,803 | 1,477,194 | 504,916 | 1,359,736 | 1,864,652 |
| TOTAL | 312,197 | 1,332,631 | 1,644,828 | 720,196 | 1,493,777 | 2,213,973 |

BALANCE SHEETS

(In thousands of Brazilian reais)

| A S S E T S | PARENT COMPANY | | | CONSOLIDATED | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | JUN-03 | JUN-02 | MAR-03 | JUN-03 | JUN-02 | MAR-03 |
| CURRENT: | | | | | | |
| Cash and banks | 4,465 | 7,368 | 6,337 | 5,966 | 8,262 | 9,118 |
| Accounts receivable | 257,785 | 240,925 | 267,427 | 447,326 | 380,363 | 420,623 |
| Other accounts receivable | 4,435 | 19,278 | 11,027 | 8,474 | 34,313 | 9,571 |
| Recoverable taxes | 20,420 | 43,451 | 6,811 | 42,028 | 57,827 | 28,869 |
| Allowance for doubtful accounts | (30,584) | (19,998) | (27,227) | (45,443) | (30,124) | (40,983) |
| Material and supplies | 3,364 | 3,735 | 3,585 | 5,540 | 7,112 | 5,741 |
| Marketable securities | 240,047 | 214,501 | 285,544 | 250,608 | 214,693 | 294,448 |
| Escrow deposits | - | 39,382 | 39,382 | - | 39,382 | 39,382 |
| Deposits | 1,266 | - | 529 | 1,266 | - | 529 |
| Services in progress | 7,519 | 7,957 | 5,008 | 9,615 | 9,977 | 6,665 |
| Accounts receivable - UTE Campo Grande | - | - | - | 48,824 | - | 39,485 |
| Other credits | 1,289 | 9,558 | 2,984 | 6,284 | 20,016 | 7,535 |
| Prepaid expenses | 16,497 | 27,085 | 7,869 | 53,517 | 32,190 | 47,734 |
| | 526,503 | 593,242 | 609,276 | 834,005 | 774,011 | 868,717 |
| LONG-TERM: | | | | | | |
| Accounts receivable | 185,197 | 186,478 | 184,379 | 279,270 | 268,576 | 290,054 |
| Tariff bonus and surcharges | 5,833 | 46,609 | 5,833 | 5,833 | 71,826 | 9,718 |
| Affiliates and subsidiaries | 1,980 | 1,362 | 21,220 | 72,053 | 57,561 | 68,766 |
| Escrow deposits | 81,410 | 66,441 | 78,090 | 109,000 | 85,350 | 102,459 |
| Deposits | - | - | - | 5,738 | 4,656 | 6,699 |
| Debt issuance costs | 2,305 | 3,043 | 2,498 | 2,305 | 3,043 | 2,498 |
| Deferred income and social contribution taxes | 122,789 | 170,130 | 149,846 | 235,711 | 286,930 | 266,337 |
| Other credits - low income consumers | 8,094 | - | 18,818 | 12,378 | - | 26,669 |
| Other credits | 7,351 | 3,262 | 4,808 | 11,398 | 14,804 | 8,942 |
| Prepaid expenses | 119,427 | 50,200 | 105,765 | 169,366 | 91,412 | 148,984 |
| | 534,386 | 527,525 | 571,257 | 903,052 | 884,158 | 931,126 |
| PERMANENT: | | | | | | |
| Investments | 852,570 | 749,836 | 771,265 | 374,275 | 379,688 | 374,332 |
| Property, plant and equipment, net | 743,362 | 762,398 | 750,097 | 1,476,446 | 1,523,779 | 1,476,761 |
| Deferred charges | - | - | - | - | 79 | 79 |
| | 1,595,932 | 1,512,234 | 1,521,362 | 1,850,721 | 1,903,546 | 1,851,172 |
| TOTAL ASSETS | 2,656,821 | 2,633,001 | 2,701,895 | 3,587,778 | 3,561,715 | 3,651,015 |

BALANCE SHEETS

(In thousands of Brazilian reais)

| LIABILITIES AND SHAREHOLDERS' EQUITY | PARENT COMPANY | | | CONSOLIDATED | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | JUN-03 | JUN-02 | MAR-03 | JUN-03 | JUN-02 | MAR-03 |
| CURRENT: | | | | | | |
| Suppliers | 89,810 | 111,164 | 90,986 | 141,560 | 157,126 | 135,172 |
| Payroll | 1,850 | 942 | 1,940 | 3,446 | 2,457 | 3,602 |
| Accrued interest and fees | 62,985 | 57,773 | 37,654 | 73,865 | 63,548 | 50,456 |
| Loans and financing | 167,634 | 86,399 | 161,374 | 349,321 | 343,153 | 357,885 |
| Accrued taxes and social contributions | 69,705 | 33,220 | 21,873 | 99,402 | 49,146 | 43,187 |
| Dividends | 21 | 21 | 21 | 33 | 105 | 30 |
| Postretirement benefits | 1,652 | 2,420 | 1,886 | 1,652 | 2,420 | 1,886 |
| Accrued obligations | 10,170 | 9,163 | 7,322 | 19,834 | 17,638 | 14,916 |
| Regulatory charges | 8,719 | 5,938 | 9,129 | 15,094 | 9,621 | 16,302 |
| Provision for contingencies | - | 39,382 | 39,382 | - | 39,382 | 39,382 |
| Variation of Parcel A items | 22,076 | 29,051 | 10,059 | 31,203 | 29,438 | 20,353 |
| Other accounts payable | 18,850 | 12,360 | 17,522 | 28,363 | 14,736 | 27,066 |
| | 453,472 | 387,833 | 399,148 | 763,773 | 728,770 | 710,237 |
| LONG - TERM: | | | | | | |
| Suppliers | 57,602 | 68,596 | 60,640 | 82,132 | 95,329 | 86,868 |
| Loans and financing | 1,477,194 | 1,392,854 | 1,708,642 | 1,864,652 | 1,715,917 | 2,117,842 |
| Emergency program for the energy reduction | - | 26,312 | - | - | 40,166 | - |
| Postretirement benefits | 28,212 | 28,032 | 28,212 | 28,212 | 28,032 | 28,212 |
| Deferred income taxes | - | 8,875 | - | - | 8,875 | - |
| Affiliates and subsidiaries | 67 | - | 150 | 133 | - | 86 |
| Provision for contingencies | 129,996 | 117,964 | 114,510 | 178,466 | 148,785 | 156,811 |
| Variation of Parcel A items | 43,958 | 1,833 | 30,762 | 46,055 | 3,769 | 31,698 |
| Other accounts payable | 60,038 | 41,265 | 54,683 | 63,880 | 47,331 | 58,395 |
| | 1,797,067 | 1,685,731 | 1,997,599 | 2,263,530 | 2,088,204 | 2,479,912 |
| MINORITY INTEREST | - | - | - | 154,193 | 185,304 | 155,718 |
| SHAREHOLDERS' EQUITY: | | | | | | |
| Capital stock | 153,947 | 153,947 | 153,947 | 153,947 | 153,947 | 153,947 |
| Capital reserves | 65,688 | 576,471 | 65,688 | 65,688 | 576,471 | 65,688 |
| Retained earnings | 183,260 | (174,368) | 82,126 | 183,260 | (174,368) | 82,126 |
| | 402,895 | 556,050 | 301,761 | 402,895 | 556,050 | 301,761 |
| Credits for capital increase | 3,387 | 3,387 | 3,387 | 3,387 | 3,387 | 3,387 |
| | 406,282 | 559,437 | 305,148 | 406,282 | 559,437 | 305,148 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 2,656,821 | 2,633,001 | 2,701,895 | 3,587,778 | 3,561,715 | 3,651,015 |

STATEMENTS OF INCOME

(In thousands of Brazilian reais, except income (loss) per share)

| | PARENT COMPANY | | | CONSOLIDATED | | |
|--|------------------|------------------|---------------------|------------------|------------------|---------------------|
| | 1st Half 2003 | 1st Half 2002 | 1st Quarter 2003 | 1st Half 2003 | 1st Half 2002 | 1st Quarter 2003 |
| OPERATING REVENUES: | | | | | | |
| Electricity sales to final customers | 566,972 | 480,787 | 297,303 | 889,953 | 745,313 | 436,573 |
| Contingency fee | 22,478 | - | 10,770 | 31,721 | - | 15,452 |
| Electricity sales to distributors | 12,425 | 29,967 | 6,086 | 12,040 | 11,599 | 6,951 |
| Use of transmission and distribution system | 18,258 | 6,344 | 7,379 | 19,326 | 6,353 | 7,379 |
| Other revenues | 14,259 | 4,169 | 12,423 | 26,764 | 12,998 | 17,665 |
| | 634,392 | 521,267 | 333,961 | 979,804 | 776,263 | 484,020 |
| Deductions from operating revenues: | | | | | | |
| State value-added taxes – ICMS | (136,712) | (122,714) | (68,372) | (193,425) | (167,965) | (94,428) |
| PIS and COFINS tax | (24,292) | (19,033) | (13,018) | (37,504) | (27,328) | (19,324) |
| Global reserve for reversion quota – RGR | (8,024) | (8,136) | (4,070) | (13,475) | (13,842) | (6,176) |
| Contingency fee | (22,478) | - | (10,770) | (31,721) | - | (15,452) |
| Tax on services (ISSQN) | (32) | (39) | (23) | (430) | (302) | (155) |
| | (191,538) | (149,922) | (96,253) | (276,555) | (209,437) | (135,535) |
| Net operating revenues | 442,854 | 371,345 | 237,708 | 703,249 | 566,826 | 348,485 |
| OPERATING EXPENSES: | | | | | | |
| Electricity purchased for resale | (244,851) | (224,563) | (122,881) | (359,014) | (321,476) | (171,990) |
| Depreciation and amortization | (29,332) | (28,343) | (14,573) | (58,144) | (59,912) | (29,329) |
| Personnel | (33,243) | (29,699) | (15,817) | (59,679) | (54,269) | (28,629) |
| Material | (3,603) | (3,210) | (1,936) | (9,746) | (7,664) | (5,262) |
| Third-party services | (15,181) | (15,103) | (7,783) | (30,520) | (29,341) | (14,927) |
| Fuel usage quota – CCC | (21,070) | (26,464) | (10,522) | (32,916) | (38,167) | (17,440) |
| Provision for contingencies | (14,001) | (1,256) | (140) | (19,877) | (2,029) | (1,688) |
| Other | (22,973) | (17,807) | (11,012) | (35,136) | (25,674) | (15,806) |
| | (384,254) | (346,445) | (184,664) | (605,032) | (538,532) | (285,071) |
| INCOME FROM OPERATIONS | 58,600 | 24,900 | 53,044 | 98,217 | 28,294 | 63,414 |
| EQUITY IN SUBSIDIARIES | 3,787 | (14,452) | 3,327 | - | - | - |
| FINANCIAL REVENUES: | | | | | | |
| Income from temporary cash investments | 29,586 | 33,653 | 44,180 | 37,917 | 39,822 | 52,436 |
| Increase in overdue collections | 8,183 | 4,770 | 4,140 | 14,301 | 7,224 | 7,117 |
| Hedge | (2,176) | 7,335 | (2,176) | (2,176) | 17,970 | (2,176) |
| Regulatory assets – SELIC | 23,173 | 13,766 | 11,561 | 45,172 | 23,131 | 21,691 |
| Other | 7,911 | 4,496 | 3,247 | 11,885 | 9,544 | 5,577 |
| | 66,677 | 64,020 | 60,952 | 107,099 | 97,691 | 84,645 |
| FINANCIAL EXPENSES: | | | | | | |
| Monetary variation - electricity purchase | (12,807) | (3,874) | (7,091) | (13,121) | (5,002) | (6,685) |
| Monetary and exchange variation on loans and financing | 289,823 | (235,572) | 74,488 | 303,034 | (266,797) | 75,196 |
| Interest on loans and financing | (95,889) | (74,042) | (50,486) | (138,606) | (100,248) | (77,286) |
| Other | (22,014) | (9,619) | (8,320) | (31,872) | (12,863) | (11,541) |
| | 159,113 | (323,107) | 8,591 | 119,435 | (384,910) | (20,316) |
| FINANCIAL RESULTS | 225,790 | (259,087) | 69,543 | 226,534 | (287,219) | 64,329 |
| OPERATING PROFIT (LOSS) | 288,177 | (248,639) | 125,914 | 324,751 | (258,925) | 127,743 |
| NON-OPERATING REVENUES | 308 | 263 | 149 | 407 | 512 | 1,692 |
| NON-OPERATING EXPENSES | (1,810) | (3,319) | (1,452) | (24,927) | (5,303) | (3,777) |
| NON-OPERATING INCOME(LOSS), NET | (1,502) | (3,056) | (1,303) | (24,520) | (4,791) | (2,085) |
| INCOME(LOSS) BEFORE TAXES | 286,675 | (251,695) | 124,611 | 300,231 | (263,716) | 125,658 |
| Social contribution | (26,387) | 18,786 | (10,779) | (30,578) | 20,546 | (11,376) |
| Income tax | (77,028) | 58,541 | (31,706) | (89,238) | 64,129 | (33,336) |
| | (103,415) | 77,327 | (42,485) | (119,816) | 84,675 | (44,712) |
| INCOME(LOSS) AFTER TAXES | 183,260 | (174,368) | 82,126 | 180,415 | (179,041) | 80,946 |
| MINORITY SHARE IN PROFIT | - | - | - | 2,845 | 4,673 | 1,180 |
| NET INCOME(LOSS) FOR THE PERIOD | 183,260 | (174,368) | 82,126 | 183,260 | (174,368) | 82,126 |
| Net Income(loss) per share - R\$ | 40.27 | (38.31) | 18.05 | - | - | - |

STATEMENTS OF CASH FLOWS

(In thousands of Brazilian reais)

| | PARENT COMPANY | | | CONSOLIDATED | | |
|---|------------------|------------------|---------------------|------------------|------------------|---------------------|
| | 1st Half 2003 | 1st Half 2002 | 1st Quarter 2003 | 1st Half 2003 | 1st Half 2002 | 1st Quarter 2003 |
| From operations: | | | | | | |
| Net Income(loss) for the period | 183,260 | (174,368) | 82,126 | 183,260 | (174,368) | 82,126 |
| Adjustments to reconcile income to cash provided by operating activities: | | | | | | |
| Operating activities: | | | | | | |
| Long term interest and monetary and exchange variation | (284,993) | 235,572 | (77,659) | (301,330) | 254,153 | (71,723) |
| Equity in subsidiaries | (3,787) | 14,452 | (3,327) | - | - | - |
| Depreciation and amortization | 29,332 | 28,343 | 14,573 | 58,144 | 59,912 | 29,329 |
| Disposal of property, plant and equipment | 1,441 | 2,330 | 1,046 | 2,434 | 5,070 | 1,530 |
| Provision for losses - UTE Campo Grande | - | - | - | 19,794 | - | - |
| Provision for contingencies | 2,927 | 5,764 | (12,559) | 11,835 | 6,797 | (9,687) |
| Regulatory assets | - | (60) | - | (11,028) | (12,976) | - |
| Liabilities adjustments | 5,691 | 4,541 | 2,598 | 5,691 | 4,541 | 2,598 |
| Deferred income taxes | 39,699 | (75,712) | 12,642 | 43,304 | (83,130) | 12,678 |
| Minority share in profit | - | - | - | (2,845) | (4,673) | (1,180) |
| Remuneration on construction work in progress | - | - | - | (561) | (745) | (307) |
| | (26,430) | 40,862 | 19,440 | 8,698 | 54,581 | 45,364 |
| Changes in current assets and liabilities: | | | | | | |
| Accounts receivable | 19,777 | (36,339) | 6,778 | (2,014) | (35,199) | 9,434 |
| Other accounts receivable | 27,299 | 6,498 | 34,316 | 25,862 | (1,901) | 37,953 |
| Other credits-UTE Campo Grande | - | - | - | (42,727) | - | (13,594) |
| Other credits | 45,931 | (9,971) | 8,102 | 44,545 | (16,703) | 7,570 |
| Prepaid expenses | (10,718) | (20,960) | (2,090) | (29,040) | (23,580) | (23,258) |
| Suppliers | (14,930) | (25,123) | (13,754) | (13,797) | (21,762) | (20,444) |
| Accrued taxes and social contributions | 203 | 4,670 | (8,247) | 11,517 | 972 | (5,295) |
| Accrued obligations | (2,848) | (3,194) | (5,696) | (2,736) | (2,938) | (6,402) |
| Regulatory charges | 1,570 | (2,443) | 1,980 | 1,259 | (3,619) | 3,416 |
| Postretirement benefits | (390) | - | (156) | (390) | - | (156) |
| Variation of Parcel A items | 16,805 | 28,825 | 4,788 | 20,977 | 29,212 | 10,127 |
| Other | 7,548 | 1,201 | 6,089 | 12,275 | 1,721 | 8,993 |
| | 90,247 | (56,836) | 32,110 | 25,731 | (73,797) | 8,344 |
| Change in non-current assets and liabilities: | | | | | | |
| Accounts receivable | 5,643 | 3,565 | 23,924 | 13,987 | 3,565 | 23,924 |
| Escrow deposits | (9,235) | (5,346) | (5,915) | (14,447) | (8,575) | (7,905) |
| Tariff bonus and surcharges | - | 2,407 | - | - | 2,856 | - |
| Affiliates and subsidiaries | 4,731 | 891 | (14,509) | 208 | (41,502) | (42,292) |
| Prepaid expenses | (25,862) | 2,409 | (12,200) | (26,993) | (5,410) | (6,611) |
| Variation of Parcel A items | 14,416 | - | 1,220 | 14,036 | - | (321) |
| Other credits - low income | 4,940 | - | (5,784) | 6,340 | - | (7,951) |
| Suppliers | (744) | 7,357 | - | (744) | 7,357 | - |
| Other | 17,538 | 5,929 | 2,649 | 22,949 | 7,313 | 2,700 |
| | 11,427 | 17,212 | (10,615) | 15,336 | (34,396) | (38,456) |
| Net cash provided (use in) operating activities | 75,244 | 1,238 | 40,935 | 49,765 | (53,612) | 15,252 |
| Investing activities: | | | | | | |
| Additions to property, plant and equipment | (22,504) | (22,828) | (11,586) | (59,841) | (87,240) | (27,044) |
| Additions to investments | (101,133) | (66,996) | (20,288) | 2 | (102) | 1 |
| Obligations related to the concession | 3,913 | 1,868 | 1,415 | 5,400 | 1,950 | 1,782 |
| Net cash used in investing activities | (119,724) | (87,956) | (30,459) | (54,439) | (85,392) | (25,261) |
| Financing activities: | | | | | | |
| Loans and financing | (5,578) | 39,767 | 12,276 | (51,913) | 60,367 | (9,714) |
| Accrued interest and fees | (12,955) | 11,055 | (38,479) | (13,176) | 11,939 | (36,778) |
| Dividends | - | - | - | (291) | (4,531) | (294) |
| Affiliates and subsidiaries | (70) | - | 13 | - | 34,687 | 33,733 |
| Net cash provided by (used in) financing activities | (18,603) | 50,822 | (26,190) | (65,380) | 102,462 | (13,053) |
| Net increase(decrease) in cash and cash equivalents | (63,083) | (35,896) | (15,714) | (70,054) | (36,542) | (23,062) |
| Cash and cash equivalents at the beginning of the period | 307,595 | 257,765 | 307,595 | 326,628 | 259,497 | 326,628 |
| Cash and cash equivalents at the end of the period | 244,512 | 221,869 | 291,881 | 256,574 | 222,955 | 303,566 |
| | (63,083) | (35,896) | (15,714) | (70,054) | (36,542) | (23,062) |

STATEMENTS OF INCOME BY QUARTER - UNCONSOLIDATED

(in thousands of Brazilian Reais)

| | 2 0 0 3 | | | 2 0 0 2 | | | | | LTM ENDED JUNE 30, 2003 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------------------|
| | 1st Quarter | 2nd Quarter | Total | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | |
| NET OPERATING REVENUES | 237,708 | 205,146 | 442,854 | 208,163 | 163,182 | 218,287 | 247,616 | 837,248 | 908,757 |
| OPERATING EXPENSES | (184,664) | (199,590) | (384,254) | (176,949) | (169,496) | (194,567) | (201,271) | (742,283) | (780,092) |
| Electricity purchased for resale | (122,881) | (121,970) | (244,851) | (108,323) | (116,240) | (132,396) | (142,881) | (499,840) | (520,128) |
| Depreciation and amortization | (14,573) | (14,759) | (29,332) | (14,131) | (14,212) | (14,278) | (14,460) | (57,081) | (58,070) |
| Personnel | (15,817) | (17,426) | (33,243) | (14,225) | (15,474) | (17,527) | (15,879) | (63,105) | (66,649) |
| Material | (1,936) | (1,667) | (3,603) | (1,557) | (1,653) | (1,937) | (1,701) | (6,848) | (7,241) |
| Third party services | (7,783) | (7,398) | (15,181) | (7,698) | (7,405) | (8,074) | (8,772) | (31,949) | (32,027) |
| Fuel usage quota - CCC | (10,522) | (10,548) | (21,070) | (12,907) | (13,557) | (11,631) | (10,439) | (48,534) | (43,140) |
| Provision for contingencies | (140) | (13,861) | (14,001) | 0 | (1,256) | 1,256,00 | (3,246) | (3,246) | (15,991) |
| Other expenses | (11,012) | (11,961) | (22,973) | (18,108) | 301 | (9,980) | (3,893) | (31,680) | (36,846) |
| Income from operations | 53,044 | 5,556 | 58,600 | 31,214 | (6,314) | 23,720 | 46,345 | 94,965 | 128,665 |
| EQUITY IN SUBSIDIARIES | 3,327 | 460 | 3,787 | 8,268 | (22,720) | (19,997) | (30,849) | (65,298) | (47,059) |
| FINANCIAL REVENUES | 60,952 | 5,725 | 66,677 | 19,215 | 44,805 | 34,552 | 39,200 | 137,772 | 140,429 |
| FINANCIAL EXPENSES | 8,591 | 150,522 | 159,113 | (37,757) | (285,350) | (522,010) | 101,198 | (743,919) | (261,699) |
| Monetary variation-electricity purchased | (7,091) | (5,716) | (12,807) | (305) | (3,569) | (194) | (4,958) | (9,026) | (17,959) |
| Monetary and exchange variation on loans and financing | 74,488 | 215,335 | 289,823 | (2,821) | (232,751) | (466,210) | 157,413 | (544,369) | (18,974) |
| Interest on loans and financing | (50,486) | (45,403) | (95,889) | (32,037) | (42,005) | (50,456) | (45,829) | (170,327) | (192,174) |
| Other | (8,320) | (13,694) | (22,014) | (2,594) | (7,025) | (5,150) | (5,428) | (20,197) | (32,592) |
| Financial results | 69,543 | 156,247 | 225,790 | (18,542) | (240,545) | (487,458) | 140,398 | (606,147) | (121,270) |
| NON-OPERATING REVENUES(EXPENSES), net | (1,303) | (199) | (1,502) | (2,974) | (82) | (952) | (9,545) | (13,553) | (11,999) |
| INCOME(LOSS) BEFORE TAXES | 124,611 | 162,064 | 286,675 | 17,966 | (269,661) | (484,687) | 146,349 | (590,033) | (51,663) |
| Social contribution and income tax | (42,485) | (60,930) | (103,415) | (3,811) | 81,138 | 616 | 2,838 | 80,781 | (99,961) |
| NET INCOME(LOSS) FOR THE PERIOD | 82,126 | 101,134 | 183,260 | 14,155 | (188,523) | (484,071) | 149,187 | (509,252) | (151,624) |

FINANCIAL RATIOS AND OTHER INFORMATION

| | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| EBITDA | 67,617 | 20,315 | 87,932 | 45,345 | 7,898 | 37,998 | 60,805 | 152,046 | 186,735 |
| (+)Financial revenues | 60,952 | 5,725 | 66,677 | 19,215 | 44,805 | 34,552 | 39,200 | 137,772 | 140,429 |
| (+)Non-operating revenues(expenses), net | (1,303) | (199) | (1,502) | (2,974) | (82) | (952) | (9,545) | (13,553) | (11,999) |
| =Adjusted EBITDA | 127,266 | 25,841 | 153,107 | 61,586 | 52,621 | 71,598 | 90,460 | 276,265 | 315,165 |
| CAPEX | 11,586 | | 11,586 | 12,241 | 10,587 | 13,525 | 14,538 | 50,891 | 39,649 |
| TOTAL DEBT | 1,870,016 | 1,644,828 | 1,644,828 | 1,242,033 | 1,479,253 | 2,078,711 | 1,935,399 | 1,935,399 | 1,644,828 |
| INTEREST ON LOANS AND FINANCING | 50,486 | 45,403 | 95,889 | 32,037 | 42,005 | 50,456 | 45,829 | 170,327 | 192,174 |
| EBITDA margin | 28.4% | 9.9% | 19.9% | 21.8% | 4.8% | 17.4% | 24.6% | 18.2% | 20.5% |
| EBITDA/Interest on loans and financing | 1.3x | 0.4x | 0.9x | 1.4x | 0.2x | 0.8x | 1.3x | 0.9x | 1.0x |