



Results Conference Call
2010

O RIO É LIGHT

Highlights

OPERATING PERFORMANCE

- ▶ Total energy consumption in 2010 was 4.2% higher than in 2009, with the free and captive markets recording respective increases of 21.5% and 2.0%. All consumption categories posted growth.
- ▶ Third consecutive losses reduction. In december/10, the non-technical losses index reached 41.8% over the low-voltage market, compared to 12 months ending in December.
- ▶ CAPEX in 2010: R\$ 700.6 millions: (i) Progress in the generation new projects construction and (ii) Accelerated program losses through new technologies..

RESULTS

- ▶ Net Revenue of R\$ 6,508.6 millions in 2010, with increase of 4.9%.
- ▶ EBITDA of R\$ 1,584.6 millions, growth of 14.7% and margin of 26.6%.
- ▶ Net Income of R\$ 575.2 millions in 2010.

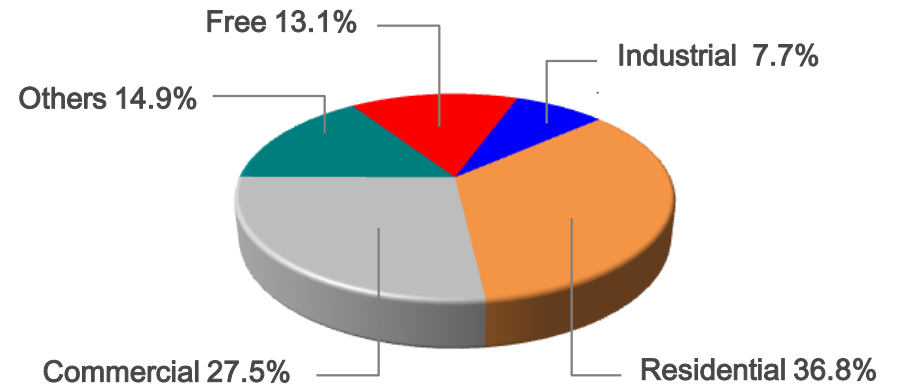
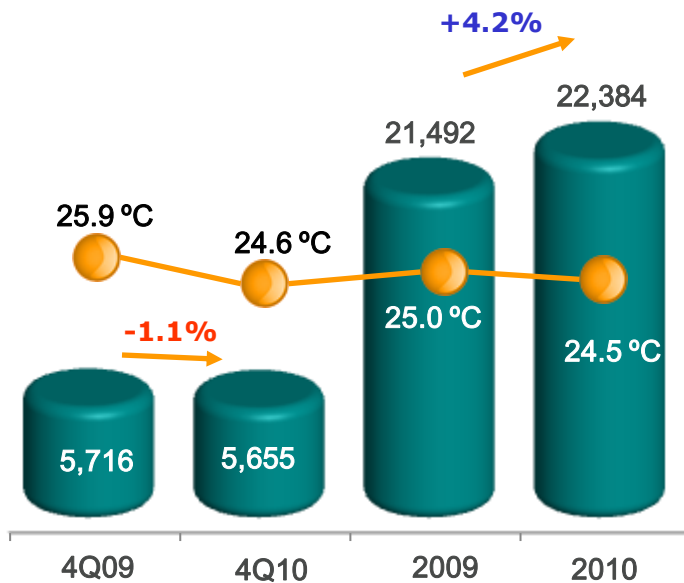
CAPITAL STRUCTURE

- ▶ Cash balance of R\$ 525.2 millions in dec/10.
- ▶ Proposal of dividend payment (BDM of 03/25): R\$ 351 millions.
- ▶ Net Debt of R\$ 1,947.4 millions, with Net Debt/EBITDA in 1.2x.

Energy Consumption

Distribution

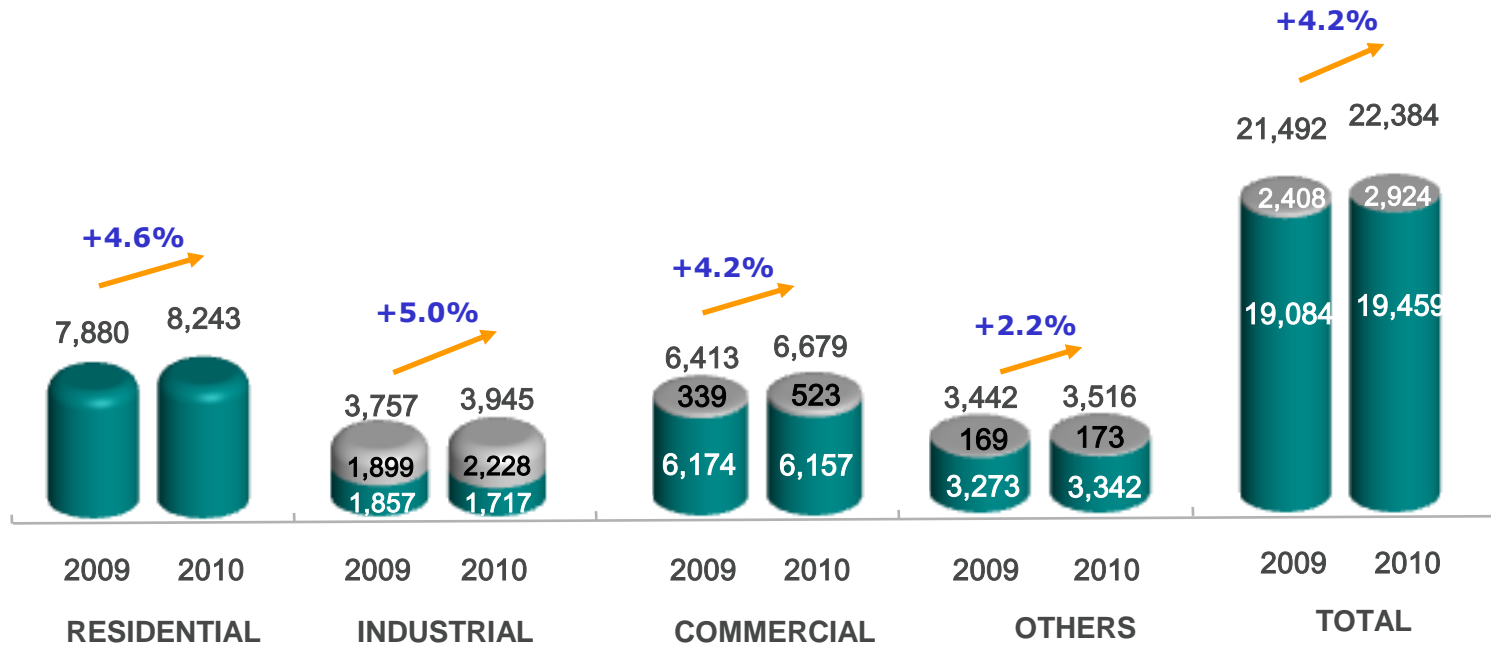
ELECTRICITY CONSUMPTION¹ CAPTIVE + FREE CUSTOMERS (GWh)



¹ Note: To preserve comparability in the market approved by ANEEL in the tariff adjustment process, the billed energy of the free customers Valesul, CSN and CSA were excluded in view of these customers' planned migration to the core network.

Total Market

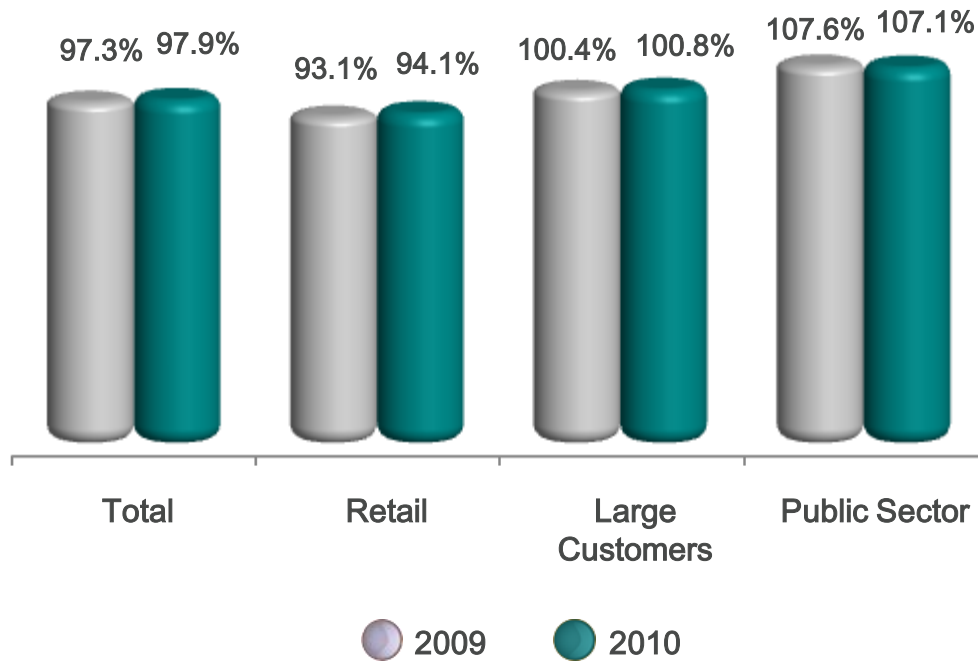
ELECTRICITY CONSUMPTION (GWh) CAPTIVE + FREE CUSTOMERS



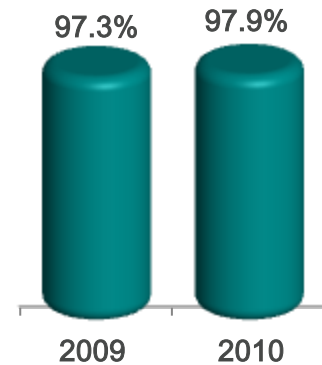
● CAPTIVE ● FREE

Collection

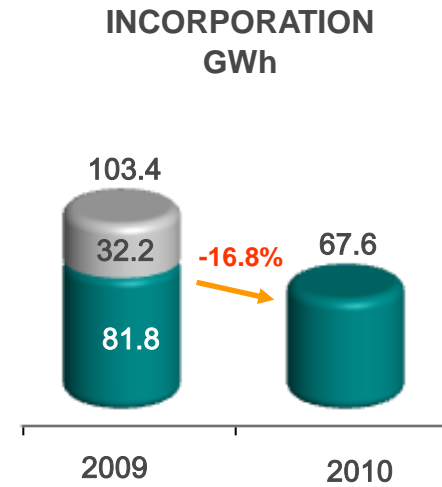
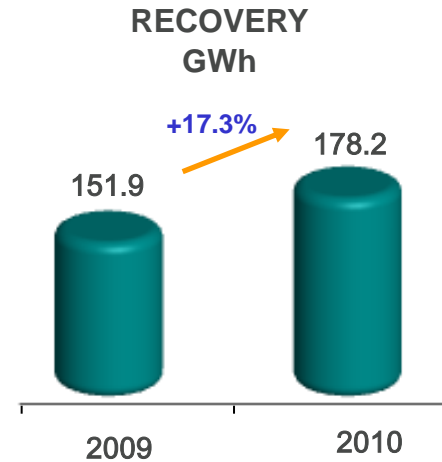
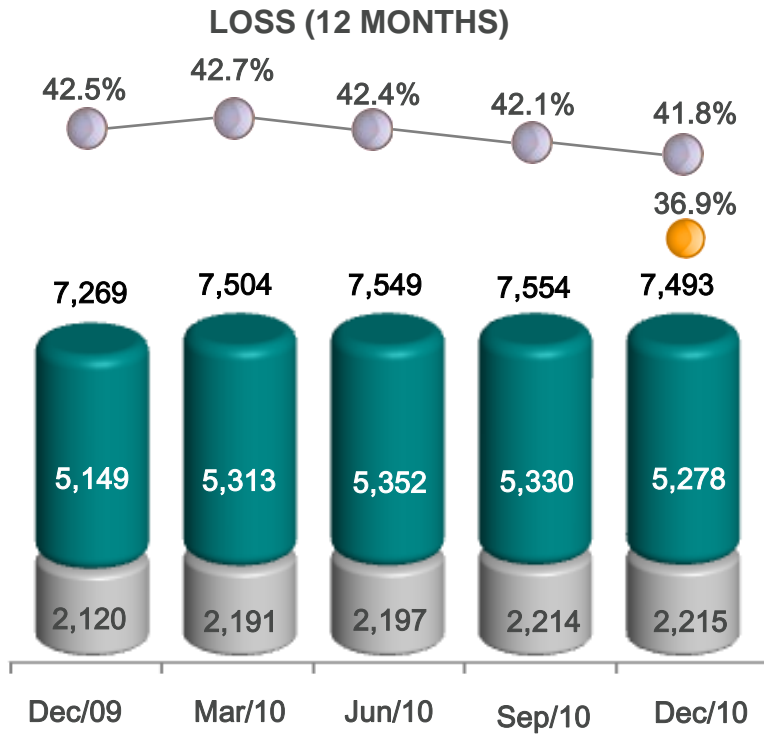
COLLECTION RATE BY SEGMENT
12 MONTHS



COLLECTION RATE
12 MONTHS



Loss Prevention



- Non-technical losses GWh
- Technical losses GWh
- % Non-technical losses / Low voltage market
- % Non-technical losses / Low voltage market - Regulatory

Communities

Current Situation

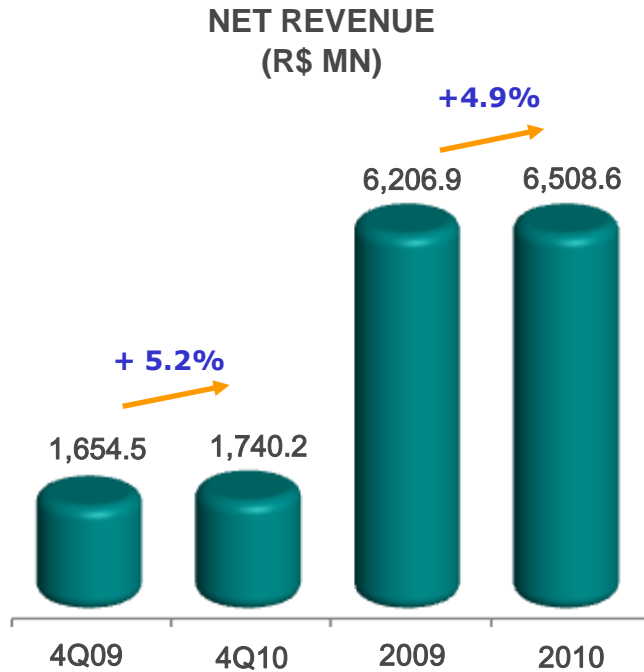
Communities		Clients	Losses	Delinquency rate
Santa Marta	Before	80	90%	70%
	After	1.677	3%	9%
Chapéu Mangueira	Before	408	56%	74%
	After	545	5%	0%
Cidade de Deus	Before	2.800	61%	68%
	After	3.712	11%	12%
Babilônia	Before	389	73%	54%
	After	677	TBD	TBD
Casa Branca	Before	470	58%	52%
	After	800	TBD	TBD
Batam	Before	0	62%	51%
	After	400	TBD	TBD
Cantagalo	Before	1.054	68%	79%
	After	1.741	TBD	TBD

11 communities more during 2011:

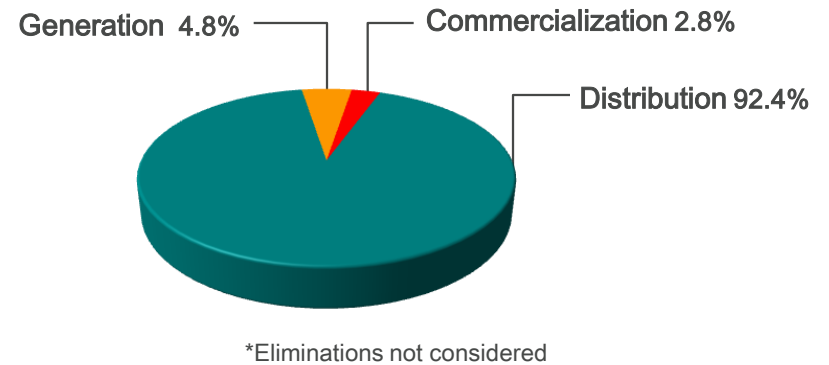
Pavão-Pavãozinho, Providência, Ladeira dos Tabajaras, Morro dos Cabritos, Borel, Novo Rio, Salgueiro, Complexo do Alemão (1st Part), Morro dos Macacos (1st Part), Cidade de Deus (2nd Part), Batam (2nd Part)

50 thousand clients

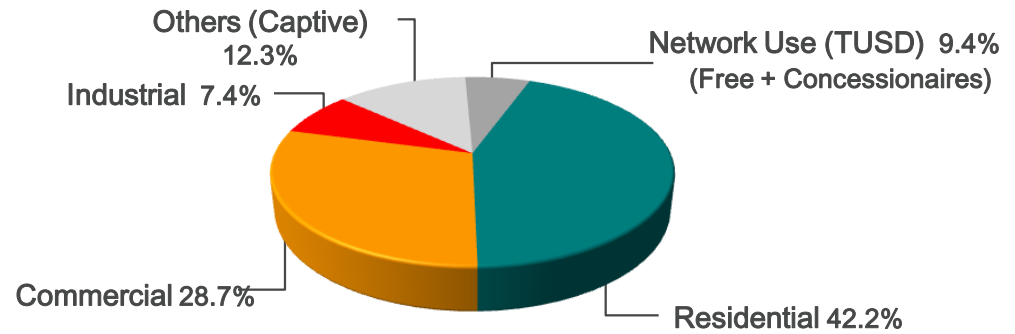
Net Revenue



NET REVENUE BY SEGMENT (2010)*

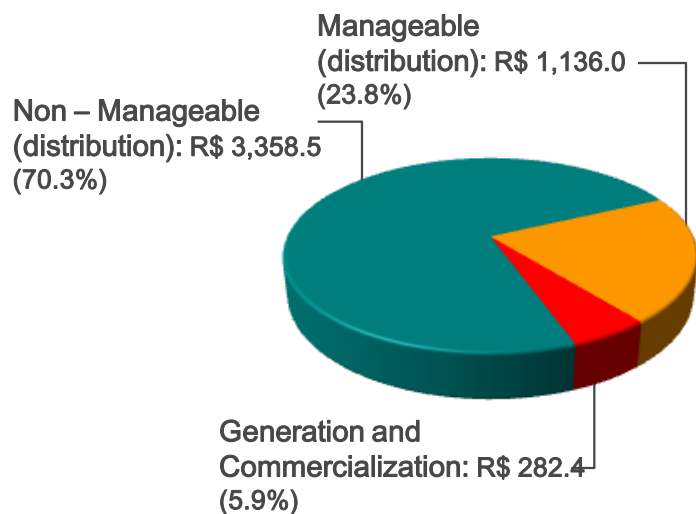


NET REVENUE FROM DISTRIBUTION 2010

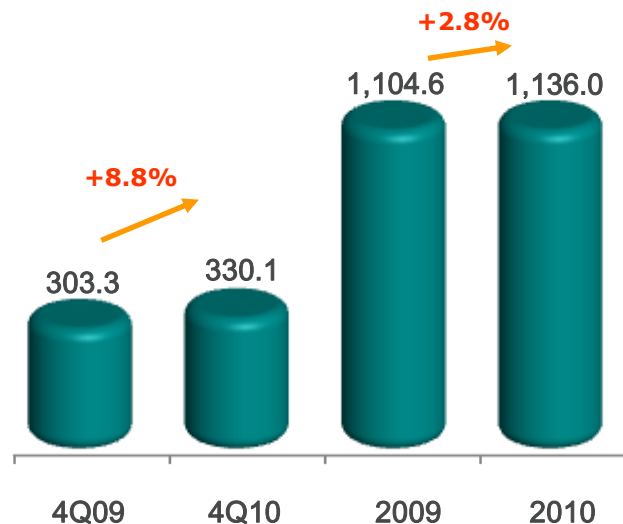


Operating Costs and Expenses

**COSTS (R\$MN)
2010**



DISTRIBUTION MANAGEABLE COSTS (R\$MN)

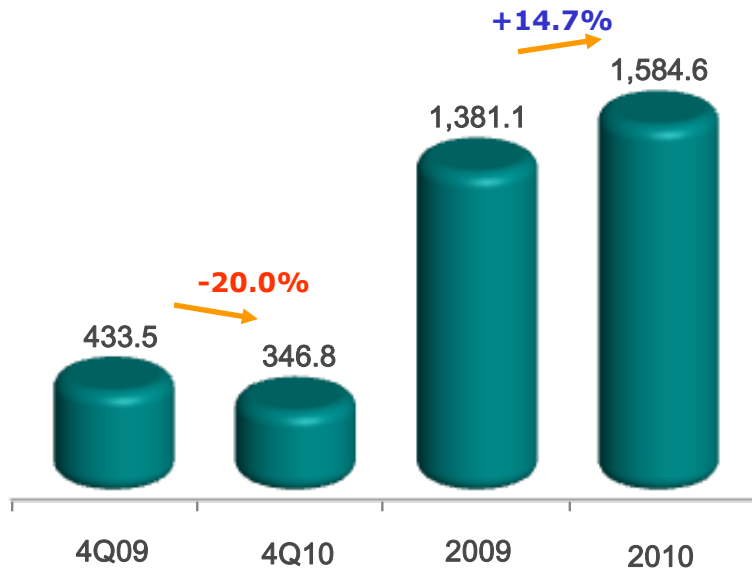


*Eliminations not considered

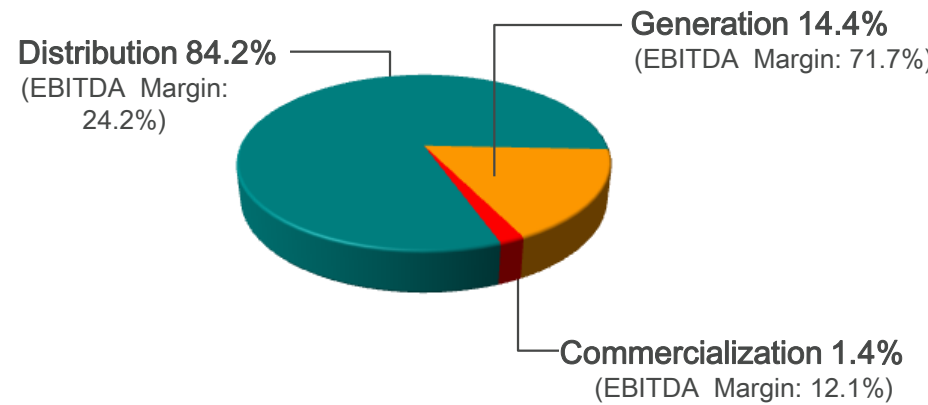
R\$ MN	4Q09	4Q10	Var %	2009	2010	Var %
PMSO	149.0	198.8	33.5	522.6	637.4	22.0
Provisions	84.4	57.2	(32.2)	302.0	208.4	-31.0
PDD	61.7	49.3	-20.1	246.0	254.8	3.6
Contingencies	22.7	7.9	-70.5	56.0	(46.4)	-22.7
Depreciation	70.0	74.0	5.8	280.1	290.2	3.6
Total	303.3	330.1	8.8	1,104.6	1,136.0	2.8

EBITDA

CONSOLIDATED EBITDA
(R\$MN)

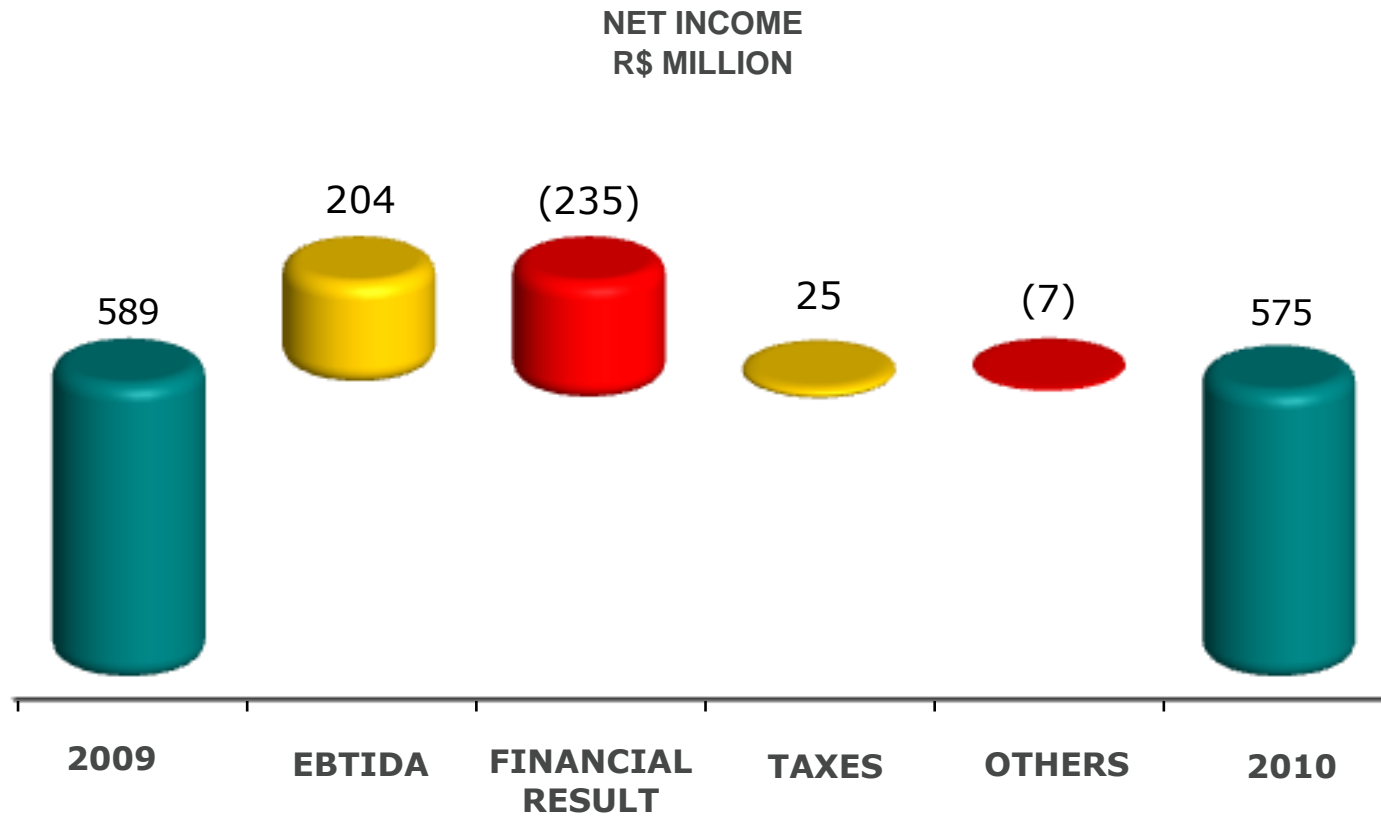


EBITDA BY SEGMENT*
2010



*Eliminations not considered

Net Income

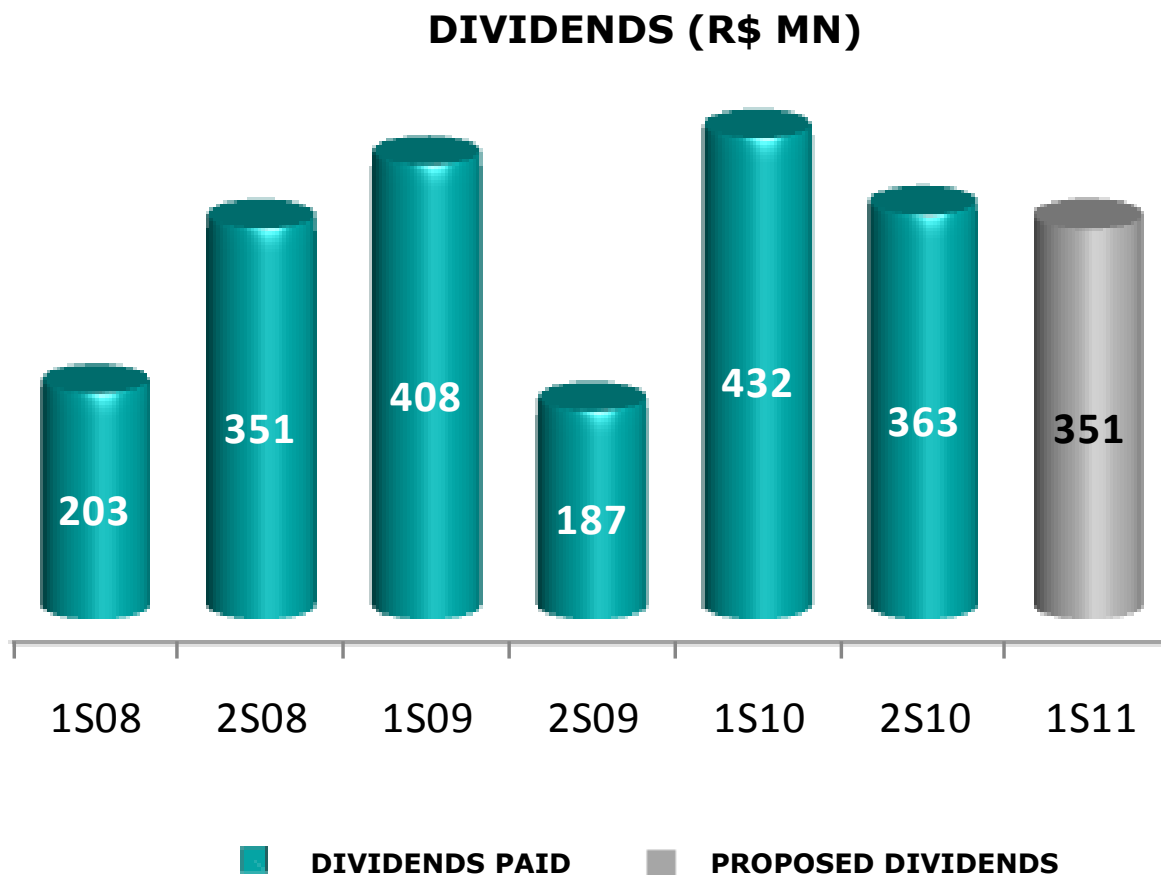


IFRS Adjustments

Impacts on the results (R\$ MN)

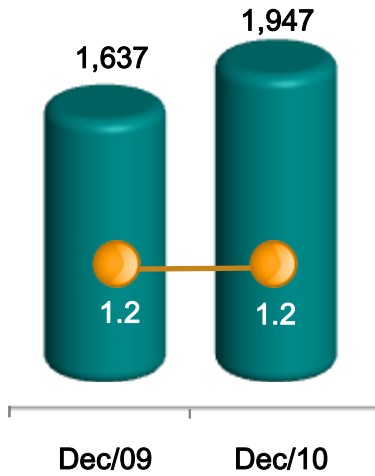
	2010	2009
Net Income before adjustments	423.3	604.8
Regulatory Assets and Liabilities	267.5	199.4
<i>Net Revenue</i>	32.9	247.6
<i>Operating Expenses</i>	241.7	(34.0)
<i>Financial Result</i>	(7.1)	(14.2)
Net Fixed Assets	(37.4)	(43.7)
<i>Depreciation</i>	(37.1)	(38.7)
<i>Other Operating Expenses</i>	(0.2)	(5.0)
Receita de Construção	0.0	0.0
<i>Net Revenue</i>	552.8	527.0
<i>Operating Expenses</i>	(552.8)	(527.0)
Social Contributions and Income Tax	(78.2)	(171.7)
Net Impact	151.9	(16.0)
Net Income after adjustments	575.2	588.8

Dividends – Payment History

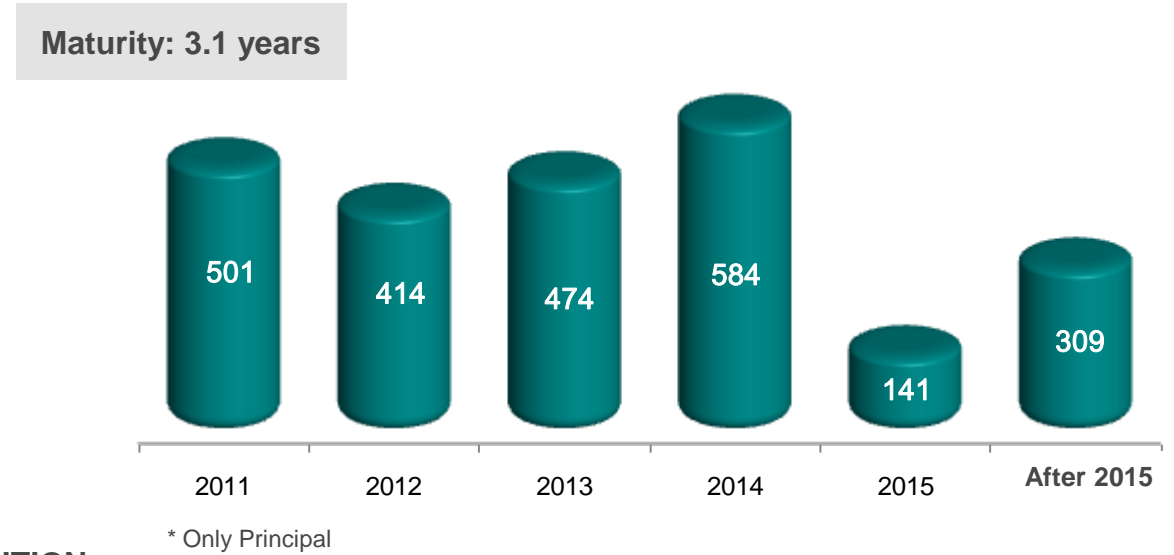


Indebtedness

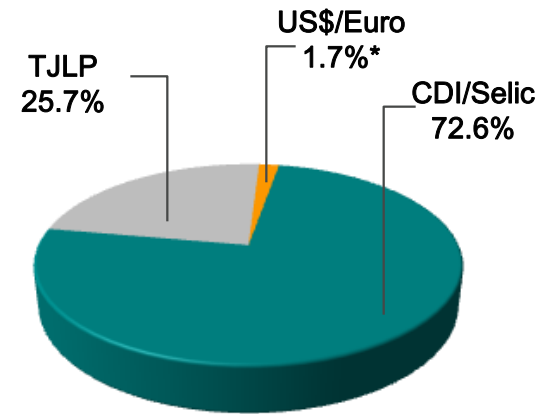
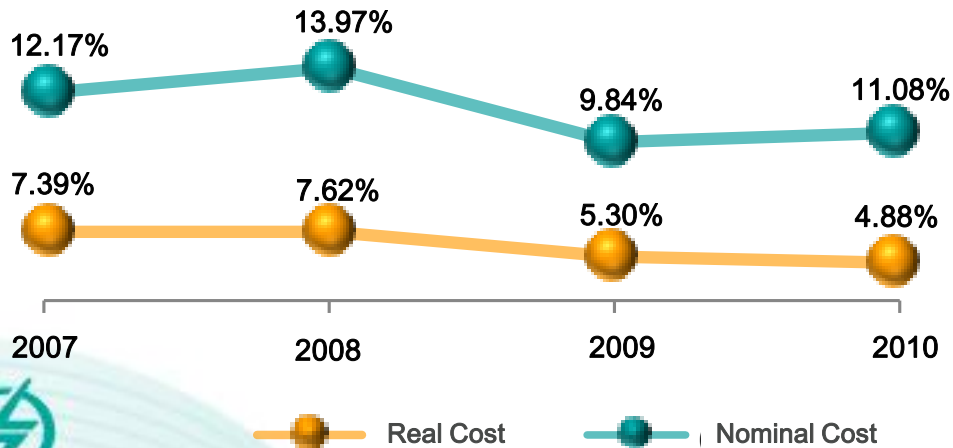
NET DEBT EVOLUTION



AMORTIZATION* 2010 (R\$ MN)



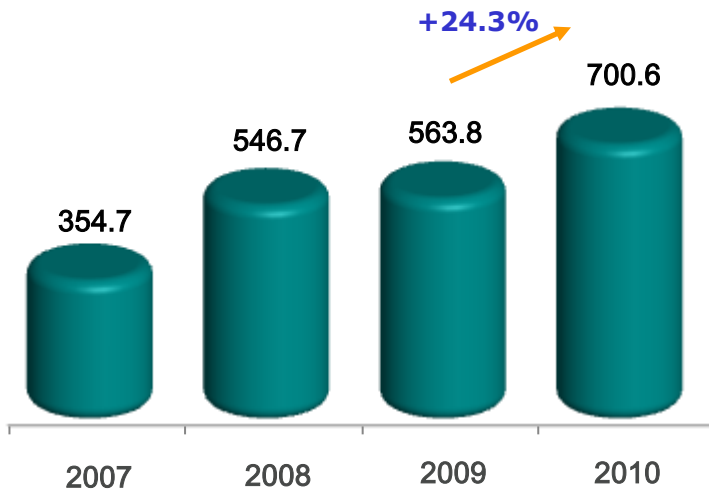
DEBT COST EVOLUTION



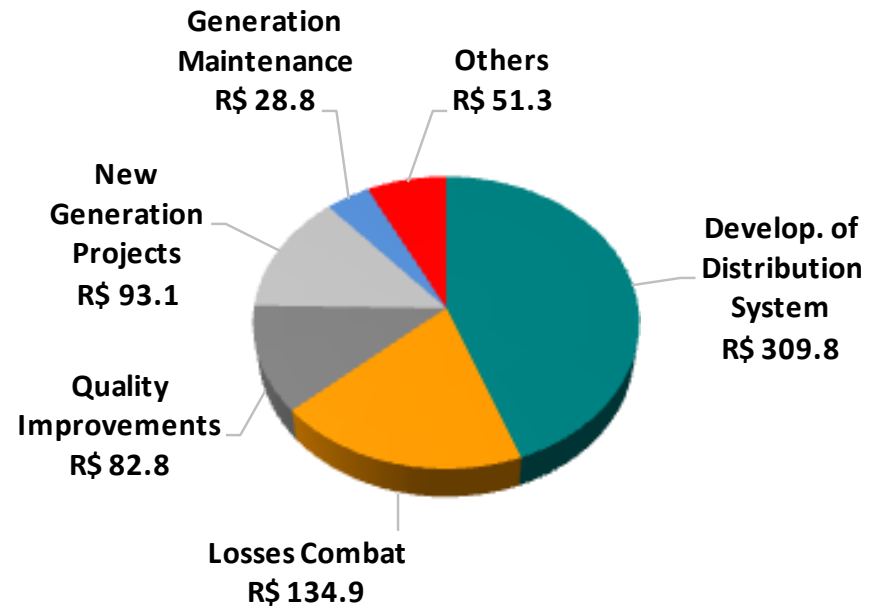
* Considering Hedge

Investments

CAPEX (R\$MN)



CAPEX BREAKDOWN (R\$MM)
2010



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