

**ESCELSA ANNOUNCES RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2003**

**October 30, 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 third quarter ended September 30, 2003. All figures are in Brazilian Reais. Consolidated results include the incorporation of wholly owned subsidiary Magistra Participações, TV A Cabo Vitória S.A. – TVIX and Escelsa Participações S.A. – ESCELSAPAR. Further information is available on the Company's website.

**Espírito Santo Centrais Elétricas S.A. – ESCELSA**  
 Rua Sete de Setembro, 362 – Vitória – Centro - ES  
 CEP: 29015-000 – Brazil

**BOVESPA Code: ESCE3**

Company's website: [www.escelsa.com.br](http://www.escelsa.com.br)

ESPIRITO SANTO CENTRAIS ELÉTRICAS S.A. – ESCELSA is a public Brazilian corporation controlled by the Group Eletricidade de Portugal S.A. – EDP, through IVEN S.A. Engaged in the generation, transmission, distribution and the sale of electric energy, the Company's activities are regulated by the National Electric Energy Agency (Agência Nacional de Energia Elétrica – ANEEL), part of the Ministry of Mines and Energy.

Escelsa's activities cover 70 of the 78 municipalities within 41,372 Km<sup>2</sup> (concession area), which represent 90% of the total area of the State of Espírito Santo.

ESCELSA is the majority shareholder of the following companies:

- a) MAGISTRA PARTICIPAÇÕES S.A, which is the controlling shareholder of EMPRESA ENERGÉTICA DE MATO GROSSO DO SUL S.A. – ENERSUL (concessionary of generation, transmission and distribution of electric energy in the State of Mato Grosso do Sul) and 100% shareholder of CASTELO ENERGÉTICA S.A. – CESA (company incorporated to operate in the exploitation of water resources, thermal energy generation and exploration of transmission network)
- b) TV A CABO VITÓRIA S.A. - TVIX, TV A CABO VITÓRIA S.A. – TVIX, a Pay TV company servicing residential condominiums in the municipalities of Vitória and Vila Velha – ES.
- c) ESCELSA PARTICIPAÇÕES S.A. – ESCELSAPAR, which operates as an Internet service provider and information technology services provider.

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**THIRD QUARTER 2003 HIGHLIGHTS**

**TARIFF INCREASE**

As of August 7, 2003 an average tariff increase of 17.30% was implemented for the customers of ESCELSA..

The increase is an integral part of the concession contract and is structured to compensate for changes in cost structure as described below:

- The increase, as per its concession contract was composed of the following:
  - ✓ 8.96% corresponds to costs outside ESCELSA's control, which are passed through, such as energy purchased from FURNAS, transmission charges and sector charges
  - ✓ 7.80% corresponds to costs within the control of ESCELSA's management, which were adjusted according to the IGP-M inflation index, reduced by a 0.63% discount, which represents the pass-through of productivity gains to customers. This discount is also known as the "x factor," which was set by ANEEL at ESCELSA's Periodic Tariff Revision conducted in August of 2001.
  - ✓ 0.54% is related to compensation for costs incurred by ESCELSA during the energy rationing period, as approved by ANEEL in Decree nº 154 of 28/03/2003.

The rate adjustment will be applied to customer segments as per the table below:

SEGMENT	TARIFF INCREASE
<b>HIGH TENSION</b>	
A2 (tension between 88 kV and 138kV)	20.85%
A3 (tension of 69kV)	19.80%
A3a (tension between 30 kV and 44 kV)	18.61%
A4 (tension between 2.3 kV and 25 kV)	17.44%
<b>LOW TENSION</b>	
B (tension below 2.3kV)	15.38%

**ELECTRICITY AWARD**

ESCELSA won the "2003 Electricity Award" in the category for Most Improved Performance in the Southeast Region. This award is given annually by the magazine "Modern Electricity" (Eletricidade Moderna) to Brazilian electric utilities, following a strict evaluation of the participants, including areas such as losses and commercial and technical indicators.

**ESCELSA'S NUMBERS**

	PARENT COMPANY			CONSOLIDATED		
	Up to 3rd Quarter 2003	Up to 3rd Quarter 2002	1st Half 2003	Up to 3rd Quarter 2003	Up to 3rd Quarter 2002	1st Half 2003
<b>FINANCIAL INFORMATION</b> (In thousands of reais)						
Gross operating revenues	963,060	830,811	634,392	1,503,545	1,240,423	979,804
Net operating revenues	671,043	589,632	442,854	1,079,170	902,687	703,249
Income from operations	85,555	48,620	58,600	153,791	59,521	98,217
Net Income(loss) for the period	167,327	(658,439)	183,260	167,327	(658,439)	183,260
EBITDA (1)	156,964	102,263	87,932	276,348	150,732	156,361
Total Assets	2,640,912	2,756,901	2,656,821	3,564,075	3,734,893	3,587,778
Shareholders' equity	390,349	76,483	406,282	390,349	76,483	406,282
Shares outstanding(number)	4,550,833	4,550,833	4,550,833	-	-	-
Book value per share (R\$)	85.78	16.81	89.28	-	-	-
Share price ( R\$)	54.00	64.00	33.00	-	-	-
Market value	245,745	291,253	150,177	-	-	-
<b>INDICATORS</b>						
Operating margin (%) (Income from operations/Net operating revenues)	12.75	8.25	13.23	14.25	6.59	13.97
EBITDA margin (%) (EBITDA)/Net operating revenues	23.39	17.34	19.86	25.61	16.70	22.23
Personnel expenses plus third party services/net operating revenues (%)	11.21	11.94	10.93	12.97	14.47	12.83
Energy losses (%) (2)	11.92	11.55	11.66	-	-	-
DEC-Equivalent Outage Duration per Customer (hours) (2)	11.41	14.73	12.01	-	-	-
FEC- Equivalent Outage Frequency per Customer (number) (2)	9.38	11.34	9.95	-	-	-
TMA-Average Service Response Time (minutes)(2)	120	109	117	-	-	-
Number of customers per employee	721	696	718	682	646	674
<b>MARKET</b>						
Maximum demand - MWh/h	1,199.3	1,077.6	1,199.3	-	-	-
Energy Sales - MWh	4,412,902	4,661,858	2,957,197	6,482,275	6,677,359	4,358,030
Number of customers	964,860	945,132	966,316	1,574,370	1,534,006	1,572,339
Average tariff to final customers - R\$/MWh	160.95	134.81	158.16	-	-	-
Average cost of electricity purchased - R\$/MWh	84.88	67.36	82.92	-	-	-
<b>HUMAN RESOURCES</b>						
Number of employees	1,338	1,357	1,345	2,310	2,375	2,333
Number of trainees	45	91	40	78	131	72
Personnel expenses (thousands of reais)	51,428	47,226	33,243	92,417	84,712	59,679
Personnel expenses plus third party services (thousands of reais)	75,192	70,403	48,424	139,966	130,620	90,199
(1) EBITDA= Income from operations plus depreciation, amortization and provision						
(2) Twelve-month period						

**MARKET**
**ENERGY SOLD**

Energy sold in the first nine months of 2003 totaled 4,412,902 MWh, 5.3% lower than the 4,661,858 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.

MWh						
	PARENT COMPANY			CONSOLIDATED		
	Up to September 30		% Change	Up to September 30		% Change
	2003	2002		2003	2002	
<b>Retail:</b>						
Residential	908,410	840,271	8.1	1,554,245	1,468,239	5.9
Industrial	2,042,274	2,391,003	(14.6)	2,528,101	2,889,274	(12.5)
Commercial	563,400	616,728	(8.6)	967,081	1,003,335	(3.6)
Rural	288,759	233,824	23.5	504,543	433,525	16.4
Other	374,767	345,198	8.6	670,337	629,227	6.5
	<b>4,177,610</b>	<b>4,427,024</b>	<b>(5.6)</b>	<b>6,224,307</b>	<b>6,423,600</b>	<b>(3.1)</b>
<b>Wholesale</b>	<b>235,292</b>	<b>234,834</b>	<b>0.2</b>	<b>257,968</b>	<b>253,759</b>	<b>1.7</b>
<b>TOTAL</b>	<b>4,412,902</b>	<b>4,661,858</b>	<b>(5.3)</b>	<b>6,482,275</b>	<b>6,677,359</b>	<b>(2.9)</b>

**CUSTOMER PROFILE**

The sales volume and revenue breakdown among residential and industrial customers underwent a significant change in the first nine months 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.

	PARENT COMPANY			
	Up to September 30, 2003		Up to September 30, 2002	
	% of Energy Sold	% of Revenue	% of Energy Sold	% of Revenue
<b>Retail:</b>				
Residential	20.59	34.38	18.02	31.09
Industrial	46.28	32.42	51.29	37.34
Commercial	12.77	17.91	13.23	17.87
Rural	6.54	5.08	5.02	4.27
Other	8.49	8.00	7.40	7.19
	<b>94.67</b>	<b>97.79</b>	<b>94.96</b>	<b>97.76</b>
<b>Wholesale</b>	<b>5.33</b>	<b>2.21</b>	<b>5.04</b>	<b>2.24</b>
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**NUMBER OF CUSTOMERS**

The number of customers on September 30, 2003 totaled 964,860, an increase of 2.1% compared to the same period last year. During the first nine months of 2003, 10,479 customers were connected.

	PARENT COMPANY			CONSOLIDATED		
	September 30,		% Change	September 30,		% Change
	2003	2002		2003	2002	
<b>Retail:</b>						
Residential	762,490	749,207	1.8	1,262,554	1,231,904	2.5
Industrial	10,672	11,035	(3.3)	15,120	15,716	(3.8)
Commercial	84,972	83,587	1.7	137,962	135,292	2.0
Rural	97,879	92,219	6.1	143,255	135,632	5.6
Other	8,845	9,082	(2.6)	15,474	15,457	0.1
	<b>964,858</b>	<b>945,130</b>	<b>2.1</b>	<b>1,574,365</b>	<b>1,534,001</b>	<b>2.6</b>
<b>Wholesale</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>5</b>	<b>5</b>	<b>-</b>
<b>Total</b>	<b>964,860</b>	<b>945,132</b>	<b>2.1</b>	<b>1,574,370</b>	<b>1,534,006</b>	<b>2.6</b>

**AVERAGE TARIFF**

The average tariff charged to retail customers in September 2003 was R\$ 179.41/MWh, while the wholesale rate to other distributors was R\$ 81.75/MWh, resulting in an overall average tariff of R\$ 173.71/MWh, an increase of 20.1%, compared to the same month last year. The average tariffs per segment are as follows:

	PARENT COMPANY						R\$/MWh
	SEP-2003	SEP-2002	% Change	UP TO SEP-2003	UP TO SEP-2002	% Change	
<b>Retail:</b>							
Residential	273.74	237.76	15.1	244.44	221.15	10.5	
Industrial	128.64	107.32	19.9	110.48	94.33	17.1	
Commercial	252.35	200.11	26.1	219.32	175.36	25.1	
Rural	165.80	150.29	10.3	148.98	132.51	12.4	
Other	178.58	153.58	16.3	155.11	133.43	16.2	
	<b>179.41</b>	<b>149.13</b>	<b>20.3</b>	<b>160.95</b>	<b>134.81</b>	<b>19.4</b>	
<b>Wholesale</b>	<b>81.75</b>	<b>66.33</b>	<b>23.2</b>	<b>82.41</b>	<b>66.92</b>	<b>23.1</b>	
<b>Average Tariff</b>	<b>173.71</b>	<b>144.66</b>	<b>20.1</b>	<b>156.76</b>	<b>131.39</b>	<b>19.3</b>	

**PERFORMANCE INDICATORS**

In order to more accurately present performance indicators, the amounts have been presented on a 12-month basis 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 September 30, 2003, DEC was 11.41 hours, compared to 14.73 hours in the same period last year, an improvement of 22.5%.

**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 September 30, 2003, FEC was 9.38, compared to 11.34 in the same period last year, an improvement of 17.3%.

**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, 2003, TMA was 120 minutes, compared to 109 minutes in the same period last year.

**Energy Losses**

Energy losses increased during the last twelve months, from 11.55% in the 12-month period ended September 30, 2002 to 11.92% in the same period this year, a difference of 3.2%. The Company has undertaken initiatives to reduce losses, particularly among commercial customers.

**FINANCIAL PERFORMANCE**
**INCOME FROM OPERATIONS**

Income from operations in the first nine months of 2003 totaled R\$85,555 thousand compared to R\$ 48,620 thousand in the same period last year, resulting in an EBITDA of R\$ 156,964 thousand and an EBITDA margin of 23.4%. The main items of income from operations were:

	thousands of reais					
	PARENT COMPANY			CONSOLIDATED		
	Up to 3rd Quarter		% Change	Up to 3rd Quarter		% Change
	2003	2002		2003	2002	
Gross operating revenues	963,060	830,811	15.9	1,503,545	1,240,423	21.2
Deductions from operating revenues	(292,017)	(241,179)	21.1	(424,375)	(337,736)	25.7
Net operating revenues	671,043	589,632	13.8	1,079,170	902,687	19.6
Operating expenses	(585,488)	(541,012)	8.2	(925,379)	(843,166)	9.8
Income from operations	85,555	48,620	76.0	153,791	59,521	158.4
Operating margin - %	12.7	8.2	54.6	14.3	6.6	116.1
EBITDA	156,964	102,263	53.5	276,348	168,420	64.1
EBITDA margin - %	23.4	17.3	34.9	25.6	18.7	37.2

**OPERATING REVENUES**

Gross operating revenues in the first nine months of 2003 totaled R\$ 963,060 thousand, 15.92% higher compared to the same period last year. Revenue from the retail sector was R\$ 893,984 thousand, 15.97% higher than the same period last year, due to rate increases implemented in 2002.

Lower wholesale energy sales in the first nine months of 2003 compared to the same period last year 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 the first nine months of 2003 totaled R\$ 671,043 thousand, 13.81% higher than the same period in 2002

	thousands of reais					
	PARENT COMPANY			CONSOLIDATED		
	Up to 3rd Quarter					
	2003	2002	% Change	2003	2002	% Change
<b>Retail:</b>						
Residential	302,041	239,406	26.16	499,084	392,701	27.09
Industrial	284,814	287,501	(0.93)	368,768	353,726	4.25
Commercial	157,331	137,633	14.31	268,662	224,520	19.66
Rural	44,613	32,893	35.63	80,222	60,145	33.38
Other	70,252	55,357	26.91	126,563	98,462	28.54
Emergency capacity charge	34,933	11,271	209.94	49,145	15,539	216.27
Regulatory assets/other	-	6,845	(100.00)	22,597	35,410	(36.18)
	<b>893,984</b>	<b>770,906</b>	<b>15.97</b>	<b>1,415,041</b>	<b>1,180,503</b>	<b>19.87</b>
<b>Wholesale:</b>						
Other distributors	19,389	17,239	12.47	22,860	20,318	12.51
Short-term	75	24,839	(99.70)	(688)	8,039	(108.56)
	<b>19,464</b>	<b>42,078</b>	<b>(53.74)</b>	<b>22,172</b>	<b>28,357</b>	<b>(21.81)</b>
<b>Other revenues</b>	49,612	17,827	178.30	66,332	31,563	110.16
<b>Gross operating revenues</b>	<b>963,060</b>	<b>830,811</b>	<b>15.92</b>	<b>1,503,545</b>	<b>1,240,423</b>	<b>21.21</b>
Operating revenues deductions	(292,017)	(241,179)	21.08	(424,375)	(337,736)	25.65
<b>Net operating revenues</b>	<b>671,043</b>	<b>589,632</b>	<b>13.81</b>	<b>1,079,170</b>	<b>902,687</b>	<b>19.55</b>

**ENERGY PURCHASED**

	PARENT COMPANY		CONSOLIDATED	
	Up to 3rd Quarter			
	2003	2002	2003	2002
<b>From FURNAS and TRACTEBEL</b>				
Energy contracted- MWh	3,003,426	3,978,644	4,358,596	5,805,652
Expenses - thousands of reais	172,993	191,375	244,719	263,244
Average tariff - R\$/MWh	57.60	48.10	56.15	45.34
<b>From ITAIPU</b>				
Energy contracted- MWh	1,343,195	1,303,753	1,890,542	1,834,847
Expenses - thousands of reais	126,834	127,018	178,638	178,821
Average tariff - R\$/MWh	94.43	97.42	94.49	97.46
<b>From OTHER SUPPLIERS</b>				
Energy contracted- MWh	66,980	-	401,898	123,772
Cesa - MWh	16,839	16,839	-	-
Expenses - thousands of reais	7,590	1,567	36,819	13,757
Average tariff - R\$/MWh	90.55	93.06	91.61	111.15
<b>Transport of electricity from ITAIPU</b>				
Expenses - thousands of reais	5,409	4,513	7,614	6,351
Average tariff - R\$/MWh	4.03	3.46	4.03	3.46
<b>Transport of electricity from OTHER</b>				
Expenses - thousands of reais	55,757	44,909	89,304	73,395
Average tariff - R\$/MWh	18.56	11.29	20.49	12.64
<b>SECTOR GENERAL AGREEMENT AND CVA</b>				
Expenses - thousands of reais	5,309	(13,109)	(1,391)	(27,660)
<b>OTHER EXPENSES</b>				
Expenses - thousands of reais	2,157	686	2,419	975
<b>TOTAL</b>				
Energy contracted- MWh	4,430,440	5,299,236	6,651,036	7,764,271
Expenses - thousands of reais	376,049	356,959	558,122	508,883
Average cost - R\$/MWh	84.88	67.36	83.92	65.54

**OPERATING COSTS**

Operating costs, including operating expenses plus RGR quotas, increased 8.1% from R\$ 552,531 thousand in the first nine months of 2002 to R\$ 597,446 thousand in the same period this year.

Costs managed by the Company increased 24.5% from R\$ 100,573 thousand in the first nine months of 2002 to R\$ 125,205 thousand in the same period this year. Depreciation increased by 3.6%.

Operating costs outside Company control increased by 4.6%.

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 through 3Q03 and the salary increase and provisions and social costs related to the salary adjustment that occurred with the implementation of the Company's compensation policy;
- b) Materials – higher fuel costs for vehicles used for company transport;
- c) Third-party services – higher costs related to disconnection, reconnection, meter reading and invoice delivery to customers.
- d) Others – higher expenses incurred with energy conservation programs, software fees, contributions to the National Science and Technology Development Fund and Energy Development Account and an adjustment in the provision for doubtful accounts.

During the first nine months of 2003 the Company conservatively provisioned R\$13,880 thousand for adjustments to employee and fiscal liability provisions

The increase in costs outside Company control is a result of higher energy expenses from Furnas, due to rate increases in August of 2002.

	thousands of reais				
	PARENT COMPANY				
	Up to 3rd Quarter				
	2003		2002		Change%
R\$ thousand	%	R\$ thousand	%		
<b>Company Controlled Costs:</b>					
Personnel	51,428	8.61	47,226	8.55	8.9
Material	5,863	0.98	5,147	0.93	13.9
Third party services	23,764	3.98	23,177	4.19	2.5
Provision for contingencies	13,880	2.32	1,959	0.35	608.5
Other	30,270	5.07	23,064	4.17	31.2
	<b>125,205</b>	<b>20.96</b>	<b>100,573</b>	<b>18.20</b>	<b>24.5</b>
Depreciation	44,151	7.39	42,621	7.71	3.6
<b>TOTAL COMPANY CONTROLLED COSTS</b>	<b>169,356</b>	<b>28.35</b>	<b>143,194</b>	<b>25.92</b>	<b>18.3</b>
<b>Outside Company Control:</b>					
Energy purchased	376,049	62.94	356,959	64.60	5.3
CCC	32,582	5.45	38,095	6.89	(14.5)
CDE	4,581	0.77	-	-	-
Financial compensation	1,884	0.32	1,818	0.33	3.6
ANEEL fiscal fee	1,036	0.17	946	0.17	9.5
RGR	11,958	2.00	11,519	2.08	3.8
<b>TOTAL COSTS OUTSIDE COMPANY CONTROL</b>	<b>428,090</b>	<b>71.65</b>	<b>409,337</b>	<b>74.08</b>	<b>4.6</b>
<b>GRAND TOTAL</b>	<b>597,446</b>	<b>100.00</b>	<b>552,531</b>	<b>100.00</b>	<b>8.1</b>

## FINANCIAL RESULTS

The net financial result in the first nine months of 2003 was positive R\$ 164,639 thousand, while in the same period last year was negative R\$ 746,545 thousand.

This result was mainly due to the impact of the 17.3% 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.

## INCOME FOR THE PERIOD

Income for the first nine months of 2003 was R\$ 167,327 thousand, due mainly to the 17.3% appreciation of the real against the U.S. dollar.

## CASH AND EQUIVALENTS

On September 30, 2003 the balance of ESCELSA's cash and equivalents totaled R\$ 199,636 thousand at the parent company and R\$ 211,222 thousand on a consolidated basis, as per the table below:

	PARENT COMPANY		CONSOLIDATED	
	thousands of reais	US\$ thousand	thousands of reais	US\$ thousand
	<b>September 30, 2003</b>			
<b>Investments in Reais:</b>				
Cash and bank	2,302	-	3,794	-
Banking Certificates of Deposits	-	-	786	-
Investment funds	-	-	9,255	-
Other	218	-	271	-
<b>Total real denominated investments</b>	<b>2,520</b>	<b>-</b>	<b>14,106</b>	<b>-</b>
<b>Investments in Dollars:</b>				
Currency Exchange Securities- NBC's	197,116	67,427	197,116	67,427
<b>Total Dollar denominated investments</b>	<b>197,116</b>	<b>67,427</b>	<b>197,116</b>	<b>67,427</b>
<b>Total cash and equivalents</b>	<b>199,636</b>		<b>211,222</b>	
<b>US dollar = 2.9234 Real</b>				

**LOANS AND FINANCING**

PARENT COMPANY						
DESCRIPTION	AVERAGE ANNUAL INTEREST RATE	AMORTIZATION		SEPTEMBER-2003		
		TYPE	PERIOD MM/YY	Interest and Other Charges	Current	Long-Term
<b>Local Currency:</b>						
ELETRÓBRAS	5.0% - 7.0%	M	05/99 to 08/07	-	2,160	4,960
BNDES	TJLP + 3.8%	M	11/99 to 10/10	494	36,314	92,028
BNDES-Rationing losses	SELIC+1.0%	M	03/02 to 01/06	818	27,504	108,876
Bank Loan	110% do CDI	M	10/01 to 08/02	-	101,508	-
<b>TOTAL LOCAL CURRENCY</b>				<b>1,312</b>	<b>167,486</b>	<b>205,864</b>
<b>Foreign Currency:</b>						
Senior Notes	10.0%	U	07/07	26,247	-	1,259,863
BNDES	3.5%+UMBDES	M	09/01 to 10/10	230	11,115	21,102
<b>TOTAL FOREIGN CURRENCY</b>				<b>26,477</b>	<b>11,115</b>	<b>1,280,965</b>
<b>GRAND TOTAL</b>				<b>27,789</b>	<b>178,601</b>	<b>1,486,829</b>
CONSOLIDATED						
DESCRIPTION	AVERAGE ANNUAL INTEREST RATE	AMORTIZATION		SEPTEMBER-2003		
		TYPE	PERIOD MM/YY	Interest and Other Charges	Current	Long-Term
<b>Local Currency:</b>						
ELETRÓBRAS - ESCELSA	5.0% - 7.0%	M	05/99 to 08/07	-	2,160	4,960
ELETRÓBRAS - ENERSUL	6.0% - 12.0%	M	12/97 to 05/22	180	12,919	41,797
BNDES - ESCELSA	TJLP + 3.8%	M	10/99 to 10/10	494	36,314	92,028
BNDES - MAGISTRA	TJLP + 4.0%	S	11/99 to 11/04	2,277	40,798	20,399
BNDES - ENERSUL	TJLP + 3.85%	M	09/01 to 02/08	235	13,556	46,317
BNDES - ENERSUL	TJLP + 4.0%	M	02/00 to 04/04	76	567	19,085
BNDES-Rationing losses	SELIC+1.0%	M	03/02 to 12/08	1,424	37,495	186,796
BNDES - CESA	TJLP + 4.5%	M	07/04 to 07/12	348	1,487	30,011
BCO BRASIL - FCO	11.20%	M	11/04 to 11/13	572	-	30,000
BANK LOAN	110% a 116.38% do CDI	M	10/02 to 12/03	16	119,566	-
FUNDAÇÃO ENERSUL	10%	M	07/98 to 11/13	118	2,729	17,187
OTHER	1.35%	M	05/00 to 06/09			1,092
<b>TOTAL LOCAL CURRENCY</b>				<b>5,740</b>	<b>267,591</b>	<b>489,672</b>
<b>Foreign Currency:</b>						
SENIOR NOTES	10.0%	U	07/07	26,247	-	1,259,863
BRADESCO (*)	5.95% a 6.9%	M	07/03 to 11/04	377	35,411	2,477
UNIBANCO (*)	10.85% - 11.40%	U	03/04	4,199	15,751	-
EUROPEAN INVEST BANK	LIBOR + 4.0% - 5.0%	S	12/02 to 03/09	759	8,611	34,762
STN-DMLP	LIBOR + 4.5% - 8.2%	S	10/96 to 04/24	892	2,317	38,794
BBA FMO (*)	8.90%	S	03/02 to 09/07	83	5,380	7,768
BNDES - ESCELSA	3.5%+UMBDES	M	09/01 to 10/10	230	11,115	21,102
BNDES - ENERSUL	4%+UMBDES	M	04/03 to 10/07	90	-	5,086
BNDES - CESA	4.5%+UMBDES	M	07/04 to 07/12	-	164	7,723
<b>TOTAL FOREIGN CURRENCY</b>				<b>32,877</b>	<b>78,749</b>	<b>1,377,575</b>
<b>GRAND TOTAL</b>				<b>38,617</b>	<b>346,340</b>	<b>1,867,247</b>

**TYPE:**

S = Single

M= Monthly

H = Half -Year

(\*) Loans protected by Swap contracts against currency fluctuations

**LOANS AND FINANCING MATURITY**

thousands of reais						
Maturity	PARENT COMPANY			CONSOLIDATED		
	Currency					
	Local	Foreign	Total	Local	Foreign	Total
<b>Current</b>						
2003	117,983	2,778	120,761	166,173	26,228	192,401
2004	49,503	8,337	57,840	101,418	52,521	153,939
	<b>167,486</b>	<b>11,115</b>	<b>178,601</b>	<b>267,591</b>	<b>78,749</b>	<b>346,340</b>
<b>Long-Term</b>						
2004	17,573	2,880	20,453	52,701	11,498	64,199
2005	69,603	11,724	81,327	121,609	30,590	152,199
2006	56,246	4,314	60,560	107,890	20,160	128,050
2007	52,147	1,260,472	1,312,619	105,783	1,275,609	1,381,392
2008	4,118	609	4,727	45,491	8,622	54,113
2009	4,118	609	4,727	15,172	4,053	19,225
2010	2,060	356	2,416	13,114	3,218	16,332
2011	-	-	-	11,054	2,862	13,916
2012	-	-	-	8,030	1,956	9,986
After 2012	-	-	-	8,830	19,005	27,835
	<b>205,865</b>	<b>1,280,964</b>	<b>1,486,829</b>	<b>489,674</b>	<b>1,377,573</b>	<b>1,867,247</b>
<b>TOTAL</b>	<b>373,351</b>	<b>1,292,079</b>	<b>1,665,430</b>	<b>757,265</b>	<b>1,456,322</b>	<b>2,213,587</b>

**UNCONSOLIDATED BALANCE SHEETS**

(In thousands of Brazilian reais)

<b>ASSETS</b>	<b>SEP-03</b>	<b>SEP-02</b>	<b>JUN-03</b>	<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>SEP-03</b>	<b>SEP-02</b>	<b>JUN-03</b>
<b>CURRENT:</b>				<b>CURRENT:</b>			
Cash and banks	2,302	3,912	4,465	Suppliers	98,535	116,034	89,810
Accounts receivable	231,865	262,805	257,785	Payroll	8,196	1,803	1,850
Other accounts receivable	13,650	14,102	4,435	Accrued interest and fees	27,789	38,756	62,985
Recoverable taxes	21,398	40,766	20,420	Loans and financing	178,601	139,538	167,634
Allowance for doubtful accounts	(31,062)	(21,687)	(30,584)	Accrued taxes and social contributions	24,371	37,653	69,705
Material and supplies	3,182	2,704	3,364	Dividends	21	21	21
Marketable securities	197,334	285,721	240,047	Postretirement benefits	1,486	2,420	1,652
Escrow deposits	-	39,382	-	Accrued obligations	13,394	12,369	10,170
Deposits	1,659	-	1,266	Regulatory charges	8,834	5,593	8,719
Services in progress	7,625	7,263	7,519	Provision for contingencies	-	39,382	-
Other credits	1,055	13,677	1,289	Variation of Parcel A items	19,769	3,322	22,076
Prepaid expenses	64,416	3,990	16,497	Other accounts payable	18,831	16,420	18,850
	<b>513,424</b>	<b>652,635</b>	<b>526,503</b>		<b>399,827</b>	<b>413,311</b>	<b>453,472</b>
<b>LONG-TERM:</b>				<b>LONG - TERM:</b>			
Accounts receivable	185,646	183,552	185,197	Suppliers	56,800	66,972	57,602
Tariff bonus and surcharges	5,805	46,611	5,833	Loans and financing	1,486,829	1,939,173	1,477,194
Affiliates and subsidiaries	4,075	6,473	1,980	Emergency program for the energy reduction	-	35,228	-
Escrow deposits	85,370	69,413	81,410	Postretirement benefits	28,212	28,032	28,212
Debt issuance costs	2,113	2,851	2,305	Deferred income taxes	-	8,259	-
Deferred income and social contribution taxes	125,895	170,130	122,789	Affiliates and subsidiaries	86	104	67
Other credits - low income consumers	3,359	-	8,094	Provision for contingencies	133,921	121,353	129,996
Other credits	7,778	19,290	7,351	Variation of Parcel A items	35,017	24,644	43,958
Prepaid expenses	88,714	83,278	119,427	Accrued taxes and social contributions	44,040	-	-
	<b>508,755</b>	<b>581,598</b>	<b>534,386</b>	Other accounts payable	65,831	43,342	60,038
					<b>1,850,736</b>	<b>2,267,107</b>	<b>1,797,067</b>
<b>PERMANENT:</b>				<b>SHAREHOLDERS' EQUITY:</b>			
Investments	878,365	762,238	852,570	Capital stock	153,947	153,947	153,947
Property, plant and equipment, net	740,368	760,430	743,362	Capital reserves	65,688	577,588	65,688
	-	-	-	Retained earnings	167,327	(658,439)	183,260
	<b>1,618,733</b>	<b>1,522,668</b>	<b>1,595,932</b>		<b>386,962</b>	<b>73,096</b>	<b>402,895</b>
				Credits for capital increase	3,387	3,387	3,387
					<b>390,349</b>	<b>76,483</b>	<b>406,282</b>
<b>TOTAL ASSETS</b>	<b>2,640,912</b>	<b>2,756,901</b>	<b>2,656,821</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,640,912</b>	<b>2,756,901</b>	<b>2,656,821</b>

**CONSOLIDATED BALANCE SHEETS**

(In thousands of Brazilian reais)

<b>ASSETS</b>	<b>SEP-03</b>	<b>SEP-02</b>	<b>JUN-03</b>	<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>SEP-03</b>	<b>SEP-02</b>	<b>JUN-03</b>
<b>CURRENT:</b>				<b>CURRENT:</b>			
Cash and banks	3,794	6,299	5,966	Suppliers	154,940	164,747	141,560
Accounts receivable	427,978	413,305	447,326	Payroll	10,882	2,932	3,446
Other accounts receivable	16,460	29,915	8,474	Accrued interest and fees	38,575	47,937	73,865
Recoverable taxes	44,539	57,316	42,028	Loans and financing	346,340	337,931	349,321
Allowance for doubtful accounts	(46,299)	(32,546)	(45,443)	Accrued taxes and social contributions	51,326	52,729	99,402
Material and supplies	5,109	5,652	5,540	Dividends	33	30	33
Marketable securities	207,428	288,903	250,608	Postretirement benefits	1,486	2,420	1,652
Escrow deposits	-	39,382	-	Accrued obligations	25,178	23,467	19,834
Deposits	1,659	-	1,266	Regulatory charges	15,449	10,022	15,094
Services in progress	10,055	10,261	9,615	Provision for contingencies	-	39,382	-
Accounts receivable - UTE Campo Grande	49,656	-	48,824	Variation of Parcel A items	30,117	4,844	31,203
Other credits	7,763	19,780	6,284	Other accounts payable	27,914	22,330	28,363
Prepaid expenses	110,241	12,593	53,517				
	<b>838,383</b>	<b>850,860</b>	<b>834,005</b>		<b>702,240</b>	<b>708,771</b>	<b>763,773</b>
<b>LONG-TERM:</b>				<b>LONG - TERM:</b>			
Accounts receivable	270,783	278,301	279,270	Suppliers	78,089	97,669	82,132
Tariff bonus and surcharges	5,805	71,828	5,833	Loans and financing	1,867,247	2,351,527	1,864,652
Affiliates and subsidiaries	74,318	63,031	72,053	Accrued interest and fees	42	3,406	-
Escrow deposits	116,133	90,758	109,000	Emergency program for the energy reduction	-	53,925	-
Deposits	6,377	7,250	5,738	Postretirement benefits	28,212	28,032	28,212
Debt issuance costs	2,113	2,851	2,305	Deferred income taxes	-	8,259	-
Deferred income and social contribution taxes	236,164	286,748	235,711	Affiliates and subsidiaries	152	-	133
Other credits - low income consumers	3,359	-	12,378	Provision for contingencies	187,834	156,437	178,466
Other credits	17,149	31,517	11,398	Variation of Parcel A items	38,058	27,688	46,055
Prepaid expenses	138,796	133,670	169,366	Accrued taxes and social contributions	47,566	-	-
	<b>870,997</b>	<b>965,954</b>	<b>903,052</b>	Other accounts payable	67,897	47,437	63,880
					<b>2,315,097</b>	<b>2,774,380</b>	<b>2,263,530</b>
<b>PERMANENT:</b>				<b>MINORITY INTEREST</b>	<b>156,389</b>	<b>175,259</b>	<b>154,193</b>
Investments	374,213	377,018	374,275	<b>SHAREHOLDERS' EQUITY:</b>			
Property, plant and equipment, net	1,480,482	1,540,982	1,476,446	Capital stock	153,947	153,947	153,947
Deferred charges	-	79	-	Capital reserves	65,688	577,588	65,688
	<b>1,854,695</b>	<b>1,918,079</b>	<b>1,850,721</b>	Retained earnings	167,327	(658,439)	183,260
					<b>386,962</b>	<b>73,096</b>	<b>402,895</b>
				Credits for capital increase	3,387	3,387	3,387
					<b>390,349</b>	<b>76,483</b>	<b>406,282</b>
<b>TOTAL ASSETS</b>	<b>3,564,075</b>	<b>3,734,893</b>	<b>3,587,778</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>3,564,075</b>	<b>3,734,893</b>	<b>3,587,778</b>

**STATEMENTS OF INCOME**

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

	PARENT COMPANY			CONSOLIDATED		
	Up to 3rd Quarter 2003	Up to 3rd Quarter 2002	1st Half 2003	Up to 3rd Quarter 2003	Up to 3rd Quarter 2002	1st Half 2003
<b>OPERATING REVENUES:</b>						
Electricity sales to final customers	859,051	759,635	566,972	1,365,896	1,164,964	889,953
Contingency fee	34,933	11,271	22,478	49,145	15,539	31,721
Electricity sales to distributors	19,464	42,078	12,425	22,172	28,357	12,040
Use of transmission and distribution system	31,762	11,633	18,258	33,588	11,661	19,326
Other revenues	17,850	6,194	14,259	32,744	19,902	26,764
	<b>963,060</b>	<b>830,811</b>	<b>634,392</b>	<b>1,503,545</b>	<b>1,240,423</b>	<b>979,804</b>
<b>Deductions from operating revenues:</b>						
State value-added taxes - ICMS	(208,318)	(188,697)	(136,712)	(295,778)	(257,142)	(193,425)
PIS and COFINS tax	(36,772)	(29,645)	(24,292)	(57,892)	(44,525)	(37,504)
Global reserve for reversion quota - RGR	(11,958)	(11,519)	(8,024)	(21,096)	(20,083)	(13,475)
Contingency fee	(34,933)	(11,271)	(22,478)	(49,145)	(15,539)	(31,721)
Tax on services (ISSQN)	(36)	(47)	(32)	(464)	(447)	(430)
	<b>(292,017)</b>	<b>(241,179)</b>	<b>(191,538)</b>	<b>(424,375)</b>	<b>(337,736)</b>	<b>(276,555)</b>
<b>Net operating revenues</b>	<b>671,043</b>	<b>589,632</b>	<b>442,854</b>	<b>1,079,170</b>	<b>902,687</b>	<b>703,249</b>
<b>OPERATING EXPENSES:</b>						
Electricity purchased for resale	(376,049)	(356,959)	(244,851)	(558,122)	(509,291)	(359,014)
Depreciation and amortization	(44,151)	(42,621)	(29,332)	(86,983)	(91,211)	(58,144)
Personnel	(51,428)	(47,226)	(33,243)	(92,417)	(84,712)	(59,679)
Material	(5,863)	(5,147)	(3,603)	(14,735)	(10,503)	(9,746)
Third-party services	(23,764)	(23,177)	(15,181)	(47,549)	(45,908)	(30,520)
Fuel usage quota - CCC	(32,582)	(38,095)	(21,070)	(49,209)	(56,696)	(32,916)
Provision for contingencies	(13,880)	(1,959)	(14,001)	(22,748)	(5,290)	(19,877)
Other	(37,771)	(25,828)	(22,973)	(53,616)	(39,555)	(35,136)
	<b>(585,488)</b>	<b>(541,012)</b>	<b>(384,254)</b>	<b>(925,379)</b>	<b>(843,166)</b>	<b>(605,032)</b>
<b>INCOME FROM OPERATIONS</b>	<b>85,555</b>	<b>48,620</b>	<b>58,600</b>	<b>153,791</b>	<b>59,521</b>	<b>98,217</b>
<b>EQUITY IN SUBSIDIARIES</b>	<b>13,326</b>	<b>(34,449)</b>	<b>3,787</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCIAL REVENUES:</b>						
Income from temporary cash investments	38,275	44,989	29,586	49,469	56,182	37,917
Increase in overdue collections	12,546	7,929	8,183	21,557	12,115	14,301
Hedge	(2,176)	15,326	(2,176)	(2,176)	15,326	(2,176)
Regulatory assets - SELIC	37,198	23,187	23,173	71,131	40,136	45,172
Other	12,032	7,141	7,911	17,084	16,583	11,885
	<b>97,875</b>	<b>98,572</b>	<b>66,677</b>	<b>157,065</b>	<b>140,342</b>	<b>107,099</b>
<b>FINANCIAL EXPENSES:</b>						
Monetary variation - electricity purchase	(18,906)	(4,068)	(12,807)	(19,220)	(6,058)	(13,121)
Monetary and exchange variation on loans and financing	265,299	(701,782)	289,823	275,788	(757,555)	303,034
Interest on loans and financing	(146,063)	(124,498)	(95,889)	(206,188)	(166,798)	(138,606)
Other	(33,566)	(14,769)	(22,014)	(47,841)	(19,712)	(31,872)
	<b>66,764</b>	<b>(845,117)</b>	<b>159,113</b>	<b>2,539</b>	<b>(950,123)</b>	<b>119,435</b>
<b>FINANCIAL RESULTS</b>	<b>164,639</b>	<b>(746,545)</b>	<b>225,790</b>	<b>159,604</b>	<b>(809,781)</b>	<b>226,534</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>263,520</b>	<b>(732,374)</b>	<b>288,177</b>	<b>313,395</b>	<b>(750,260)</b>	<b>324,751</b>
NON-OPERATING REVENUES	540	400	308	708	747	407
NON-OPERATING EXPENSES	(3,651)	(4,408)	(1,810)	(26,881)	(7,814)	(24,927)
<b>NON-OPERATING INCOME(LOSS), NET</b>	<b>(3,111)</b>	<b>(4,008)</b>	<b>(1,502)</b>	<b>(26,173)</b>	<b>(7,067)</b>	<b>(24,520)</b>
<b>INCOME(LOSS) BEFORE TAXES</b>	<b>260,409</b>	<b>(736,382)</b>	<b>286,675</b>	<b>287,222</b>	<b>(757,327)</b>	<b>300,231</b>
Social contribution	(23,488)	18,786	(26,387)	(30,454)	20,286	(30,578)
Income tax	(69,594)	59,157	(77,028)	(89,977)	64,081	(89,238)
	<b>(93,082)</b>	<b>77,943</b>	<b>(103,415)</b>	<b>(120,431)</b>	<b>84,367</b>	<b>(119,816)</b>
<b>INCOME(LOSS) AFTER TAXES</b>	<b>167,327</b>	<b>(658,439)</b>	<b>183,260</b>	<b>166,791</b>	<b>(672,960)</b>	<b>180,415</b>
<b>MINORITY SHARE IN PROFIT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>536</b>	<b>14,521</b>	<b>2,845</b>
<b>NET INCOME(LOSS) FOR THE PERIOD</b>	<b>167,327</b>	<b>(658,439)</b>	<b>183,260</b>	<b>167,327</b>	<b>(658,439)</b>	<b>183,260</b>
<b>Net Income(loss) per share - R\$</b>	<b>36.77</b>	<b>(144.68)</b>	<b>40.27</b>	<b>-</b>	<b>-</b>	<b>-</b>

**STATEMENTS OF CASH FLOWS**

(In thousands of Brazilian reais)

	PARENT COMPANY			CONSOLIDATED		
	Up to 3rd Quarter 2003	Up to 3rd Quarter 2002	1st Half 2003	Up to 3rd Quarter 2003	Up to 3rd Quarter 2002	1st Half 2003
<b>From operations:</b>						
<b>Net Income(loss) for the period</b>	<b>167,327</b>	<b>(658,439)</b>	<b>183,260</b>	<b>167,327</b>	<b>(658,439)</b>	<b>183,260</b>
Adjustments to reconcile income to cash provided by operating activities:						
<b>Operating activities:</b>						
Long term interest and monetary and exchange variation	(265,962)	701,914	(284,993)	(285,862)	751,937	(301,330)
Equity in subsidiaries	(13,326)	34,449	(3,787)	-	-	-
Depreciation and amortization	44,151	42,621	29,332	86,904	91,211	58,144
Disposal of property, plant and equipment	1,624	3,507	1,441	6,558	7,188	2,434
Provision for losses - UTE Campo Grande	-	-	-	19,794	-	19,794
Provision for contingencies	6,852	9,153	2,927	21,068	12,880	11,835
Regulatory assets	-	9,339	-	(22,597)	(11,890)	(11,028)
Liabilities adjustments	9,104	5,829	5,691	9,104	5,829	5,691
Deferred income taxes	36,593	(76,328)	39,699	42,851	(83,564)	43,304
Minority share in profit	-	-	-	(536)	(14,521)	(2,845)
Remuneration on construction work in progress	-	-	-	(812)	(909)	(561)
	<b>(13,637)</b>	<b>72,045</b>	<b>(26,430)</b>	<b>43,799</b>	<b>99,722</b>	<b>8,698</b>
<b>Changes in current assets and liabilities:</b>						
Accounts receivable	46,175	(65,869)	19,777	29,721	(75,421)	(2,014)
Other accounts receivable	17,106	14,359	27,299	15,394	3,008	25,862
Other credits-UTE Campo Grande	-	-	-	(43,559)	-	(42,727)
Other credits	45,666	(1,512)	45,931	42,204	(2,767)	44,545
Prepaid expenses	(58,637)	2,135	(10,718)	(85,765)	(3,983)	(29,040)
Suppliers	(6,205)	(20,253)	(14,930)	(378)	(14,253)	(13,797)
Accrued taxes and social contributions	(45,131)	9,103	203	(36,556)	4,556	11,517
Accrued obligations	376	12	(2,848)	1,923	1,585	(2,736)
Regulatory charges	1,685	(2,788)	1,570	2,563	(3,218)	1,259
Postretirement benefits	(556)	-	(390)	(556)	-	(390)
Variation of Parcel A items	14,498	3,082	16,805	19,891	4,604	20,977
Other	14,057	7,167	7,548	18,913	10,542	12,275
	<b>29,034</b>	<b>(54,564)</b>	<b>90,247</b>	<b>(36,205)</b>	<b>(75,347)</b>	<b>25,731</b>
<b>Change in non-current assets and liabilities:</b>						
Accounts receivable	5,194	-	5,643	13,458	-	13,987
Escrow deposits	(13,195)	(8,318)	(9,235)	(21,580)	(13,798)	(14,447)
Tariff bonus and surcharges	28	11,321	-	3,929	16,613	-
Accrued taxes and social contributions	44,040	-	-	47,566	-	-
Affiliates and subsidiaries	2,636	(4,116)	4,731	1,659	(3,528)	208
Prepaid expenses	4,851	(8,621)	(25,862)	3,577	(25,620)	(26,993)
Variation of Parcel A items	5,475	4,896	14,416	6,039	7,940	14,036
Other credits - low income	9,675	-	4,940	15,359	-	6,340
Suppliers	(1,546)	-	(744)	(1,546)	-	(744)
Other	19,491	(1,279)	17,538	22,107	(1,624)	22,949
	<b>76,649</b>	<b>(6,117)</b>	<b>11,427</b>	<b>90,568</b>	<b>(20,017)</b>	<b>15,336</b>
<b>Net cash provided (use in) operating activities</b>	<b>92,046</b>	<b>11,364</b>	<b>75,244</b>	<b>98,162</b>	<b>4,358</b>	<b>49,765</b>
<b>Investing activities:</b>						
Additions to property, plant and equipment	(36,358)	(36,353)	(22,504)	(103,757)	(133,571)	(59,841)
Additions to investments	(117,389)	(99,395)	(101,133)	1	(105)	2
Additions to deferred charges	-	-	-	79	-	-
Obligations related to the concession	5,759	3,023	3,913	13,167	4,418	5,400
<b>Net cash used in investing activities</b>	<b>(147,988)</b>	<b>(132,725)</b>	<b>(119,724)</b>	<b>(90,510)</b>	<b>(129,258)</b>	<b>(54,439)</b>
<b>Financing activities:</b>						
Loans and financing	(4,007)	172,883	(5,578)	(74,290)	189,019	(51,913)
Accrued interest and fees	(47,959)	(19,654)	(12,955)	(48,232)	(14,042)	(13,176)
Dividends	-	-	-	(536)	(4,053)	(291)
Affiliates and subsidiaries	(51)	-	(70)	-	(10,319)	-
<b>Net cash provided by (used in) financing activities</b>	<b>(52,017)</b>	<b>153,229</b>	<b>(18,603)</b>	<b>(123,058)</b>	<b>160,605</b>	<b>(65,380)</b>
<b>Net increase(decrease) in cash and cash equivalents</b>	<b>(107,959)</b>	<b>31,868</b>	<b>(63,083)</b>	<b>(115,406)</b>	<b>35,705</b>	<b>(70,054)</b>
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	199,636	289,633	244,512	211,222	295,202	256,574
	<b>(107,959)</b>	<b>31,868</b>	<b>(63,083)</b>	<b>(115,406)</b>	<b>35,705</b>	<b>(70,054)</b>

**UNCONSOLIDATED STATEMENTS OF INCOME BY QUARTER**

(in thousands of Brazilian Reais)

	2003				2002					LTM SEPTEMBER 2003
	1st Quarter	2nd Quarter	3rd Quarter	Total	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	
<b>NET OPERATING REVENUES</b>	<b>237,708</b>	<b>205,146</b>	<b>228,189</b>	<b>671,043</b>	<b>208,163</b>	<b>163,182</b>	<b>218,287</b>	<b>247,616</b>	<b>837,248</b>	<b>918,659</b>
<b>OPERATING EXPENSES:</b>	<b>(184,664)</b>	<b>(199,590)</b>	<b>(201,234)</b>	<b>(585,488)</b>	<b>(176,949)</b>	<b>(169,496)</b>	<b>(194,567)</b>	<b>(201,271)</b>	<b>(742,283)</b>	<b>(786,759)</b>
Electricity purchased for resale	(122,881)	(121,970)	(131,198)	(376,049)	(108,323)	(116,240)	(132,396)	(142,881)	(499,840)	(518,930)
Depreciation and amortization	(14,573)	(14,759)	(14,819)	(44,151)	(14,131)	(14,212)	(14,278)	(14,460)	(57,081)	(58,611)
Personnel	(15,817)	(17,426)	(18,185)	(51,428)	(14,225)	(15,474)	(17,527)	(15,879)	(63,105)	(67,307)
Material	(1,936)	(1,667)	(2,260)	(5,863)	(1,557)	(1,653)	(1,937)	(1,701)	(6,848)	(7,564)
Third-party services	(7,783)	(7,398)	(8,583)	(23,764)	(7,698)	(7,405)	(8,074)	(8,772)	(31,949)	(32,536)
Fuel usage quota - CCC	(10,522)	(10,548)	(11,512)	(32,582)	(12,907)	(13,557)	(11,631)	(10,439)	(48,534)	(43,021)
Provision for contingencies	(140)	(13,861)	121	(13,880)	0	(1,256)	1,256.00	(3,246)	(3,246)	(17,126)
Other	(11,012)	(11,961)	(14,798)	(37,771)	(18,108)	301	(9,980)	(3,893)	(31,680)	(41,664)
<b>INCOME FROM OPERATIONS</b>	<b>53,044</b>	<b>5,556</b>	<b>26,955</b>	<b>85,555</b>	<b>31,214</b>	<b>(6,314)</b>	<b>23,720</b>	<b>46,345</b>	<b>94,965</b>	<b>131,900</b>
<b>EQUITY IN SUBSIDIARIES</b>	<b>3,327</b>	<b>460</b>	<b>9,539</b>	<b>13,326</b>	<b>8,268</b>	<b>(22,720)</b>	<b>(19,997)</b>	<b>(30,849)</b>	<b>(65,298)</b>	<b>(17,523)</b>
<b>FINANCIAL REVENUES</b>	<b>60,952</b>	<b>5,725</b>	<b>31,198</b>	<b>97,875</b>	<b>19,215</b>	<b>44,805</b>	<b>34,552</b>	<b>39,200</b>	<b>137,772</b>	<b>137,075</b>
<b>FINANCIAL EXPENSES:</b>	<b>8,591</b>	<b>150,522</b>	<b>(92,349)</b>	<b>66,764</b>	<b>(37,757)</b>	<b>(285,350)</b>	<b>(522,010)</b>	<b>101,198</b>	<b>(743,919)</b>	<b>167,962</b>
Monetary variation - electricity purchase	(7,091)	(5,716)	(6,099)	(18,906)	(305)	(3,569)	(194)	(4,958)	(9,026)	(23,864)
Monetary and exchange variation on loans and financing	74,488	215,335	(24,524)	265,299	(2,821)	(232,751)	(466,210)	157,413	(544,369)	422,712
Interest on loans and financing	(50,486)	(45,403)	(50,174)	(146,063)	(32,037)	(42,005)	(50,456)	(45,829)	(170,327)	(191,892)
Other	(8,320)	(13,694)	(11,552)	(33,566)	(2,594)	(7,025)	(5,150)	(5,428)	(20,197)	(38,994)
<b>FINANCIAL RESULTS</b>	<b>69,543</b>	<b>156,247</b>	<b>(61,151)</b>	<b>164,639</b>	<b>(18,542)</b>	<b>(240,545)</b>	<b>(487,458)</b>	<b>140,398</b>	<b>(606,147)</b>	<b>305,037</b>
<b>NON-OPERATING INCOME(LOSS), NET</b>	<b>(1,303)</b>	<b>(199)</b>	<b>(1,609)</b>	<b>(3,111)</b>	<b>(2,974)</b>	<b>(82)</b>	<b>(952)</b>	<b>(9,545)</b>	<b>(13,553)</b>	<b>(12,656)</b>
<b>INCOME(LOSS) BEFORE TAXES</b>	<b>124,611</b>	<b>162,064</b>	<b>(26,266)</b>	<b>260,409</b>	<b>17,966</b>	<b>(269,661)</b>	<b>(484,687)</b>	<b>146,349</b>	<b>(590,033)</b>	<b>406,758</b>
Social contribution and income tax	(42,485)	(60,930)	10,333	(93,082)	(3,811)	81,138	616	2,838	80,781	(90,244)
<b>NET INCOME(LOSS) FOR THE PERIOD</b>	<b>82,126</b>	<b>101,134</b>	<b>(15,933)</b>	<b>167,327</b>	<b>14,155</b>	<b>(188,523)</b>	<b>(484,071)</b>	<b>149,187</b>	<b>(509,252)</b>	<b>316,514</b>

**FINANCIAL RATIOS AND OTHER INFORMATION**

<b>EBITDA</b>	<b>71,622</b>	<b>39,349</b>	<b>45,993</b>	<b>156,964</b>	<b>48,395</b>	<b>12,736</b>	<b>41,132</b>	<b>65,944</b>	<b>168,207</b>	<b>222,908</b>
(+)Financial revenues	60,952	5,725	31,198	97,875	19,215	44,805	34,552	39,200	137,772	137,075
(+)Non-operating income (loss), net	(1,303)	(199)	(1,609)	(3,111)	(2,974)	(82)	(952)	(9,545)	(13,553)	(12,656)
<b>=Adjusted EBITDA</b>	<b>131,271</b>	<b>44,875</b>	<b>75,582</b>	<b>251,728</b>	<b>64,636</b>	<b>57,459</b>	<b>74,732</b>	<b>95,599</b>	<b>292,426</b>	<b>347,327</b>
<b>CAPITAL EXPENDITURE</b>	11,586	10,918	13,854	36,358	12,241	10,587	13,525	14,538	50,891	50,896
<b>TOTAL DA DÍVIDA</b>	1,870,016	1,644,828	1,665,430	1,665,430	1,242,033	1,479,253	2,078,711	1,935,399	1,935,399	1,665,430
<b>INTERES ON LOANS AND FINANCING</b>	50,486	45,403	50,174	146,063	32,037	42,005	50,456	45,829	170,327	191,892
<b>EBITDA margin</b>	30.1%	19.2%	20.2%	23.4%	23.2%	7.8%	18.8%	26.6%	20.1%	24.3%
<b>EBITDA/Interest on loans and financing</b>	1,4x	0,9x	0,9x	1,1x	1,5x	0,3x	0,8x	1,4x	1,0x	1,2x