





1th quarter 2005 Results

Wilson Ferreira Jr. – CEO

José Antônio Filippo – CFO

Vitor Fagá de Almeida – Investor Relation

May, 2005



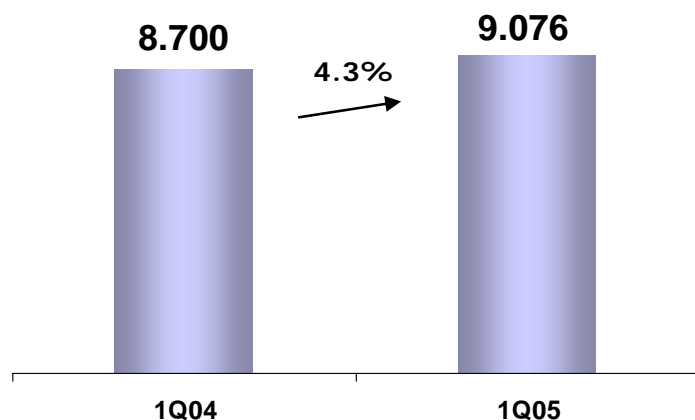
Confirmation as a leading player in the electricity market

- Net income of R\$ 166 million in 1Q05 reverting a net loss of R\$ 12 million in 1Q04
- EBITDA growth of 21% and gross revenue increase of 14% comparing 1Q05 and 1Q04
- 4.3%¹ increase in the total energy sales and 7.3% demand increase in the Group's concession area
- Conclusion of CPFL Paulista tariff revision in April, set as definitive
- Financial indebtedness profile improvement:
 - total net debt of R\$ 3.7 billion
 - net debt / EBTIDA ratio of 2.1
- Planned investment of R\$ 2.6 billion on business expansion and maintenance by 2008
- IFC loan conversion into equity - US\$ 10 million



CPFL ENERGIA

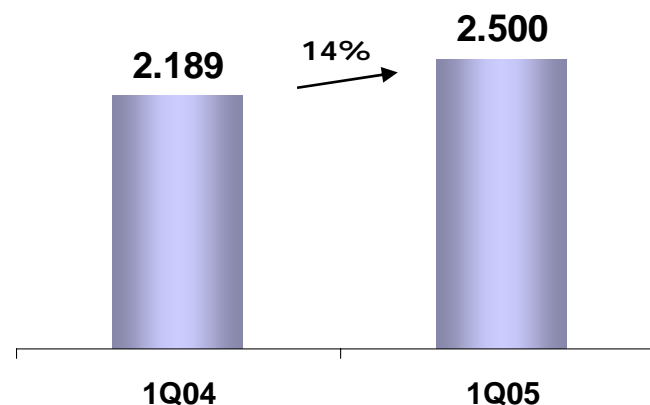
Sales (GWh)



Sales increase of 4.3%¹

- 5.1%, 8.7% and 2.3% consumption increase rate in the residential, commercial and industrial segments, respectively
- Increase number of customers of 4.4%
- Increase in energy sold to free customers by CPFL Brazil

Gross Revenue

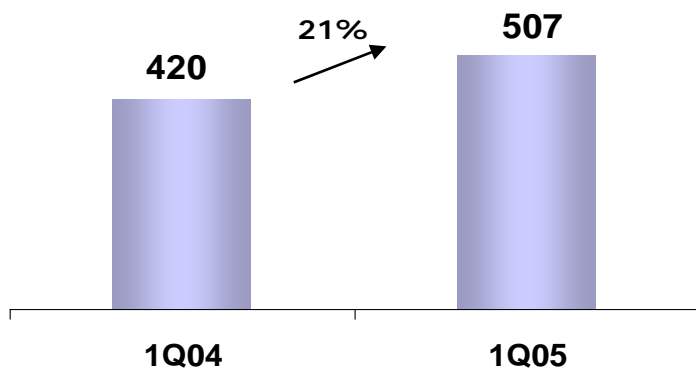


Gross revenue increase of 14%

- 4.3% increase in energy sold
- Increase in energy tariff of Paulista, RGE and Piratininga
- TUSD revenue increase of 171%
- Start up of Monte Claro HPP operation
- Inflation adjustment in generation contracts

¹ With calendar adjustment.

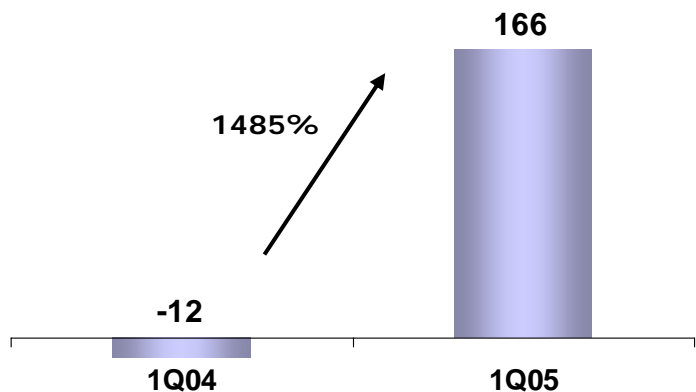
EBITDA (R\$ million)



EBITDA increase of 21%

- Gross revenue increase of 14%
- Efficient management on operations
- Increasing generation participation in the business portfolio

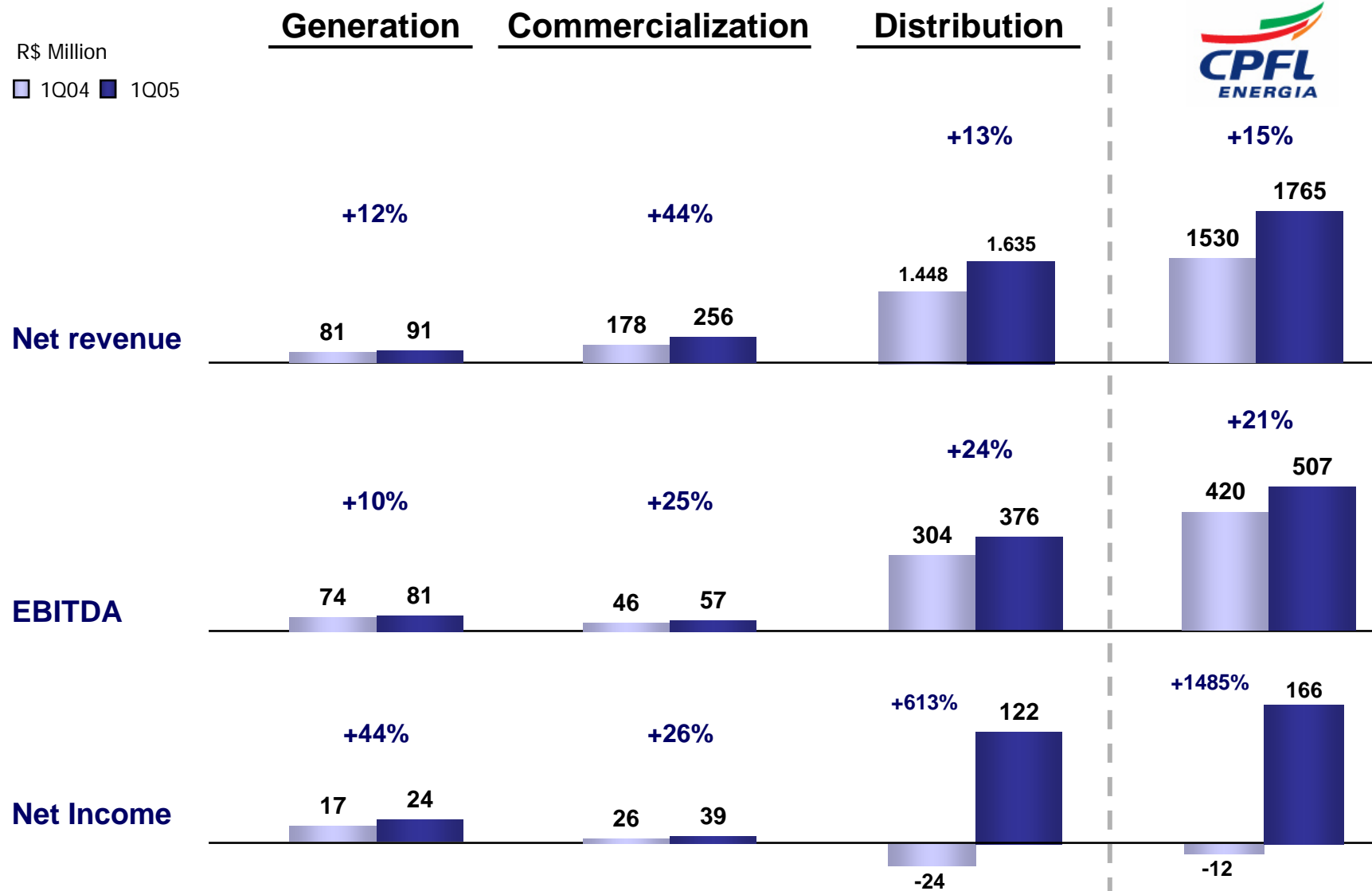
Net Income (R\$ million)



Increase net income of 1485%

- Financial expenses reduction of 14%
- Reduction of goodwill amortization cost

All business units have positively contributed to the consolidated net income



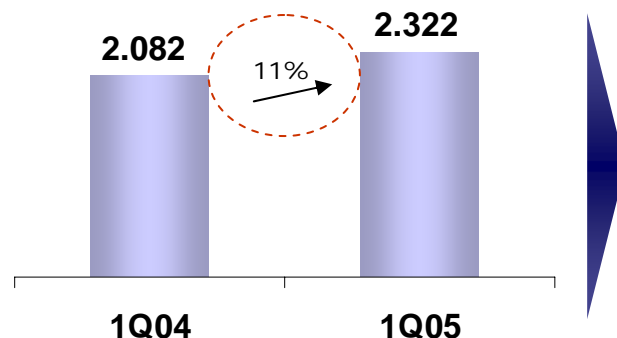


Business Highlights

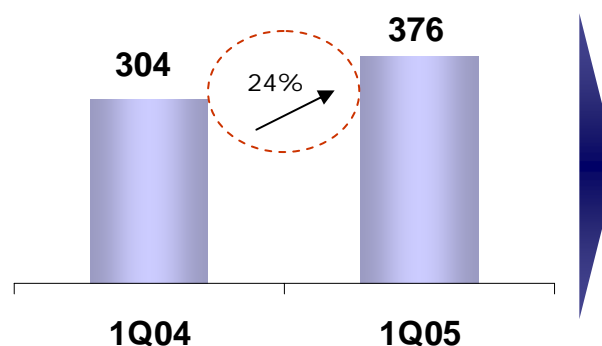
Distribution – 1Q05 Results



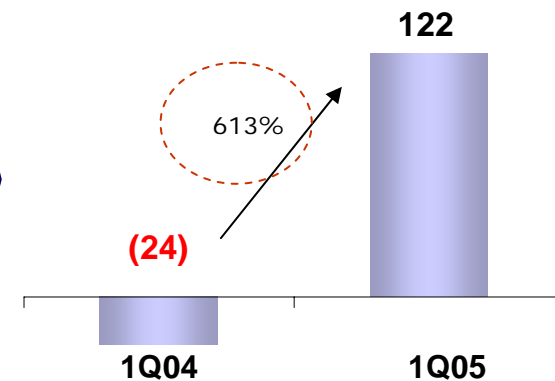
Gross Revenue (R\$ million)



EBITDA (R\$ million)



Net Income (R\$ million)



Increase in the gross revenue of 11%

- Energy sold increase of 7%¹
- Tariff revision and readjusts effects
- TUSD revenue increase of 171%
- Effective commercial losses management
 - 92 thousand inspections achieved
 - Net proceeds of R\$ 12 million

EBITDA increase of 24%

- Increase of gross revenue
- Efficient management on operations

Increase net income of 613%

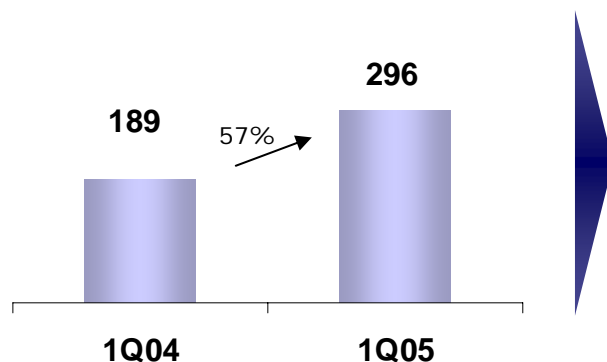
- Financial expenses reduction of 35%
- Goodwill amortization cost reduction

¹ With schedule adjustment

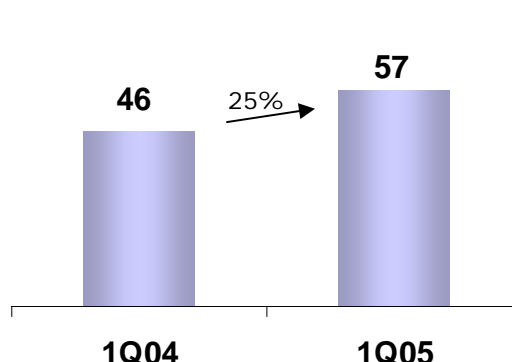
Commercialization – 1Q05 Results



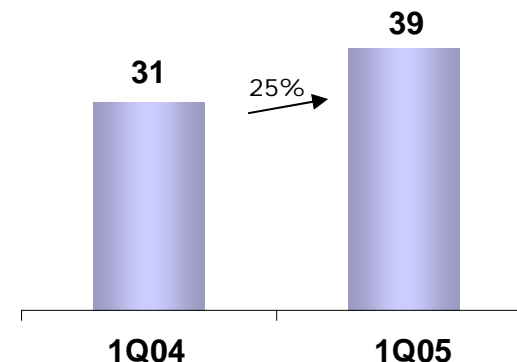
Gross Revenue (R\$ million)



EBITDA (R\$ million)



Net Income (R\$ million)



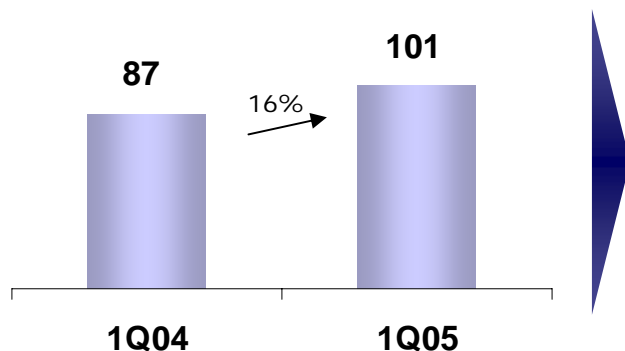
Highlights

- Increase in energy sales of 133%
- Gross revenue increase of 57%
- CPFL Brasil has a strong and reliable brand which allows differentiation
- Sales of value added service growing significantly

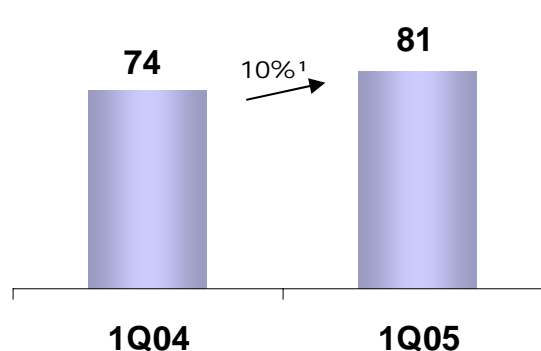
Gereneration – 1Q05 Results



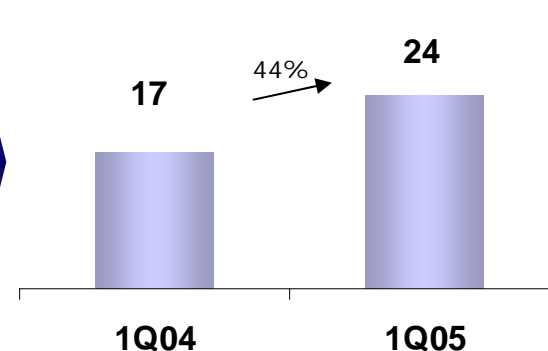
Gross Revenue (R\$ million)



EBITDA (R\$ million)



Net Income (R\$ million)



Highlights

- All generated energy contracted in self –dealing basis
- Energy supply contracts indexed to IGP-M
- EBITDA margin of aprox. 90% in the 1Q05
- Inflation adjustment in generation contracts

Barra Grande - overview



New projects will increase installed power capacity by 2.5x with the addition of 1,177 MW – 56% to be delivered by January, 2006



Perspectives

Distribution

- Growth in energy sales
- Efficient management on operations
- 1,5% reduction in commercial losses in the next 2 years

Generation

- Installed capacity increase to 1.456 MW in jan/06 with Barra Grande and Campos Novos HPP start up
- EBITDA margin over 90%
- Experience in planning, management and implementation of generation projects – responsible for 35% of the Brazilian new energy by 2008

Comercialização

- Work closely to free customers
- Sales of value added service
- Competitive energy sales and purchase

Corporate

- Focus on debt profile: Optimum capital structure with cost reduction and increasing average debt maturity
- Best practices in Corporate governance and Investors Relations



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