LIGHT S.A.

ITR

- ✓ Financial Statements for the 1st Quarter, 2008
- ✓ Independent Auditors's Report

LIGHT S.A
BALANCE SHEETS AS OF MARCH 31, 2008
(In thousands of Brazilian reais)

ASSETS

	Notes	Company 03/31/08	Company 12/31/07	Consolidated 03/31/08	Consolidated 12/31/07
CURRENT ASSETS					
Cash and cash equivalents	4	1.487	2.536	394.290	490.211
Accounts receivable - Consumers and Distributors	5	(22)	-	2.055.680	2.024.275
Recoverable taxes	6	225	209	539.524	697.848
Inventories		-	-	17.927	13.256
Dividends receivable		-	203.463	-	-
Services provided		-	-	72.891	60.217
Prepaid expenses	7	112	171	324.830	275.618
Other receivables	8	150	166	69.171	36.081
Total		**1.952**	**206.545**	**3.474.313**	**3.597.506**
NON-CURRENT ASSETS		**2.771.634**	**2.666.497**	**5.965.125**	**6.018.356**
LONG TERM ASSETS					
Accounts receivable - Consumers and Distributors	5	-	-	298.947	326.066
Recoverable taxes	6	-	-	1.228.463	1.230.302
Escrow deposits		102	103	168.184	166.132
Prepaid expenses	7	-	-	98.888	159.655
Other receivables	8	-	-	96.507	96.563
Total		**102**	**103**	**1.890.989**	**1.978.718**
PERMANENT ASSETS					
Investments	9	2.771.532	2.666.394	13.149	13.157
Property, plant and equipment, net	10	-	-	3.742.676	3.702.121
Intangible assets, net	10	-	-	264.175	271.090
Deferred charges		-	-	54.136	53.270
Total		**2.771.532**	**2.666.394**	**4.074.136**	**4.039.638**
		2.773.586	**2.873.042**	**9.439.438**	**9.615.862**

LIGHT S.A
BALANCE SHEETS AS OF MARCH 31, 2008
(In thousands of Brazilian reais)

LIABILITIES

	Notes	Company 03/31/08	Company 12/31/07	Consolidated 03/31/08	Consolidated 12/31/07
CURRENT LIABILITIES					
Suppliers	12	333	380	467.274	488.441
Payroll		10	8	2.022	2.058
Taxes	6	5	7	178.105	305.568
Dividends paid		-	203.463	-	203.463
Financial charges	13 e 14	-	-	63.112	47.747
Loans and financing	13	-	-	26.453	27.364
Debentures	14	-	-	65.320	65.311
Accrued liabilities		26	26	60.087	51.768
Regulatory charges	15	-	-	116.025	115.510
Reserve for contingencies	16	-	-	2.237	2.237
Pension plan and other employee benefits	18	-	-	81.370	73.585
Other payables	17	830	810	336.651	354.064
Total		**1.204**	**204.694**	**1.398.656**	**1.737.116**
NON CURRENT LIABILITIES		**-**	**-**	**4.542.632**	**4.531.232**
LONG TERM LIABILITIES					
Suppliers	12	-	-	-	-
Financial charges	13 e 14	-	-	1.930	1.564
Loans and financing	13	-	-	828.293	831.382
Debentures	14	-	-	958.424	978.567
Taxes	6	-	-	280.827	276.872
Reserve for contingencies	16	-	-	1.385.826	1.361.740
Pension plan and other employee benefits	18	-	-	829.298	818.330
Other payables	17	-	-	254.766	259.599
Total		**-**	**-**	**4.539.364**	**4.528.054**
DEFERRED INCOME		**-**	**-**	**3.268**	**3.178**
SHAREHOLDERS' EQUITY					
Capital	20	2.220.355	2.220.355	2.220.355	2.220.355
Profit reserves	20	447.993	447.993	447.993	447.993
Retained earnings/accumulated deficit		104.034	-	104.034	-
Total		**2.772.382**	**2.668.348**	**2.772.382**	**2.668.348**
		2.773.586	**2.873.042**	**8.713.670**	**8.936.696**

LIGHT S.A.
STATEMENTS OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2008
(In thousands of Brazilian Reais)

	Notes	Company 01/01/08 a 03/31/08	Company 01/01/08 a 03/31/08	Consolidated 01/01/08 a 03/31/08	Consolidated 01/01/08 a 03/31/08
OPERATING REVENUE					
Electricity sales to final consumers	22	-	-	1.821.474	1.952.328
Electricity sales to distributors	22	-	-	104.626	69.725
Other revenues	23	-	-	144.530	160.272
Total		-	-	2.070.630	2.182.325
Revenue Deductions					
ICMS (state VAT)		-	-	(503.528)	(522.911)
Consumer charges	24	-	-	(119.031)	(175.855)
PIS/ COFINS (taxes on revenues)		-	-	(131.198)	(155.905)
Other		-	-	(1.127)	(1.070)
Total		-	-	(754.884)	(855.741)
NET OPERATING REVENUE		-	-	1.315.746	1.326.584
COST OF SERVICE					
COST OF ELECTRIC POWER					
Electricity purchased for resale	27	-	-	(785.182)	(770.856)
		-	-	(785.182)	(770.856)
OPERATING COSTS					
Personnel	26	-	-	(39.054)	(41.610)
Materials	26	-	-	(3.206)	(3.754)
Outside services	26	-	-	(27.146)	(23.105)
Operating provisions	26	-	-	-	-
Depreciation and amortization	26	-	-	(72.536)	(69.169)
Other	26	-	-	(4.156)	(3.718)
Total		-	-	(146.098)	(141.356)
GROSS PROFIT		-	-	384.466	414.372
OPERATING EXPENSES					
Selling expenses	26	-	-	(79.025)	(87.364)
General and administrative expenses	26	(1.034)	(2.462)	(83.541)	(77.196)
Total		(1.034)	(2.462)	(162.566)	(164.560)
INCOME (LOSS) FROM SERVICES		(1.034)	(2.462)	221.900	249.812
EQUITY IN SUBSIDIARIES		105.008	96.913	-	-
FINANCIAL INCOME (EXPENSES)					
Financial income	28	61	6	54.058	60.560
Financial expenses	28	(1)	(58)	(138.018)	(152.013)
Total		60	(52)	(83.960)	(91.453)
INCOME (LOSS) FROM OPERATING		104.034	94.399	137.940	158.359
Nonoperating income		-	-	16.812	13
Nonoperating expenses		-	-	1.064	(223)
NONOPERATING INCOME (EXPENSES)		-	-	17.876	(210)
INCOME (LOSS) BEFORE TAXES AND MINORITY INTEREST		104.034	94.399	155.816	158.149
Income and social contribution taxes	6	-	-	(51.782)	(63.750)
NET INCOME (LOSS)		104.034	94.399	104.034	94.399
Earnings (loss) per thousand shares - R$		0,51132	0,00070	0,51132	0,00070
Number of shares (thousand)		203.462.739	133.913.456.422	203.462.739	133.913.456.422

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1. OPERATIONS

Light S.A. was established as a subsidiary of LIGHT – Serviços de Eletricidade S.A. (“Light SESA”), on July 27, 1999, and remained as a subsidiary until September 12, 2005, when its shares were sold to LIDIL Comercial Ltda.

Light S.A. is engaged in holding equity interests in other companies, as partner or shareholder, and the direct or indirect exploitation, as applicable, of electric power services, including electric power generation, transmission, sale and distribution systems, as well as other related services.

In compliance with Law 10,848/2004, on September 5, 2005, ANEEL (National Electric Power Agency) approved through Authoritative Resolution 307/2005 the corporate restructuring project under which Light S.A. became the Light Group’s parent company, approved by the Extraordinary General Meeting held on January 13, 2006.

On January 14, 2006, Light S.A. held an Extraordinary General Meeting to reduce the capital stock of Light SESA in consideration of receiving: (i) all the shares of Light Energia S.A.; (ii) the equity interests held by Light SESA in the companies Lightger Ltda., Lighthidro Ltda., Light Esco – Prestação de Serviços Ltda., Itaocara Energia Ltda., HIE Brasil Rio Sul Ltda. and Instituto Light Para o Desenvolvimento Urbano e Social; and (iii) financial resources.

After this capital reduction, Light S.A. became the parent company of all the Light Group’s operating companies, including the former parent company Light SESA, as shown below:

Light Serviços de Eletricidade S.A.(Light SESA) - Publicly-held corporation engaged in the distribution of electric power;

Light Energia S.A. - Engaged in studying, planning, constructing, operating and exploiting electric power generation, transmission and sale systems and related services;

Light Esco Prestação de Serviços Ltda. - Engaged in providing services related to co-generation, projects, management and solutions, such as efficiency and definition of energy matrixes;

Itaocara Energia Ltda. - In the pre-operating stage, primarily engaged in the exploitation and production of electric power;

Lightger Ltda. and Lighthidro Ltda. - In the pre-operating stage, both to participate in auctions for concession, authorization and permission in new plants;

Instituto Light - The purpose is to increase its participation in social and cultural projects, interest in the cities' future and their economic and social development, affirming its ability to be a socially responsible company.

Light Group's concessions, permissions and authorizations:

Concessions / authorizations	Date of concession / authorization	Expiration
Generation, Transmission and Distribution (direct)	July 1996	June 2026
Paracambi small hydroelectric power plant (PCH) (indirect)	February 2001	February 2031
Itaocara hydroelectric power plant (indirect)	March 2001	March 2036

2. PRESENTATION OF QUARTERLY INFORMATION

The quarterly information (ITR) of the Company and its subsidiaries (parent company and consolidated) are presented in thousands (of reais and other currencies), except when otherwise indicated, including the notes to the financial statements. They are prepared in accordance with the accounting practices adopted in Brazil, which include the accounting practices issued by the Brazilian Corporate Law, additional provisions of the Brazilian Securities and Exchange Commission (CVM), and applicable standards established by ANEEL.

This quarterly information (ITR) was prepared in accordance with the principles, practices and criteria consistent with those adopted in the preparation of the annual financial statements as of December 31, 2007, published in the official press on February 29, 2008. Thus, the quarterly information should be read jointly with said annual financial statements.

In compliance with BOVESPA's Novo Mercado, according to Law 11,638/07 as of December 28, 2007, the Statement of Cash Flows is being presented for the parent company and consolidated.

Given that the Company is mostly comprised of interests in other corporations, the notes to the financial statements basically reflect the accounting practices and breakdown of its subsidiaries' accounts.

Consolidation Procedures

The consolidated Quarterly Information was prepared in accordance with the rules established by Instruction 247 as of March 27, 1996, issued by CVM – Brazilian Securities and Exchange Commission, which includes the financial statements of its subsidiaries.

The annual financial statements as of December 31, 2007 have been reclassified for comparison purposes, where applicable, as follows:

	Published	Reclassified	Note

Non-current assets			
Other receivables			
CVA Provision	625	-	Note 8
Prepaid expenses			
CVA – Basic Network	-	625	Note 7

3. REGULATORY ASSETS AND LIABILITIES

	CONSOLIDATED			
	Current		Non-current	
	03/31/2008	12/31/2007	03/31/2008	12/31/2007
Assets				
Consumers, Concessionaires and Permissionaires	**49,300**	**95,114**	-	-
Extraordinary tariff recovery, net - (a)1	-	37,866	-	-
Free Energy, net - (a)1	-	16,354	-	-
Tariff Readjustment - TUSD - included in the tariff (note 5)	20,032	28,862	-	-
Tariff Readjustment - TUSD (note 5)	29,268	12,032	-	-
Prepaid Expenses	**318,794**	**273,640**	**81,302**	**138,613**
CVA - (b)	31,011	45,909	29,477	2,523
PIS and COFINS - (c)1	4,229	6,079	-	-
Other Regulatory - (c)2	12,673	18,373	-	-
Portion "A" - (a)2	270,881	203,279	51,825	136,090
TOTAL ASSETS	**368,094**	**368,754**	**81,302**	**138,613**
Liabilities				
Suppliers	-	**(16,053)**	-	-
Free Energy, net - (a)3	-	(16,053)	-	-
Other Payables	**(95,187)**	**(131,567)**	**(14,190)**	**(22,302)**
CVA - (b)	(52,897)	(76,686)	(14,190)	(22,302)
Other Regulatory - (c)2	(42,290)	(54,881)	-	-
TOTAL LIABILITIES	**(95,187)**	**(147,620)**	**(14,190)**	**(22,302)**
OVERALL TOTAL	**272,907**	**221,134**	**67,112**	**116,311**

a) Rationing:

The Emergency Power Rationing Program (PERCEE) was created by Executive Act 2,198 of August 24, 2001 to reduce power consumption and avoid unplanned interruption in power supply. The average reduction in consumption was estimated at 20%, in relation to the actual consumption for the months of May, June and July 2000. The power rationing program was effective from June 2001 through February 2002, when the government considered the reservoir levels to be back to normal. In the North region the program was discontinued in January 2002.

In December 2001, the Brazilian government and the electric utilities signed the Overall Agreement for the Electric Power Sector with concessionaires distribution and generation companies to restore the economic and financial breakeven of existing agreements and recover revenues relating to the period the Power Rationing Program was in effect.

This agreement covered the following while said emergency program was in force, this agreement comprised: (i) margin losses incurred by distribution companies; (ii) additional costs of “Portion A” for the period from January 1 to October 25, 2001; (iii) costs of electric power purchased through the CCEE from generation companies not committed to initial contracts, called free energy, until December 2001; and (iv) replacement of the contractual right set forth in Annex V of the initial contracts (purchase and sale of energy) related to the rationing period.

The Overall Agreement for the Electric Power Sector also covered the post-rationing period, March to December 2002, by trading the excess energy of the initial contracts for R$73.39 per MWh.

The revenue of the distribution and generation companies (free energy) for the rationing period is being recovered by an extraordinary tariff recovery (RTE) by increasing tariffs 2.9% for residential, rural and public lighting consumers and 7.9% for all other consumers, except low-income and free consumers, for which revenue will be recovered over 74 months for the Loss of Revenue and Free Energy; up to the total amortization of the balance for “Portion A”.

Due to the expiration of the term to bill the RTE – Loss of Distribution Company Revenue, in February 2008, Light SESA recognized losses in the realization of RTE in the total amount of R$291,448 (R$281,634 on December 31, 2007).

The Company maintains ongoing proceedings, both within the ANEEL and judiciary scopes, seeking the indemnification for losses incurred during the PERCEE.

Thus, on March 18, 2008, an injunction pleaded in the state of Mato Grosso do Sul (008.34.00.001539-8) filed by ABRADEE against ANEEL’s Managing Officer was accepted, to determine that ANEEL should control the levy of RTE charges for free consumers. Should this decision be effectively implemented, it will enable the reversal of significant portion of the aforementioned provision (R$291,448).

On April 15, 2008, a stay of proceedings for said injunction was granted by the lower court. ABRADEE, represented by Escritório Wald, which is responsible for the proceeding, will appeal this decision in the appropriate court.

The quarterly information as of March 31, 2008, comprises the following balances derived from the agreement:

1- Extraordinary Tariff Recovery approved by ANEEL, composed of Loss of Revenue (approved by Resolutions 480/02, 481/02 and 01/04) and Free Energy (approved by Resolutions 01/04 and 45/04):

Assets	Approved	Accumulated interest	Amortized 2008	Balance to Amortize	Provision for loss (Term > 74M)	Balance to Amortize, net
	(1)	(2)	(3)	(4) = (1+2-3)	(5)	(6) = (4-5)
Loss of revenue - distribution company	722,455	663,758	1,094,765	291,448	(291,448)	-
Free energy - generation company	289,426	244,793	383,577	150,642	(150,642)	-
Total	**1,011,881**	**908,551**	**1,478,342**	**442,090**	**(442,090)**	**-**

2- Breakdown of the variation in "Portion A" items (from 01/01/2001 to 10/25/2001) to be recovered beginning March 2008, for the time period necessary time to reach the amount approved by ANEEL, pursuant to Directive Release 267/04:

Assets	Approved by Resolutions No. 482/02 and 001/04	Accumulated interest	Accumulated total 2008	Amortized 2008	Balance to Amortize
	(1)	(2)	(3) = (1+2)	(4)	(5) = (3-4)
Portion A (from 01/01 to 10/25/2001)	125,695	222,491	**348,186**	25,480	**322,706**

3-Breakdown of balances of amounts approved by ANEEL, consisting of the Transfer of Free Energy, relating to the purchase of electric power within the scope of the Wholesale Energy Market (MAE) during the Rationing Program period.

Liabilities	Approved by Resolutions No. 001/04 and 045/04	Accumulated interest	Accumulated total 2008	Amortized 2008	Balance to be transferred	Provision for loss	Balance to be transferred, net
	(1)	(2)	(3) = (1+2)	(4)	(5) = (3-4)	(6)	(7) = (5-6)
Transfer of free energy - generation company	289,426	273,737	**563,163**	341,101	**222,062**	(222,062)	**-**

The calculation of the costs of the RTE balance, restated by the SELIC rate+1% p.a. was presented in the Directive Releases 2,212/05 and 074/06-SFF/SRE/ANEEL, in the same manner as for financial costs to raise funds with BNDES.

b) Memorandum account for Portion "A" Variations – CVA

It consists of variations for the period and SELIC (Central Bank overnight rate) between annual adjustments for tariff for transfer of electric power from Itaipu; tariff for transportation of electric power from Itaipu; Fuel Usage Quota (CCC); Economic Development Account (CDE); System service charges (ESS); tariff for use of transmission facilities of the basic electric network and compensation for use of water resources (CFURH).

Breakdown of CVA

	CONSOLIDATED			
	ASSETS			
	Current		Non-current	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Brakdown of CVA				
Energy Development Account - CDE	12,074	17,490	656	1,898
Acquisition cost of electricity	18,730	28,109	16,783	-
System Service Charges - ESS	207	310	12,038	-
Transportation of electricity through the basic network	-	-	-	625
TOTAL - CVA	**31,011**	**45,909**	**29,477**	**2,523**

	CONSOLIDATED			
	LIABILITIES			
	Current		Non-current	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Breakdown of CVA				
Fuel Usage Quota - CCC	(48,903)	(70,836)	(4,288)	(6,671)
Acquisition cost of electricity	-	-	-	(5,231)
System Service Charges - ESS	-	-	-	(4,005)
PROINFA	(11)	(16)	(700)	(158)
Electricity transportation from Itaipu	(759)	(1,140)	(148)	(145)
Transportation of electricity through the basic network	(3,224)	(4,694)	(9,054)	(6,092)
TOTAL - CVA	**(52,897)**	**(76,686)**	**(14,190)**	**(22,302)**

c) Tariff Adjustment in 2007

1-PIS and COFINS

It refers to the rate increase and change in the criterion of assessing PIS and COFINS to the noncumulative criterion, according to Law 10,637/02 and Law 10,833/03, respectively, as amended by Law 10,865/04, transferred in the 2007 annual tariff adjustment of subsidiary Light SESA, by means of the Normative Resolution 563 as of November 6, 2007, to be amortized until October 2008.

2- Other regulatory assets/liabilities

Financial components transferred in the 2007 annual tariff adjustment of subsidiary Light SESA, by means of the Normative Resolution 563 as of November 6, 2007, as follows:

	Approved by IRT	CONSOLIDATED	
	10/31/2007	3/31/2008	12/31/2007
Other regulatory assets			
Financial adjustment TUSD - generation companies	20,672	11,972	17,362
Portion of border tax adjustments	349	202	293
Luz para Todos program	853	499	718
TOTAL	**21,874**	**12,673**	**18,373**

	Approved by IRT	CONSOLIDATED	
	10/31/2007	3/31/2008	12/31/2007
Other regulatory liabilities			
Price difference between submarkets (CCEAR)	(10,023)	(5,539)	(8,313)
Transfer of overcontracting of energy (article 38 of Decree 5,163/04)	(20,423)	(11,287)	(16,939)
Financial adjustment - connection - PIS/COFINS	(13,589)	(7,510)	(11,271)
Financial adjustment - transfer to generation companies	(17,053)	(17,053)	(17,053)
Other	(1,553)	(901)	(1,305)
TOTAL	**(62,641)**	**(42,290)**	**(54,881)**

4. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Cash on hand	-	129	14,549	88,865
Temporary cash investments	1,487	2,407	379,741	401,346
Total	**1,487**	**2,536**	**394,290**	**490,211**

			Parent Company		Consolidated	
			3/31/2008	12/31/2007	3/31/2008	12/31/2007
Temporary cash investments:	**Index**	**Maturity**				
Overnight (subsidiaries LIR and LOI)	-	Daily	-	-	790	299
CDB	CDI	Daily	1,487	2,407	370,396	393,769
Other	CDI	Daily	-	-	8,555	7,278
Total			**1,487**	**2,407**	**379,741**	**401,346**

5. CONSUMERS, CONCESSIONAIRES AND PERMISSIONAIRIES (CLIENTS)

	Consolidated	
	3/31/2008	12/31/2007
Current		
Billed sales	1,524,939	1,442,639
Unbilled sales	264,867	273,111
Renegotiated receivables - installment plan	167,343	149,560
	1,957,149	**1,865,310**
Electric power purchase and sale transactions through CCEE (note 25)	3,611	16,691
Supply and electric network usage charges	45,620	47,160
Tariff recoverable amounts (note 3)	49,300	40,894
Free energy – refund to generation companies	-	16,354
Extraordinary tariff recovery - RTE	-	37,866
	98,531	**158,965**
	2,055,680	**2,024,275**
(-) Allowance for doubtful accounts	(725,768)	(667,895)
(-) Allowance for doubtful accounts - RTE	-	(11,271)
	1,329,912	**1,345,109**
Non-current		
Renegotiated receivables – installment plan	298,947	326,066
Free energy charges – PIS/COFINS	28,310	28,310
(-) Provision for free energy - PIS/COFINS	(28,310)	(28,310)
Free energy – refund to generation companies	150,642	146,205
(-) Provision for free energy	(150,642)	(146,205)
Extraordinary tariff recovery - RTE	291,448	281,634
(-) Provision for loss on extraordinary tariff recovery	(291,448)	(281,634)
	298,947	**326,066**

The allowance for doubtful accounts, in the amount of R$725,768 (R$667,895 on December 31, 2007) was set up and is considered sufficient to cover eventual losses in the realization of credits, taking into account the ANEEL's instructions summarized below:

a) Clients with significant debts:
- Individual analysis of balance receivable from consumers, by class of consumer, deemed unlikely to be received.

b) In other cases:
- Residential consumers – past due for more than 90 days;
- Commercial consumers – past due for more than 180 days;
- Industrial and rural consumers, public sector, public lighting, public utilities and other – past due for more than 360 days

Overdue and current balances related to electric power billed sales and debt payment by installments are distributed as follows:

	03/31/2008			
	Current	Overdue up to 90 days	Overdue over 90 days	Total
Residential	200,833	154,474	565,851	921,158
Industrial	26,389	14,867	176,450	217,706
Commercial	131,992	47,639	147,983	327,614
Rural	636	318	359	1,313
Public sector	53,932	30,341	86,127	170,400
Public lighting	12,136	2,216	33,665	48,017
Public utility	300,278	752	3,991	305,021
Billed Sales and installments (CP and LP)	**726,196**	**250,607**	**1,014,426**	**1,991,229**

	12/31/2007			
	Current	Overdue up to 90 days	Overdue over 90 days	Total
Residential	191,186	130,186	522,208	843,580
Industrial	25,071	18,647	176,576	220,294
Commercial	129,225	38,820	143,758	311,803
Rural	579	315	338	1,232
Public sector	53,047	33,742	92,861	179,650
Public lighting	12,517	4,340	31,361	48,218
Public utility	302,770	10,718	-	313,488
Billed Sales and installments (CP and LP)	**714,395**	**236,768**	**967,102**	**1,918,265**

6. TAXES

	Parent Company				Consolidated			
	Assets		Liabilities		Assets		Liabilities	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007	3/31/2008	12/31/2007	3/31/2008	12/31/2007
CURRENT								
IRPJ and CSLL (income and social constribution taxes) credits (a)	225	209	-	-	82,287	58,340	-	-
IRRF (withholding income tax)	-	-	-	-	11,522	11,522	32	24
Deferred IRPJ and CSLL (b)	-	-	-	-	297,645	297,645	-	-
ICMS (state VAT) (e)	-	-	-	-	90,443	102,987	4,182	3,086
PIS/COFINS (taxes on revenue)	-	-	-	-	25,346	31,679	61,357	48,814
PIS/COFINS – PAES installments (Refis II) (c)	-	-	-	-	-	-	3,268	3,408
INSS – PAES installments (Refis II) (c)	-	-	-	-	-	-	8,004	7,915
Prepaid IRPJ and CSLL	-	-	-	-	30,603	194,067	-	-
IRPJ and CSLL – unrealized profits abroad (d)	-	-	-	-	-	-	-	33,010
Provision for IRPJ and CSLL	-	-	-	-	-	-	93,314	200,268
Other	-	-	5	7	1,678	1,608	7,948	9,043
TOTAL	**225**	**209**	**5**	**7**	**539,524**	**697,848**	**178,105**	**305,568**
NON-CURRENT								
Deferred IRPJ and CSLL (b)	-	-	-	-	1,133,201	1,122,809	-	-
Deferred IRPJ and CSLL (b) – capital gains	-	-	-	-	-	-	2,187	2,187
ICMS (e)	-	-	-	-	95,262	107,493	-	-
IRPJ and CSLL – unrealized profits abroad (d)	-	-	-	-	-	-	230,733	223,732
PIS/COFINS – PAES installments (Refis II) (c)	-	-	-	-	-	-	13,890	15,337
INSS – PAES installments (Refis II) (c)	-	-	-	-	-	-	34,017	35,616
TOTAL	**-**	**-**	**-**	**-**	**1,228,463**	**1,230,302**	**280,827**	**276,872**

Reconciliation of effective and nominal rates of income and social contribution tax provision:

	Consolidated	
	3/31/2008	3/31/2007
Income (Loss) before income and social contribution taxes (LAIR)	155,816	158,149
Combined income and social contribution tax rate	34%	34%
Income and social contribution taxes at statutory rates	**(52,977)**	**(53,771)**
Income and social contribution tax effect on permanent additions and exclusions	(2,007)	(1,546)
Income and social contribution tax effect on equity in the earnings of subsidiaries abroad	3,989	(7,672)
Difference between income and social contribution tax calculation bases	(310)	(822)
Tax loss carryforward – 30% - not recognized in income	(477)	61
Income and social contribution taxes in income	**(51,782)**	**(63,750)**
Current IRPJ and CSLL in income	(63,013)	(70,006)
Deferred IRPJ and CSLL in income	11,231	6,256
	(51,782)	**(63,750)**

a) Refers to tax credits available for offset arising from refunds from temporary cash investments and government agencies. The variation in the amount relates to the monthly restatement of the SELIC rate in the amount of R$1,578, establishment of new credits in the amount of R$34,671 and utilization in the amount of R$12,302.

b) In the fiscal years from 2002 to 2006, the subsidiary Light SESA did not recognize any new activations of deferred tax credits from temporary differences (accounting provisions) and tax losses (years from 2002 to 2003), in compliance with CVM instruction 371/02, because it did not record, at that time, taxable income for at least three years of a minimum five-year track record. As of the 2007 fiscal year, given the cumulative compliance with all conditions set forth by this CVM rule, Light SESA then started to recognize new deferred tax assets from temporary differences, and also reversed a portion of the provision for recovery of tax credits, as detailed in the reconciliation table above.

   In order to support these deferred tax credits, the Company updated the technical feasibility studies, taking into account realizations up to March 2008, approved by the Board of Directors and evaluated by the Fiscal Council, based on the projections prepared in December 2007, which indicated a recovery within 12 years. The establishment of tax credit includes an amount recoverable within 10 years, as set forth in CVM Instruction 371/02 and the assumption that it will not be barred by IRPJ (Corporate Income Tax) Regulation. This study was based on the expectations of future taxable income. Below, the portions of this deferred tax asset are presented by year of realization.

2008	297,645
2009	182,345
2010	140,729
2011	221,006
2012	166,764
2013 to 2017	422,357
2018 to 2020	118,462
	1,549,308
(-) Provision for realization of deferred tax assets	(118,462)
Total – Light Consolidated	**1,430,846**

Deferred taxes have been established based on the assumption of future realization, taking into account:

i. **Tax loss and negative basis of Social Contribution**– these shall be carried forward at a limit of 30% per year, with the basis assessed in the ensuing fiscal years.

ii. **Temporary differences** – the realization will occur upon the payment of provisions and/or write off of doubtful accounts (PCLD).

Credits from IRPJ and CSLL deferred assets result from tax losses and negative basis of Social Contribution and expenses/revenues (temporarily non-deductible provisions) recognized in income, which will be added to/deducted from taxable income based on accounting records and the social contribution tax basis in subsequent periods for calculation of taxes. Deferred assets as of March 31 are as follows:

	Consolidated	
	3/31/2008	**12/31/2007**
ASSETS AND LIABILITIES – CURRENT AND NON-CURRENT		
Income and social contribution taxes -negative basis	789,069	808,588
Allowance for doubtful accounts	321,847	301,359
Provision for employee profit sharing	12,350	9,897
Provision for labor contingencies	56,983	55,148
Provision for tax contingencies	242,723	237,968
Provision for civil contingencies	90,426	89,732
Other provisions	35,910	35,385
	1,549,308	**1,538,077**
(-) Provision for realization of deferred tax assets	(118,462)	(118,462)
Total – Light SESA	**1,430,846**	**1,419,615**
Income tax and social contribution negative basis - Light Energia and Light Esco	-	839
Total – Consolidated	**1,430,846**	**1,420,454**

c) Tax Debt Refinancing Program – PAES (REFIS II) – Law 10,684 of May 31, 2003 introduced the Tax Debt Refinancing Program (PAES), designed to settle debts owed by legal entities to the Federal Government, related to taxes administered by the Federal Revenue Service, National Treasury Attorney General, and National Institute of Social Security (INSS). The deadline for opting for the installment plan was July 31, 2003 and was subsequently extended to August 29, 2003. The balance on March 31, 2008 is R$17,158 (R$18,745 on December 31, 2007) – see note 16.1.3-b.

The Company's subsidiary filed its application for PAES (60.213.452-8) with the INSS on July 31, 2003. The debt included in PAES was R$59,975 (net of 50% fine reduction), which was under judicial dispute seeking recovery of the amounts paid for occupational accident insurance (SAT). Payment has been provided in 120 installments and the consolidated debt amount has already been ratified by the INSS. Up to March 31, 2008, the subsidiary paid 57 installments. The installments were calculated based on the total debt divided by the number of installments, subject to the TJLP (long-term interest rate). The balance as of March 31, 2008 is R$42,020 (R$43,531 on December 31, 2007).

d) On February 20, 2003, the Writ of Mandamus 2003.51.01.005514-8 was filed with request for an injunction, releasing Light SESA from the payment of income and social contribution taxes levied on:

(i) Profits earned by the companies LIR and LOI before they are effectively available, in which case sole paragraph, article 74 of Provisional Measure 2,158-35, of August 24, 2001 (MP 2,158-35), for the periods from 1996 to 2001, shall not apply;

(ii) Profits earned by the companies LIR and LOI before they are effectively available, in which case article 74, *caput,* of Provisional Measure 2,158-35/01, for calendar year 2002 and following years shall not apply;

The injunction was granted to Light and subsequently dismissed in the decision. The appeal had suspensive and remanding effects. The Federal Government filed an interlocutory appeal against this decision, which was accepted. Thus, Light filed an internal interlocutory appeal, which had a favorable decision in March 2007, therefore re-establishing the suspension of the tax credit enforceability. The Federal Government filed a special appeal against such decision, which is pending judgment.

Subject to the effects of the decision on writ of mandamus 2003.51.01.005514-8, which suspended the collection of income and social contribution taxes, the Company is currently awaiting decision by the Regional Federal Court - 2nd Region of the appeal filed by the Ministry of Finance.

Based on this court decision, Light SESA suspended the payment of income and social contribution taxes on taxable income for 2004, 2005, 2006 and 2007 resulting from the addition to the calculation basis of profits earned by companies located abroad. The provision is R$230,733.

In March 2008, the company LOI distributed dividends in the amount of U$78,486,107.17, corresponding to R$130,836. The distribution of dividends is characterized as profits available for the purposes of income tax and social contribution taxation.

Thus, the amount of R$31,139 was assessed and paid, corresponding to income and social contribution taxes levied on the distributed dividends.

e) The amount of the ICMS recovery includes R$105,257 on March 31, 2008 (R$109,283 on December 31, 2007) of credits deriving from the renegotiation of the CEDAE debt in July and December 2006, recorded as current and non-current. (December 31 – R$256,742)

7. PREPAID EXPENSES

	Parent Company		Consolidated	
	31/03/2008	31/12/2007	31/03/2008	31/12/2007
Current				
CVA (note 3)	-	-	31,011	45,909
PIS and COFINS (taxes on revenue) – IRT (note 3)	-	-	4,229	6,079
Swap option premium	-	-	-	544
Overall Agreement for the Electric Power Sector – Portion "A" (note 3)	-	-	270,881	203,279
Financial components – IRT (note 3)	-	-	12,673	18,373
Other	112	171	6,036	1,434
Total	**112**	**171**	**324,830**	**275,618**
NON-CURRENT				
CVA - CDE (note 3)	-	-	656	1,898
CVA - Energia (note 3)	-	-	16,783	-
CVA - ESS (note 3)	-	-	12,038	-
CVA - Basic network (note 3)	-	-	-	625
Overall Agreement for the Electric Power Sector – Portion "A" (note 3)	-	-	51,825	136,090
Expenses related to the issue of debentures	-	-	10,478	13,292
Other	-	-	7,108	7,750
Total	**-**	**-**	**98,888**	**159,655**

The amount related to CVA – Basic Network, presented in the Financial Statements as of December 31, 2007 (non-current) has been reclassified for comparison purposes, from item “other receivables” to “prepaid expenses”, as detailed in note 2.

8. OTHER RECEIVABLES

	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
CURRENT				
Low-income consumers	-	-	1,102	1,128
Advances to suppliers and employees	13	15	14,544	7,677
Employees temporarily transferred to other companies	-	-	1,324	1,324
Public lighting fee	-	-	21,953	20,177
Property rental	-	-	2,224	2,139
Sale of assets and rights	-	-	18,134	-
Other	137	151	9,890	3,636
Total	**150**	**166**	**69,171**	**36,081**
NON-CURRENT				
PIS and COFINS to offset (a)	-	-	84,271	84,271
CVA provision	-	-	-	-
Assets and rights for sale	-	-	11,597	11,597
Other	-	-	639	695
Total	**-**	**-**	**96,507**	**96,563**

a) It refers to tax credits for Revision of PIS/COFINS assessments over tariff charges and energy transportation.

9. INVESTMENTS

	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
Accounted for under the equity method:				
Light SESA	2,595,710	2,522,612	-	-
Light Energia S.A.	155,908	127,080	-	-
Light Esco Prestação de Serviços Ltda	14,429	11,347	-	-
Lightger Ltda (a)	3,289	3,289	-	-
Lighthidro Ltda (a)	50	50	-	-
Itaocara Energia (a)	849	849	-	-
Instituto Light	-	-	-	-
Subtotal	**2,770,235**	**2,665,227**	**-**	**-**
Accounted for at cost(adjusted up to December 31, 1995, where applicable)	-	-	3,796	3,796
Leased assets	-	-	8,099	8,099
Other	1,297	1,167	1,254	1,262
Sub-Total	**1,297**	**1,167**	**13,149**	**13,157**
Total	**2,771,532**	**2,666,394**	**13,149**	**13,157**

(a) Pre-operating companies

INFORMATION ON SUBSIDIARIES AND ASSOCIATED COMPANIES

	Light SESA	Light Energia	Light Esco	Light Ger	Light Hidro	Instituto Light	Itaocara Energia
3/31/2008							
Ownership interest (%)	100	100	100	100	100	100	100
Paid-up capital	2,076,898	77,422	7,584	2,000	50	300	2,697
Shareholders' equity	2,595,710	155,908	14,429	3,289	50	-	849
Dividends paid in the quarter	190,401	13,062	-	-	-	-	-
Net income (loss) in the period	73,098	28,828	3,082	-	-	(1)	-
12/31/2007							
Ownership interest (%)	100	100	100	100	100	100	100
Paid-up capital	2,076,898	77,422	7,584	2,000	50	300	2,697
Sharehodlers' equity	2,522,612	127,080	11,347	3,289	50	-	849
Dividends paid	(450,000)	(78,000)	-	-	-	-	-
Proposed dividends	(190,401)	(13,062)	-	-	-	-	-
Net income (loss) in the period	1,010,996	71,010	2,544	-	-	(17)	-

CHANGES IN INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

	Light SESA	Light Energia	Light Esco	Light Ger	Light Hidro	Instituto Light	Itaocara Energia	Total
Balances on 12/31/2007	**2,522,612**	**127,080**	**11,347**	**3,289**	**50**	**-**	**849**	**2,665,227**
Equity accounting	73,098	28,828	3,082	-	-	-	-	105,008
Balances on 03/31/2008	**2,595,710**	**155,908**	**14,429**	**3,289**	**50**	**-**	**849**	**2,770,235**

10. PROPERTY, PLANT AND EQUIPMENT

	Consolidated			
	3/31/2008			12/31/2007
PROPERTY, PLANT AND EQUIPMENT	**Historical Cost**	**Accumulated Depreciation**	**Net**	**Net**
Generation	947,259	(411,681)	535,578	536,365
Transmission	17,299	(7,685)	9,614	9,699
Distribution	5,624,613	(2,618,819)	3,005,794	2,876,442
Administration	255,387	(143,147)	112,240	140,345
Sales	222,063	(162,372)	59,691	63,304
In service	**7,066,621**	**(3,343,704)**	**3,722,917**	**3,626,155**
Generation	28085	-	28,085	31,120
Distribution	202,501	-	202,501	249,689
Administration	29,143	-	29,143	30,027
Sales	826	-	826	5,170
In progress	**260,555**	**-**	**260,555**	**316,006**
Total property, plant and equipment	**7,327,176**	**(3,343,704)**	**3,983,472**	**3,942,161**
Special obligations linked to concession (a)	(240,796)	-	**(240,796)**	(240,040)
Total property, plant and equipment, net	**7,086,380**	**(3,343,704)**	**3,742,676**	**3,702,121**

a) The balance of special obligations derives from the Reserve for Reversal recognized until 1971 and was invested until that date in electric utility expansion projects, and from contributions received from several consumers to finance the work necessary to meet the electric power demand.

	Consolidated	
	3/31/2008	12/31/2007
Reserve for reversal	69,934	69,934
Contribution from consumer	123,631	123,484
Investment donations/subsidies	37,478	37,478
Research and development	9,753	9,144
Total	**240,796**	**240,040**

The maturity of these obligations is established by the Regulatory Agency, ANEEL, and will occur at the end of the concession period, through a reduction in the residual value of property, plant and equipment for the purposes of determining the indemnity to be paid by the Granting Power to the concessionaire Light SESA.

In accordance with articles 63 and 64 of Decree 41,019 as of February 26, 1957, assets and facilities used in the generation, transmission, distribution and sale of electric power are linked to these services and cannot be removed, sold, assigned or pledged as mortgage guarantees without the prior and express authorization of the regulatory agency. ANEEL Resolution 20/99 regulates the electric power utility concession assets, giving prior authorization for not restricting assets not tied to the concession, when intended for sale, and determining that the proceeds from the sale be deposited in a restricted bank account, and invested in the concession.

b) There are no assets and rights belonging to the Federal Government in use at the Company.

c) Property, plant and equipment in progress includes inventories of materials for projects and their amounts as of March 31, 2008 totaled R$52,294 (on December 31, 2007 – R$35,200) and a provision for inventory loss of R$2,710 (on December 31, 2007 – R$2,710).

d) In March 2008, the sale of land in Botafogo was concluded, generating a gain of R$16,278, recorded in non-operating income.

11. INTANGIBLE ASSETS

	Consolidated				
	3/31/2008			12/31/2007	
INTANGIBLE ASSETS	Historical cost	Accumulated amortization	Net	Net	Amortization rate p.a.
Intangible					
Generation	5,799	(5,336)	463	573	
Distribution	182,547	(152,125)	30,422	31,440	
Administration	63,129	(46,975)	16,154	14,368	
Sales	150,524	(69,570)	80,954	88,286	
In service	**401,999**	**(274,006)**	**127,993**	**134,667**	20.00
Generation	102,179	-	102,179	102,813	
Distribution	10,750	-	10,750	8,932	
Administration	23,253	-	23,253	24,678	
In progress	**136,182**	**-**	**136,182**	**136,423**	
Total intangible, net	**538,181**	**(274,006)**	**264,175**	**271,090**	

The Light Group records its intangible assets under Software, depreciating at a 20% rate p.a., and Right-of-Way, which is not depreciated since it refers to the right of use for a certain area of land, usually associated to a Transmission and Distribution Line.

12. SUPPLIERS

	Parent Company		Consolidated	
	3/31/2008	**12/31/2007**	**3/31/2008**	**12/31/2007**
CURRENT				
Foreign currency – Itaipu transfer	-	-	79,909	134,829
UTE Norte Fluminense	-	-	64,626	64,625
Electric network usage charges	-	-	42,153	48,086
Electric power purchase and sale transactions through CCEE	-	-	67,999	152
System service charges	-	-	2,216	2,216
Free energy – refund to generation companies (note 05)	-	-	-	16,053
Electric power auctions	-	-	110,732	98,090
Other	-	-	6,975	6,426
	-	**-**	**374,610**	**370,477**
Material and services	333	380	92,664	117,964
Total	**333**	**380**	**467,274**	**488,441**
NON-CURRENT				
Free energy – refund to generation companies (note 05)	-	-	222,062	221,467
(-) Provision for free energy (note 05)	-	-	(222,062)	(221,467)
	-	**-**	**-**	**-**

13. LOANS, FINANCING AND FINANCIAL CHARGES

Consolidated												
		3/31/2008						Reference date 03/31/2008				
	Date of	Principal		Charges		Currency/ Index	Interest rate p.a.					
Financing Entity	Signature	Current	Non-curent	Current	Non-current			PR	Payment	Beginning	End	
TN - Par Bond	4/29/1996	-	68,074	1,934	-	*US$*	6.0000%	1	Single	2024	2024	
TN - Collateral - Par Bond	4/29/1996	-	(28,492)		-	*US$*	U$ Treasury	1	Single	2024	2024	
TN - Discount Bond	4/29/1996	-	47,500	1,416	-	*US$*	Libor + 13/16	1	Single	2024	2024	
TN - Collateral - Discount Bond	4/29/1996	-	(20,015)		-	*US$*	U$ Treasury	1	Single	2024	2024	
TN - Flirb	4/29/1996	1,735	867	78	-	*US$*	Libor + 13/16	5	Semiannually	2003	2009	
TN - C. Bond	4/29/1996	5,539	29,471	1,316	-	*US$*	8.0000%	15	Semiannually	2004	2014	
TN - Debit. Conv.	4/29/1996	6,481	22,684	878	-	*US$*	Libor + 7/8	11	Semiannually	2004	2012	
TN - New Money	4/29/1996	1,709	855	77	-	*US$*	Libor + 7/8	5	Semiannually	2001	2009	
TN - Bib	4/26/1996	210	947	3	-	*US$*	6.0000%	13	Semiannually	1999	2013	
BNDES - Imports	3/27/1998	1,329	1,440	11	-	*Umbndes*	BNDES Basket + 4%	37	Monthly	2000	2010	
Kfw I - Tranche A	8/12/1999	-	-	-	-	*US$*	Libor + 0,6%	2	Semiannually	2000	2008	
Societe Generale II	7/20/2000	3,292	3,293	114	-	*US$*	Libor + 0,65%	6	Semiannually	2003	2009	
KFW III , IV, and V - Tranche A/B/C	11/3/2000	1,533	2,979	71	-	*US$*	Libor + 0,65%	8	Semiannually	2003	2010	
Foreign currency		**21,828**	**129,603**	**5,897**	**-**							
Eletrobrás	Sundry	4,624	5,978	248	-	Ufir	5.0000%	between 2 and 120	Monthly and Quarterly		2013 to 2017	
BNDES - FINEM	11/5/2007	-	242,713	927	-	Tjlp	TJLP + 4,3%	66	Monthly	2009	2014	
CCB Bradesco	10/18/2007	-	450,000	23,983	-	Cdi	CDI + 0,85%	10	Annual	2012	2017	
Domestic currency		**4,624**	**698,691**	**25,158**	**-**							
SWAP		**-**	**-**	**9,454**	**1,930**							
Overall Total		**26,453**	**828,293**	**40,509**	**1,930**							

Consolidated												
		12/31/2007						Reference date 12/31/2007			
	Date of	Principal		Charges		Currency/ index	Interest rate p.a.				
Financing entity	Signature	Current	Non-current	Current	Non-current			PR	Payment	Beginning	End
TN - Par Bond	4/29/1996	-	68,938	890	-	*US$*	6.0000%	1	Single	2024	2024
TN - Collateral- Par Bond	4/29/1996	-	(28,854)		-	*US$*	U$ Treasury	1	Single	2024	2024
TN - Discount Bond	4/29/1996	-	48,103	657	-	*US$*	Libor + 13/16	1	Single	2024	2024
TN - Collateral - Discount Bond	4/29/1996	-	(20,269)		-	*US$*	U$ Treasury	1	Single	2024	2024
TN - Flirb	4/29/1996	1,757	878	36	-	*US$*	Libor + 13/16	5	Semiannually	2003	2009
TN - C. Bond	4/29/1996	5,609	29,845	606	-	*US$*	8.0000%	15	Semiannually	2004	2014
TN - Debit. Conv.	4/29/1996	6,563	22,972	407	-	*US$*	Libor + 7/8	11	Semiannually	2004	2012
TN - New Money	4/29/1996	1,731	865	36	-	*US$*	Libor + 7/8	5	Semiannually	2001	2009
TN - Bib	4/26/1996	213	1,065	24	-	*US$*	6.0000%	13	Semiannually	1999	2013
BNDES - Imports	3/27/1998	1,338	1,784	13	-	*Umbndes*	BNDES Basket + 4%	37	Monthly	2000	2010
Kfw I - Tranche A	8/12/1999	295	-	7	-	*US$*	Libor + 0,6%	2	Semiannually	2000	2008
Societe Generale II	7/20/2000	3,334	3,335	23	-	*US$*	Libor + 0,65%	6	Semiannually	2003	2009
KFW III , IV, and V - Tranche A/B/C	11/3/2000	1,552	3,018	2	-	*US$*	Libor + 0,65%	8	Semiannually	2003	2010
Foreign Currency		**22,392**	**131,680**	**2,701**	**-**						
Eletrobrás	Sundry	4,972	7,135	295	-	Ufir	5.0000%	between 2 and 120	Monthly and Quarterly		2013 to 2017
BNDES - FINEM	11/5/2007	-	242,567	926	-	Tjlp	TJLP + 4,3%	66	Monthly	2009	2014
CCB Bradesco	10/18/2007	-	450,000	10,649	-	Cdi	CDI + 0,85%	10	Annual	2012	2017
Domestic currency		**4,972**	**699,702**	**11,870**	**-**						
SWAP		**-**	**-**	**8,566**	**1,564**						
Overall Total		**27,364**	**831,382**	**23,137**	**1,564**						

The principal of long-term loans and financing matures as follows:

	Consolidated					
	3/31/2008			12/31/2007		
	Domestic currency	Foreign currency	Total	Domestic currency	Foreign currency	Total
2008	3,447	21,390	24,837	4,972	22,392	27,364
2009	1,177	439	1,616	-	-	-
Total (CP)	**4,624**	**21,829**	**26,453**	**4,972**	**22,392**	**27,364**
2009	36,019	19,670	55,689	37,174	20,354	57,528
2010	45,238	13,996	59,234	45,208	14,170	59,378
2011	44,590	11,982	56,572	44,559	12,134	56,693
2012	119,590	8,742	128,332	119,559	8,853	128,412
2013	119,577	5,501	125,078	119,546	5,571	125,117
2013 onwards	333,677	69,711	403,388	333,655	70,599	404,254
Total (LP)	**698,691**	**129,602**	**828,293**	**699,701**	**131,681**	**831,382**
Total (CP and LP)	703,315	151,431	854,746	704,673	154,073	858,746

Breakdown of loans and financing (excluding financial charges):

	Consolidated			
	3/31/2008		12/31/2007	
	R$	%	R$	%
USD	148,662	17.4%	150,950	17.6%
BNDES Basket	2,769	0.3%	3,122	0.4%
Foreign currency (CP and LP)	**151,431**	**17.7%**	**154,072**	**17.9%**
CDI	450,000	52.6%	450,000	52.4%
TJLP (long-term interest rate)	242,712	28.4%	242,567	28.2%
Other	10,603	1.2%	12,107	1.4%
Domestic currency (CP and LP)	**703,315**	**82.3%**	**704,674**	**82.1%**
Overall Total (CP and LP)	**854,746**	**100.0%**	**858,746**	**100.0%**

In percentage terms, the variation of major foreign currencies and economic ratios in the period, which are used to adjust loans, financing and debentures, was as follows:

	1st Quarter	
	2008 - %	**2007 - %**
USD	(1,26)	(4,10)
EUR	5,50	(2,88)
UMBNDES	(0,26)	(4,02)
IGP-M	2,58	1,11
CDI	2,58	3,03
SELIC	2,59	3,03

Covenants

The 5th issue of Debentures, the funding of CCB Bradesco and BNDES FINEM, classified under current and non-current, requires the maintenance of indebtedness ratios and interest coverage. For the quarter ended March 31, 2008, the Company achieved all ratios that were required by contract.

14. DEBENTURES

Consolidated												
		3/31/2008						Reference date 03/31/2008				
	Date of	Principal		Charges		Currency/ index	Interest rate					
Financing entity	Signature	Current	Non-current	Current	Non-current			PR	Payment	Beginning	End	
BNDES - Debentures 1ª Issue	2/16/1998	15,320	15,320	731	-	Tjlp	TJLP + 4% a.a.	6	Semiannually	2000	2010	
BNDES - Debentures 4ª Issue	6/30/2005	-	5,604	2	-	Tjlp	TJLP + 4% a.a.	72	Monthly	2009	2015	
Debentures 5ª Issue	1/22/2007	50,000	937,500	21,870	-	Cdi	CDI + 1,50%	25	Quarterly	2008	2014	
Domestic currency		**65,320**	**958,424**	**22,603**	**-**							

Consolidated											
		12/31/2007						Reference date 12/31/2007			
	Date of	Principal		Charges		Currency/ index	Interest rate				
Financing entity	Signature	Current	Non-current	Current	Non-current			PR	Payment	Beginning	End
Deutche Bank	3/29/2000	-	-	-	-	US$	Libor + 4,35%	1	Single	2000	2010
J.P. Morgan Tranche A/B/C		-	-	-	-	US$	Libor + 0,65%	8	Semiannually	2003	2010
BNDES - Debentures 1ª Issue	2/16/1998	15,311	22,967	1,889	-	Tjlp	TJLP + 4% a.a.	6	Semiannually	2000	2010
BNDES - Debentures 4ª Issue	6/30/2005	-	5,600	41	-	Tjlp	TJLP + 4% a.a.	72	Monthly	2009	2015
Debentures 5ª Issue	1/22/2007	50,000	950,000	22,680	-	Cdi	CDI + 1,50%	25	Quarterly	2008	2014
Domestic currency		**65,311**	**978,567**	**24,610**	**-**						

The portions related to the principal of debentures had the following maturities:

	Consolidated	
	Domestic currency	
	3/31/2008	**12/31/2007**
2008	45,160	65,311
2009	20,160	-
Total (Current)	**65,320**	**65,311**
2009	45,627	65,778
2010	108,594	108,589
2011	100,934	100,933
2012	200,934	200,933
2013	250,934	250,933
2013 onwards	251,401	251,401
Total (Non-current)	**958,424**	**978,567**
Total	1,023,744	1,043,878

Breakdown of debentures (excluding financial charges):

	Consolidated			
	3/31/2008		12/31/2007	
	R$	%	R$	%
CDI	987,500	96.5%	1,000,000	95.8%
TJLP	36,244	3.5%	43,878	4.2%
Overall Total	**1,023,744**	**100.0%**	**1,043,878**	**100.0%**

6th Issue of Debentures – interruption of the issuance process

Due to worsening conditions in international markets impacting the domestic market, Light's Management and the coordinators of the issue understood that it would not be possible to conclude the issue as initially planned. Thus, on April 11, 2008 Light filed a sixty-(60) business day interruption request with CVM in order to comply with CVM's requirements to conclude the Offer.

Addendum to the 5th Issue of Debentures

Given that the banks coordinating the 6th issue of debentures also represent the vast majority of holders of debentures of the 5th issue, concurrently with the request for interruption of the term to comply with the requirements of the 6th issue of debentures, these banks committed to approve, at the Debenture holders General Meeting to be held in May 2008, the following changes in the 5th deed of issue:

I. Change in the amortization flow of the principal of debenture, as shown in the table below:

Date	Original Flow	New Flow
22-jan-08	1.25%	1.25%
22-apr-08	1.25%	1.25%
22-jul-08	1.25%	0.50%
22-oct-08	1.25%	0.50%
22-jan-09	1.25%	0.50%
22-apr-09	1.25%	0.50%
22-jul-09	1.25%	0.50%
22-oct-09	1.25%	0.50%
22-jan-10	2.50%	1.75%
22-apr-10	2.50%	1.75%
22-jul-10	2.50%	1.75%
22-oct-10	2.50%	1.75%
22-jan-11	2.50%	1.75%
22-apr-11	2.50%	1.75%
22-jul-11	2.50%	1.75%
22-oct-11	2.50%	1.75%
22-jan-12	5.00%	5.00%
22-apr-12	5.00%	5.00%
22-jul-12	5.00%	5.00%
22-oct-12	5.00%	5.00%
22-jan-13	6.25%	6.75%
22-apr-13	6.25%	6.75%
22-jul-13	6.25%	6.75%
22-oct-13	6.25%	6.75%
22-jan-14	25.00%	33.50%
	100%	100%

II. The Amortization Premium is maintained at 0.25% up to January 2009, and an Amortization Premium of 0.20% valid from January 2009 to July 2009.

15. REGULATORY CHARGES – CONSUMER CONTRIBUTIONS

	Consolidated	
	3/31/2008	12/31/2007
CURRENT		
Fuel Usage Quota – CCC (a)	15,296	14,620
Energy Development Account Quota– CDE (b)	16,638	17,044
Reversal global reserve quota – RGR	6,497	6,253
Charges for capacity and emergency acquisition	77,594	77,593
	116,025	**115,510**

16. PROVISION FOR CONTINGENCIES

Light S.A. and its subsidiaries are claimants and defendants in various tax, labor and civil lawsuits and administrative proceedings. Management periodically assesses the risks of contingencies related to these proceedings, and based on the legal counsel's opinion it records a provision when an unfavorable decision is probable. Additionally, these companies do not record assets related to lawsuits with chance of success since they are considered uncertain.

16.1 Contingencies

Provisions for contingencies are comprised as follows:

	Consolidated			
	CURRENT		NON-CURRENT	
	31/3/2008	31/12/2007	31/3/2008	31/12/2007
Labor	597	597	166.999	161.604
Civil	-	-	245.079	243.266
Tax	-	-	912.825	895.979
Other	1.640	1.640	60.923	60.891
Total	**2.237**	**2.237**	**1.385.826**	**1.361.740**

	Liabilities					Assets
	Balance on	Additions	Write-offs		Balance on	Court
	31/12/2007	Restatement	Payments	Reversals	31/3/2008	deposits
Labor	161.604	8.431	(3.036)	-	166.999	23.315
Civil	243.266	15.345	(12.102)	(1.430)	245.079	23.201
Tax	895.979	16.846	-	-	912.825	9.716
Other	60.891	84	(52)	-	60.923	-
Total	**1.361.740**	**40.706**	**(15.190)**	**(1.430)**	**1.385.826**	**56.232**

16.1.1 Labor Contingencies

There are 4,010 labor proceedings in progress (4,228 on December 31, 2007) against Light SESA. These labor proceedings mainly involve the following matters: hazardous work premium, equal pay, pain and suffering, indemnity according to Law 9,029/98, subsidiary/joint liability of employees from outsourced companies, difference of 40% fine of FGTS (Government Severance Indemnity Fund for Employees) derived from the adjustment due to understated inflation and overtime.

In December 2007, Light was notified to reply to the public civil action (proceeding 01368-2007-035-01-00-8) filed by the Public Prosecution Office of Labor of the 1st Region, aimed at preventing the Company from engaging other companies to provide services related to its main and ancillary activities. Said lawsuit was granted relief on April 4, 2008 and currently is awaiting court decision on the motion for clarification of decision filed by Light, with request for amendment. The chances of success for the Company are deemed as possible, since the federal laws regulate the concession of electricity generation and distribution services (Law 8,987/95), an express authorization to the aforementioned engagement of companies by concessionaires, as well as decisions from Regional Labor Courts and the Higher Labor Court, in similar cases, ratifying this engagement. These matters are in line with the defense theory presented in the lawsuit. The Company intends to use all reasonable appeals in order to prevail in its understanding about the legality of the procedures adopted thereby when contracting service providers.

16.1.2 Civil Contingencies

The Company is defendant in approximately 33,883 civil proceedings (33,132 on December 31, 2007), of which 8,701 take place in the state and federal courts of law (Civil Proceedings), with claims amounting to R$311,191, and 25,182 take place in Special Civil Courts, with total claims amounting to R$267,081.

Civil contingencies	Amount accrued (probable loss)	
	3/31/08	12/31/07
a) Civil proceedings	114.655	116.663
b) Special civil court	33.788	33.383
c) "Cruzado" Plan	96.636	93.220
Total	245.079	243.266

a) The Provision for Civil Actions comprises lawsuits in which Light SESA is the defendant, mainly related to claims involving moral and property damages and questioning of amounts paid by consumers, with chances of probable loss in the opinion of the respective attorneys.

   The Company is also party in Civil Actions that the Management believes that risk of loss are possible, based on the opinion of its legal counsels. Therefore, no provision was established. The amount involved in these possible proceedings is R$253,921.

b) Lawsuits in the Special Civil Court are mostly related to discussions regarding consumer relations, such as improper collection, undue power cut, power cut due to delinquency, network problems, various irregularities, bill complaints, meter complaints and problems with ownership transfer. There is a limit of 40 minimum wages for claims under procedural progress at the Special Civil Court. Accruals are recorded based on the moving average of the last 12 months of condemnation amount.

c) There are civil actions in which some industrial customers have challenged in court the increases in electric power tariff rates approved in 1986 by DNAEE (National Department of Water and Electrical Energy) during the Economic Plan ("Cruzado Plan").

16.1.3 Tax Contingencies

The provisions established for tax contingencies are as follows:

Tax contingencies	Amount accrued (probable loss)	
	2008	2007
a) PIS/COFINS	632,176	623,773
b) PIS/COFINS – RGR and CCC	17,386	17,294
c) INSS – ACT allowance	10,183	9,929
d) INSS – tax deficiency notice	36,132	35,669
e) INSS – quarterly	87,457	85,961
f) Law 8,200	19,239	19,012
g) ICMS	76,610	71,007
h) Social Contribution	26,300	26,084
i) CIDE	4,399	4,345
j) Other	2,943	2,905
Total	**912,825**	**895,979**

a) Since March 10, 1999, Light SESA challenges in court the changes introduced by Law 9,718/98 concerning the determination of the PIS and COFINS, notably the increase in their calculation basis and increase in COFINS rate from 2% to 3%. Recently, the Company filed special and extraordinary appeals aimed at reversing the 2nd Regional Federal Court's decision. Said appeals were accepted by the 2nd Regional Federal Court and are pending judgment from Higher Courts.

On January 31, 2007 the Internal Revenue Service issued a letter for the collection of PIS and COFINS under discussion. On February 23, 2007, Light SESA filed a Writ of Mandamus to discuss the lapse of enforceability of part of the amounts claimed in said collection letter dated January 31, 2007, as the federal tax authorities did not record the tax credit within the 5-year term established in article 150, paragraph 4 of the National Tax Code (CTN). On March 2, 2007, the Company was granted an injunction that suspended the effects of the collection letter, resulting in the suspension of the enforceability of credits claimed. The decision that granted said injunction was subject-matter of an interlocutory appeal, dismissed by the 2nd Regional Federal Court on April 3, 2007, affirming the injunction, which remains in effect. The Internal Revenue Service did not agree with the court decision and filed a request for its clarification, which was denied.

In the second and third quarters of 2007, Light SESA carried out a reversal in the net amount of R$265,498 (R$239,302 recorded under Financial Income, R$162,968 recorded under Gross Revenue Deductions less the income and social contribution tax impact of R$136,772), based on the opinion of its legal counsels regarding the outcome of the aforementioned lawsuits, after submitting it to the previous examination of its independent auditors at the time of the special review of quarterly information, and since the Company understands that the tax authority's right of collection is no longer valid. These adjustments were reflected in the quarterly statements of June and September presented by Light SESA and reviewed by the independent auditors at that time.

In the preparation of its annual statements, Light SESA maintained the policy previously adopted, again based on the opinions of its legal counsels and accounting advisors. Independent auditors at that time changed their opinion, and understood it was necessary to recover the provisions written-off as of June 2007, in view of considerations provided in the Ibracon Notice 03/2007 as of December 17, 2007.

Light SESA's Management in view of the new positioning pointed by the independent auditors at that time and to avoid a qualified opinion in its annual financial statements decided to recover the provisions.

With the purpose of providing further information regarding the amounts established as provision for questioning PIS and COFINS observed in this note, Light SESA's Management emphasizes the following:

(i) One of the means for annulling a legal tax liability is the statute of limitation, also provided for by Law, which transfers the risk assessment to the management and its legal counsels, who shall express their opinion on the facts of the recorded case;
(ii) After the lapse of statute of limitation to collect PIS and COFINS, Light SESA's risk of loss in the lawsuits challenging these taxes in view of the statute of limitation is classified as possible by its legal counsels;
(iii) Regarding the increase of the PIS and COFINS assessment basis, in addition to having verified the statute of limitation for the right of collection by tax authority, the law that enabled said increase has been deemed unconstitutional by all higher courts (Superior Court of Justice and Supreme Federal Court) in thousands of cases. Consequently, Light SESA believes the Company will have a favorable decision in this lawsuit, and the risk of loss or disbursement of funds being remote.

After recovering the aforementioned provisions, the following amounts were provisioned as of March 31, 2008:

- R$426,461 related to the increase in the calculation basis, and
- R$205,715 related to the increase in the COFINS rate from 2% to 3%.

b) On July 31, 2003, the subsidiary Light SESA filed an application for PAES, in accordance with protocol 200300003672, as confirmed by the Internal Revenue Service, and paid the first installment on the same date. The debt included in PAES was R$51,344 (net of 50% fine reduction), under administrative dispute as to the legality of the exclusion of RGR (global reserve for reversal quota) and CCC (fuel usage quota) from the PIS and COFINS calculation basis. The payment will be made in 120 installments. The installments were calculated based on the total debt divided by the number of installments, subject to the TJLP (long-term interest rate). The amount accrued as contingencies corresponds to the portion not included in PAES as a result of the discussion regarding the application of the ex-officio fine, in which the Company was not successful in the administrative scope but had a favorable court decision, in which the Treasury Department filed an appeal. This amount also includes the portion corresponding to the increase in the COFINS rate related to the period of April 1999 to December 2000, which is being discussed in court (note 6-c).

c) In August 2006, Light SESA, based on its attorney's assessment, established a provision in the amount of R$14,715, comprising the period between 2001 and 2005, related to the eventual allowance paid by the Company to its employees as a result of the provision set forth in Collective Bargaining Agreements. In December 2007, based on a new assessment, a reversal was carried out in the amount of R$6,355, due to the statute of limitation of tax authority's right to record the credits. In March 2008, the balance provisioned was R$10,183.

d) In December 1999, the INSS issued tax infringement notices against the Company on the grounds of joint liability, withholdings on services rendered by contractors, and levy of the social security contribution on employee profit sharing. Based on the legal counsel's opinion, Light S.A.'s Management decided to record a provision. The variation in the amount between March 31, 2008 and December 31, 2007 refers to its restatement by the SELIC rate.

e) Light SESA challenges the constitutionality of Law 7,787/89, which increased the rate of the social security contribution on payroll, understanding that there was a consequent increase in the calculation basis in the period from July to September 1989. According to advance protection granted, Light SESA offset the amounts payable as social security contribution. The Management recorded a provision, based on the legal counsel's opinion, for the total amount of the tax infringement notices issued by the INSS. The variation in the amount between March 31, 2008 and December 31, 2007 refers to its restatement by the SELIC rate.

f) In June 1992, Light SESA filed an ordinary action against the Federal Government for recognition of the inexistence of the obligation to record the monetary restatement set forth in article 3 of Law 8,200/91, when accounting for the difference between the IPC (Consumer Price Index) and the BTNF (National Treasury Bond Index) during calendar year 1990. The Company's request was accepted by the lower and higher courts. The Federal Government lodged Special and Extraordinary Appeals. The first one was dismissed by the 1st Panel of the Superior Court of Justice and the records were sent to the Federal Supreme Court to judge the Extraordinary Appeal.

   In addition, in December 1992 Light SESA filed for a writ of mandamus to ensure the Company's right to fully use the 1991 and 1992 depreciation expenses, and to no longer apply the provisions of Law 8,200/91, article 3, item I. The injunction was granted. The proceeding was partially dismissed without prejudice, while ensuring the right to offset the amounts unduly paid.

   Concurrently with legal proceedings, in November 1994, Light SESA received tax infringement notices, relating to IRPJ (Corporate Income Tax), ILL (Tax at Source on Net Income) and CSL (Social Contribution on Profit), in an amount equivalent to 34,385,484.36 UFIRs (official index for inflation adjustments). These notices were challenged. The administrative decision did not recognize the challenge as to IRPJ and CSLL and dismissed the ILL levy and the application of the ex-officio fine. On July 06, 2007, a Voluntary Appeal was filed. Light SESA's Management, based on the opinion of its legal counsels and the amounts of the tax infringement notices, understands that only part of these amounts represents a probable risk that requires recognition of a provision. The variation in the amount between March 31, 2008 and December 31, 2007 refers to its restatement by the SELIC rate.

g) From 1999 to date, several ICMS (state VAT) inspections were conducted at Light SESA by Rio de Janeiro tax authorities. The ICMS tax infringement notices received to date but not paid are being challenged at the administrative and judicial levels. Based on the opinion of its legal counsels and the amounts of the tax infringement notices, Light SESA's Management understands that only part of these amounts represents a probable risk, for which a reserve was recorded. The amounts discussed in this paragraph refer to two proceedings, for which there is a provision. The monetary variation refers to the restatement by UFIR-RJ and reversal of provision of R$5,533 in July 2007 due to a favorable court decision in the lawsuit questioning the tax assessment in view of missing invoices (called "Verdinhas").

   In September 2004, Light received a tax infringement notice from the state of Rio de Janeiro requiring payment of ICMS differences due to the lack of credit reversal, necessary in view of the loss of electric power. Light filed a challenge which was fully granted relief in a lower administrative court decision and the assessment was annulled. The Treasury Department will file a mandatory appeal with the Taxpayers Council. On March 31, 2008, this lawsuit amounted to R$93,000 and no provision was recorded.

h) In February 2000, Light SESA filed for an ancillary writ of mandamus, in order to prevent the disallowance of credits arising from adjustments to the Corporate Income Tax Return (DIPJ) for calendar year 1996, thereby ensuring the deduction, from the CSLL (Social Contribution on Profit) tax basis, the interest on capital paid to shareholders in calendar year 1996, as computed for IRPJ (corporate income tax). The requested injunction was granted. In September 2002, a decision was favorable to the Company, allowing the offset of the overpaid CSLL. The Federal Government filed an appeal, which has not yet been judged.

   In July 2001, a tax infringement notice was issued against Light in order to prevent the expiration of the statute of limitation. The Internal Revenue Service assessed a fine of 75%, in the incorrect amount of R$17,284. The tax infringement notice should be R$12,382, which monetarily adjusted until March 31, 2008 amounts to R$19,400. This tax infringement notice was challenged and the decision was partially favorable to the Company, with respect to non-levy of the 75% fine. A voluntary appeal was filed and is currently pending judgment.

   In addition, in July 2001, Light SESA received a tax infringement notice for not adding to the social contribution calculation basis the amounts related to the COFINS provision, the payment of which was suspended. The challenge and the voluntary appeal were dismissed and the Company is currently evaluating the possibility of litigation. The R$6,595 provision recognized in July 2006 is being adjusted based on SELIC. The updated balance of the provision as of March 31, 2008 is R$6,900. The monetary variation refers to its restatement by the SELIC rate between 2008 and 2007.

i) l) In September 2002, Light SESA filed for a writ of mandamus, in order to suspend the payment of CIDE (economic intervention contribution) credit levied on service payments remitted abroad, and, finally, the definitive granting of injunction to remove the tax payment.

The injunction was denied and the lower court decision was also unfavorable. Light SESA filed an appeal and awaits judgment. Since December 2003, Light SESA has been paying the amounts due. The variation in the amount refers to the restatement by the SELIC rate.

The Company also is a party to tax, administrative and legal proceedings, in which Management, based on the opinion of its legal counsels, believes the risks of loss are possible, and for this reason, no provision was recorded. The amount of said proceedings is R$496,100. Cases of greater relevance and that had effects in the 1st Quarter of 2008 are as follows:

(i) The tax foreclosures 2002/100-004.452-2, 2002/100-004.451-0, 2002/100-001.685-0, 2002/100-001.684-84, and Administrative Proceeding E-04/109635/00 discuss the ICMS deferral (SEF Resolution 1,610, as of June 22, 1989) in the supply of electric power for the consumer Vale do Rio Doce Alumínio S.A. – ALUVALE, since it is an electro-intensive industrial consumer.

The tax foreclosures were guaranteed by banking letters of credit. Motion to stay execution was filed, which is pending judgment at the lower court. The amount of these tax foreclosures on March 31, 2008 is R$155,700 and the attorneys of this lawsuit expect the risk of loss as possible, without any provision recorded.

(ii) In June 2007, Light SESA received a tax infringement notice from the Internal Revenue Service in the amount of R$189,600, which amounted to R$204,700 until March 2008, as the Company did not comply with process for the delivery of electronic files (IN86) from 2003 to 2005. The Company and its legal counsels evaluated the chances of loss as possible. The challenge was deemed groundless. Currently, the voluntary appeal lodged by Light is pending judgment.

(iii) In May 2007, Light SESA had a favorable decision from the lower administrative court in the proceeding IN 86 related to the year 2001, which tax assessment restated up to March 2008 amounted to R$58,800. Due to said favorable decision, by unanimous vote, the attorneys' expectations went from possible to remote. The proceeding is under mandatory appeal.

(iv) The Central Bank, according to normal procedures and based on their preliminary conclusions about the financial operations conducted by Light SESA between 1997 and 1998, for the acquisition of Eletropaulo Metropolitana S.A., which were compliant with legal and accounting principles of Brazilian legislation, sent an official letter to the Internal Revenue Service and the Federal Government Attorney's Office of the State of Rio de Janeiro, which began their respective administrative procedures, as described in the following paragraphs. After Light SESA provided the required explanations to the Central Bank, the Central Bank fully reinstated the Certificates of Registration for the securities issued abroad in connection with the above-mentioned operations, and considered that the operations were conducted in compliance with Brazilian foreign exchange rules.

The criminal investigation has been at the MPF (Regional Attorney's Office of the 2nd Region) since May 18, 2005, and the final police report was issued on April 15, 2005 clearing of the charge of financial offense (article 22 of Law 7,492/86). Light SESA expects that the MPF is awaiting the final result of the administrative tax proceeding, according to the paragraph below, in accordance with the guideline provided by the Federal Supreme Court in judgment HC 85299/RJ.

Regarding the official letter sent to the Internal Revenue Service, on December 14, 2004, the Internal Revenue Service issued a tax infringement notice against Light SESA in the total amount of R$481,833, related to the income tax levied on interest paid to the subsidiaries Light Overseas Investment Limited (LOI) and LIR Energy Limited (LIR) on securities issued with the benefit of withholding income tax at 0%. Light SESA presented a defense against the tax infringement notice. The decision of the lower administrative court was favorable to the tax infringement notice. On August 11, 2005, Light SESA filed a voluntary appeal with the Taxpayers' Council of the Treasury Department which was judged on October 19, 2006 in favor of Light SESA. The Treasury Department lodged special appeal at the Higher Court of Appeals for Fiscal Matters of the Treasury Department still pending judgment, although the appealed fine was definitively removed.

On November 27, 2006, the Internal Revenue Service issued a tax infringement notice against Light, giving rise to the administrative proceeding 18471.001351/2006-51, in the historical amount of R$74,389, requiring payment of IRPJ and CSLL differences derived from improper appropriation of financial expenses in 2001 and 2002. Considering that the new tax infringement notice was based on the same arguments as the first infringement notice, a decision was issued by the Internal Revenue Service Office (lower court judge) on July 10, 2007 finding the infringement notices groundless. Currently, the proceeding is awaiting decision on mandatory appeal lodged by the Internal Revenue Service at the Taxpayers' Council (higher level). The amount involved in this proceeding on March 31, 2008 is R$78,700 and attorneys estimated the risk of loss as remote, and no provision was recorded.

On April 14, 2008, the Company received two collection letters issued by the Internal Revenue Service Office (SRFB), related to the rejection of two offsets carried out in 2003, related to an IRPJ credit of the 2001 calendar year for PIS and COFINS debts. In that year (2001), there was a recorded negative balance of IRPJ in the amount of R$28,690 related to advances of IRRF (withholding tax) and payments by estimate, since there was a tax loss.

In November 2006, as mentioned in item "iv" above, SRFB issued a tax infringement notice related to IRPJ and CSLL, based on the disallowance of part of the financial expenses for the period, associated with operations with the companies LIR/LOI. If the expenses were disallowed, the taxable income of the Company in

2001 would change from loss to profit. Thus, the IRPJ credit, subject of the disallowance, would become a “balance payable”.

The collection letters were submitted to the office sponsoring the administrative proceeding of the disallowance of financial expenses, and the Company awaits a legal examination of these new collections. The administrative proceeding referring to the disallowance of financial expenses is assessed as remote loss, as mentioned in item “iv” above. The amount involved in these collections is R$70,263.

16.1.4 Other Contingencies

In this item, the Company points out regulatory contingencies derived from the provision for refunds to lower income consumers, established on December 31, 2007, and two tax infringement notices issued by ANEEL against Light SESA that are in progress:

a) Low Income – Until December 31, 2007, ANEEL ratified the amounts to be subsidized related to the loss of revenue from May 2002 to July 2007, as a result of the application of social tariffs. These ratifications were made through several orders, the last of which – 2,760, as of August 30, 2007 – resulted in the ratified amount of R$266,379, already refunded to Light SESA by Eletrobrás, using funds from sector charges included in the concessionaires’ tariffs.

   With regard to the Monitoring Report RF-LIGHT-04/2007-SFE, as of August 2007 by ANEEL, prepared between July 2, 2007 and July 13, 2007, which, due to different understandings concerning regulations and laws, challenged the granting of the social tariff to some consumers in the period and, accordingly, deemed as undue part of the subsidies ratified and received. Thus, the Company recorded a provision in the amount of R$36,175, to cover risk of having to refund part of the subsidy already received.

b) Tax infringement notice 009/2005 was issued on March 15, 2005 under the argument that Light SESA had: (i) incorporated, without prior consent of ANEEL, the subsidiaries LIR Energy Limited and Light Overseas Investments (R$1,144); (ii) performed operations with these companies without prior consent of ANEEL – (total amount of R$2,287); and (iii) did not comply with ANEEL’s order of cancelling operations and closing companies’ activities (total amount of R$3,431).

   Light SESA did not agree with ANEEL’s arguments, and presented its counterarguments. After resolution at a public meeting concerning LIGHT’s appeal, ANEEL’s Management decided to exclude the fine related to item (iii), and maintain the fines associated with items (i) and (ii).

   Light SESA chose to pay the penalty associated with item (ii), by means of a bank deposit in the amount of R$3,235 (original amount restated by the SELIC rate up to the payment date). However, following recommendations by its legal counsels, it proposed a lawsuit against the fine associated with item (i), having made a court deposit in the amount of R$1,655 (original amount restated by the SELIC rate up to the deposit date). Currently, the Company awaits the decision on its appeal lodged in the writ of mandamus. The amount as of March 31, 2008 totals R$1,773.

c) On June 5, 2007, a Tax Infringement Notice (AI 028/2007) was issued, with a penalty fine in the amount of R$293, related to a specific consumer unit, for which Light SESA did not reestablish the electric power supply within the established term. Light SESA did not agree with ANEEL's arguments, presented its counterarguments, and awaits decision on its appeal lodged against the Tax Infringement Notice. The amount as of March 31, 2008 totals R$323.

17. OTHER PAYABLES

	Parent Company		Consolidated	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007
CURRENT				
Public lighting fee	-	-	39,113	43,701
Energy Efficiency Program – PEE	-	-	94,554	81,413
Research and Development Program– R&D	-	-	54,348	50,268
Energy Research Company – EPE	-	-	7,194	7,840
National Scientific and Technological Development Fund – FNDCT	-	-	14,763	16,053
Compensation for use of water resources	-	-	3,420	2,305
CVA (note 3)	-	-	52,897	76,686
Other tariff charges (note 3)	-	-	42,290	54,881
Other	830	810	28,072	20,917
Total	**830**	**810**	**336,651**	**354,064**
NON-CURRENT				
Deficit Braslight – CVM Provision 371/2000 (see note 18)	-	-	109,133	109,133
Use of public asset - UBP (a)	-	-	109,707	107,159
CVA (note 3)	-	-	14,190	22,302
Provision for regulatory liabilities - overcontracting of energy	-	-	18,006	16,986
Other	-	-	3,730	4,019
Total	**-**	**-**	**254,766**	**259,599**

a) According to the concession agreement 12/2001 of March 15, 2001, that regulates the use of the hydroelectric power plant of the Paraíba do Sul river in the municipalities of Itaocara and Aperibé, the subsidiary Itaocara Energia Ltda. shall pay the Federal Government, for using the public asset, as of the date of its startup (expected in 2013) up to the end of the concession, or while it uses the hydroelectric resources, monthly installments equivalent to 1/12 of the proposed annual payment of R$2,017, subject to the IGP-M variation or to any other index that may substitute it, should such index be abolished.

18. PENSION PLAN AND OTHER EMPLOYEE BENEFITS

Light SESA sponsors Fundação de Seguridade Social – BRASLIGHT, a nonprofit closed pension entity, whose purpose is to provide retirement benefits to the Company's employees and pension benefits to their dependents.

BRASLIGHT was incorporated in April 1974 and has three plans - A, B and C – established in 1975, 1984 and 1998, respectively, with about 96% of the active participants of the other plans having migrated to Plan C.

Plans A and B of the Defined Benefit type and Plan C of the Mixed Benefit type are currently in effect.

On October 2, 2001, the Secretariat for Pension Plans (SPC) approved an agreement for resolving the technical deficit and refinancing unamortized reserves, which are being amortized in 300 monthly installments beginning July 2001, adjusted based on the IGP-DI (general price index – domestic supply) variation (with one-month lag) and actuarial interest of 6% per annum.

The following transactions occurred this quarter regarding net actuarial liabilities:

	Consolidated		
	PLAN A/B	**PLAN C**	**TOTAL**
Braslight's actuarial liabilities on 12/31/2007:	**577,890**	**314,025**	**891,915**
Amortizations in the quarter	(15,002)	(5,042)	(20,044)
Restatements in the quarter	27,054	11,743	38,797
Braslight's actuarial liabilities on 03/31/2008:	**589,942**	**320,726**	**910,668**
Current			**81,370**
Non-current			**829,298**

According to the actuarial appraisal report issued on January 10, 2008, the actuarial deficit of Braslight on December 31, 2007 stood at R$1,001,048, which, net of the contractual liability amount aforementioned caused the recognition of an additional actuarial liability of R$109,133, recognized under the item "Other debts" (note 17).

19. RELATED-PARTY TRANSACTIONS

Significant transactions between related parties consist principally of loan agreements with controlling shareholders, transactions with Fundação de Seguridade Social – Braslight and electricity purchase and sale transactions with Companhia Energética de Minas Gerais (CEMIG) and with Companhia Energética do Maranhão (CEMAR), which are conducted under usual market conditions.

SHAREHOLDERS AND AFFILIATED COMPANIES	Consolidated							
	ASSETS		LIABILITIES		REVENUE		EXPENSES	
	3/31/2008	12/31/2007	3/31/2008	12/31/2007	3/31/2008	3/31/2007	3/31/2008	3/31/2007
SHAREHOLDERS								
CEMIG								
Charges for use of the electric power distribution system	153	155	-	-	452	446	-	-
Commitment of purchase and sale of electric power	2,395	2,177	6,656	5,767	5,078	4,782	22,907	16,736
Commitment to charges for use of the basic electric	-	-	1,393	1,387	-	-	3,140	3,161
BNDES								
Debentures 1st issue - not convertible	-	-	31,371	240,167	-	-	780	1,186
FINEM	-	-	243,639	243,493	-	-	6,946	-
Credit line	-	-	2,769	3,134	-	-	49	(73)
BNDESPAR								
Debentures 4th issue - convertible	-	-	5,604	5,642	-	-	156	20,312
AFFILIATED COMPANIES								
BRASLIGHT								
Social Security Pland and other beneftis	-	-	910,668	891,915	-	-	38,797	20,552
CEMAR								
Commitment to sale of electric power	755	779	-	-	1,869	1,973	-	-

20. CAPITAL STOCK AND RESERVES

a) Capital Stock

The capital stock of Light S.A. as of March 31, 2008 is represented by 203,462,739 common shares without par value and its Capital Stock is R$2,220,355, as follows:

SHAREHOLDERS	3/31/2008 Number of shares	3/31/2008 % Interest	12/31/2007 Number of shares	12/31/2007 % Interest
Controlling Group				
RME Rio Minas Energia Participações S.A. (*)	100,719,912	49.50%	100,719,912	49.50%
Lidil Comercial Ltda	5,584,685	2.74%	5,584,685	2.74%
Other				
BNDES Participações S.A. - BNDESPAR	68,555,918	33.69%	68,555,918	33.69%
Public and others	28,602,224	14.06%	28,602,224	14.06%
	203,462,739	**100.00%**	**203,462,739**	**100.00%**

(*) On February 12, 2008, the Extraordinary General Meeting of Equatorial Energia S.A approved the merger of PCP Energia, a company that holds 13.06% of Light's shares through RME, into the Equatorial group. Equatorial now integrates Light's controlling group (RME). This merger does not represent a change of control, given that both PCP and Equatorial have the same controlling group.

Light S.A. is authorized to increase its capital by means of a resolution of the Board of Directors, regardless of amendments to the bylaws, up to the limit of R$203,965,072 exclusively to meet the exercise of the warrants issued, strictly pursuant to the conditions of the warrants (Bylaws, art. 5, paragraph 2).

b) Legal Reserve

It was mandatorily established at 5% of the net income for the year, until reaching 20% of realized capital stock or 30% of capital stock plus capital reserves. After this limit, the appropriation was no longer mandatory. The legal reserve can only be used either to increase the capital stock or to carryforward accrued losses.

21. DIVIDENDS PAID

On March 31, 2008, Light S.A paid R$203,463 related to the proposed dividends of the 2007 Financial Statements, and approved at the Annual General Meeting held on March17, 2008.

22. ELECTRIC POWER SUPPLY

01.01 to 03.31	Consolidated					
	Number of Accounts Billed(1) (2)		MWh (2)		R$	
	2008	2007	2008	2007	2008	2007
Residential	3,596,265	3,526,359	2,027,277	2,059,915	634,395	678,478
Industrial	12,538	13,264	451,392	508,684	86,793	82,574
Commerce, services and other	270,112	274,523	1,532,820	1,533,322	458,117	483,768
Rural	10,917	10,773	12,724	12,818	2,444	2,597
Public sector	9,501	14,657	336,604	331,663	73,862	72,631
Public lighting	193	199	171,331	174,858	24,899	27,546
Public utility	1,299	1,440	272,936	260,556	50,751	45,596
Own consumption	324	295	16,763	19,933	-	-
Billed sales	**3,901,149**	**3,841,510**	**4,821,847**	**4,901,749**	**1,331,261**	**1,393,190**
ICMS (state VAT)	-	-	-	-	498,457	522,911
Unbilled sales	-	-	-	-	(8,244)	36,227
TOTAL	**3,901,149**	**3,841,510**	**4,821,847**	**4,901,749**	**1,821,474**	**1,952,328**
Electric power auction	-	-	1,170,717	1,127,616	94,049	63,579
Spot market	-	-	39,814	371,948	10,577	6,146
TOTAL	**-**	**-**	**1,210,531**	**1,499,564**	**104,626**	**69,725**
OVERALL TOTAL	**3,901,149**	**3,841,510**	**6,032,378**	**6,401,313**	**1,926,100**	**2,022,053**

(1) Number of acocunts billed with and without consumption
(1) Not examined by independent auditors

23. OTHER OPERATING INCOME

01.01 to 03.31	Consolidated	
	2008	2007
Taxed service	4,539	1,196
Income from services rendered	6,532	4,956
Leases, rentals and other	5,904	5,774
Income from network usage	127,555	148,346
	144,530	**160,272**

24. CONSUMER CHARGES (Operating Revenue Deductions)

01.01 to 03.31	Consolidated	
	2008	2007
Taxes Charged to Consumers - RGR	(19,436)	(18,701)
CDE - Cash	(49,914)	(51,132)
CDE - CVA	(1,218)	4,683
CDE - CVA Amortization	(5,415)	(7,801)
CCC - Cash	(48,497)	(16,534)
CCC - CVA	2,237	(59,299)
CCC - CVA Amortization	16,246	(12,005)
PEE - Energy Efficiency	(6,157)	(3,135)
R&D - Research & Development	(2,669)	(5,926)
FNDCT - National Development Fund	(2,804)	(4,003)
EPE - Energy Research Company	(1,404)	(2,002)
	(119,031)	**(175,855)**

25. ELECTRIC POWER PURCHASE AND SALE TRANSACTIONS THROUGH CCEE

The balances of electricity spot market sale and purchase transactions carried out through the CCEE (former MAE) are as follows:

	3/31/2008
Sale of spot market Energy:	
Balance payable on 12/31/2007 (Note 5)	16,691
Balance payable on 3/31/2008 (Note 5)	3,611

	3/31/2008
System service charges:	
Balance payable on 12/31/2007 (Note 12)	(152)
Balance payable on 3/31/2008 (Note 12)	(67,999)

26. OPERATING COSTS AND EXPENSES

	Consolidated					
	Cost of Service		Operating Expenses			
01.01 to 03.31	**Electric Power**	**Operation**	**Selling**	**General and Administrative**	**2008**	**2007**
Nature of Expense						
Electricity Purchased for Resale (Note 27)	(785,182)	-	-	-	(785,182)	(770,856)
Personnel and Management	-	(39,054)	(4,114)	(18,793)	(61,961)	(66,015)
Materials	-	(3,206)	(255)	(450)	(3,911)	(4,580)
Outsourced Services	-	(27,146)	(13,882)	(21,306)	(62,334)	(53,054)
Allowance for Doubtful Accounts	-	-	(60,259)	-	(57,873)	(70,398)
Allowance for Doubtful Accounts - RTE	-	-	-	-	(2,386)	-
Provision for Contingencies	-	-	-	(15,879)	(15,879)	(13,680)
Other	-	(4,156)	(244)	(17,773)	(22,173)	(19,855)
	(785,182)	**(73,562)**	**(78,754)**	**(74,201)**	**(1,011,699)**	**(998,438)**
Depreciation and amortization	-	(72,536)	(271)	(9,340)	(82,147)	(78,334)
Total	**(785,182)**	**(146,098)**	**(79,025)**	**(83,541)**	**(1,093,846)**	**(1,076,772)**

27. ELECTRIC POWER PURCHASED FOR RESALE

	Consolidated			
01.01 to 03.31	**GWh(1)**		**R$**	
	2008	**2007**	**2008**	**2007**
Itaipu	1,420	2,027	127,581	203,878
UTE Norte Fluminense	1,584	1,567	189,793	199,522
Other Contracts and Electric Power Auctions	3,346	3,628	269,675	251,569
Recoverable Cost Variation (CVA)	-	-	(14,349)	24,699
Sport Market Energy	444	-	120,012	-
Network Usage Charges	-	-	86,503	85,158
Connection Charges	-	-	3,882	3,420
National Electric System Operator (ONS)	-	-	2,085	2,610
	6,794	**7,222**	**785,182**	**770,856**

(1) Unaudited

28. FINANCIAL INCOME

01.01 to 03.31	Parent Company 2008	Parent Company 2007	Consolidated 2008	Consolidated 2007
INCOME				
Income from temporary cash investments	61	-	12,828	11,500
Swap operations	-	-	1,590	-
Arrears interest on electricity bills	-	-	17,441	11,259
Charges on CVA accounts and Portion A	-	-	8,983	9,753
Charges on tariff margin recovery	-	-	6,254	13,001
Charges on free energy transactions	-	-	3,154	9,428
Other	-	6	3,808	5,619
	61	**6**	**54,058**	**60,560**
EXPENSES				
Interest on loans and financings – local currency	-	-	(50,899)	(66,140)
Interest on loans and financings – foreign currency	-	-	(3,503)	(28,298)
Monetary variation – local currency	-	-	(207)	(969)
Exchange variation – foreign currency	-	-	1,916	14,040
Charges and monetary variation with BNDES financing	-	-	(300)	-
Swap operations	-	-	(3,047)	(14,876)
Charges and monetary variations on actuarial liability of Braslight	-	-	(38,797)	(20,553)
Adjustment to present value - CEDAE	-	-	(2,126)	6,367
Restatement of provision for contingencies and other	-	-	(20,903)	(17,559)
Charges on free energy transactions	-	-	(4,756)	(9,428)
Charges on regulatory liabilities and other	(1)	(58)	(15,396)	(14,597)
	(1)	**(58)**	**(138,018)**	**(152,013)**
NET FINANCIAL INCOME (EXPENSES)	**60**	**(52)**	**(83,960)**	**(91,453)**

29. FINANCIAL INSTRUMENTS

The book values of financial instrument assets and liabilities in relation to their market value are as follows:

	3/31/2008 Consolidated		12/31/2007 Consolidated	
	Book Value	Market value	Book Value	Market value
ASSETS				
Temporary Cash Investments (see Note 4)	379.741	379.741	401.346	401.346
LIABILITIES				
Loans and Financing (see Note 13)	854.746	885.866	858.746	885.911
Debentures (see Note 14)	1.023.744	1.023.744	1.043.878	1.043.878
	1.878.490	1.909.610	1.902.624	1.929.789

Temporary cash investments – The book value is an estimate of market value.

Loans and financing – The amount recorded in the chart above refers to the principal amount plus the SWAP amount (see note 13). The market value was calculated at prevailing interest rates for bank financing with similar terms and maturities.

Light SESA is engaged in the distribution of electric power in a concession area covering 31 municipalities in the state of Rio de Janeiro. The risk factors that may negatively impact the operations, assets and liabilities of Light Sesa's business are the following:

<u>Credit risk</u>

Pursuant to the electric power sector regulation and the concession agreement, Light SESA is required to supply electricity to all consumers located in the concession area. Under the electric power sector regulation, Light SESA has the right to disrupt supply if consumers fail to pay their bills.

<u>Currency risk</u>

Light SESA's indebtedness and results of operations are significantly affected by foreign currency fluctuations on agreements denominated in foreign currency.

Considering that a portion of Light SESA's loans and financing is denominated in foreign currency, the company uses derivative financial instruments (swap operations) to hedge against foreign currency fluctuations, which resulted in a loss of R$1,457 in the first quarter of 2008 (a loss of R$14,876 in the first quarter of 2007). The net amount of swap operations as of March 31, 2008 is negative R$11,383 (negative R$45,395 on March 31, 2007), as shown below.

Light Receivable	Light Payable	Starting Date	Maturity Date	Notional Value Contracted (US$)	Accounting Position Mar08 (R$)
US$+6,06%	100% CDI	03/06/07	04/10/08	7,596	(3,938)
US$+6,06%	100% CDI	03/06/07	5/15/2008	48	(25)
US$+6,06%	100% CDI	03/06/07	06/05/08	1,048	(543)
US$+6,08%	100% CDI	03/06/07	6/26/2008	491	(255)
US$+5,95%	100% CDI	03/06/07	7/15/2008	47	(24)
US$+5,97%	100% CDI	03/06/07	8/15/2008	47	(24)
US$+5,9%	100% CDI	03/06/07	09/10/08	120	(63)
US$+6,04%	100% CDI	03/06/07	10/10/08	7,239	(3,756)
US$+5,83%	100% CDI	03/06/07	11/17/2008	45	(24)
US$+5,93%	100% CDI	03/06/07	12/05/08	988	(515)
US$+5,91%	100% CDI	03/06/07	12/26/2008	465	(242)
US$+6,2%	100% CDI	6/19/2007	1/15/2009	42	(10)
US$+6,1%	100% CDI	6/19/2007	2/16/2009	41	(9)
US$+6,06%	100% CDI	6/19/2007	03/11/09	111	(26)
US$+6,07%	100% CDI	6/19/2007	04/09/09	6,935	(1,601)
US$+6,05%	100% CDI	6/19/2007	5/15/2009	40	(9)
US$+6,06%	100% CDI	6/19/2007	06/05/09	940	(217)
US$+6,05%	100% CDI	6/19/2007	6/26/2009	444	(103)
			Total	26,686	(11,383)

Price risk

Every year electric power distribution companies request a tariff increase based on non-manageable cost variations (referred to as Portion A) and the variation of the IGP-M (general market price index) for manageable costs (referred to as Portion B). These requests are reviewed and approved by ANEEL. On a periodic basis, ANEEL performs a tariff revision for the purpose of adjusting the concessionaires' tariffs, thus assuring economic and financial breakeven and reasonable tariffs. The tariffs under the concession agreement shall assure economic and financial breakeven for Light SESA.

30. INSURANCE

On March 31, 2008, the Company had insurance covering its main assets, including the following:

Operational Risk Insurance – it covers property damages of its assets caused by fire, explosion, rubbish, flooding, earthquake, loss of machinery and electric damages.

Except for transmission and distribution lines, all assets of Light Group are insured for operational risks with coverage for all risks.

D&O Civil Liability Insurance- it aims at protecting executives from losses and damages resulting from activities as Board members, Officers and managers of the Company.

Civil Liability and Blanket Insurance – its objective is the payment of indemnity should the

Company be liable on a civil basis by means of unappealable decision or agreement authorized by an insurance company related to indemnity for involuntary damages, physical damages to individuals and/or property damages caused to third parties and related to pollution, contamination or sudden leakage.

International Transportation Insurance – shipments of cargo/equipment, Financial Guarantee Insurance – Sale of Energy (6 insurance policies) and Insurance Against Fire – Leased Properties.

The assumptions of risks adopted, given their nature, are not included in the scope of a special review of quarterly information, accordingly, they were not reviewed by our independent auditors.

Insurance coverage as of March 31, 2008 is considered sufficient by Management, and is summarized below:

	Effective Term		Amount	
RISKS	**From**	**To**	**Insured**	**Premium**
Operating risks	10/31/2007	10/31/2008	U$1.017,5 thousand	U$626
Directors & Officers (D&O)	8/10/2007	8/10/2008	U$30 thousand	U$123
Civil and general liabilities	9/25/2007	9/25/2008	U$10 thousand	U$299

31. STATEMENTS OF OPERATIONS BY COMPANY

01.01 to 03.31	Light SESA	Light Energia	Light SA	Light ESCO	Other	Removals	Consolidated 03/31/2008	Consolidated 03/31/2007
OPERATING REVENUE	**1,971,303**	**97,592**	**-**	**35,599**	**-**	**(33,864)**	**2,070,630**	**2,182,325**
Billed sales	1,821,474	-	-	-	-	-	1,821,474	1,952,328
Supply - Electric Power	1,958	96,406	-	33,343	-	(27,081)	104,626	69,725
Other revenues	147,871	1,186	-	2,256	-	(6,783)	144,530	160,272
REVENUE DEDUCTIONS	**(737,361)**	**(11,850)**	**-**	**(5,673)**	**-**	**-**	**(754,884) #**	**(855,741)**
Billed Sales - ICMS (state VAT)	(498,457)	(307)	-	(4,764)	-	-	(503,528)	(522,911)
Consumer charges	(116,113)	(2,918)	-	-	-	-	(119,031)	(175,855)
PIS (tax on revenue)	(23,335)	(1,505)	-	(143)	-	-	(24,983)	(24,205)
COFINS (tax on revenue)	(100,339)	(7,120)	-	(666)	-	-	(108,125)	(111,487)
COFINS - CVA - Amortization	1,910	-	-	-	-	-	1,910	(20,213)
Other	(1,027)	-	-	(100)	-	-	(1,127)	(1,070)
							-	
NET OPERATING REVENUE	**1,233,942**	**85,742**	**-**	**29,926**	**-**	**(33,864)**	**1,315,746**	**1,326,584**
OPERATING EXPENSES	**(1,070,681)**	**(31,302)**	**(1,034)**	**(24,693)**	**-**	**33,864**	**(1,093,846)**	**(1,076,772)**
Personnel	(55,752)	(5,267)	(414)	(528)	-	-	(61,961)	(66,030)
Materials	(3,630)	(198)	(71)	(12)	-	-	(3,911)	(4,580)
Outsourced services	(57,797)	(3,126)	(332)	(1,079)	-	-	(62,334)	(53,054)
Energy purchased	(785,649)	(10,496)	-	(22,821)	-	33,784	(785,182)	(770,856)
Depreciation	(75,647)	(6,294)	-	(206)	-	-	(82,147)	(78,334)
Provisions	(76,135)	(3)	-		-	-	(76,138)	(84,218)
Other	(16,071)	(5,918)	(217)	(47)	-	80	(22,173)	(19,700)
Equity in the earnings of subsidiaries	11,733	-	105,008	-	-	(116,741)	**-**	-
FINANCIAL INCOME	**(85,464)**	**(10,483)**	**60**	**194**	**11,733**	**-**	**(83,960)**	**(91,453)**
Financial income	62,730	891	61	240	11,017	(20,881)	54,058	60,560
Financial expenses	(148,194)	(11,374)	(1)	(46)	716	20,881	(138,018)	(152,013)
OPERATING INCOME	**89,530**	**43,957**	**104,034**	**5,427**	**11,733**	**(116,741)**	**137,940**	**158,359**
NON-OPERATING INCOME	**17,876**	**-**	**-**	**-**	**-**	**-**	**17,876**	**(210)**
Non-operating income	19,349	-	-	-	-	-	19,349	13
Non-operating expenses	(1,473)	-	-	-	-	-	(1,473)	(223)
INCOME BEFORE TAXES	**107,406**	**43,957**	**104,034**	**5,427**	**11,733**	**(116,741)**	**155,816**	**158,149**
Social contribution tax	(9,065)	(4,006)	-	(645)	-	-	(13,716)	(16,371)
Income tax	(25,243)	(11,123)	-	(1,700)	-	-	(38,066)	(47,379)
NET INCOME	**73,098**	**28,828**	**104,034**	**3,082**	**11,733**	**(116,741)**	**104,034**	**94,399**

32. TARIFF ADJUSTMENT – Light SESA

On November 06, 2007, ANEEL approved the average tariff adjustment for Light SESA at 0.10% as of November 7, 2007, comprising all consumer classes (residential, industrial, commercial, rural and others).

The adjustment index, which is valid to the tariffs applied in the period between November 7, 2007 and November 6, 2008, consists of two components: the structural component, which now integrates the tariff, with an adjustment of 0.51% and the financial component, which is valid for the effectiveness period of such tariff, with a negative adjustment of 0.41%.

The tariff adjustment process basically consists of a transfer to end consumers of non-manageable concession costs (energy purchased for supply, sector charges and transmission charges), since these costs are calculated annually in detail, whether in the year of adjustment or tariff review. In relation to manageable costs, the transfer in years of tariff adjustment (according to rules set forth in the concession agreements of distribution concessionaires) is subject to IGPM variation, less “X” factors, which aim at transferring to consumers the concessionaire’s annual efficiency gains. The manageable costs of concession are calculated in detail only in years of tariff review (in case of Light SESA, this takes place every 5 years and the next one is scheduled for November 2008).

As part of the non-manageable costs was reduced over the past 12 months mainly due to decrease of CCC (Fuel Usage Quota, subsidy to thermal generation in Brazil's northern region) and U.S. dollar (index of energy purchases of Itaipu Binacional). Light SESA's tariff adjustment was below the inflation for the year.

Light SESA's end consumers had their electricity bills reduced by 4.79% as of November 07 due to the financial adjustments included in the tariff related to the period between November 2006 and November 2007, associated with the recovery of tariff differences from previous periods, which had a positive effect of 5.4% in tariffs.

Due to the tariff re-alignment in which high-voltage and low-voltage consumers receive different adjustment indexes, the average adjustment to each voltage level calculated by ANEEL occurred as follows:

Voltage Level	Effective adjustment on 2006 tariffs
Low Voltage (Residential)	-5.30%
A4	-3.30%
A3a	-4.11%
AS	-3.30%
A2	-5.29%
Average adjustment	**-4.79%**

33. AMENDMENT TO BRAZILIAN CORPORATE LAW

Law 11,638 was published in the Official Gazette on December 28, 2007 amending several provisions of Law 6,404 (publicly-held companies). These amendments take effect as of January 1, 2008.

Among the main amendments, we point out the following matters that, according to the Company's management, may change the presentation of our financial statements and the criteria for assessing our equity and financial condition, as well as our results as of and for the year to be ended in 2008:

- The Statement of Changes in Financial Position (DOAR) was extinguished, being replaced with the Statement of Cash Flows (DFC). For publicly-held companies, the Statement of Value Added (DVA) was also included as mandatory publication. DFC and DVA are also mandatory for all large companies, irrespective of their corporate structure, being subject to independent audit.

- Intangible assets and rights were separated from the tangible ones and permanent assets will be classified as investments, property, plant and equipment, intangible and deferred assets.

- The item "equity valuation adjustments" was included in shareholders' equity. The counter entries of increases or decreases in the amount attributed to assets and liabilities, as a result of their revaluation to market price will be deemed as equity valuation adjustments, and will not be oncluded in the income for the year pursuant to the accrual basis of accounting.

- Pre-operating and restructuring expenses which effectively contribute to increasing the income for more than one fiscal year and not only representing cost savings or increase in the operating efficiency will be classified as Deferred Assets.

Additionally, asset and liability valuation criteria were altered, pointing out the following issues:

- Assets and liabilities derived from long-term operations, as well as relevant short-term operations, will be adjusted to the present value, pursuant to international accounting rules;

- The recovery amount of assets and rights of property, plant and equipment, intangible and deferred assets will be periodically assessed in order to allow the registration of potential losses or a review of depreciation, amortization and depletion rates criteria;

- The rights classified as intangible assets shall be recorded at cost of acquisition, and will be reduced by the respective amortization account;

- Financial instruments “available for sale” or “for trading” now will be valued at market value;

- All other financial instruments shall be valued by their restated or adjusted cost, according to the probable realization value, if this is lower.

- Registration of revaluation reserves are no longer possible for publicly-held companies. This new Law allows companies to maintain current balances and realize them pursuant to the prevailing rules or to reverse these balances by the end of 2008.

The Company’s Management is evaluating the impacts of the aforementioned amendments on its shareholders’ equity and net income for 2008, as well as it will take into account the guidance and definitions to be issued by regulatory authorities. Currently, the Company’s Management understands it is not possible to determine the impacts of said amendments on income and shareholders’ equity for the quarter ended March 31, 2008.

34. LONG-TERM INCENTIVE PLAN

The Extraordinary General Meeting as of March 3, 2008 approved the Company’s Long-Term Incentive Plan, comprising Light S.A’s Long-Term Incentive Plan under the mode of Stock Option Plan and Light S.A’s Long-Term Incentive Plan, under the mode Phantom Stock Plan, as per proposal of resolution previously approved by the Company’s Board of Directors Meeting as of February 13, 2008, in order to: (i) attract and retain executives; (ii) align the executives’ interests with objectives and interests of shareholders; (iii) share the success in creating value with executives; and (iv) develop sustainability and long-term vision.

On March 14, 2008, Light S.A's Board of Directors approved the 2008 Long-Term Incentive Plan, which determines: (i) the number of options granted to each participant appointed for 2008 program, (ii) the table of reference unit of the Company's value, (iii) the draft of the agreement under the mode of stock option plan, and (iv) the draft of the agreement under the mode of phantom stock plan.

35. CASH FLOW – RELATED TO THE QUARTERS ENDED ON MARCH 31, 2008 AND MARCH 31, 2007.

	Parent Company		Consolidated	
	31/3/2008	31/3/2007	31/3/2008	31/3/2007
Cash flows from operations				
Net income (loss) for the period	104.034	94.399	104.034	94.399
Expenses (revenues) not affecting cash:				
Allowance for doubtful accounts	-	-	57.873	70.398
Provision for (reversal of) losses in the recovery of amounts in the Long-term Extraordinary Tariff Recovery	-	-	2.981	-
Provision for (reversal of) lossesin recovery of RTE amounts - long-term	-	-	(595)	-
Restatement of regulatory assets and liabilities	-	-	12.371	(25.673)
Adjustment of receivables to present value	-	-	2.126	(6.367)
Depreciation and amortization	-	-	82.147	78.334
Interest and monetary variations on noncurrent items, net	-	-	53.104	96.243
Equity in the earnings of subsidiaries	(105.008)	(96.899)	-	-
Write-off of property, plant and equipment	-	-	(16.278)	2.197
Deferred income and social contribution taxes	-	-	(11.230)	(6.256)
Charges and monetary variation on post-employment	-	-	38.797	20.553
Provision for contingencies - long-term liabilities	-	-	17.300	16.176
Other	-	-	(2.042)	(1.972)
	(974)	**(2.500)**	**340.588**	**338.032**
(Increase) decrease in assets				
Consumers and distributors	22	-	(11.259)	(49.574)
Recoverable taxes	(16)	(5)	171.393	107.790
Services provided	-	-	(12.674)	(21.983)
Inventories	-	-	(4.671)	(1.649)
Prepaid expenses	59	-	(367)	-
Regulatory assets	-	-	20.280	80.419
Dividends received	203.463	-	-	-
Escrow deposits	-	-	(2.050)	(18.794)
Other	16	15	(36.530)	21.472
	203.544	**10**	**124.122**	**117.681**
Increase (Decrease) in liabilities				
Suppliers	(47)	392	(28.276)	(8.057)
Energy suppliers	-	-	2.804	(1.371)
Payroll and social contributions	(3)	(63)	8.285	8.214
Taxes and social contributions	(2)	(10)	(128.638)	(82.314)
Loans and financing		-	(44.104)	-
Regulatory charges	-	-	(7.450)	17.449
Contingencies	-	-	(11.667)	(5.183)
Post-employment liabilities	-	-	(20.044)	(18.532)
Other	26	(290)	24.243	(9)
	(26)	**29**	**(204.847)**	**(89.803)**
Cash provided by (used in) operations	**202.544**	**(2.461)**	**259.863**	**365.910**
Cash flows from investing activities:				
Sale of income properties	-	-	2.000	-
Equity interest	(130)	(222)	-	-
Property, plant and equipment	-	-	(92.141)	(54.825)
Consumer contributions	-	-	147	1.385
Deferred charges	-	-	-	(17.597)
Cash used in investing activities	**(130)**	**(222)**	**(89.994)**	**(71.037)**
Cash flows from financing activities:				
Capital increase	-	-	-	74
Dividends paid	(203.463)	74	(203.463)	-
Loans and financing	-	2.793	-	1.001.117
Amortization of loans and financing	-	-	(62.327)	(1.556.266)
Cash provided by (used in) financing activities	**(203.463)**	**2.867**	**(265.790)**	**(555.075)**
Cash net variation	**(1.049)**	**184**	**(95.921)**	**(260.202)**
Statement of cash net variation				
At the beginning of the period	2.536	206	490.211	695.108
At the end of the period	1.487	390	394.290	434.906
Cash variation	**(1.049)**	**184**	**(95.921)**	**(260.202)**
Additional information				
Debt converted into capital increase	-	-	-	-
Interest paid	-	-	39.424	197.695

BOARD OF DIRECTORS

MEMBERS	ALTERNATES
Wilson Nélio Brumer	Luiz Fernando Rolla
Djalma Bastos de Morais	João Batista Zolini Carneiro
Eduardo Borges de Andrade	João Pedro Amado Andrade
Ricardo Coutinho de Sena	Paulo Roberto Reckziegel Guedes
Carlos Augusto Leone Piani	Ana Marta Horta Veloso
Firmino Ferreira Sampaio Neto	Paulo Jerônimo Bandeira de Mello Pedrosa
Aldo Floris	Lauro Alberto de Luca
Elvio Lima Gaspar	Joaquim Dias de Castro
Jose Luiz Silva	Carmen Lúcia Claussen Kanter
Ricardo Simonsen	Carlos Roberto Teixeira Junger
Ruy Flaks Schneider	Almir José dos Santos

FISCAL COUNCIL

SITTING MEMBERS	ALTERNATES
Ari Barcelos da Silva	Eduardo Gomes Santos
Isabel da Silva Ramos Kemmelmeier	Leonardo George de Magalhães
Eduardo Grande Bittencourt	Ricardo Genton Peixoto
Maurício Wanderley Estanislau da Costa	Márcio Cunha Cavour Pereira de Almeida
Aristóteles Luiz Menezes Vasconcellos Drummond	João Procópio Campos Loures Vale

BOARD OF EXECUTIVE OFFICERS

José Luiz Alquéres

Chief Executive Officer

Ronnie Vaz Moreira

Chief Financial Officer

Paulo Henrique Siqueira Born

Officer

Ana Silvia Corso Matte

Officer

Leonardo Lins de Albuquerque

Officer

Luiz Claudio Cristofaro

Officer

Roberto Manoel Guedes Alcoforado

Officer

Paulo Roberto Ribeiro Pinto

Officer

CONTROLLERSHIP AND PLANNING SUPERINTENDENCE

Elvira Madruga B Cavalcanti
Controllership and Planning Superintendence
CPF 590.604.504-00

Luciana Maximino Maia
ACCOUNTANT – Accounting Manager
CPF 144.021.098-50
CRC-RJ 091476/O-0

Light S.A.

Review report of independent auditors on the Quarterly Financial Information (ITRs)

Quarter ended March 31, 2008

Review report of independent auditors

To the
Board of Directors of
Light S.A.
Rio de Janeiro - RJ

1. We have reviewed the Quarterly Financial Information (ITR) of Light S.A. ("Company") and of this Company and its subsidiaries (consolidated information) for the quarter ended March 31, 2008, comprising the balance sheets, the statements of income, the management report and notes, which are the responsibility of its Management.

2. Our review was conducted in accordance with the specific rules set forth by the IBRACON - The Brazilian Institute of Independent Auditors, in conjunction with the Federal Accounting Council - CFC, and consisted mainly of the following: (a) inquiries and discussions with the persons responsible for the Accounting, Financial and Operational areas of the company and its subsidiaries as to the main criteria adopted in the preparation of the Quarterly Financial Information; and (b) reviewing information and subsequent events that have or may have relevant effects on the financial position and operations of the Company and of its subsidiaries.

3. Based on our review, we are not aware of any material modifications that should be made to the Quarterly Financial Information referred to in the first paragraph for it to be in accordance with the rules issued by the Brazilian Securities Commission, specifically applicable to the preparation of the Quarterly Financial Information, including the Notice to the Market as of January 14, 2008.

4. As mentioned in note 33, on December 28, 2007 Law no. 11,638 was enacted, and effective from January 1, 2008. This Law modified, amended and introduced new rules to the existing Corporate Law (Law no. 6,404/76) and will result in changes to the accounting practices currently adopted in Brazil. Despite the fact that the new Law is already in force, the main changes required depend on the issuance of further normatization by local regulators, in order for them to be fully adopted by the companies. Therefore, in this transition phase, CVM, through the Notice to the Market as of January 14, 2008, allowed the non-application of rules described within Law no. 11,638/07 in the preparation of the Quarterly Financial Information. As a consequence, the accounting information included in the Quarterly Financial Information for the quarter ended March 31, 2008 was prepared in accordance with the specific rules set forth by the CVM and does not contemplate the changes to the accounting practices introduced by Law no. 11,638/07.

5. The financial statements of Light S.A. and the consolidated financial statements of this Company and its subsidiaries, related to the year ended December 31, 2007, whose balance sheets are being presented for comparison purposes, were examined by other independent auditors, who, on them, issued an unqualified opinion, dated February 13, 2008. The quarterly financial information related to the quarter ended March 31, 2007 was reviewed by other independent auditors who, on it, issued an unqualified special review report, dated May 8, 2007.

May 5, 2008

KPMG Auditores Independentes
CRC-SP-14.428/O-6-F-RJ

Vânia Andrade de Souza
Accountant CRC-RJ-057.497/O-2