

## IR Contacts

**Ronnie Vaz Moreira**  
CFO and Investor Relations  
Officer

**Ricardo Levy**  
Financial and IR Officer

**Cristina Guedes**  
IR Manager

Tel: +55 (21) 2211-2650/  
2660

Fax: +55 (21) 2211-2787  
[www.light.com.br](http://www.light.com.br)

E-mail: [ri@light.com.br](mailto:ri@light.com.br)

## Conference Call

**Date:** 08/08/2007

**Time:** 11:00 a.m. (Brasil)  
10:00 a.m. (US ET)

### Phones:

Brazil:  
+55 (11) 4688-6301

USA:  
+1 (888) 700-0802

Other Countries:  
+1 (786) 924-8430

**Simultaneous Translation  
to English**

### Webcast:

[www.light.com.br](http://www.light.com.br)

(portuguese and english)

## • Light's income shows that the transformation is on the right path

- Light posted a **net income of R\$633.3 million** in the period, compared to an R\$8.1 million loss in 2Q06. Net of non-recurring<sup>1</sup> effects in the quarter, with a R\$522.8 million impact on income, net income would have amounted to R\$110.6 million. **Accumulated net income amounted to R\$727.7 million**, 682% higher than the R\$93.1 million net income of the same period of last year.
- **Net revenue amounted to R\$1,419.8 million, equivalent to a 25.0% growth** compared to 2Q06. This result was positively impacted by non-recurring<sup>1</sup> effects in the amount of R\$163 million. **Net of these effects, net revenue would have been 10.7% higher** than 2Q06.
- **EBITDA totaled R\$455.4 million in the quarter**, 233.8% higher than the amount posted in 2Q06. Net of the non-recurring effect of the reversal<sup>1</sup>, EBITDA would have totaled R\$292.4 million, still equivalent to a 114.4% growth. **2Q07 "Cash EBITDA"<sup>2</sup> was R\$548.7 million.**
- At the end of 2Q07, **net debt** amounted to R\$1,400 million, posting a **40% reduction** compared to 1Q07. This reduction was primarily due to the conversion of debentures held by the BNDES, which now holds 31.4% of the capital stock.

Operational Highlights (GWh)	2Q07	2Q06	Var. %	1H07	1H06	Var. %
Wire Charge*	8,015	7,381	8.6%	16,860	15,913	6.0%
Billed Energy - Distribution	4,661	4,512	3.3%	9,563	9,450	1.2%
Sold Energy - Generation	1,213	1,147	5.8%	2,470	2,374	4.1%
Commercialized Energy (Esco)	44	-	-	87	-	-
Financial Highlights (R\$ MM)						
Gross Revenue	2,067	1,882	9.8%	4,249	4,037	5.2%
Net Revenue	1,420	1,136	25.0%	2,746	2,470	11.2%
EBITDA	455	136	233.8%	784	424	85.3%
EBITDA Margin	32.1%	12.0%	-	28.5%	17.1%	-
Net Income	633	-8	-	728	93	682.5%
Net Debt	1,400	2,894	-51.6%	1,400	2,894	-51.6%

\* Captive market + network use

<sup>1</sup> See Exhibit V of the document

<sup>2</sup> Takes into account the cash effect of the regulatory asset

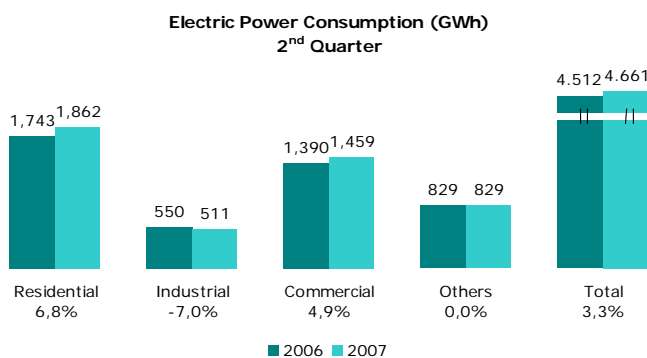


## Segmentation of the Release

Light S.A. is a holding company that controls wholly-owned subsidiaries that participate in three business segments : electricity distribution, generation and trading/services. In order to increase the transparency of its results and enable investors to make a better evaluation, as from this quarter, Light will present its results in a segmented way.

## • Operating Performance

### Distribution



### Captive Market

Billed electricity consumption totaled 4,661 GWh in the second quarter of 2007, equivalent to a 3.3% rise compared to the same period of the previous year.

Captive customers' electricity consumption growth was due to the increase in the demand of residential and commercial classes, of 6.8% and 4.9% in the quarter,

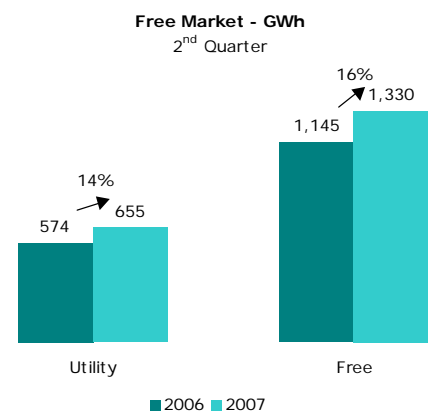
respectively, which was primarily explained by the average temperature rise of 1.3°C in this quarter. In the industrial class, the 7% drop in the volume of distributed energy reflects the migration of 12 customers to the free market between the periods. Two of these customers migrated during 2Q07; together the 12 customers represented an average consumption of approximately 25 GWh/month.

The electricity billed to the captive market in 2007 totaled 9,563 GWh, 1.2% above the volume billed over the same period of 2006.

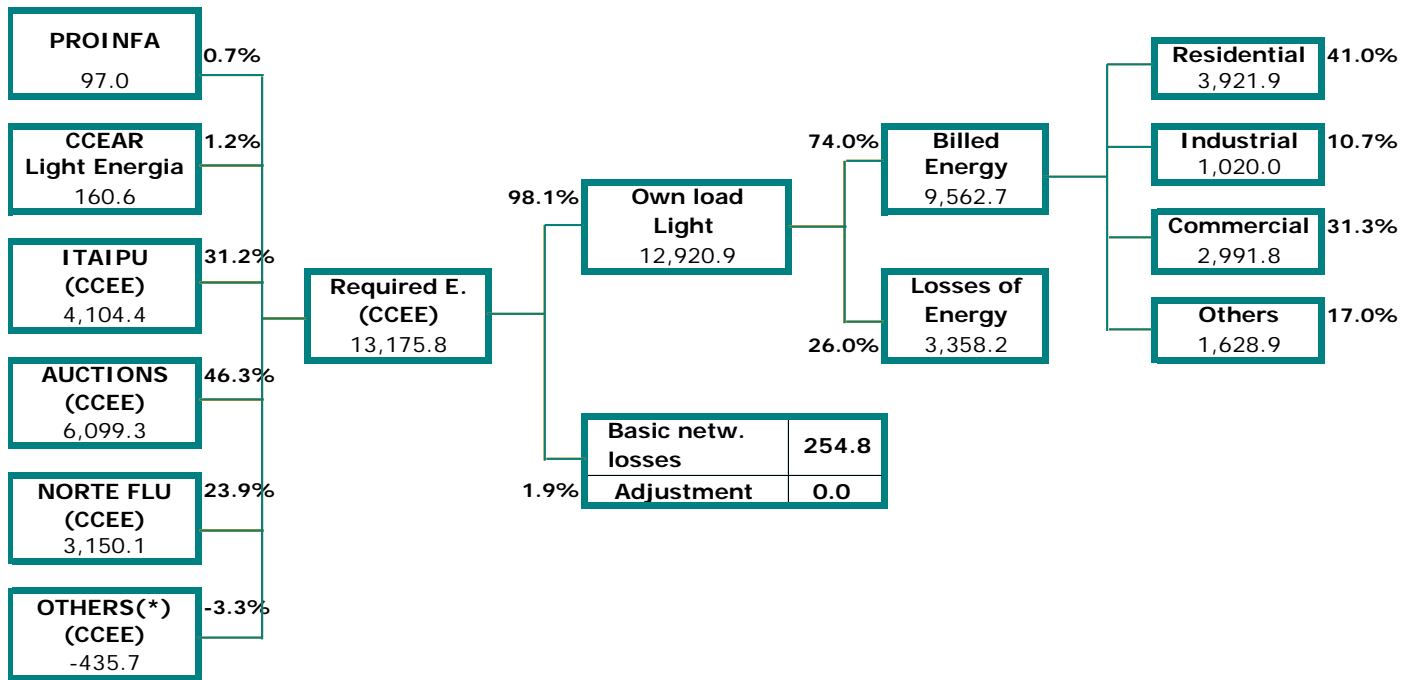
### Network Use

Network use (TUSD) billings was equivalent to 1,985 GWh this quarter, of which 67% for transportation to free market customers and the remainder to concessionaires that border Light's concession area. The 16% rise in electricity transported to free market customers was a result of the migration of 12 customers to the free market between the periods.

In 1H07, the network use volume amounted to 3,939 GWh, with a 27% increase in the volume consumed by free market customers and a 5% growth in the volume transported to other concessionaires, compared to the same period of 2006.



**DISTRIBUTION ENERGETIC BALANCE - GWh**  
Position: january-june 2007

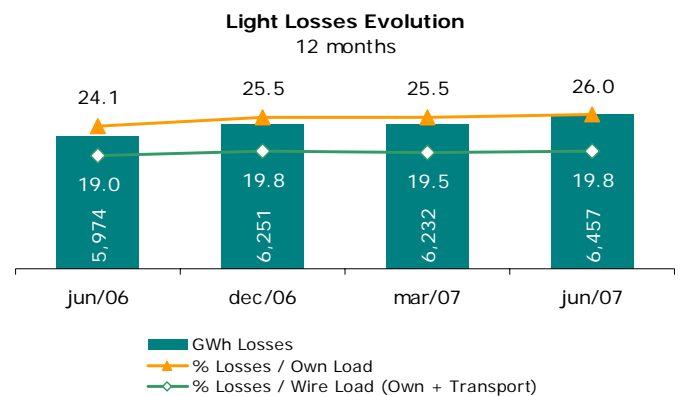


(\*) Others= Purchase in Spot - Sale in Spot.

Note: At Light S.A., there is intercompany power purchase/sale elimination

Electricity Losses

Total electricity losses (LTM) increased from 6,232 GWh in March 2007 to 6,457 GWh in June 2007, equivalent to a 0.5 p.p. growth in own load and a 0.3 p.p. increase in wire load. The negative result of June was a result of changing the focus of the initiatives for fighting losses, which are no longer timely, and now have a long-term perspective, having resulted in increased losses during this adjustment period. The goal of this reorientation is the recovery of the drop trend in losses, however in a sustainable manner, through the investment in new prevention, measurement and network technologies, in addition to the structural change experienced by the Company's loss-intelligence area. At the Board of Directors' meeting of July 27, a supplementary investment of R\$30 million was approved for the second half of 2007, anticipating part of the 2008 program.

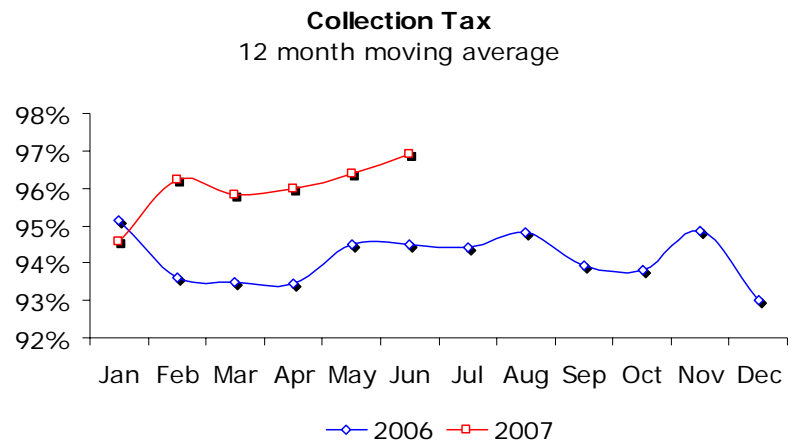




### Delinquency

In 2007, the Company maintained the anti-delinquency plan initiatives initiated in October 2006 and continued achieving important results in this area. The Company's quarterly collection rate had a substantial improvement, from 99% to 103% of billings, as a result of the improvement in the receipt of billed electricity, as well as of the installments of electricity debts negotiated with large customers and public authorities. The moving average of collection also presented substantial improvements, as shown in the chart beside.

R\$ MM	2Q06	2Q07
Billing	1,970	2,029
Collection	1,957	2,100
Collection Tax	99.4%	103.5%



In June 2007, the provision for delinquent customers (average for the past 6 months of billings) stood at 3.8%. This rate represents a 0.6 p.p. decrease compared to the same period of 2006, even taking into account the reversal of the provision made in 2Q06, which had a positive impact amounting to R\$35.6 million in that quarter, which was subsequently cancelled in the opening financial statements of July 2006. Net of the effect of these reversals, we would perceive a further improvement in the collection profile in 1H07 compared to 1H06, with a 2.0 p.p. reduction in the rate of provisions on gross revenue for the captive market and a R\$60 million improvement in relation to the delinquency provision of 1H06, as shown in the following table, indicating the evolution of the Company's receivables profile.

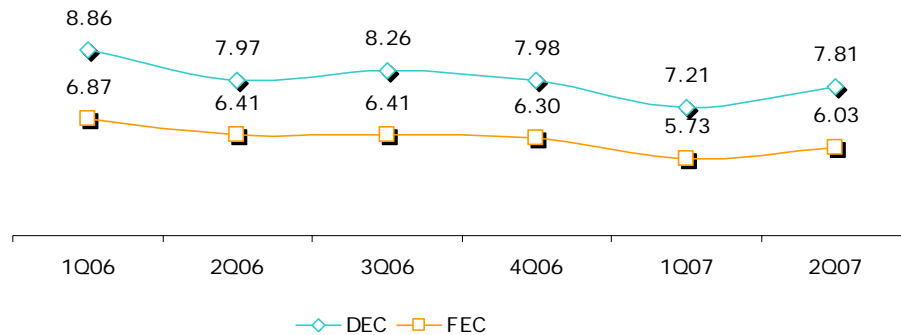
	1H06	1H07	Var.
Delinquency Provision	173.7	148.8	24.9
Reversal	35.6	-	35.6
<b>Total</b>	<b>209.3</b>	<b>148.8</b>	<b>60.5</b>

In April of this year, another important agreement was signed with Supervia for the recovery of the debt balance and regularization of current payments. This agreement established the payment of a R\$169.8 million debt in 168 monthly installments, adjusted by the IGP-M inflation index, subject to the maintenance of timely payments of current electricity bills. The Company maintains the provision tied Supervia debt.

### Operational Quality

Electricity supply quality indicators (DEC and FEC) continued improving when compared to the same period in 2006.

**DEC & FEC**  
(12 -Month Moving Average)



## Generation

The total amount of electricity sold (free and regulated contracting environments) in 2Q07 was 1,117 GWh, 1.0% higher than in 2Q06, when it stood at 1,106 GWh, primarily due to the growth in sales for free customers, offsetting the small volume decrease in the regulated contracting environment.

In CCEE's Spot Market, sales amounted to 95 GWh, 137.5% higher than in the same period of 2006 (40 GWh). This result arose from the increase in the levels of hydroelectric power generation of the interconnected system, expanding the electricity allocated and, consequently, the availability of electricity to be sold in the spot market.

The global volume of electricity this quarter grew 5.7% compared to 2Q06, totaling 1,212 GWh. In 1H07, this volume amounted to 2,470 GWh, also 4.1% higher than the volume sold in 1H06, as shown in the following table.

<b>LIGHT ENERGI A (GWh)</b>	<b>2Q07</b>	<b>2Q06</b>	<b>%</b>	<b>1H07</b>	<b>1H06</b>	<b>%</b>
Regulated Contracting Environment Sales	1,019	1,053	-3.3%	2,093	2,151	-2.7%
Free Contracting Environment Sales	98	53	83.4%	152	81	87.8%
Spot Sales (CCEE)	95	40	137.5%	225	141	59.5%
<b>Total</b>	<b>1,212</b>	<b>1,146</b>	<b>5.7%</b>	<b>2,470</b>	<b>2,373</b>	<b>4.1%</b>

## Trading

The wholly-owned subsidiary Light Esco Ltda. is an integrator of electricity solutions and works in partnership with customers to find the best options for acquiring and optimizing the use of electricity. Its activities are divided into two segments: (i) trading of electricity in the free market and in the market for alternative/subsidized electricity sources; and (ii) provision of infrastructure services.



In the area of electricity trading, Light Esco operates as: an electricity trader, broker, consultant and representative of customers and generators in electricity purchase and sale negotiations. The company began to sell electricity in early 2007, and year to date the sale of 28 MW average was negotiated, equivalent to 87 GWh, of which 44 GWh were traded in 2Q07, to a portfolio of eight customers.

The provision of services, which began in 2001 with the "District Cooling" operation of Rio Office Park (an office building in the city of Rio de Janeiro), also presented growth, increasing its customer portfolio through new services, such as energy efficiency, modernization of the cold water centers, on-line electricity monitoring, and power factor correction. New partnerships are being consolidated, which will enable it to further expand its service offer, such as providing electricity for events through generators.

## Gross and Net Revenue

### Consolidated

Gross operating revenue in 2Q07 totaled R\$2,066 million, 9.8% higher than the revenue obtained in 2Q06. Up to June 2007, gross revenue amounted to R\$4,249 million, 5.2% higher than in the same period of the previous year, as shown in the following table:

<b>Gross Revenue (R\$ MM)</b>	<b>2Q07</b>	<b>2Q06</b>	<b>Var. %</b>	<b>1H07</b>	<b>1H06</b>	<b>Var. %</b>
Distribution	1,999.0	1,828.3	9.3%	4,120.1	3,930.1	4.8%
Generation	75.5	63.5	18.8%	146.7	128.4	14.2%
Comercialization	7.7	1.3	495.9%	14.9	2.0	662.0%
Others and Eliminations	(15.6)	(11.2)	39.2%	(32.7)	(23.2)	40.7%
<b>Consolidated</b>	<b>2,066.6</b>	<b>1,882.0</b>	<b>9.8%</b>	<b>4,249.0</b>	<b>4,037.1</b>	<b>5.2%</b>

Net operating revenue in the quarter stood at R\$1,419.8 million, 25.0% higher than the result in 2Q06. Net of the non-recurring effect of the partial reversal of the provision due to the laches of the right to levy taxes<sup>1</sup>, with a decrease impact of R\$163 million on gross revenue deductions, net revenue would have amounted to R\$1,257 million, 10.7% higher than the amount realized in 2Q06. Net revenue accumulated in 1H07 totaled R\$2,746 million, 11.2% higher than the net revenue for the same period in the previous year, as shown in the following table:

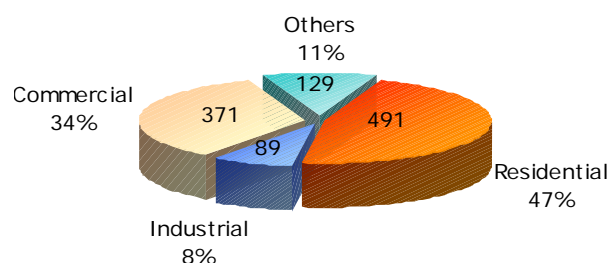


Net Revenue (R\$ MM)	2Q07	2Q06	Var. %	1H07	1H06	Var. %
<b>Distribution</b>						
Billed consumption	1,080.3	1,032.7	4.6%	2,204.7	2,148.8	2.6%
Network use (TUSD)	105.2	90.2	16.6%	205.2	177.9	15.3%
Short-Term (Spot)	22.8	17.0	34.1%	26.6	18.8	41.5%
Others	(9.8)	(53.2)	-81.6%	38.1	27.1	40.6%
Subtotal w/out Reversal	1,198.5	1,086.7	10.3%	2,474.7	2,372.6	4.3%
Reversal of COFINS Provision	163.0	-	-	163.0	-	-
<b>Subtotal w/ Reversal</b>	<b>1,361.4</b>	<b>1,086.7</b>	<b>25.3%</b>	<b>2,637.6</b>	<b>2,372.6</b>	<b>11.2%</b>
<b>Generation</b>						
Generation Auction Sale	62.3	56.8	9.7%	121.5	113.5	7.0%
Short-Term (Spot)	3.4	1.0	240.0%	5.3	3.8	39.5%
Others	1.9	1.1	72.7%	2.5	1.9	31.6%
<b>Subtotal</b>	<b>67.6</b>	<b>58.9</b>	<b>14.8%</b>	<b>129.3</b>	<b>119.1</b>	<b>8.6%</b>
<b>Comercialization</b>						
Energy Sales	4.7	-	-	9.1	-	-
Others	1.7	1.2	41.7%	3.0	1.7	76.5%
<b>Subtotal</b>	<b>6.3</b>	<b>1.2</b>	<b>425.0%</b>	<b>12.1</b>	<b>1.7</b>	<b>611.8%</b>
Others and Eliminations	(15.6)	(11.2)		(32.7)	(23.2)	
<b>Subtotal</b>	<b>1,256.9</b>	<b>1,135.7</b>	<b>10.7%</b>	<b>2,583.4</b>	<b>2,470.2</b>	<b>4.6%</b>
<b>Total</b>	<b>1,419.8</b>	<b>1,135.7</b>	<b>25.0%</b>	<b>2,746.4</b>	<b>2,470.2</b>	<b>11.2%</b>

## Distribution

Net Revenue in the second quarter of 2007 totaled R\$1,361.4 million, equivalent to a 25.3% growth compared to the same period of 2006. Net of the reversal effect of the provision in the amount of R\$163.0 million, net revenue would have totaled R\$1,198.5 million, a 10.3% increase compared to the same period of 2006. This growth was primarily due to the increase in billed consumption in the captive market, in addition to the expansion in the volume of transported electricity to free customers and concessionaires. Net revenue for distribution accumulated in 1H07 amounted to R\$2,637.6 million.

Net Revenue by Class - Captive  
R\$ MM - 2Q07



## Generation

Net Revenue in 2Q07 totaled R\$67.6 million, equivalent to a 14.8% increase compared to the same period in 2006.

Net revenue of electricity sold (free and regulated contracting environments) totaled R\$62.3 million, 9.7% higher than in 2Q06, as a result of the adjustment in regulated contract prices (adjusted by the IPCA, in accordance with the distributor's rate adjustment date), also due to the good prices of the free contracting market, in addition to the impact of the 1% increase on the volume sold between the periods.

In CCEE's Short-Term Market (Spot), the billings in 2Q07 totaled R\$3.4 million, 240% higher than in 2Q06. This result was due to the 137.5% growth in the volume of electricity sold in the spot market, together with the approximately 47% increase in the average price adopted in the Spot market, which had an average price of R\$68.8/MWh in 2Q07.

Net revenue for generation in 1H07 amounted to R\$129 million, 8.6% higher than the net revenue for the same period of 2006, as a result of the 39.5% increase in the revenue of spot sales in the period and of the 7.0% growth in the revenue coming from contracted sales.

## Trading

Net Revenue in 2Q07 totaled R\$6.3 million, equivalent to a 425% increase compared to the same period in 2006. This expansion was the result of the beginning of the energy trading transactions in 2007, which represented 75% of the quarterly net revenue. The revenue related to the services provided increased 42% between the periods, also indicating the growth of Light Esco's activities in this segment.

## Costs and Expenses

### Consolidated

Operating Expenses (R\$ MM)	2Q07	2Q06	Var. %	1H07	1H06	Var. %
Distribution	(1,021.3)	(1,050.5)	-2.8%	(2,076.2)	(2,155.4)	-3.7%
Generation	(31.2)	(37.6)	-16.9%	(62.4)	(67.1)	-7.1%
Comercialization	(5.6)	(0.7)	651.6%	(10.9)	(1.4)	692.0%
Others and Eliminations	14.6	9.4	55.0%	29.3	18.7	56.1%
<b>Consolidated</b>	<b>(1,043.5)</b>	<b>(1,079.3)</b>	<b>-3.3%</b>	<b>(2,120.2)</b>	<b>(2,205.2)</b>	<b>-3.9%</b>

\* Includes depreciation

### Consolidated Operating Costs and Expenses

In 2Q07, operating costs and expenses (manageable and non-manageable costs and expenses) dropped 3.3% compared to 2Q06. These costs accounted for 83% of net revenue (net of the non-recurring effect of the partial reversal of the provision due to the laches of the right to levy taxes<sup>1</sup>), two percentage points higher than the 81% net revenue in 1Q07. Year-to-date, cost decrease amounted to R\$85.0 million, mainly due to, operating expenses which were 3.9% lower than the amount realized in 1H06.



## Distribution

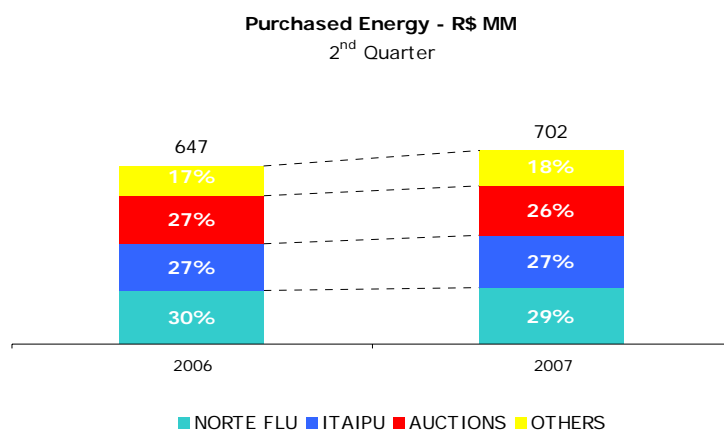
In 2Q07, Light SESA's expenses decreased 2.8% as a result of the 4.0% reduction of non-manageable costs, as explained below.

Costs and Expenses (R\$ MM)	2Q07	2Q06	(%)	1H07	1H06	Var. %
<b>Non-Manageable Costs and Expenses</b>	<b>(710.5)</b>	<b>(739.9)</b>	<b>-4.0%</b>	<b>(1,487.5)</b>	<b>(1,533.2)</b>	<b>-3.0%</b>
Purchased Energy (Includes CVA and others taxes)	(706.8)	(737.0)	-4.1%	(1,480.2)	(1,527.7)	-3.1%
Others (Mandatory Costs)	(3.7)	(2.9)	26.3%	(7.4)	(5.5)	34.7%
<b>Manageable Costs and Expenses</b>	<b>(310.8)</b>	<b>(310.6)</b>	<b>0.1%</b>	<b>(588.7)</b>	<b>(622.3)</b>	<b>-5.4%</b>
Personnel	(69.7)	(63.2)	10.4%	(128.3)	(113.3)	13.3%
Material	(3.1)	(4.0)	-22.6%	(7.4)	(8.2)	-8.9%
Outsourced Services	(64.5)	(55.3)	16.7%	(113.5)	(107.9)	5.2%
Provisions	(92.3)	(99.5)	-7.2%	(176.4)	(221.7)	-20.4%
Depreciation	(72.4)	(73.6)	-1.6%	(144.2)	(144.9)	-0.5%
Others	(8.6)	(14.9)	-42.3%	(18.8)	(26.4)	-28.8%
<b>Total Costs</b>	<b>(1,021.3)</b>	<b>(1,050.5)</b>	<b>-2.8%</b>	<b>(2,076.2)</b>	<b>(2,155.4)</b>	<b>-3.7%</b>

### Non-Manageable Costs and Expenses

In the second quarter of 2007, costs of purchased electricity, including CVA, reached R\$706.8 million, down 4.1% year-on-year.

Net of the CVA effect, purchased electricity amounted to R\$702.1 million in the second quarter of 2007, up 8.3% year-on-year. This increase is explained by the readjustment in purchase agreements, which occurred together with the rate adjustment in November 2006, making the average electricity purchase cost in 2Q07 reach R\$95.1/MWh, up from R\$91.6/MWh, in 2Q06.



CVA amortization in 2Q07 was R\$4.7 million, which represents a R\$84.5 million reduction compared to the CVA amortized in the same period of 2006, more than offsetting the increase in the value of purchased electricity. As a result, quarterly non-manageable costs fell 4.0%.

The breakdown of purchased electricity in the period was as follows: R\$201.6 million from UTE Norte Fluminense; R\$183.7 million from auctions in 2005 and 2006; R\$192.4 million from Itaipu; and R\$124.6 million from others.

In the first half, non-manageable expenses totaled R\$1,487.5 million, 3.0% lower than the amount spent in 2006, primarily due to the reduction in CVA amortization, from R\$98.0 million in 1H06 to R\$29.4 million in 1H07.



### *Electricity Purchase*

On June 18, 2007, Light participated in the first alternative source auction, acquiring 2,828.8 GWh, of which 39.7% based on hydroelectric generation and 60.3% based on thermoelectric generation. The following products were acquired: (i) H-30: 30-year contracts for the supply of hydroelectric power beginning in 2010 and; (ii) T-15: 15-year contracts for the supply of thermoelectric power to begin in 2010. Also on June 28, the fifth electricity adjustment auction for 2007 was held; however, Light SESA did not participate in it because it is already fully contracted for 2007.

### *Manageable Costs and Expenses*

The Company's manageable costs and expenses, represented by costs and expenses with Personnel, Materials, Outsourced Services, Provisions and Other Costs and Expenses (excluding depreciation and amortization), reached R\$238.4 million in 2Q07, in line with the same period of 2006, despite the non-recurring costs of this quarter.

Personnel expenses increased 10.4% when comparing 2Q06 to 2Q07, from R\$63.2 million in 2Q06 to R\$69.7 million this quarter, as a non-recurring effect of severance procedures carried out in the period, especially in relation to the severance program of retired employees and the outsourcing process of the logistics operation, with a R\$6.6 million impact over this quarter. Net of the effect of the terminations mentioned, personnel expenses would have been in line with the one posted in 2Q06.

In June 2007, a Collective Bargaining Agreement was entered into, valid for the period from May 2007 to April 2008, through which Light negotiated for the first time and on a collectively basis the terms for salary increases and the profit sharing scheme. This new compensation concept is in line with one of the Company's values: the "focus on results", based on which all employees will benefit from the better performance of the Company. Salaries were increased by 3.44%, in accordance with the INPC, and the actual compensation gain will be based on EBITDA result and employees' share in this result.

Costs and expenses with materials, outsourced services and other costs and expenses totaled R\$76.3 million in 2Q07, presenting a 2.7% increase compared to the same period of 2006, which was primarily due to the 16.7% growth in outsourced services, reflecting non-recurring environmental costs in the amount of R\$3.2 million, and a expense of R\$1.6 million for fighting losses, which was previously allocated under Capex. Net of the effect of these costs, expenses would have been 4% lower when compared to 2Q06.

Provisions (Provision for Delinquency, Provision for Contingencies and Others) presented a 7.2% decrease compared to 2Q06. In 2Q06, provisions were negatively impacted by a provision for the loss of RTE, in the amount of R\$55.7 million, which was partially offset by a Provision for Delinquency reversal that had a positive R\$35.5 million impact on the result, which was subsequently cancelled in

the opening financial statements of July 2006. In 1H07, net of the effect of the provision reversal carried out in 2Q06 (R\$35.5 million), there would have been a R\$60 million improvement in relation to the Provision for Delinquency provisions of 1H06, indicating the evolution of the Company's receivables profile.

In the first half of 2007, manageable operating costs totaled R\$588.7 million, a 5.4% drop when compared to the same period of 2006, which had as a major highlight, once again, the strong decrease in delinquency levels.

## Generation

Light Energia's costs totaled R\$31.2 million in the quarter, comprising: purchased electricity (33%), personnel (21%), materials and outsourced services (11%), and others and depreciation (35%). In this quarter, there was a 16.9% reduction in generation costs, primarily as a result of the non-recurring effect of the provision in the amount of R\$6 million made in 2Q06, arising from an environmental lawsuit filed by the municipality of Barra do Pirai.

In 1H07, generation costs amounted to R\$62.4 million, 7.1% lower than in the same period of 2006, and that result was highly impacted by the non-recurring provision mentioned above.

Operating Costs - R\$ MM	2Q07	2Q06	%	1H07	1H06	%
Personnel	6.7	6.8	-1.5%	12.2	11.6	4.8%
Material and Outsourced Services	3.3	4.0	-18.7%	6.6	7.0	-6.2%
Purchased Energy	10.2	10.0	2.2%	20.3	19.8	2.5%
Depreciation	6.4	6.3	1.0%	12.8	12.7	0.2%
Others (includes provisions)	4.7	10.5	-55.1%	10.6	16.0	-33.9%
<b>Total</b>	<b>31.2</b>	<b>37.6</b>	<b>-16.9%</b>	<b>62.4</b>	<b>67.1</b>	<b>-7.1%</b>

## Trading

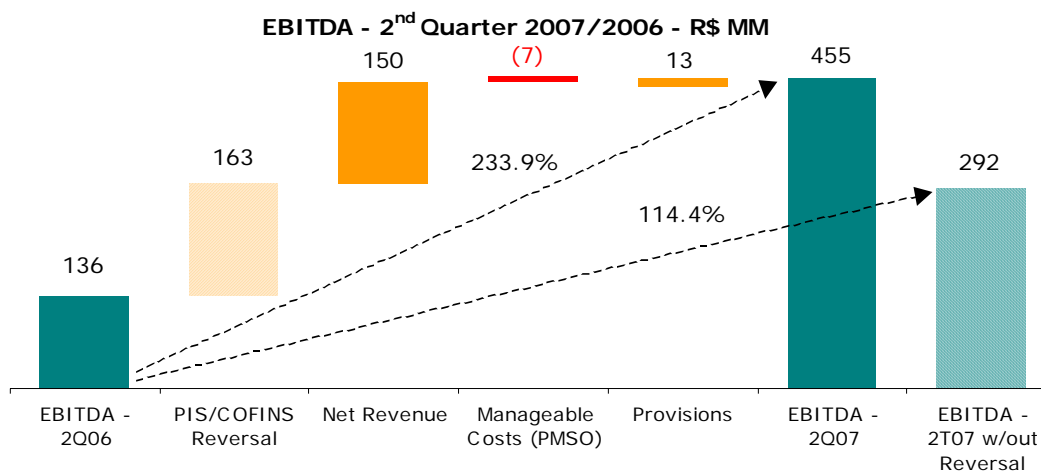
With the beginning of the electricity reselling activity, and taking into account the corresponding purchase cost of the volume of electricity sold (R\$4.4 million), trading costs totaled R\$5.6 million in this quarter. Net of the electricity purchase effect, the increase in costs would have stood at 56.2%, primarily due to the 91% growth in personnel costs, as a result of the expansion in the activities scope.

In 1H07, the accumulated cost totaled R\$10.9 million, 692% above the amount posted in 1H06. This increase was once again due to the beginning of electricity selling activities in 2007, which is equivalent to 81% of its operating expenses in 1H07.

Operating Costs - R\$ MM	2T07	2T06	%	1H07	1H06	%
Personnel	0.6	0.3	90.8%	0.9	0.5	95.4%
Material and Outsourced Services	0.3	0.3	15.3%	0.6	0.4	38.3%
Purchased Energy	4.4	-	-	8.8	-	-
Depreciation	0.2	0.2	33.8%	0.4	0.4	14.7%
Others (includes provisions)	0.1	0.0	153.6%	0.1	0.1	30.6%
<b>Total</b>	<b>5.6</b>	<b>0.7</b>	<b>651.6%</b>	<b>10.9</b>	<b>1.4</b>	<b>692.0%</b>

## EBITDA

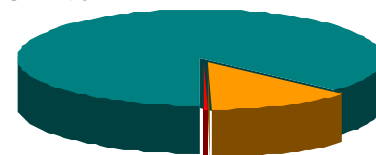
### Consolidated



Consolidated EBITDA in 2Q07 presented a substantial 233.9% growth compared to 2Q06, most of it due to the non-recurring R\$163.0 million impact of the partial reversal of the provision due to the laches of the right to levy taxes<sup>1</sup>. Net of the non-recurring effect of this reversal, EBITDA would have amounted to R\$292.4 million, still 114.4% higher than in 2Q06. This expansion may be justified by the revenue increase as a result of the market growth and the reduction in provisions, especially related to delinquency. EBITDA margin stood at 32.1% in the quarter, and 23.3% net of the effect of the provision reversal.

### EBITDA by segment\* 1S07

Distribution  
87.1%



Comercializ. 0.3%  
Generation 12.7%

\*Non-consolidated and without reversal effects

Consolidated EBITDA accumulated in 2007 totaled R\$784 million, with a 28.5% margin, which is equivalent to an 85% growth in relation to 1H06. Cash EBITDA totaled R\$969 million over the same period, with a 35% margin.

EBITDA Consolidated - R\$ MM	2T07	2T06	Var.%	1H07	1H06	Var.%
Distribution w/out Reversal	249.7	109.9	127.2%	542.6	362.0	49.9%
COFINS Reversal	163.0	-		163.0	-	
Distribution w/Reversal	412.6	109.9	275.5%	705.6	362.0	94.9%
Generation	42.7	27.7	54.5%	79.7	64.7	23.2%
Comercialization	0.9	0.6	69.4%	1.6	0.7	129.6%
Others e eliminations	(0.9)	(1.7)	-45.9%	(3.4)	(4.5)	-23.5%
Subtotal w/out Reversal	292.4	136.4	114.4%	620.5	423.0	46.7%
<b>Total w/Reversal</b>	<b>455.4</b>	<b>136.4</b>	<b>233.9%</b>	<b>783.5</b>	<b>423.0</b>	<b>85.2%</b>
<i>EBITDA Margin (%)</i>	<i>32.1%</i>	<i>12.0%</i>	<i>-</i>	<i>28.5%</i>	<i>17.1%</i>	<i>-</i>



## Distribution

Light SESA's EBITDA in 2Q07 amounted to R\$413 million compared to R\$110 million recorded in 2Q06. Net of the R\$163 million non-recurring effect of the partial reversal of the provision due to the laches of the right to levy taxes<sup>1</sup>, the distributor's EBITDA in 2Q07 would have been R\$250 million, presenting a 127.2% increase compared to 2Q06. This growth is the joint result of the R\$93 million net revenue increase and the R\$29 million reduction in non-manageable costs, as a result of the lower CVA in 2007. EBITDA margin in the quarter stood at 30.3% and 20.8% net of the mentioned non-recurring effect of the partial reversal of the provision<sup>1</sup>.

Cash EBITDA<sup>2</sup>, measured over the same period, totaled R\$342.9 million, 33.9% higher than the amount posted in the previous year. The lower growth of Cash EBITDA is a result of the lower volume of amortized RTE, other regulatory assets and inflationary adjustment, which in this quarter totaled R\$93.3 million compared to R\$145.9 million in 2Q06. Cash EBITDA margin reached 29.0% in the quarter.

Accumulated EBITDA for distribution in 2007 increased 95% compared to 1H06, amounting to R\$706 million in 1H07, presenting a 26.8% margin. Cash EBITDA totaled R\$729 million over the same period, with a 26.5% margin.

## Generation

Light Energia's EBITDA amounted to R\$42.7 million in 2Q07, up from R\$27.7 million recorded in 2Q06. This 54.5% growth was impacted by the existence of non-recurring provisions amounting to R\$6 million in 2Q06, in addition to the R\$8.7 million net revenue increase in 2Q07, 14.8% higher than the same period in 2006. EBITDA margin reached 63.2%, up 16.3 percentage points against 2Q06.

In 2007, EBITDA from generation totaled R\$80 million, 23% higher than the amount realized in 1H06. In 2007, EBITDA margin stood at 61.6%.

## Trading

Light Esco presented an EBITDA equivalent to R\$0.9 million in 2Q07 compared to R\$0.6 million recorded in 2Q06. The 69.4% increase was primarily due to the net revenue growth in the amount of R\$5.1 million in this quarter, as a result of the beginning of the energy trading activity, enabling a higher cash generation, posting a positive margin to the R\$ 4,5 MM associated expenses in the amount of R\$4.9 million. EBITDA margin reached 15.0%, 33.7 percentage points lower than in 2Q06. This drop in the margin was expected due to the inclusion of a service with higher financial volume, but with a lower margin.

In 2007, EBITDA from trading totaled R\$1.6 million, 130% higher than the amount realized in 1H06, also due to the beginning of the energy trading activity. In 2007, EBITDA margin stood at 13.5%.

### Consolidated Financial Results

<b>Financial Result - R\$ MM</b>	<b>2Q07</b>	<b>2Q06</b>	<b>(%)</b>	<b>1H07</b>	<b>1H06</b>	<b>(%)</b>
Income - financial investments	(66.8)	(96.2)	30.6%	(161.21)	(198.44)	18.8%
Monetary and Exchange variation	31.5	0.4	6952.0%	44.52	78.42	-43.2%
Swap Operations	(32.5)	(8.1)	-299.4%	(47.33)	(36.16)	-30.9%
Others Financial Revenues	57.7	94.3	-38.9%	118.23	195.33	-39.5%
Others Financial Expenses	(36.7)	(45.7)	19.8%	(71.88)	(70.92)	-1.3%
Braslight (private pension fund)	(17.1)	(12.3)	-39.1%	(37.66)	(30.54)	-23.3%
<b>Subtotal</b>	<b>(63.9)</b>	<b>(67.6)</b>	<b>5.5%</b>	<b>(155.3)</b>	<b>(62.3)</b>	<b>-149.3%</b>
Reversal of PIS/COFINS Provision	132.5	-		132.5	-	
<b>Total</b>	<b>68.6</b>	<b>(67.6)</b>	<b>201.5%</b>	<b>(22.9)</b>	<b>(62.3)</b>	<b>63.3%</b>

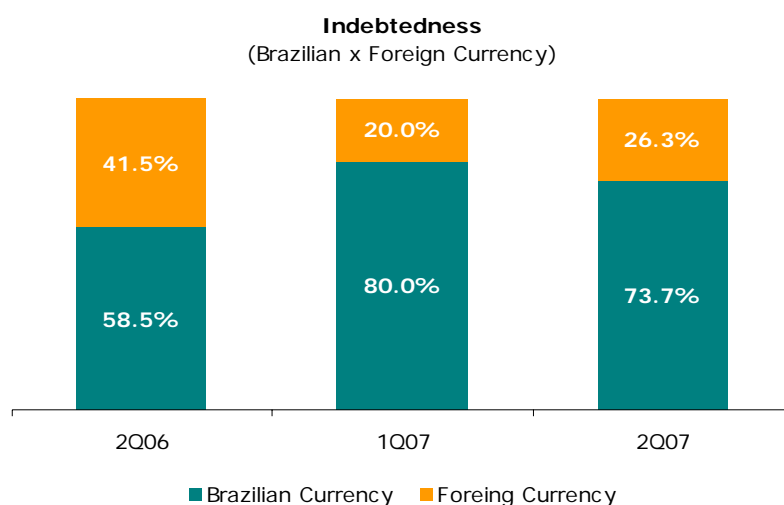
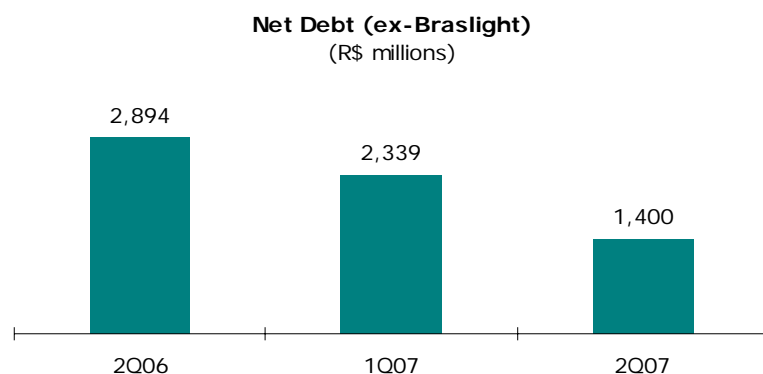
Financial Results in the second quarter amounted to R\$68.6 million, against a negative result of R\$67.6 million in the same period of 2006. The result for this quarter was primarily due to the non-recurring effect of the partial reversal of the provision due to the laches of the right to levy taxes<sup>1</sup>, with a R\$132.5 million impact. This reversal accounted for 44.8% of the total provisioned for that reason. Net of the effect of this reversal, the financial result would have been a negative R\$63.9 million, as a result of the average cost of the Company's debt. The conversion of 654,541 debentures of the 4<sup>th</sup> Issuance by the BNDES, on May 16, equivalent to 90% of the total debentures held by the bank, had a positive and recurring impact of R\$8.8 million on the Company's expenses with interests this quarter.



## Indebtedness

R\$ MM	Short Term	%	Long Term	%	Total	%
<b>Brazilian Currency</b>	<b>286.3</b>	<b>15.2%</b>	<b>1,104.6</b>	<b>58.6%</b>	<b>1,390.9</b>	<b>73.7%</b>
Debt 1st Issue	17.5	0.9%	30.6	1.6%	48.1	2.6%
Debt 4th Issue	0.6	0.0%	89.0	4.7%	89.6	4.7%
BNDDES Rationing	175.2	9.3%			175.2	9.3%
Debt 5th Issue	50.0	2.7%	975.0	51.7%	1025.0	54.3%
Financial operations "Swap"	37.9	2.0%	2.1	0.1%	40.0	2.1%
Others	5.1	0.3%	7.9	0.4%	13.0	0.7%
<b>Foreign Currency</b>	<b>33.4</b>	<b>1.8%</b>	<b>462.1</b>	<b>24.5%</b>	<b>495.5</b>	<b>26.3%</b>
National Treasury	20.3	1.1%	141.7	7.5%	162.0	8.6%
Import Financing	6.0	0.3%	9.6	0.5%	15.6	0.8%
BNDDES Import Fin.	1.5	0.1%	2.7	0.1%	4.1	0.2%
Credit Linked Notes	5.6	0.3%	308.2	16.3%	313.8	16.6%
<b>Gross Debt</b>	<b>319.7</b>	<b>16.9%</b>	<b>1,566.7</b>	<b>83.1%</b>	<b>1,886.4</b>	<b>100.0%</b>
Braslight (pension fund)			861.4		861.4	
<b>Gross Debt + Braslight</b>	<b>319.7</b>		<b>2,428.1</b>		<b>2,747.8</b>	

The conversion of debentures carried out by the BNDDES allowed the immediate reduction of R\$713 million in Light's gross debt. This was the main factor for the reduction of Light's consolidated gross debt, which decreased by 32%, from R\$2,774 million in the end of 1Q07, to R\$1,886 million in the end of this quarter (ex-Braslight). The average maturity of the debt and average cost were also impacted by the conversion of debentures, standing at 4.15 years with an average cost of 13.28% in Brazilian Reals and of 8.57% in US dollars for debt denominated in foreign currency, respectively. The foreign exchange exposure of the debt also increased as a direct result of the reduction of the debt, in Reals, of the 4<sup>th</sup> issuance of debentures, therefore increasing the relative share of the debt denominated in foreign currency.



As a result of the reduction of the gross debt and of an 11.9% rise in cash and cash equivalents position, the Company's net debt presented a 40% decrease compared to 1Q07, amounting to R\$1,400 million in the end of this quarter.

### Net Income

Light posted a net income of R\$633.3 million in the period, compared to an R\$8 million net loss in the same period of 2006. This result was primarily due to the partial reversals of provisions due to the laches of the right to levy taxes in the amounts of R\$163.0 million and R\$ 132.5 million, respectively. The net related effect of these provisions' reversal was a

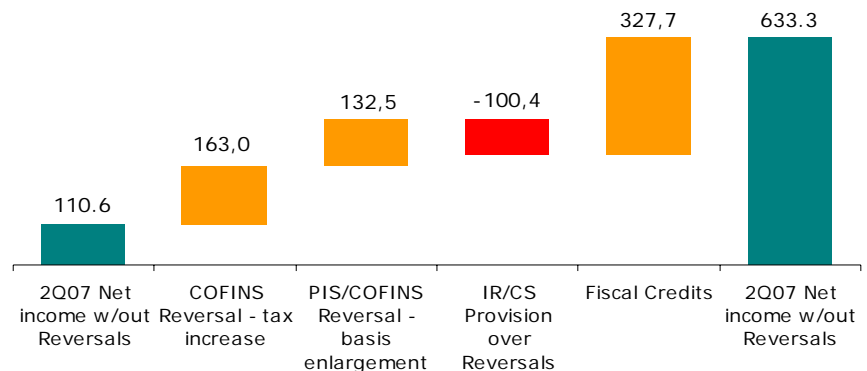
R\$195.1 million increase, net of the R\$100.4 million IT/SC effects. In addition, accumulated deferred tax credits were recognized in the amount of R\$327.7 million. And after a long period of accounting and tax losses, the Company accrued taxable income over a period of three (3) years. As a result, it complies with all requirements of CVM Instruction no. 371/02 and is now beginning to recognize deferred taxable credits on provisions, usually referred to by tax experts as "temporary differences" (as detailed under exhibit V). Net of these effects, the quarterly net income would have amounted to R\$110.6 million.

Accumulated net income in 1H07 amounted to R\$728 million, 682% higher than the R\$93 million income recorded in 1H06.

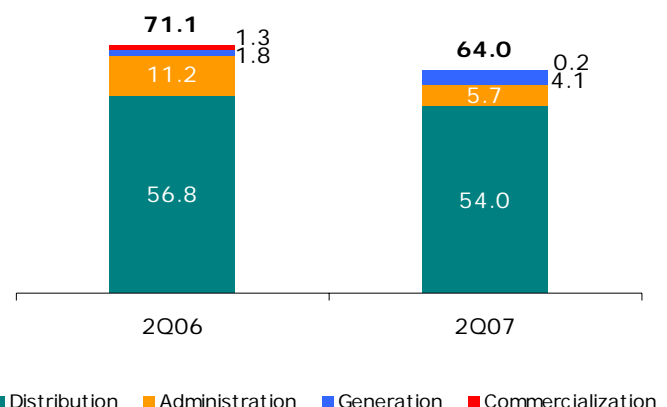
### Investments

In the second quarter of 2007, R\$64 million were invested in capital expenditures and improvements. In distribution, the main highlights were the investments in new connections, in the amount of R\$22 million, and in initiatives for fighting losses, totaling R\$13 million. In management, the main highlight was the investment in the improvement of the SAP-CCS System, of approximately R\$4 million, whereas the decrease in the investment made

Net Income - 2<sup>nd</sup> Quarter 2007- R\$ Millions



Investment in Aquisitions & Improvements on Fixed Assed (R\$ MM)







compared to 2006 was primarily due to the implementation of the SAP-CCS system in that period, using funds in the amount of R\$6.3 million.

### *New Projects in Generation*

Light is studying new hydroelectric power generation projects, aimed at strengthening its activities in the generation segment, in accordance with its growth strategy for the next years. Here are three highlights:

- PCH Paracambi: small hydroelectric power plant project, with 25 MW of installed capacity, and 21 MW average of physical guarantee. It will be located at the Ribeirão das Lajes river, in the municipality of Paracambi, downstream from the Lajes Complex. The authorization for the project was granted by ANEEL in 2001, and the Environmental Installation License is currently being obtained. The estimated date for the beginning of operations is in 2010, with a construction period of 24 months, and an estimated cost of R\$100 million;
- PCH Lajes: small hydroelectric power plant, with 18 MW of installed capacity and physical guarantee is still to be defined. This PCH is located at the Lajes Complex and uses the structure of the Fontes Velha Plant, which is inactive. Currently, the project is in the final phase of preparation of the Basic Project. The estimated date for the operations start up is in 2010, and the estimated cost amounts to R\$28 million;
- UHE Itaocara: hydroelectric power plant with 195 MW of installed capacity and 110 MW average of guaranteed energy. It will be located at the Paraíba do Sul river, in Itaocara, in the state of Rio de Janeiro, near the concession area of Light. The Concession Agreement between ANEEL and Light Sinergias, currently Itaocara Energia, was entered into in 2001. The estimated date for the beginning of operations is in 2012, with a construction period of 36 months, and an estimated cost in the amount of R\$600 million.

## Cash Flow

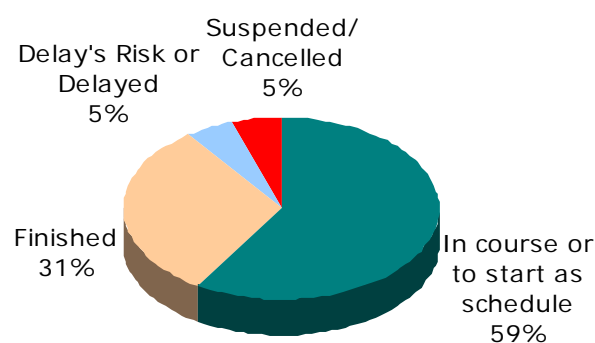
R\$ MM	1Q07	2Q07	1H07
<b>Cash in the beginning of the period</b>	<b>695.1</b>	<b>434.9</b>	<b>695.1</b>
<b>Cash from operating activities</b>	<b>365.9</b>	<b>341.2</b>	<b>707.2</b>
Net income	94.4	633.3	727.7
Provision for Delinquency	70.4	78.4	148.8
Depreciation and Amortization	78.3	79.0	157.3
Assets (increase) decrease	117.7	30.9	148.6
Liabilities increase (decrease)	(89.8)	(17.5)	(107.3)
Others	94.9	(462.9)	(368.0)
<b>Financing Activities</b>	<b>(555.1)</b>	<b>(231.8)</b>	<b>(786.9)</b>
Capital Increase	0.1	720.5	720.6
Finance Obtained	1,001.1	0.0	1,001.1
Debt Service and Amortization	(1,556.3)	(952.4)	(2,508.6)
<b>Investment Activities</b>	<b>(71.0)</b>	<b>(57.7)</b>	<b>(128.7)</b>
Concession Investments	(72.4)	(62.6)	(135.0)
Special Obligations - Consumer's Contributions	1.4	4.9	6.3
<b>Cash in the end of the period</b>	<b>434.9</b>	<b>486.6</b>	<b>486.7</b>

The positive cash variation in the second quarter of 2007, in the amount of R\$51.7 million, is the result of:

- the net income of R\$633.3 million, consisting of a non-recurring portion with no cash effect related to the partial reversal of the provisions due to the lashes of the right to levy taxes<sup>1</sup>, with a R\$195 million impact on net income, and also of the recognition of deferred IT and SC tax credits, with a R\$327.7 million impact on net income;
- the amortization of debt in the amount of R\$952.4 million, of which R\$713 million related to the conversion into shares of debentures from the 4<sup>th</sup> issuance, held by the BNDES, with a capital increase of Light S.A. as an offset.

## Evolution of the Transformation Plan

The goal of the Transformation Plan, initiated with the by RME the new controlling shareholder, in August 2006, is to increase the Company's efficiency, the relationship with customers, to promote efficient cost management, and seek better results and business sustainability. Based on that plan, 14 transformation projects were prepared, broken down into approximately 150 initiatives, as shown in the chart beside.



Of the finished and on-going projects, the main highlights are:

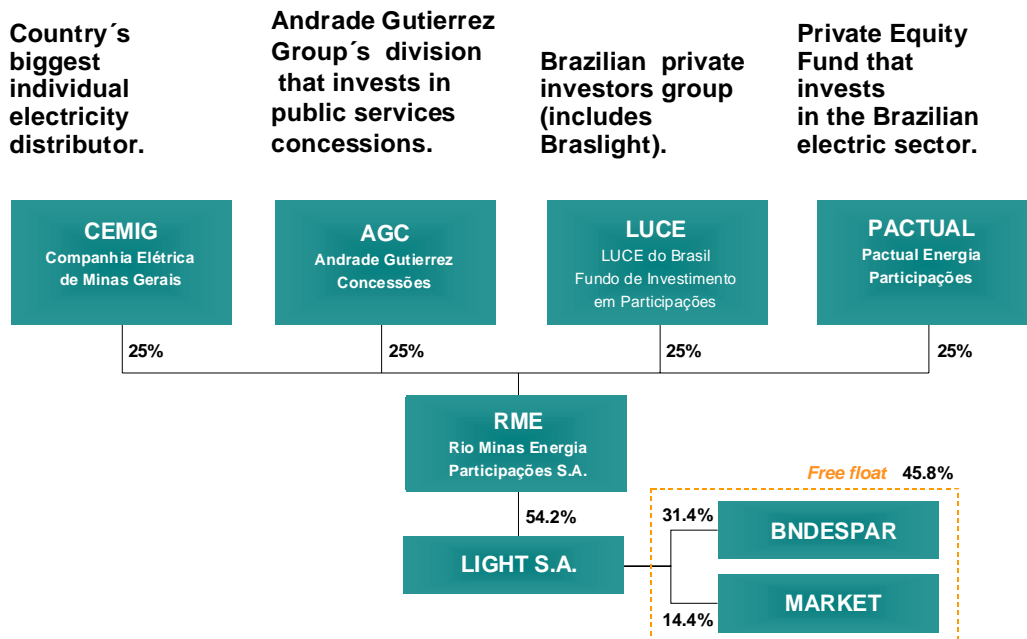


- P1 “Customer – get to know to serve better”: Expansion of service at virtual offices; decrease of the cost with banking fees; reduction in the time to make new connections; and initiatives to promote automatic debit payment.
- P2 “Selling more and better”: conquer of more than 30 customers by Light Esco, divided between energy sales and energy efficiency services.
- P3 “100% Payment”: introduction of a new collection procedure in June; and percentage decrease in the rate of delinquent customers.
- P4 “No illegal connections”: increase of the percentage of the inspections success, from 17% to 27%, and movement towards the insourcing of inspection teams.
- P5 “Efficiency in processes”: reduction of 156 vehicles in the fleet (16% of the total) and auction of these.
- P7 “Aligned suppliers”: renegotiation of more than 70% of the financial volume contracted, aiming at both increasing the quality of the supply and reducing costs.
- P9 “Capital structure review”: conversion of 90% of the debentures held by the BNDES from the 4th issuance, with a decrease equivalent to R\$713 million in the Company's gross debt. S&P assigned the Company with the (brA-) rating (**investment grade**).
- P12 “A great place to work”: end of the Collective Bargaining Agreement process for the 2007/2008 period; and training of 100% of the managers in the Leadership Program and of 100% of the employees in the Engagement Program; publication of the Occupational Safety Policy, and the conduction of an awareness campaign among employees; and evolution of the “face to face” program, which is aimed at promoting transparency and the interaction between managers and teams, with the subsequent fostering of the employees’ confidence in their leadership.



## Corporate Governance and Capital Markets

The capital stock of Light S.A. comprises 196,252,220,632 common shares, with no par value. The controlling group, Rio Minas Energia (RME), holds 54.2% of the capital stock, with the remaining shareholders outstanding, in accordance with the following shareholding structure:



The Company's shares have been listed on the Bovespa's Novo Mercado since July 2005, granting special rights to minority shareholders, based on the best corporate governance practices and on transparency and equity principles, important cornerstones for the relationship with the capital markets.

Aiming at increasing transparency and comparability of share quotes, the meeting of the Board of Directors held on June 22, 2007 decided to submit to the Special Meeting of Shareholders the proposal for a reverse split, in the proportion of one thousand (1,000) shares to one (1) share, in accordance with the Material Event notice published on that date. The Meeting of Shareholders should be called soon.

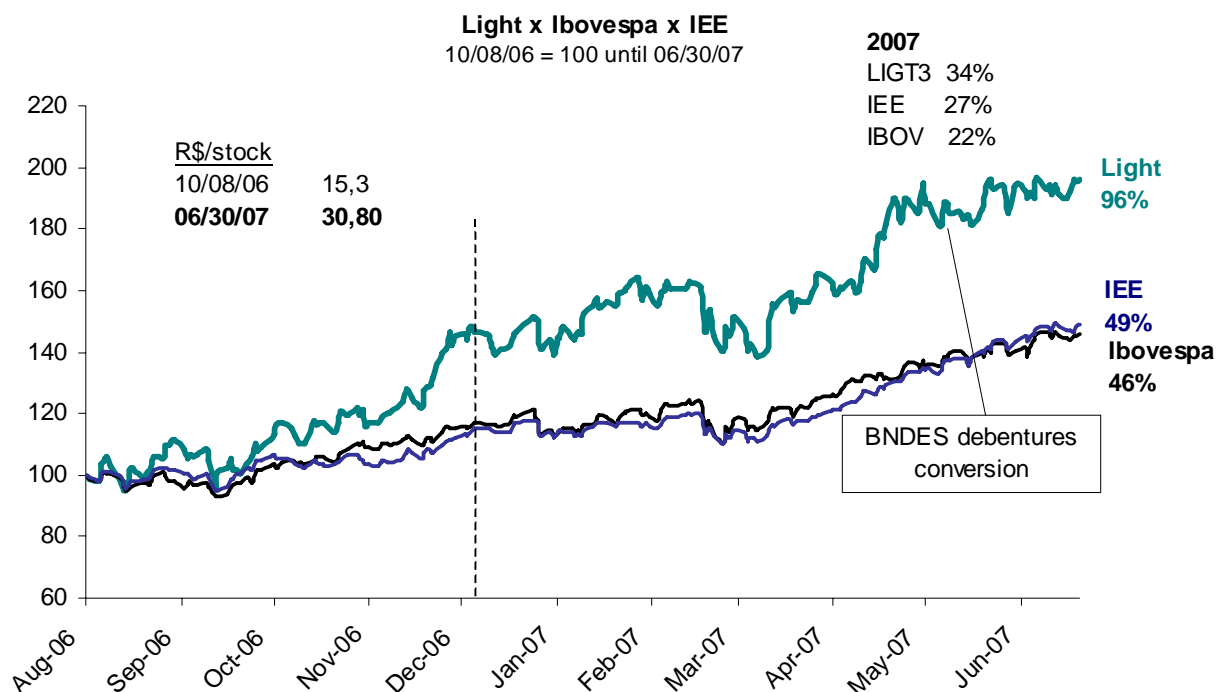
In the same meeting, the expansion of the activities of the Corporate Governance Committee was also approved, in addition to the Corporate Governance Manual. As a result, the committee is now called Corporate Governance and Sustainability Committee. The Corporate Governance Manual deals with the responsibilities of the Board of Directors, its supporting committees, and of the Board of Executive Officers, in addition to the relations between these bodies, aimed at creating value for the Company and its shareholders. The Corporate Governance Manual is available at the Investor Relations section of the Company's website.

### BOVESPA (spot market) - LIGT3

Daily Average	2T07	1T07	2T06
Number of shares traded (Million)	294.15	338.13	249.00
Number of Transactions	360	479	419
Traded Volume (R\$ Million)	\$8.4	\$9.3	\$3.8
Quotation per lot of 1000 shares:	\$30.80	\$24.50	\$14.50
Share Valuing	25.7%	6.5%	-2.7%
IEE Valuing	26.7%	0.2%	-7.2%
Ibovespa Valuing	18.7%	3.0%	-3.5%

In the quarter, Light's shares, traded on the Bovespa, appreciated 25.7%, compared to a 26.7% growth in the Electric Power Index (IEE) and to an 18.7% rise of the Ibovespa. In 2007, Light's shares appreciated 33.9%, higher than the 27.0% expansion of the IEE (brazilian electric energy index) and the 22.3% growth of the Ibovespa. Average daily traded volume this quarter amounted to R\$8.4 million, a 9.8% decrease compared to the volume traded in the previous quarter, however 119% higher than the volume traded in 2Q06.

The following chart presents the evolution of Light's shares since RME became its controlling shareholder, on August 10, 2006.





## Recent Events

- **IASC:** on July 5, the result of the IASC (Aneel Customer Satisfaction Index) award was announced, in which Light was considered the second best electricity distributor in the Southeast region. It was also the second best company in terms of development year-over-year according to the evaluation of customers. These are the best results of the Company over the last five years, in line with the Company's mission of providing optimum services, investing resources in new and more updated equipment, use of cutting-edge technologies to better assist the consumers, as well as investing in the constant training of its personnel.
- **S&P:** on July 11, the rating agency Standard & Poor's (S&P) rated Light investment grade. The "A-" rating local indicates the Company's financial strength, reflecting the commitment of the new controlling group to improve operating performance and review its capital structure.

## Disclosure Program

### Schedule

---

#### Teleconference

08/08/2007, wednesday, at 11 a.m. (Brasília) and at 10 a.m. (Eastern time), with simultaneous translation to English

Access conditions:

**Webcast:** link on site [www.light.com.br](http://www.light.com.br) (portuguese and english)

**Conference Call** - Dial number:

Brazil: (55) 11 - 4688-6225

Other countries: +1 (786) 924-8430

Access code: Light

#### Public Meeting

##### Rio de Janeiro:

Date: 15/08/2007, wednesday

Time: 08:30 a.m.

Address: Centro Cultural Light - Av. Marechal Floriano, 168 - Centro

##### São Paulo:

Date: 17/08/2007, friday

Time: 08:30 a.m.

Address: Hotel Renaissance - Alameda Santos 2.233 - Salão América do Sul

---



## Forward Looking Statement

*Statements about future events are subject to risks and uncertainties. These statements are based on beliefs and assumptions of our Management, and on information currently available to the Company. Statements about future events include information about our intentions, beliefs or current expectations, as well as of the company's Management Board and Directors. Exceptions related to statements and information about the future also include information about operating results, likely or presumed, as well as statements that are preceded by, followed by, or include words such as "believes", "might", "will", "continues", "expects", "estimates", "intends", "anticipates", or similar expressions.*

*Statements and information about the future are not a guarantee of performance. They involve risks, uncertainties and assumptions because they refer to future events, thus depending on circumstances that might or might not occur. Future results and creation of value to shareholders might significantly differ from the ones expressed or suggested by forward-looking statements. Many of the factors that will determine these results and values are beyond Light SA's control or forecast capacity.*

## EXHIBIT I

### Income Statement per Company - R\$ million

<b>LIGHT SESA</b>	<b>2Q07</b>	<b>2Q06</b>	<b>%</b>
<b>Operating Revenue</b>	1,999.0	1,828.3	<b>9%</b>
Deductions from the operating revenue	(637.6)	(741.6)	-14%
<b>Net operating revenue</b>	1,361.4	1,086.8	<b>25%</b>
Operating expense	(1,021.3)	(1,050.5)	-3%
<b>Operating result</b>	340.2	36.3	<b>838%</b>
Equity equivalence	(54.7)	46.2	-
Financial Result	128.7	(101.3)	-
Non operating result	7.2	5.8	24%
<b>Result before taxes and interest</b>	421.3	(12.9)	-
<b>Net Income</b>	612.9	(13.2)	-

<b>LIGHT ENERGIA</b>	<b>2Q07</b>	<b>2Q06</b>	<b>%</b>
<b>Operating Revenue</b>	75.5	63.5	<b>19%</b>
Deductions from the operating revenue	(7.9)	(4.6)	71%
<b>Net operating revenue</b>	67.6	58.9	<b>15%</b>
Operating expense	(31.2)	(37.6)	-17%
<b>Operating result</b>	36.4	21.4	<b>70%</b>
Equity equivalence	-	-	-
Financial Result	(5.4)	(12.8)	-
Non operating result	-	-	-
<b>Result before taxes and interest</b>	31.0	8.6	<b>263%</b>
<b>Net Income</b>	20.7	6.2	<b>235%</b>

<b>LIGHT ESCO</b>	<b>2Q07</b>	<b>2Q06</b>	<b>%</b>
<b>Operating Revenue</b>	7.7	1.3	<b>496%</b>
Deductions from the operating revenue	(1.4)	(0.1)	860%
<b>Net operating revenue</b>	6.3	1.2	<b>451%</b>
Operating expense	(5.6)	(0.7)	652%
<b>Operating result</b>	0.7	0.4	<b>83%</b>
Equity equivalence	-	-	-
Financial Result	0.1	0.1	-8%
Non operating result	-	-	-
<b>Result before taxes and interest</b>	0.8	0.5	<b>67%</b>
<b>Net Income</b>	0.7	0.4	<b>72%</b>



**EXHIBIT II**
**Consolidated Income Statement**

<b>Consolidated - R\$ MM</b>	<b>2007</b>	<b>2006</b>	<b>1H07</b>	<b>1H06</b>
<b>OPERATING REVENUE</b>	<b>2,066.6</b>	<b>1,882.0</b>	<b>4,249.0</b>	<b>4,037.1</b>
<b>DEDUCTIONS FROM THE REVENUE</b>	<b>(646.8)</b>	<b>(746.3)</b>	<b>(1,502.6)</b>	<b>(1,567.0)</b>
<b>NET OPERATING REVENUE</b>	<b>1,419.8</b>	<b>1,135.7</b>	<b>2,746.4</b>	<b>2,470.2</b>
<b>OPERATING EXPENSE</b>	<b>(1,043.5)</b>	<b>(1,079.3)</b>	<b>(2,120.2)</b>	<b>(2,203.9)</b>
Personnel	(77.6)	(71.8)	(143.6)	(129.2)
Material	(3.3)	(4.5)	(7.9)	(8.8)
Outsourced Services	(68.1)	(59.4)	(121.1)	(115.2)
Purchased Energy	(705.9)	(735.9)	(1,476.8)	(1,524.4)
Depreciation	(79.0)	(80.1)	(157.3)	(157.9)
Provisions	(92.4)	(105.5)	(176.4)	(227.7)
Others	(17.2)	(22.3)	(37.0)	(40.6)
<b>OPERATING RESULT<sup>(1)</sup></b>	<b>376.4</b>	<b>56.3</b>	<b>626.2</b>	<b>266.3</b>
<b>EBITDA<sup>(2)</sup></b>	<b>455.4</b>	<b>136.4</b>	<b>783.5</b>	<b>424.2</b>
<b>EQUITY EQUIVALENCE</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(1.5)</b>
<b>FINANCIAL RESULT</b>	<b>68.6</b>	<b>(67.6)</b>	<b>(22.9)</b>	<b>(62.3)</b>
Financial Income	57.9	113.2	118.4	215.4
Financial Expenses	10.7	(180.8)	(141.3)	(277.7)
<b>NON OPERATIONAL RESULT</b>	<b>7.2</b>	<b>5.8</b>	<b>7.0</b>	<b>7.5</b>
Non-Operating Income	7.8	0.0	7.8	0.7
Non-Operating Expenses	(0.5)	5.8	(0.8)	6.8
<b>RESULT BEFORE TAXES AND INTEREST</b>	<b>452.2</b>	<b>(5.4)</b>	<b>610.3</b>	<b>210.0</b>
<b>SOCIAL CONTRIBUTIONS &amp; INCOME TAX</b>	<b>182.0</b>	<b>(2.8)</b>	<b>120.2</b>	<b>(116.9)</b>
<b>DEFERRED INCOME TAX</b>	<b>(1)</b>	<b>-</b>	<b>(3)</b>	<b>-</b>
<b>NET PROFIT/LOSS</b>	<b>633.3</b>	<b>(8.2)</b>	<b>727.7</b>	<b>93.1</b>

(1) Operation Result, Administration vision = Operating Result, accounting norms (Item 1.9.7 of Notice CVM – 01/2007) + financials (net financial expenses + equity pick-up)

(2) EBITDA = Operating Result, Administration vision + depreciation and amortization. Not reviewable by the external audit

EXHIBIT III

Consolidated Balance Sheet

<b>ASSETS</b>	<b>6/30/2007</b>	<b>3/31/2007</b>
<b>Circulating</b>	<b>2,743.0</b>	<b>3,052.8</b>
Cash & Cash Equivalents	486.6	434.9
Credits	2,028.8	2,369.1
Inventories	12.7	13.1
Others	215.0	235.7
<b>Realizable in the Long Term</b>	<b>1,623.4</b>	<b>1,100.1</b>
Miscellaneous Credits	1,013.8	515.4
Others	609.6	584.8
<b>Permanent</b>	<b>3,963.9</b>	<b>4,001.6</b>
Investments	13.6	34.6
Net Fixed Assets	3,658.1	3,669.5
Deferred Charges	109.5	110.2
Intangible	182.6	187.2
<b>Total Assets</b>	<b>8,330.3</b>	<b>8,154.5</b>
<b>LIABILITIES</b>	<b>6/30/2007</b>	<b>3/31/2007</b>
<b>Circulating</b>	<b>1,472.7</b>	<b>1,575.6</b>
Loans and Financing	203.7	308.9
Debentures	40.3	27.8
Suppliers	456.8	464.9
Taxes, Fees and Contributions	200.7	177.1
Provisions	161.0	162.9
Others	410.2	433.9
<b>Long-Term Liabilities</b>	<b>3,897.9</b>	<b>4,973.1</b>
Loans and Financing	470.0	513.3
Debentures	1,094.6	1,826.9
Provisions	972.8	1,253.4
Others	1,360.5	1,379.5
<b>Future Fiscal Year Results</b>	<b>3.0</b>	<b>2.9</b>
<b>Net Assets</b>	<b>2,956.8</b>	<b>1,603.0</b>
Realized Joint Stock	2,136.9	1,416.4
Capital Reserves	0.0	0.0
Accumulated Profit/Loss	819.9	186.6
<b>Total Liabilities</b>	<b>8,330.3</b>	<b>8,154.5</b>

## EXHIBIT IV

### Regulatory Assets and Liabilities

REGULATORY ASSETS R\$ MM	Short Term		Long Term	
	6/30/2007	3/31/2007	6/30/2007	3/31/2007
<b>Customers, Concessionaires and Permissionaires</b>	<b>227.7</b>	<b>231.4</b>		<b>54.9</b>
Extraordinary Tariff Recomposition	139.9	151.4	-	30.7
Free Energy	79.6	65.9	-	24.2
Tariff Readjustement - TUSD	8.2	14.2	-	-
<b>Expenses Paid in Advance</b>	<b>95.2</b>	<b>163.3</b>	<b>336.6</b>	<b>325.8</b>
CVA	52.1	89.0	14.9	13.3
PIS and COFINS	27.7	47.8	-	-
Other regulatories	15.4	26.5	-	-
Parcel A	-	-	321.6	312.6
<b>Total</b>	<b>322.9</b>	<b>394.7</b>	<b>336.6</b>	<b>380.7</b>
<b>REGULATORY LIABILITIES R\$ MM</b>				
<b>Suppliers</b>	<b>(79.6)</b>	<b>(65.9)</b>		<b>(24.2)</b>
Free Energy	(79.6)	(65.9)	-	(24.2)
<b>Regulatory Liabilities</b>	<b>(11.2)</b>	<b>(19.6)</b>	<b>(71.5)</b>	<b>(51.7)</b>
CVA	(10.4)	(18.1)	(71.5)	(51.7)
Other regulatories	(0.8)	(1.5)	-	-
<b>Total</b>	<b>(90.9)</b>	<b>(85.5)</b>	<b>(71.5)</b>	<b>(75.9)</b>
<b>TOTAL</b>	<b>232.1</b>	<b>309.2</b>	<b>265.0</b>	<b>304.8</b>

### Light in Numbers

OPERATING INDICATORS	2Q07	2Q06	Var. %
Nº of Consumers (thousands)	3,845	3,738	2.9
Nº of Employees	4,025	4,181	-3.7
Average provision tariff - R\$/MWh	414	415	-0.2
Average provision tariff - R\$/MWh (w/out taxes)	281	278	1.1
Average energy purchase cost R\$/MWh	95.1	91.6	3.8
Generation Capacity (MW)	855	855	-
Assured Energy (MW)	537	537	-
Generation (GWh)	998	1,045	-4.5
Charge Factor	64.3%	66.8%	-

  
EXHIBIT V

## Non-recurring effects

*Partial reversal of the provision related to the expansion of the calculation basis of the PIS/COFINS and the increase of the COFINS rate from 2% to 3%*

Law no. 9.718/98 changed the COFINS rate from 2% to 3%, as from February 1999, and said percentage was not immediately recognized in Light's electricity rates. Light SESA has challenged, since March 10, 1999, the changes determined by Law no. 9.718/98 in the assessment of PIS and COFINS, related to the increase in the calculation basis of said taxes and to the growth of the COFINS rate from 2% to 3%. Recently, the Company filed special and extraordinary appeals aimed at changing the decision of the Regional Federal Court (TRF) of the 2<sup>nd</sup> Region. The non-collected amounts are provisioned and have been adjusted in accordance with the SELIC.

On January 31, 2007, the Brazilian Internal Revenue Service (Receita Federal) issued a collection notice of the PIS and COFINS being challenged. On February 23, 2007, Light SESA filed a petition for a Writ of Mandamus in order to challenge the lashes of the liability of part of the amounts demanded on said collection notice of January 31, 2007, due to the non registering of the tax credit by the federal tax authorities within the five-year period set forth by section 4 of article 150 of the Brazilian National Tax Code (CTN). On March 2, 2007, the Company was granted an injunction that suspended the effects of the collection notice, with the subsequent suspension of the liability of the claimed credits. There was an interlocutory appeal against the decision that granted said injunction, but it was dismissed by the Regional Federal Court of the 2<sup>nd</sup> Region on April 3, 2007. As from this date, said injunction remains in force.

On June 30, 2007, based on the evaluation of its legal counsel for on-going lawsuits, the Company, carried out a reversal in the amount of R\$295.4 million as it believes that the tax authorities lost the right to collect these amounts. Of the reversed amount, R\$132.5 million are related to the expansion of the calculation basis of the PIS/COFINS and R\$163.0 million are related to the increase of the COFINS rate from 2% to 3%

After the reversal, the following amounts assessed up to June 2007 remained provisioned pending legal decision:

- (i). R\$275.9 million related to the expansion of the calculation basis, subject matter of judgment in a similar lawsuit ("leading case") at the Federal Supreme Court (STF), with a final and unappealable decision favorable to the taxpayers; and
- (ii). R\$34.8 million related to the increase of the Cofins rate from 2% to 3%.



Realization of deferred Corporate Income Tax and Net Income Social Contribution tax credits

From fiscal year 2002 to 2006, Light SESA, a wholly-owned subsidiary of LIGHT S.A., did not recognize on its financial statements the deferred tax credits on provisions (temporary differences) and tax losses, in compliance with CVM Instruction no. 371/02. After accruing taxable income over three years in a historical series of five years, as from fiscal year 2007, it fulfilled all the conditions of this CVM rule. As a result, Light SESA began to recognize the new deferred assets on the temporary differences and, in addition, it recognized **R\$327.7 million** of the **tax credits accumulated since 2003**. These tax credits maintained in the assets (net of the provision) have no final recovery date and are fully recoverable within a period of up to 12 years, in accordance with a technical feasibility study approved by the Company's management.