



# 2007 Results Conferece Call

February 15, 2007



# 2007 Highlights

## Financial Results

- ▶ 2007 net income totaled R\$1,077 million, against losses of R\$150 million in 2006
- ▶ Distribution of interim dividends of R\$203.5 million, totaling R\$721.5 million in 2007 – 67% of net income
- ▶ 49.7% increase in EBITDA, totaling R\$1,105 million in 2007
- ▶ 42.4% reduction in the Company's net debt
- ▶ Company rated investment-grade level by S&P
- ▶ Listing in Bovespa's Corporate Sustainability Index (ISE)

## Market

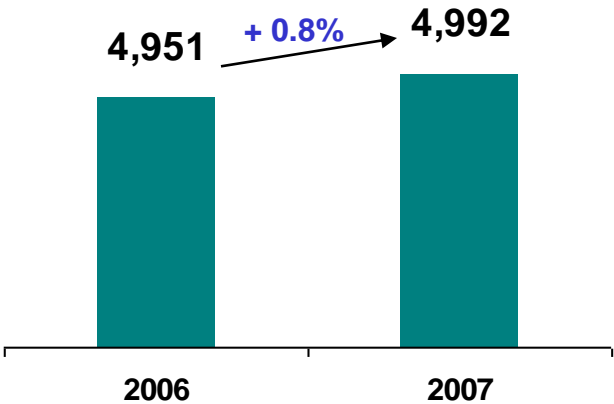
- ▶ 3.3% growth in electricity consumption within Light's concession area
- ▶ Substantial increase in collection rate, from 93% in 2006 to 99.4% in 2007.
- ▶ Continuous growth in the trading business: news services and customers – increase of 48 customers in the year, and growth of 600% in revenue.
- ▶ Ranked 2<sup>nd</sup> in the Southeast according to IASC (customer satisfaction survey conducted by ANEEL)

## CAPEX

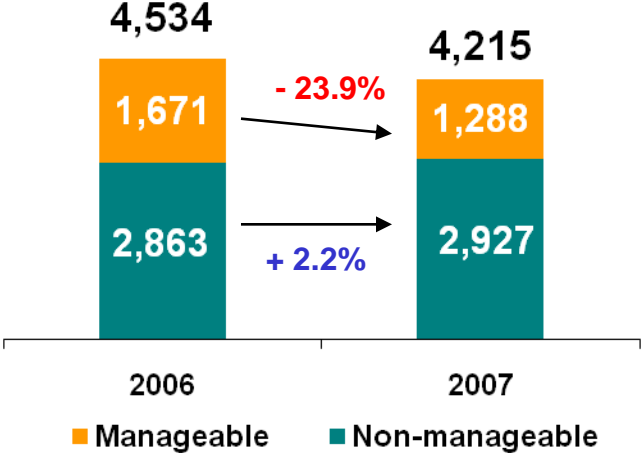
- ▶ Investment in generation program: 3 new plants – increase of 28% in current capacity to 1,093 MW.
- ▶ R\$549 million financing from BNDES (Finem)
- ▶ R\$450 million financing from Bradesco, being R\$ 110 million for the Company's Investment Program (CAPEX)

# 2007 Financial Highlights

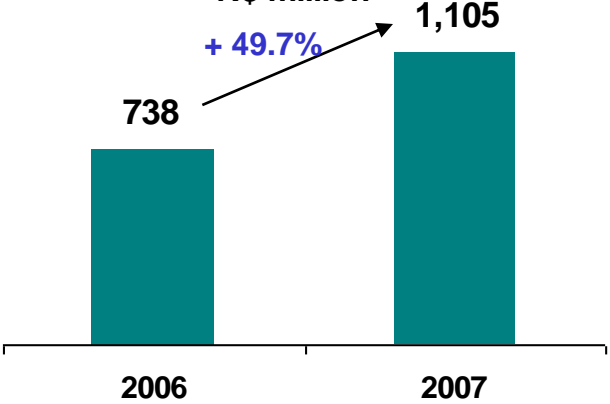
**Net Revenue**  
R\$ million



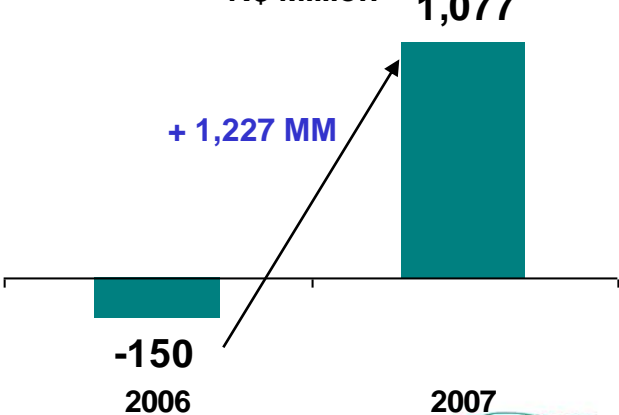
**Operational Costs**  
R\$ million



**EBITDA**  
R\$ million



**Net Income**  
R\$ Million

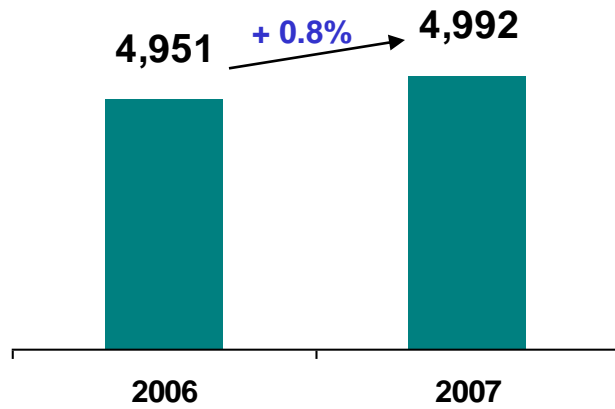


# Financial Highlights

## explaining non-recurrent effects

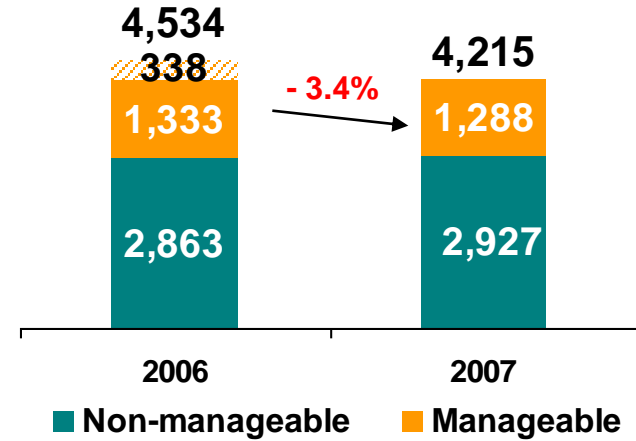
### Net Revenue

R\$ million



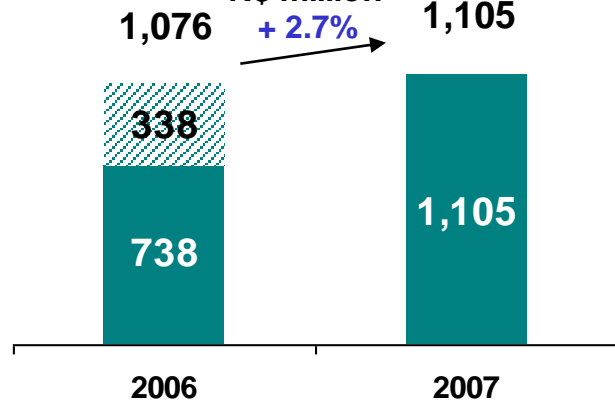
### Operational Costs

R\$ million



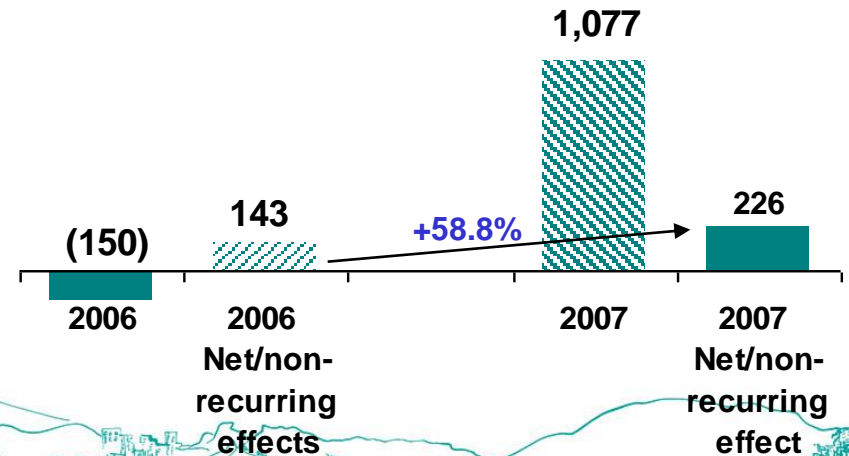
### EBITDA

R\$ million



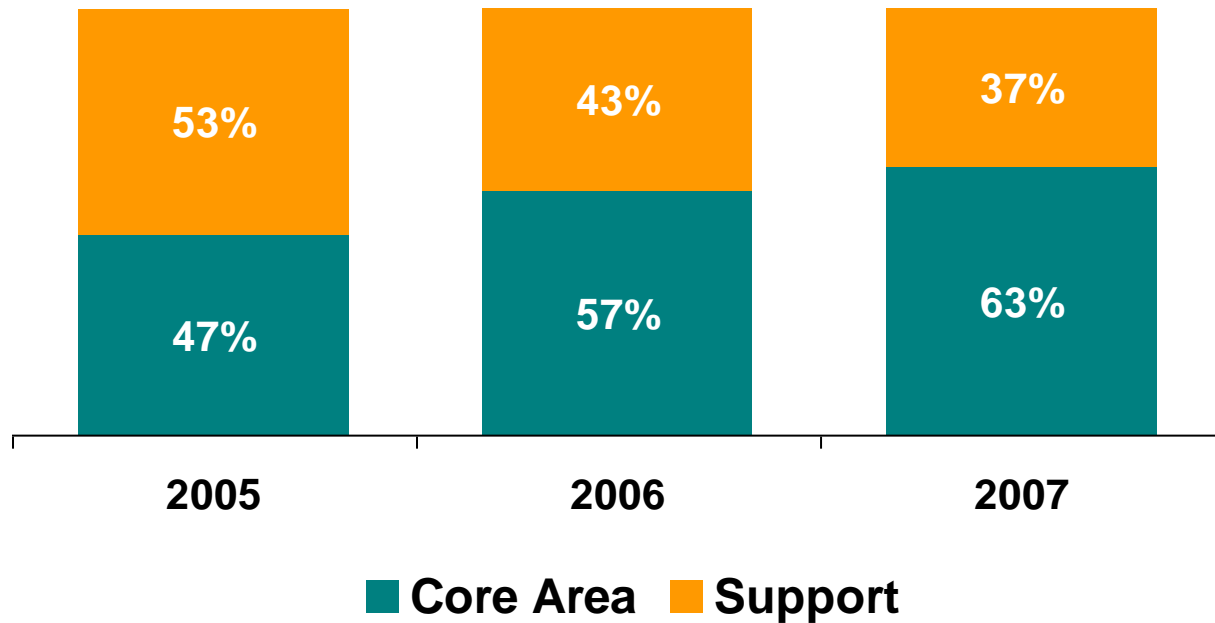
### Net Income

R\$ Million

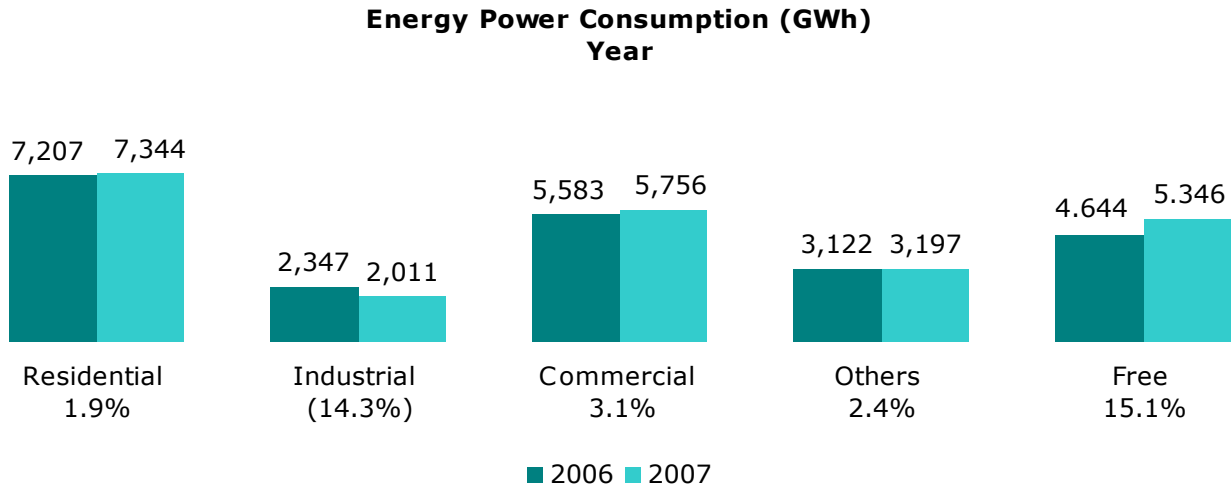
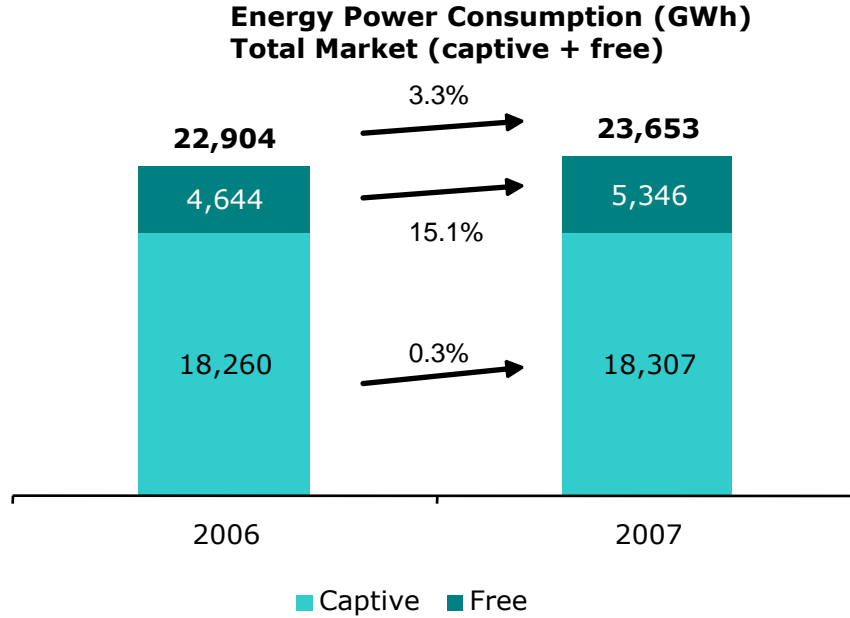


# Operating Expenses

➤ In addition to the 23.9% OPEX reduction, expenses were better allocated, favoring operating areas rather than supporting areas.

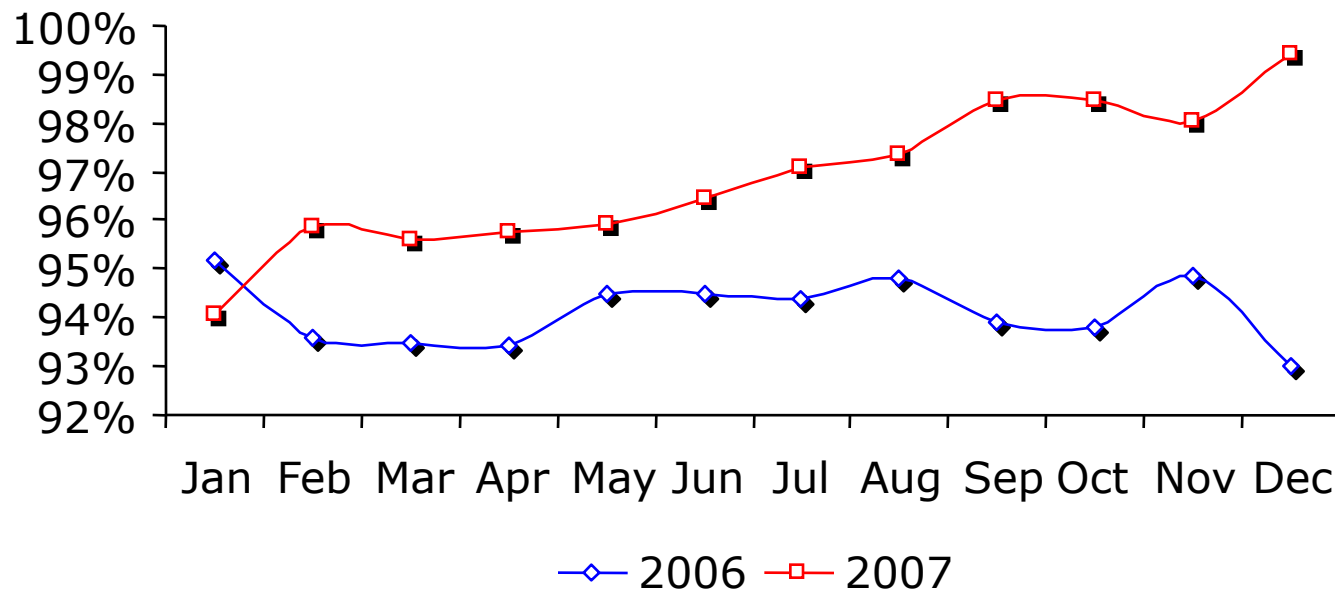


# Energy Sales



# Collection Evolution

**Collection Rate**  
Moving average 12 months



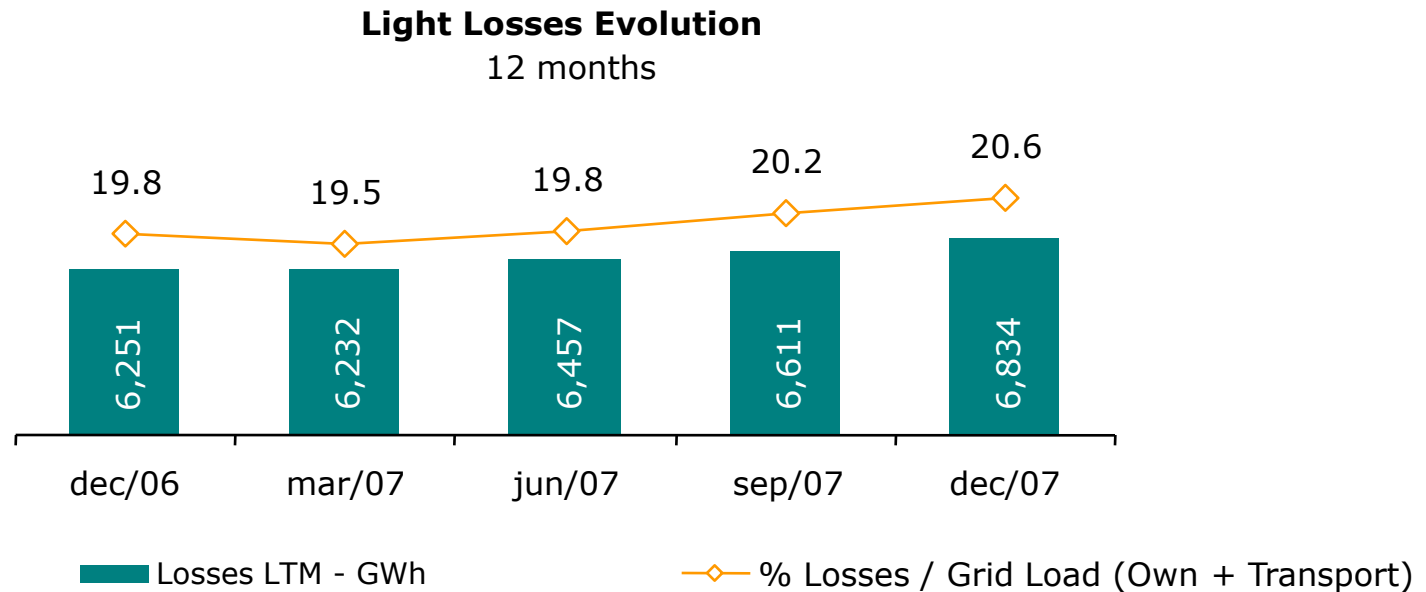
	<b>2006</b>	<b>2007</b>
Revenue (R\$ MM)	7,913	7,886
Collection (R\$ MM)	7,360	7,840
<b>%</b>	<b>93.0%</b>	<b>99.4%</b>

\* Collection rate recovery also reflects collection of past due debts



# Energy Losses Evolution

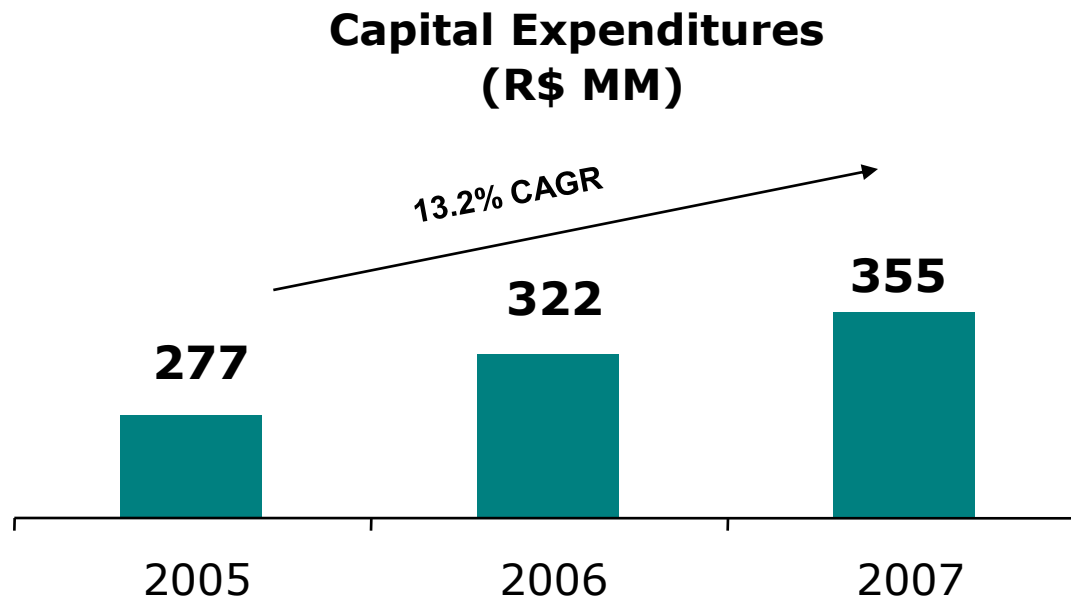
- **Losses and delinquency are interconnected!**
- Light's strategy consists of reducing losses, through operational measures, increasing public awareness, and also of initiatives carried out with other interested parties to reduce informal connections
- In 2007, Light posted an increase of 0.8 p.p. in losses. Meanwhile, collection rate increased from 93% to 99.4% of the total billed.





# Capital Expenditures

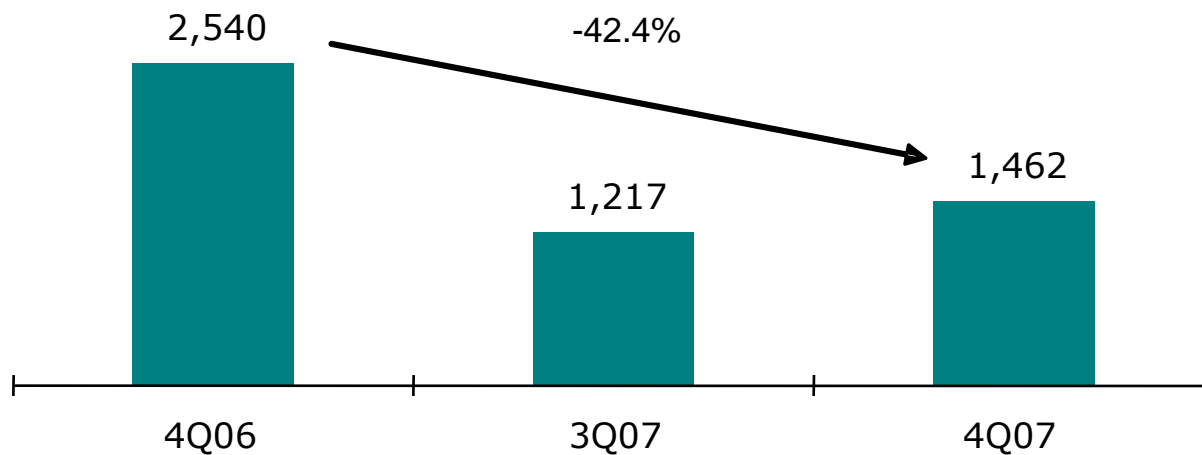
- Focus on service excellence
- Investments increased 10% in 2007, year-on-year
- Investments in electricity generation: 3 projects starting between 2010 and 2012 – increase of 28% in current generation capacity, to 1,093MW



# Indebtedness

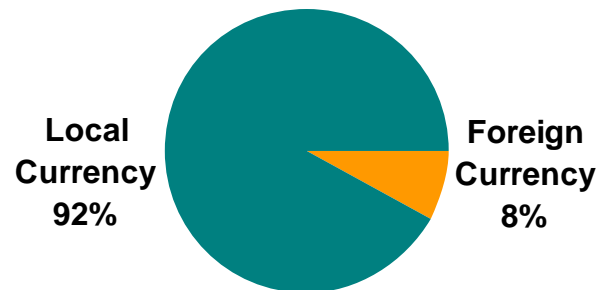
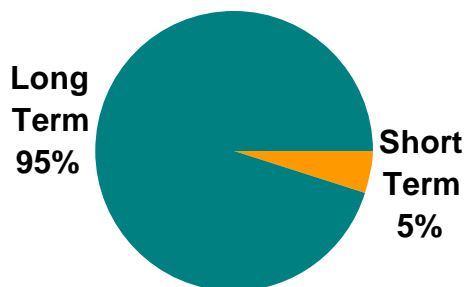
## Indebtedness (ex-Braslight)

(R\$ million)



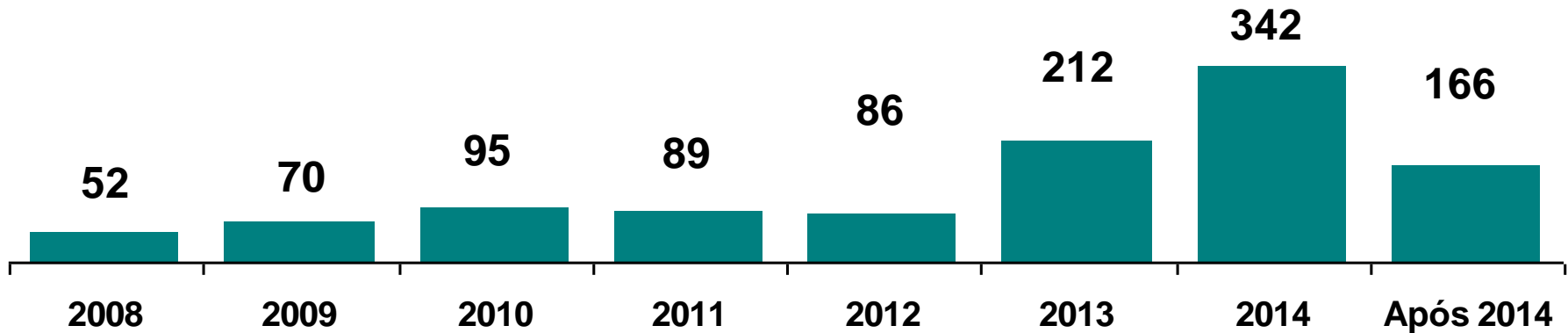
(1) Net Debt = Gross Debt<sup>2</sup> – Cash and Cash Equivalents

(2) Excludes Braslight



# Amortization Schedule

Amortization Schedule  
(R\$ millions)



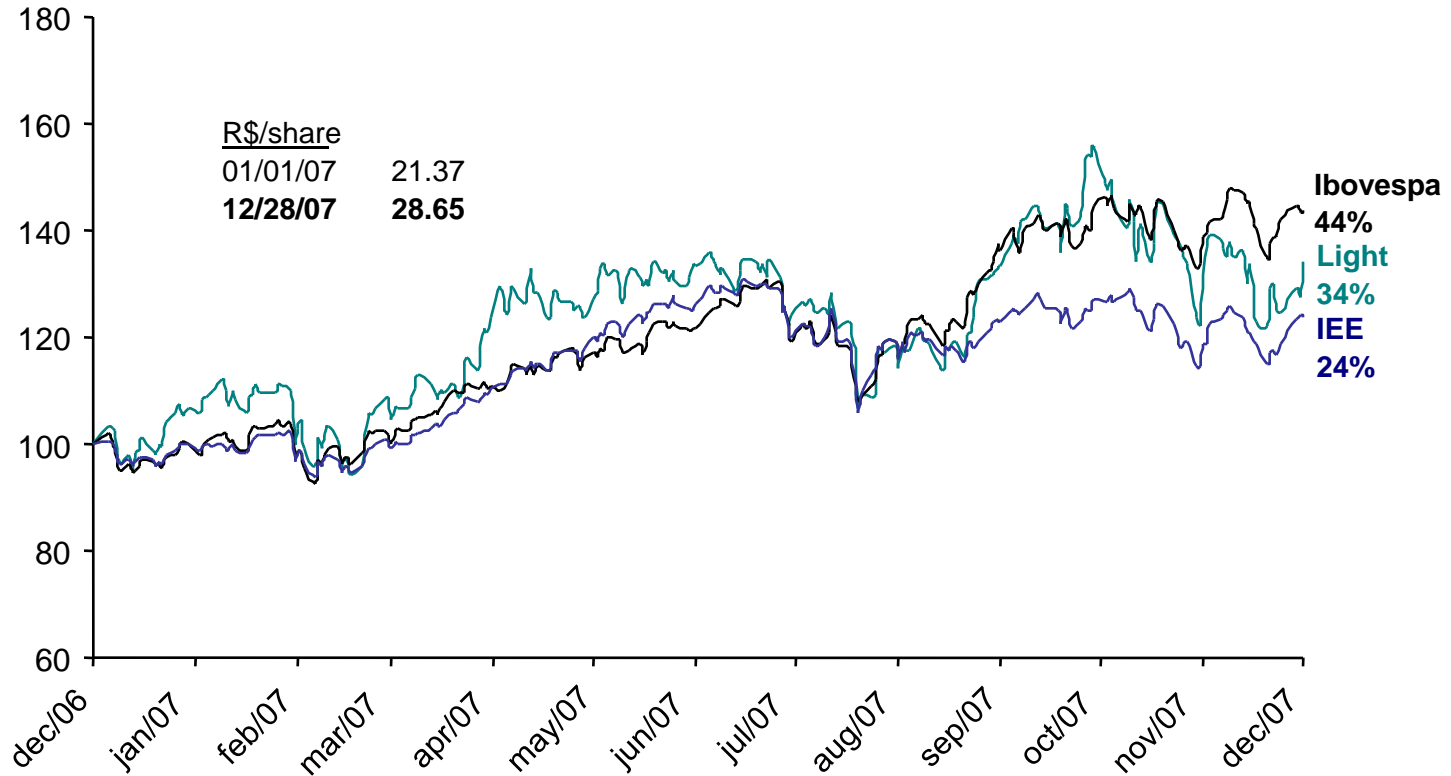
Average Cost : US\$ + 6.51% p.a  
R\$: 12.17%p.a

Maturity: 4.77 years



# Stock Evolution and Dividends

**Light x Ibovespa x IEE**  
Base jan/07 = 100 up to 12/28/07



- R\$ 721 million dividends (67% payout)
- Dividends yield: 12.2%
- Payment policy of 50% of net income as dividend

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