



**Results Conference Call**  
2008

**O RIO É LIGHT**

# 2008 Highlights

## MARKET

- ▶ Captive market: stable versus 2007.
- ▶ Reduction of 0.53 p.p in non-technical energy losses in the year.

## FINANCIAL RESULTS

- ▶ Net income of R\$974.5 million, up 148.9% on recurring terms.
- ▶ EBITDA growth of 32.2% in 2008
- ▶ Dividends: R\$500 million, payout of 52.7% and yield of 9.7%
- ▶ Cash generation of R\$654.1 million before dividends.

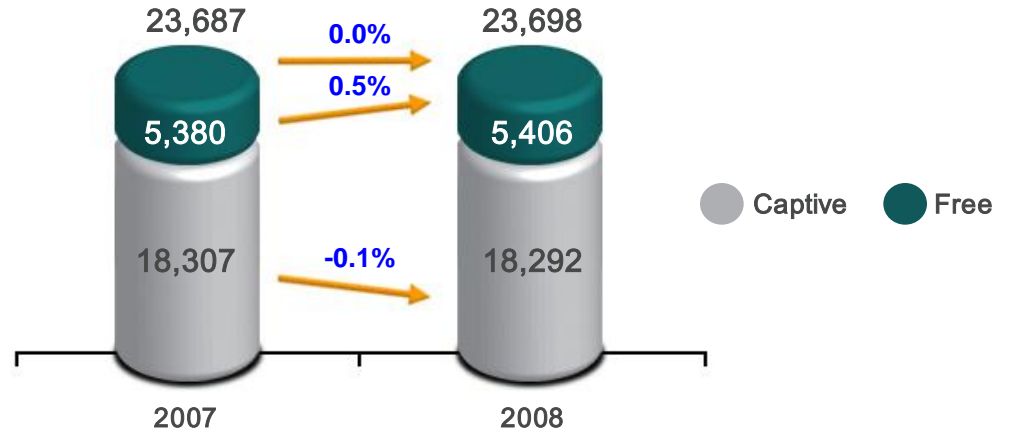
## GENERATION

- ▶ License granted to install PCH Paracambi.
- ▶ Start to hire the Executive Project of the PCH Lajes and construction of tunnel 2.
- ▶ Itaocara: Development of the Basic Engineering Project and Environmental Impact Studies (EIA-RIMA)

# Energy Sales Distribution

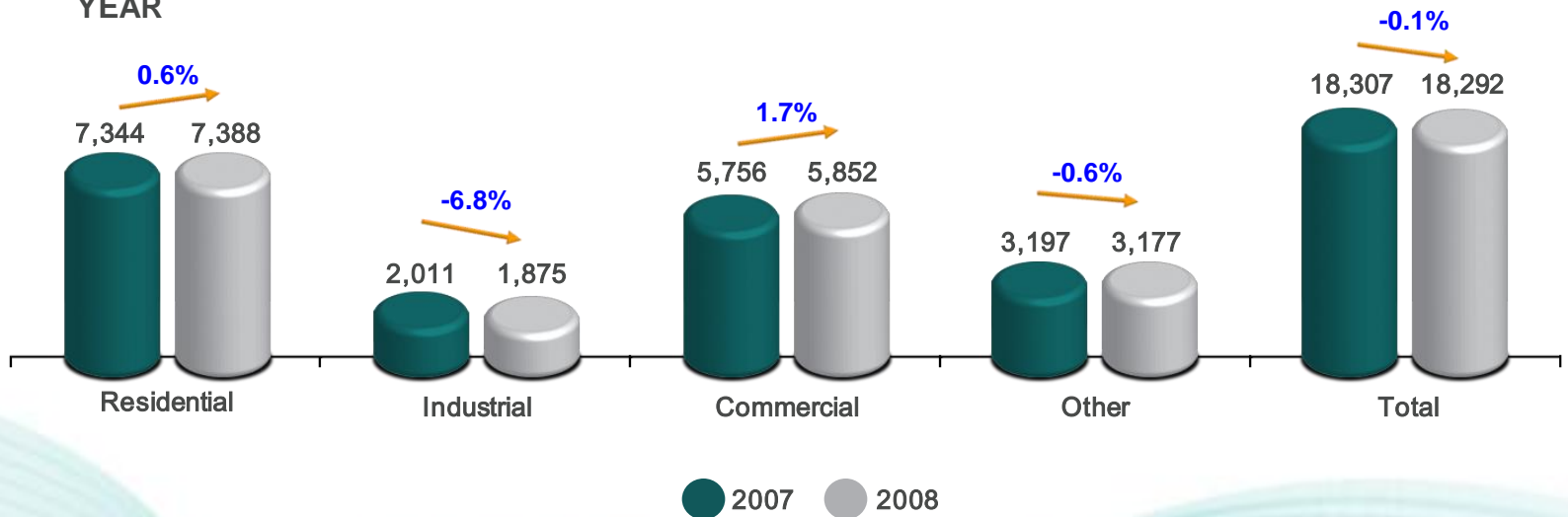
ELECTRIC ENERGY CONSUMPTION (GWh)

TOTAL MARKET (Captive + Free)



ELECTRIC ENERGY CONSUMPTION (GWh)

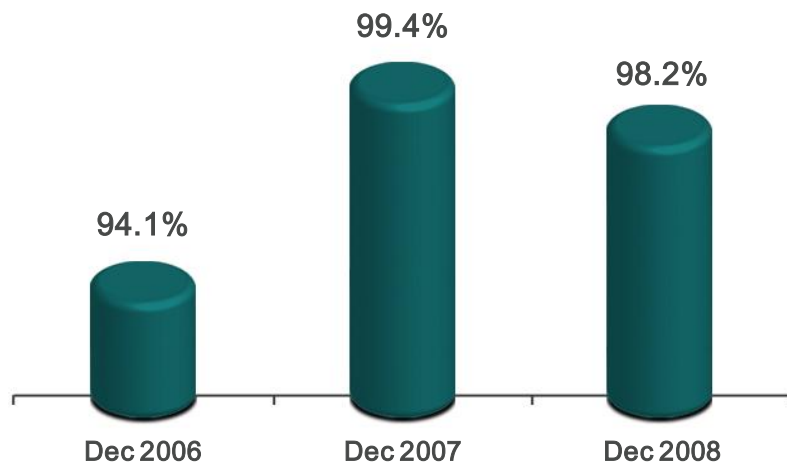
YEAR



# Collection Evolution

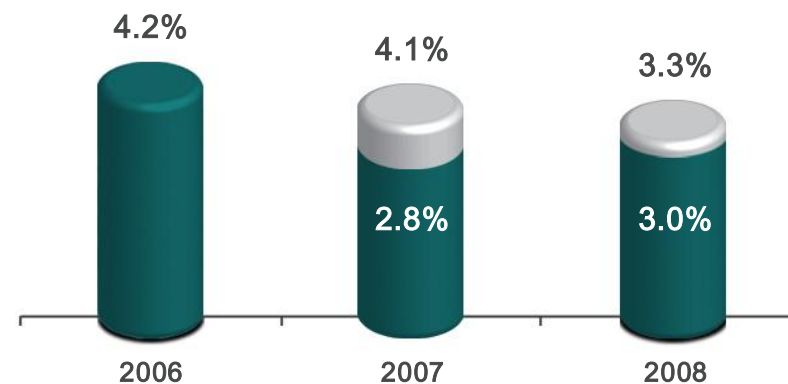
## COLLECTION INDEX

(12 Months Average)



## PDD/GROSS REVENUE

(Billed Sales)



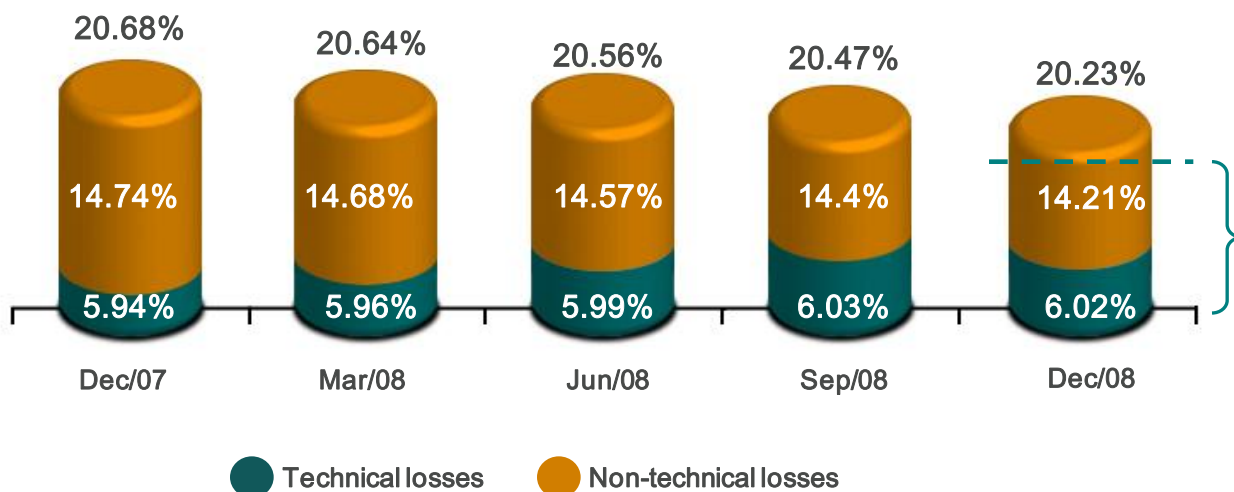
R\$MM	2007	2008	Variation
PDD	199.5	235.8	36.3
Non-recurring effect	86.91 <sup>1</sup>	(21.7) <sup>2</sup>	
“Adjusted” PDD	286.4	214.1	(72.3)

<sup>1</sup> Supervia's PDD reversal

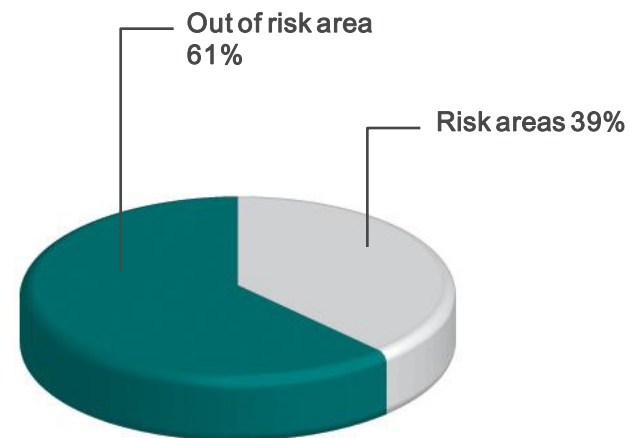
<sup>2</sup> Adjustment made in the provision calculation

# Losses Fight Reduction

LOSSES EVOLUTION- % Grid Load (12 months)



Pass-through in the tariff: 19.15%  
NON-TECHNICAL LOSSES PROFILE (2008)



# Losses Fight New Technology



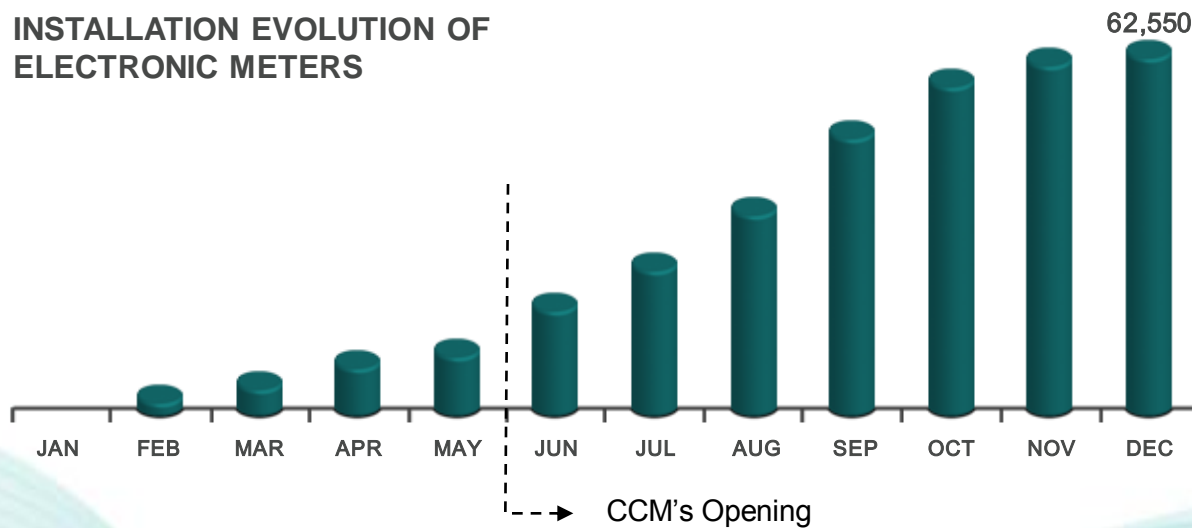
Measurement Control Center - CCM



Centralized Electronic Meter - SMC

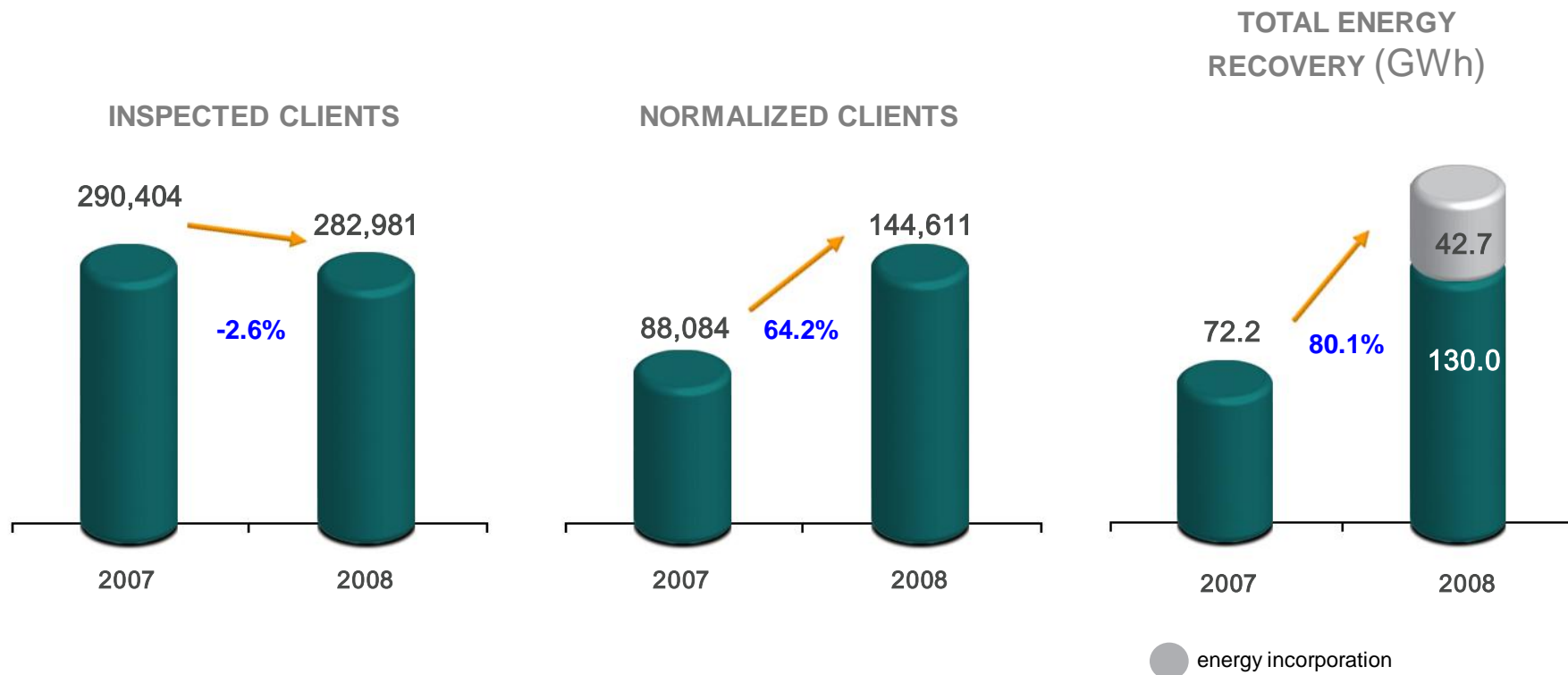
Individual Electronic Meter - SMI

## INSTALLATION EVOLUTION OF ELECTRONIC METERS



# Losses Fight

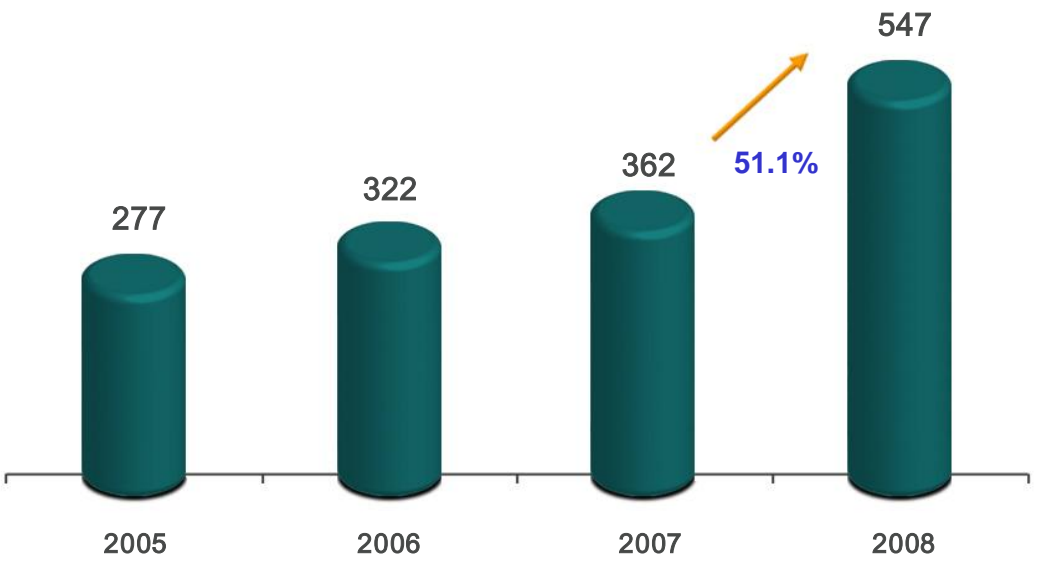
## Energy Recovery Indicators





# Investments

INVESTMENT (R\$MM)



MAIN INVESTMENTS

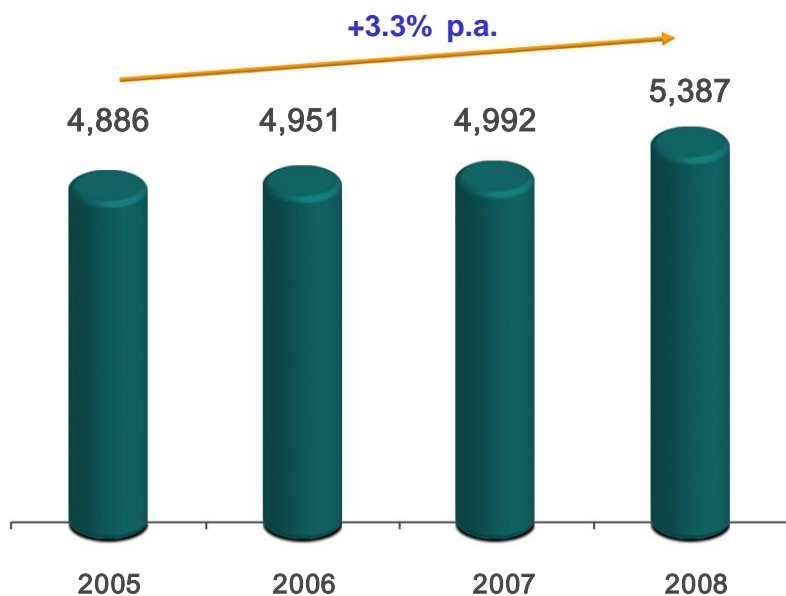
R\$ mn	2007	2008	difference
Losses fight	48.5	156.0	107.5
Distribution network development	152.3	165.4	13.1
Quality improvement (structure optimization and preventive maintenance)	30.4	64.8	34.4
Generation maintenance	18.7	24.8	6.1
New generation projects	0.6	23.0	22.4



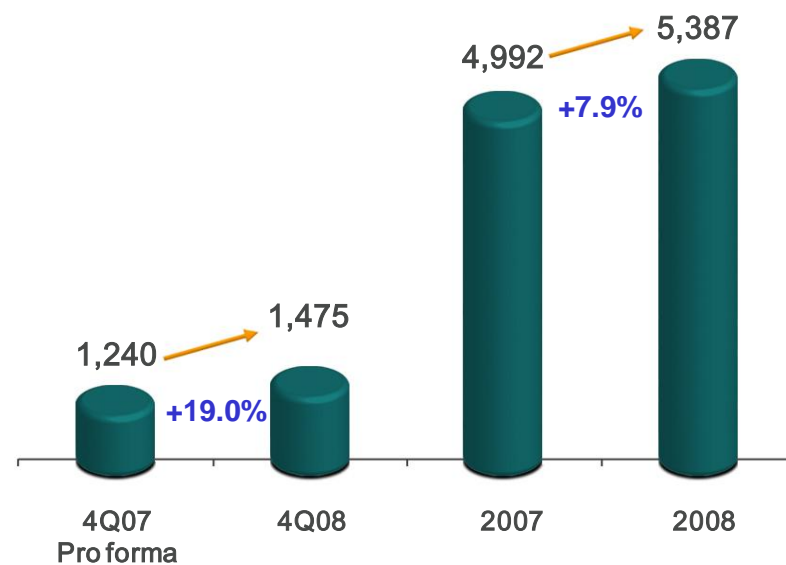


# Net Revenue

NET REVENUE EVOLUTION (R\$MM)

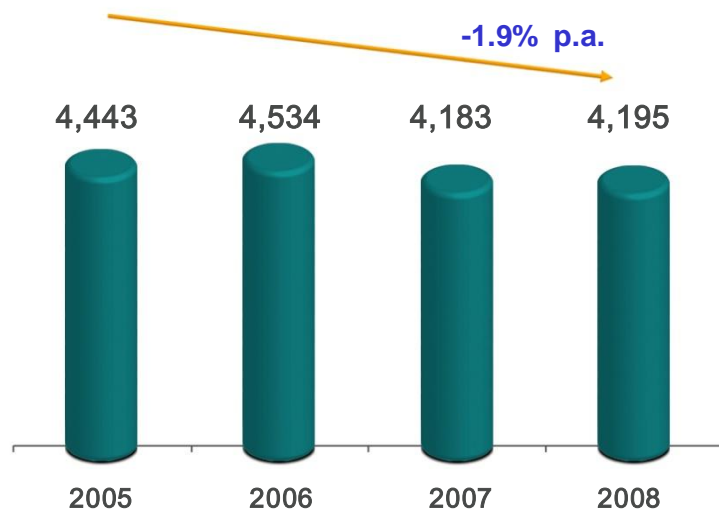


NET REVENUE (R\$MM)

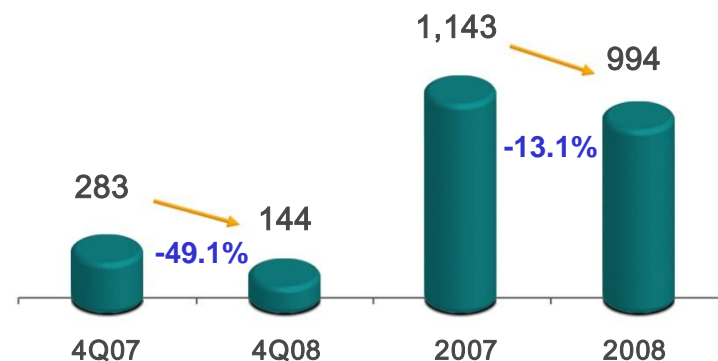


# Operating Costs and Expenses

**COST EVOLUTION** (Non-manageable + manageable)  
(R\$MM)



**MANAGEABLE COSTS OF THE DISTRIBUTION BUSINESS** (R\$MM)



**MANAGEABLE COSTS OF THE DISTRIBUTION BUSINESS**

	4Q07 <sup>1</sup>	4Q08	%	2007 <sup>1</sup>	2008	%
1) PMSO <sup>2</sup>	(152.0)	(143.1)	-5.9%	(542.7)	(505.4)	-6.9%
2) Depreciation	(69.6)	(61.8)	-11.1%	(301.8)	(287.1)	-4.9%
3) Provisions <sup>3</sup>	(61.4)	61.0	–	(298.8)	(201.2)	-32.7%
<b>TOTAL (1+2+3)</b>	<b>(282.9)</b>	<b>(144.4)</b>	<b>-49.1%</b>	<b>(1,143.2)</b>	<b>(993.6)</b>	<b>-13.1%</b>

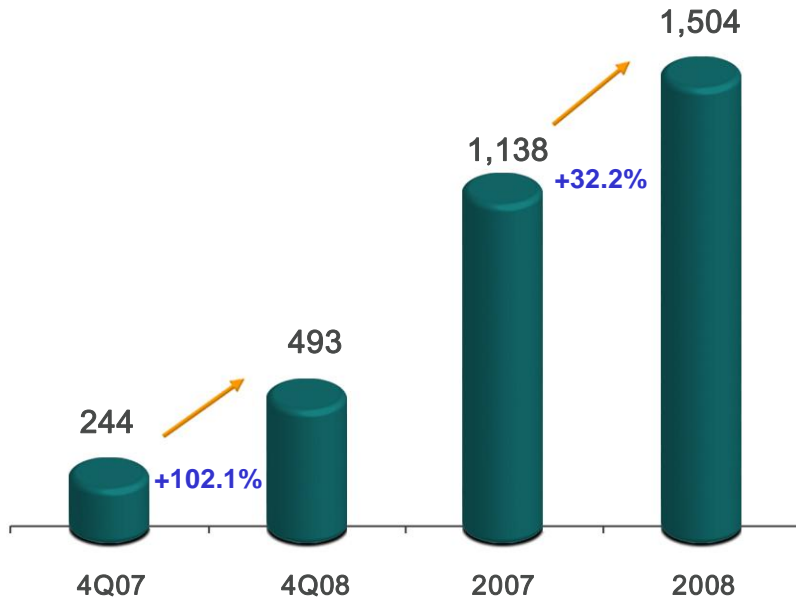
<sup>1</sup> Pro forma figures, not considering provisions recorded in 4Q07

<sup>2</sup> It doesn't include profit sharing (PLR)

<sup>3</sup> In 2008 the provisions account was affected by the reversal of Braslight's provision in the amount of R\$133.8 million

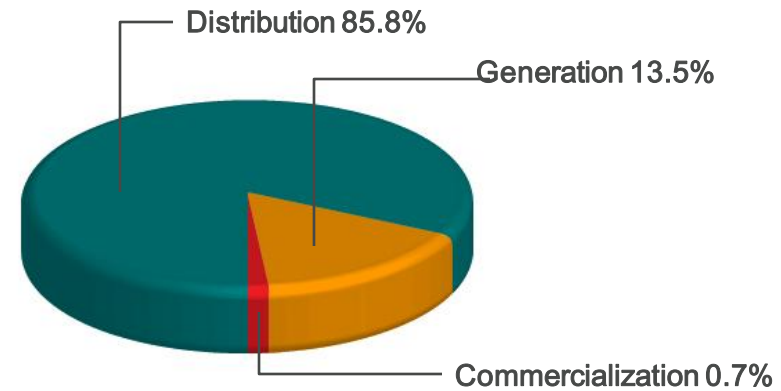
# EBITDA

EBITDA (R\$MM)



EBITDA PER SEGMENT\*

2008



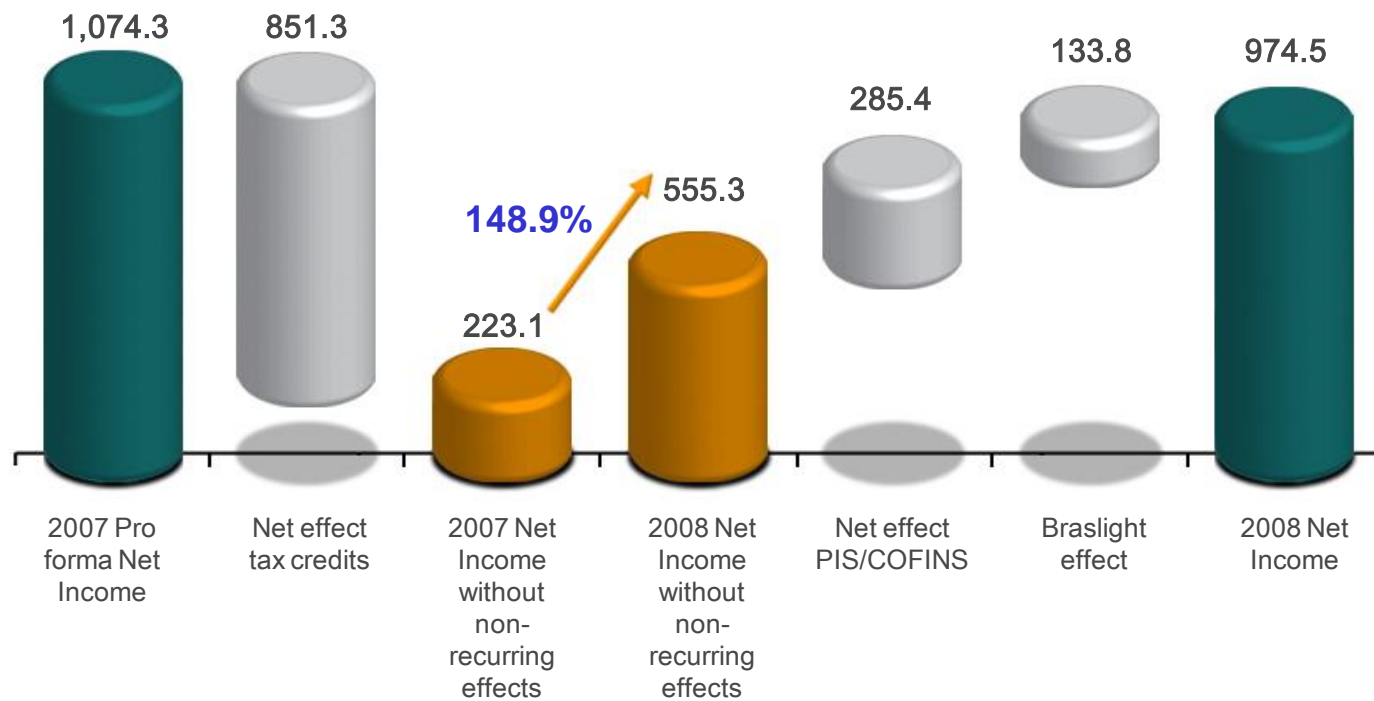
\*It doesn't consider eliminations

ACCUMULATED IN THE YEAR\* - R\$MM

	EBITDA - 2008	EBITDA Margin	
		2007	2008
Distribution	1,313.6	20.4%	25.8%
Generation	206.4	63.0%	67.8%
Commercialization	10.5	13.6%	13.4%
Consolidated	1,504.1	22.8%	27.9%

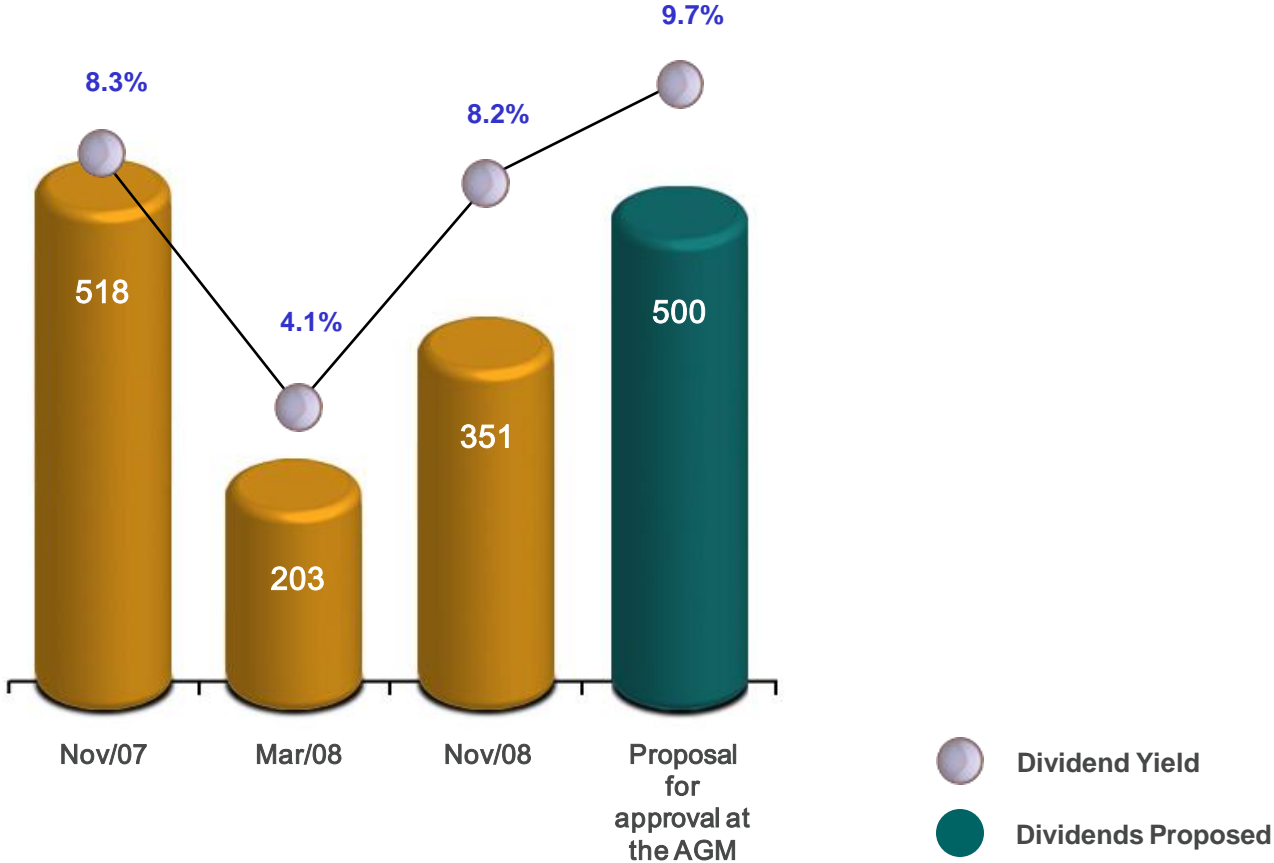
\*It doesn't consider eliminations

# Net Income



# Dividends

DIVIDENDS AND DIVIDEND YIELD\*

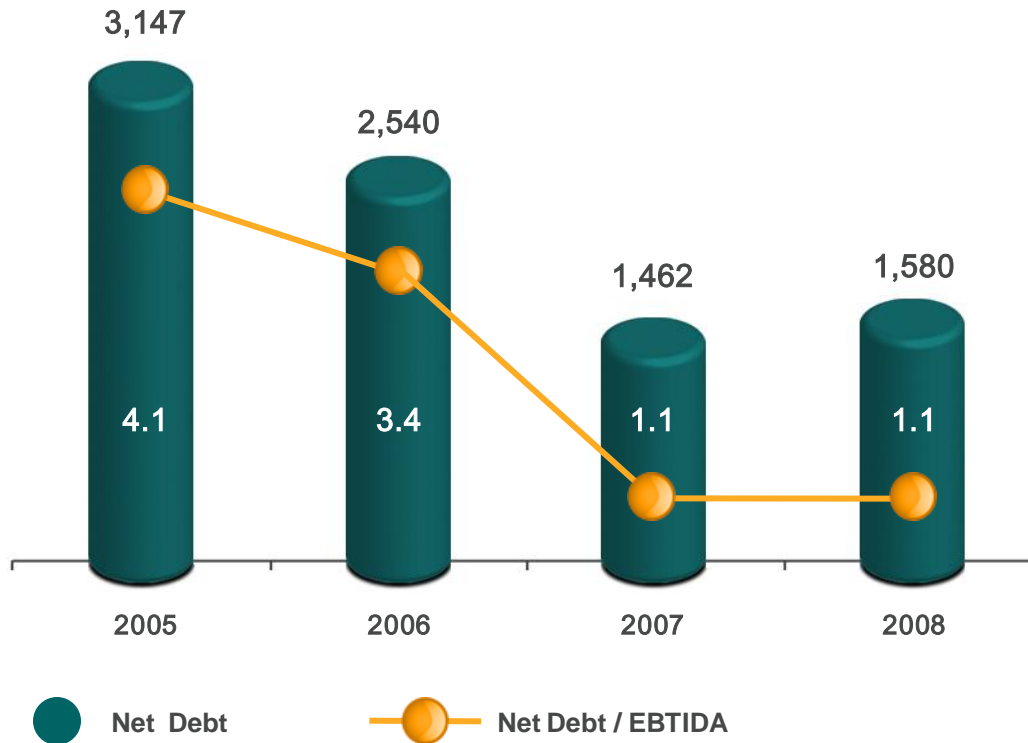


\* Based on the closing price of the previous day to the announcement



# Indebtedness

## NET DEBT EVOLUTION

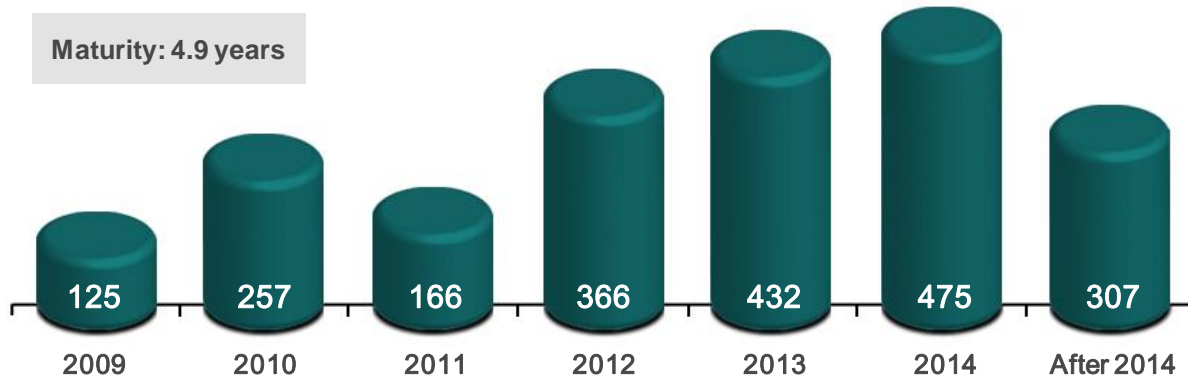


(1) Net Debt = Total Debt (excludes pension fund liabilities) - Cash

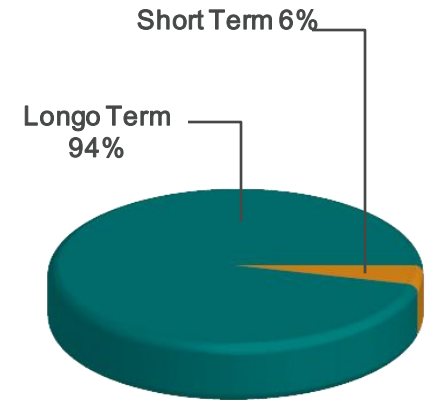
# Indebtedness

## AMORTIZATION\* DEC/08 (R\$ MILLION)

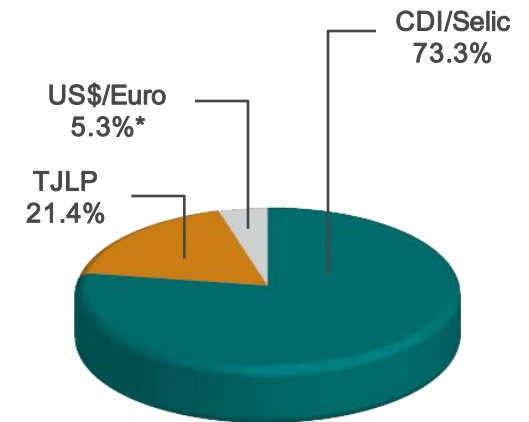
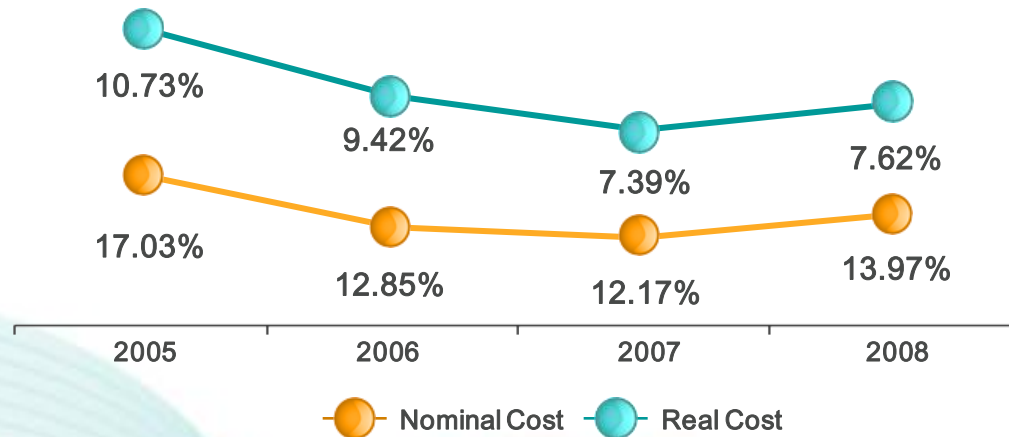
Maturity: 4.9 years



\* Principal only



## DEBT COST EVOLUTION



\* Includes Hedge



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