



1Q13 Results

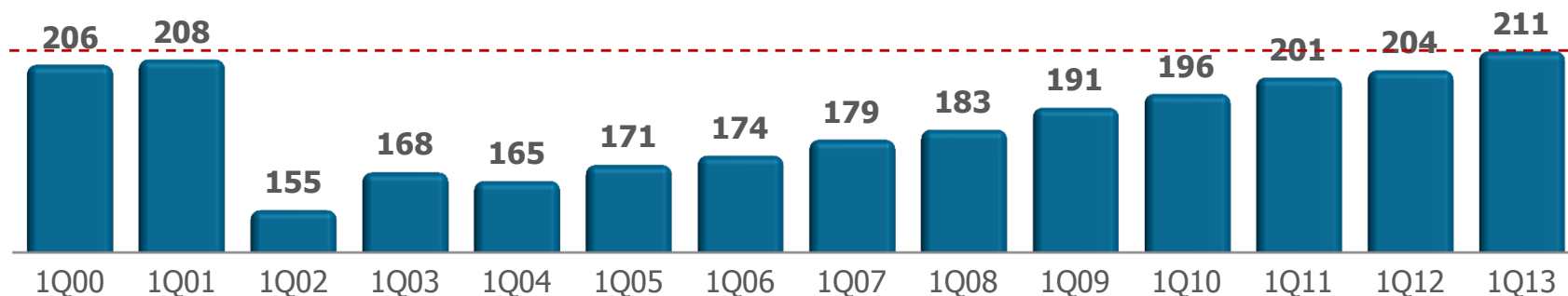
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After 12 years, CPFL Energia's residential consumption per consumer is back to 2001 pre-rationing level


► CPFL Energia | Residential consumption per consumer (kWh/month)¹



Consumption drivers ²	2004	2012	Variation
Macroeconomic			
Unemployment rate - average (%)	11.5	5.5	-6.0 p.p.
Total income (seasonally adjusted) - R\$ billion	322	504	57%
Minimum wage - R\$ (in real terms)	396	628	59%
Credit granted (daily average – seasonally adjusted - R\$ million) ⁵	2,410	3,917	63%
Urbanization rate (%)	82.7	85.0 ⁶	+2.3 p.p.
Gini Index (income distribution)	0.535	0.520 ³	-3%
Ownership indicators - Refrigerator (% households)	87.3	93.4 ⁴	+6.1 p.p.
Ownership indicators - TV (% households)	90.3	95.7 ⁴	+5.4 p.p.
Ownership indicators - Washing machine (% households)	34.3	44.3 ⁴	+10.0 p.p.
Demography			
Household density (inhabitants/residence)	3.5	3.1	-0.4
Energy efficiency			
Refrigerator (kWh/year)	433	345	-20%
Washing machine (kWh/year)	72	67	-7%

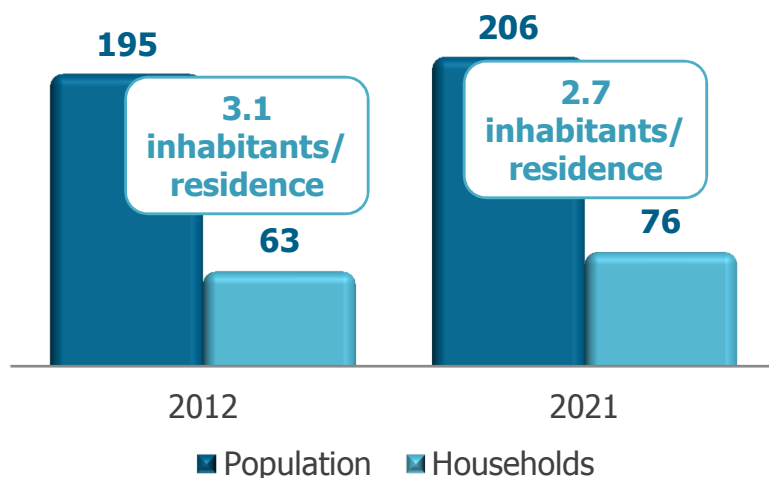
1) Source: CPFL Energia. 2) Sources: IBGE, Bacen, PNAD, EPE – PDEE 2021 and Ministry of Cities. 3) 2010 – last available data. 4) 2009 – last available data. 5) Constant currency. 6) 2011 – last available data

Changes in macroeconomic context in recent years favored emerging economies...

	Beginning of 21st century	Today
 <p>World</p> <p>Brazil</p>	<ul style="list-style-type: none"> • Central players: developed economies • Crises spread quickly and dramatically among emerging markets • Financial volatility 	<ul style="list-style-type: none"> • Central players: emerging markets • Crises affect mainly central economies • Emerging markets have greater autonomy
	<ul style="list-style-type: none"> • High interest rates (Selic): 19.5% p.a.² • High country risk: 1,525 points² • High public debt: 60.4% of GDP¹ • Low level of international reserves: US\$ 38 billion² • Little attractiveness to foreign capital • 20% richest: 63.7% of income⁵ • Energy crisis 	<ul style="list-style-type: none"> • Strong domestic market • Low and stable interest rates (Selic): 7.25% p.a.⁴ • Low country risk: 147 points⁴ • Lower public debt: 35.2% of GDP³ • International reserves: US\$ 379 billion³ • Regional decentralization • Intensification of social policies • 20% richest: 57.7% of income⁵ • Policies to encourage investment • Investments in infrastructure: R\$ 204.4 billion only in PAC 2³
	GDP 1991-2000: 2,7% p.a.	GDP 2003-2012: 3,6% p.a.

Perspectives are positive: residential consumption per consumer will continue growing

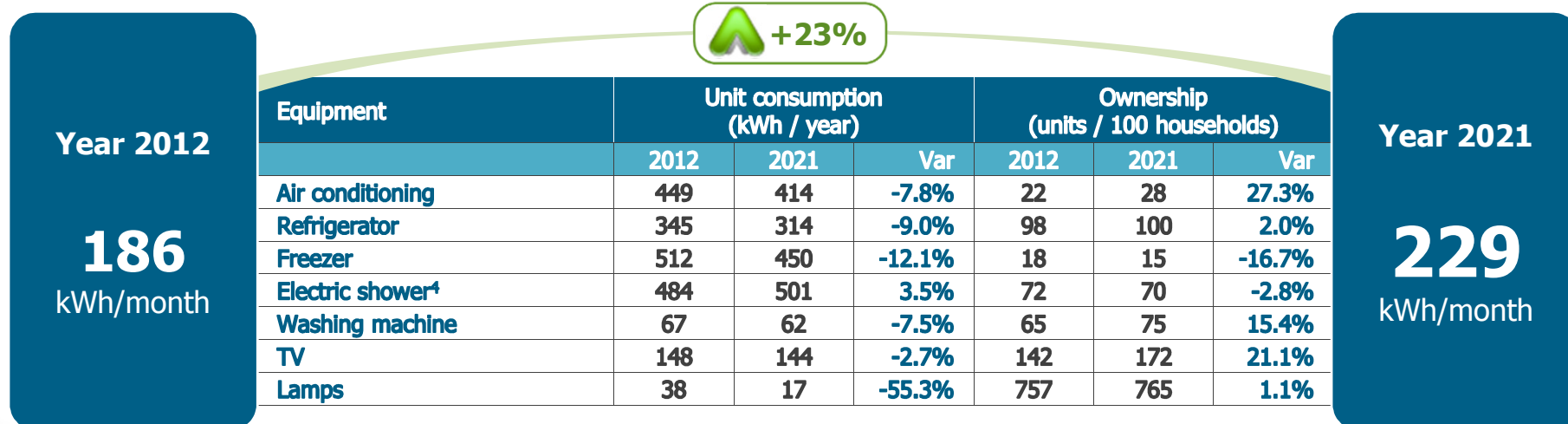
► Demography¹ | million



► Largest economies² | GDP in US\$ trillion

2012			2030 - Estimates		
1		USA	15.7		China
2		China	8.3		USA
3		Japan	6.0		India
4		Germany	3.4		Brazil
5		France	2.6		Indonesia
6		UK	2.4		Japan
7		Brazil	2.0		Germany
8		Italy	2.0		Italy

► Energy efficiency, household appliances ownership and household consumption in Brazil³



1) Source: EPE. 2) Source: IMF, Roland Berger and Standard Chatered Bank. 3) Source: EPE. Ten-Year Energy Plan 2021 and Technical Note DEA 16/12 – Energy Efficiency for the next 10 years (2012-2021). 4) Corresponds to the number of households that use only the electric shower.

Spot price formation was changed to better reflect hydrologic risk and improve safety of the system

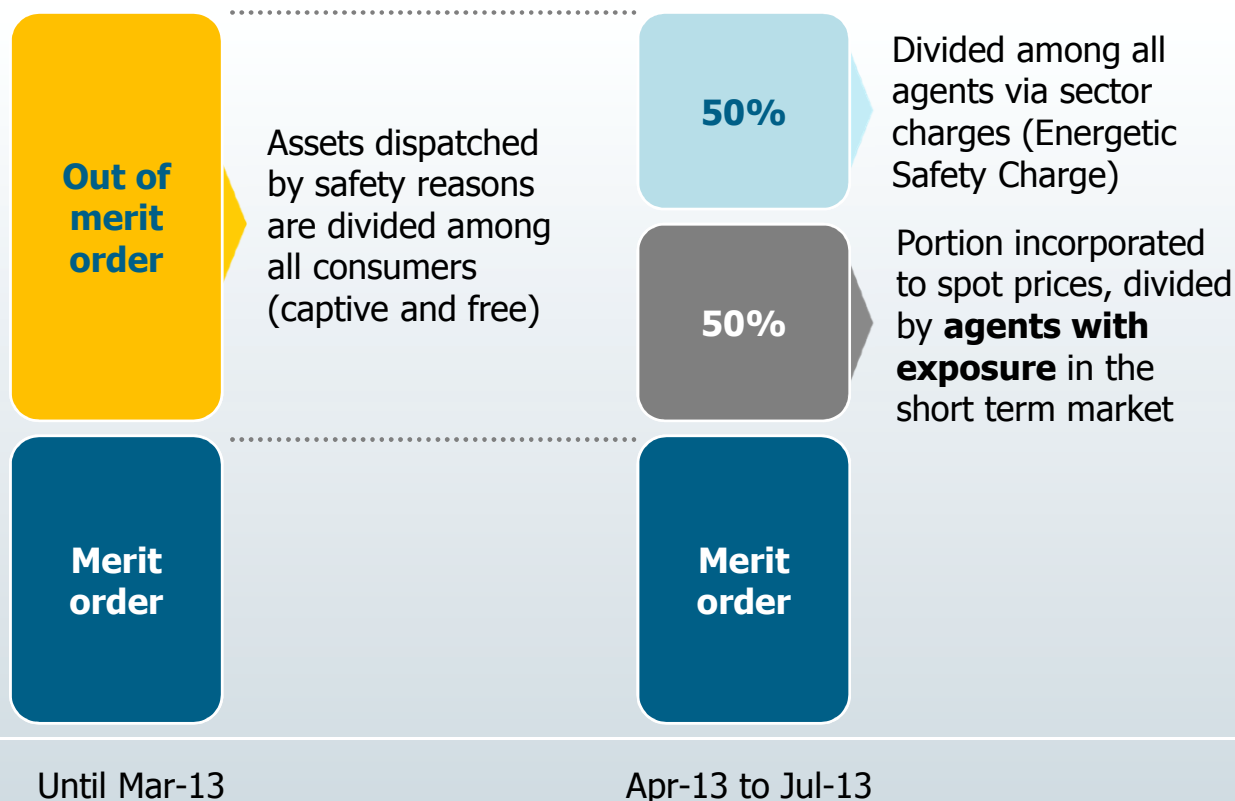
**Out of
merit
order**

Assets dispatched
by safety reasons
are divided among
all consumers
(captive and free)

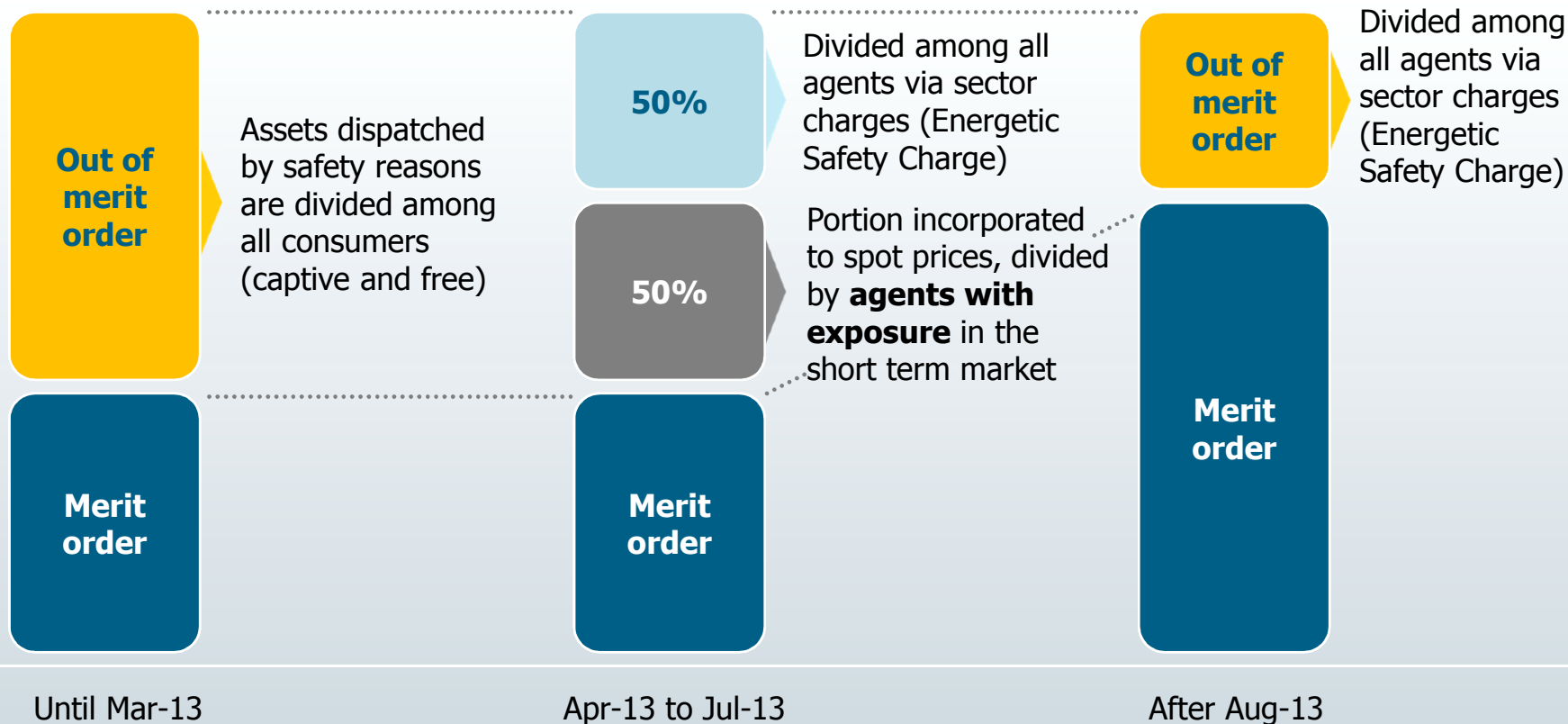
**Merit
order**

Until Mar-13

Spot price formation was changed to better reflect hydrologic risk and improve safety of the system



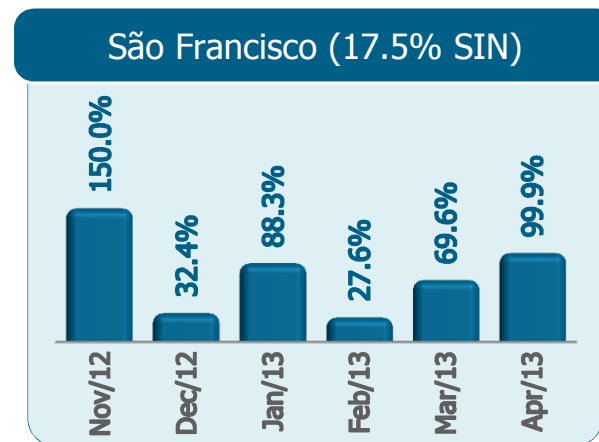
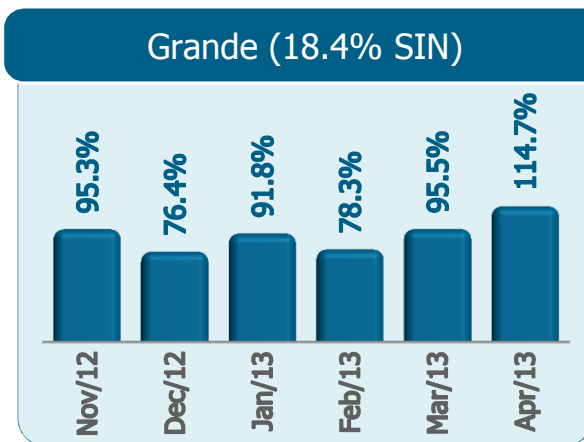
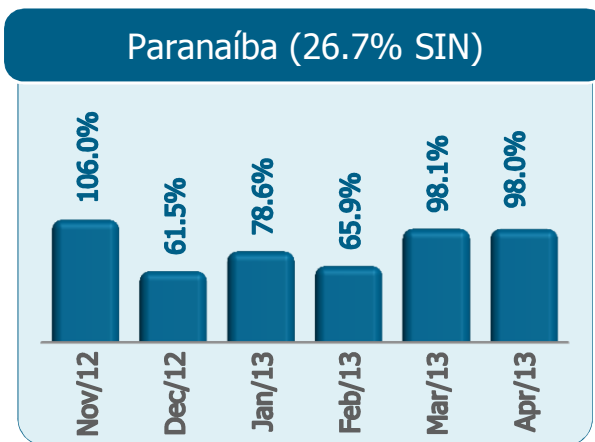
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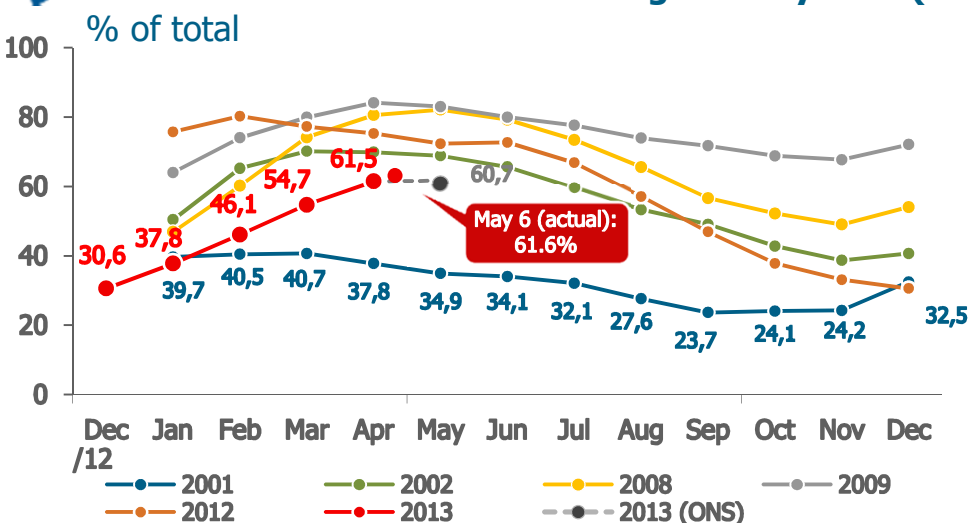
Reduction of Energetic Safety Charges (ESS) 2013¹: R\$ 900 million
(from R\$ 6 billion to R\$ 5.1 billion)

Storage Conditions | Rationing risks have faded away in 2013

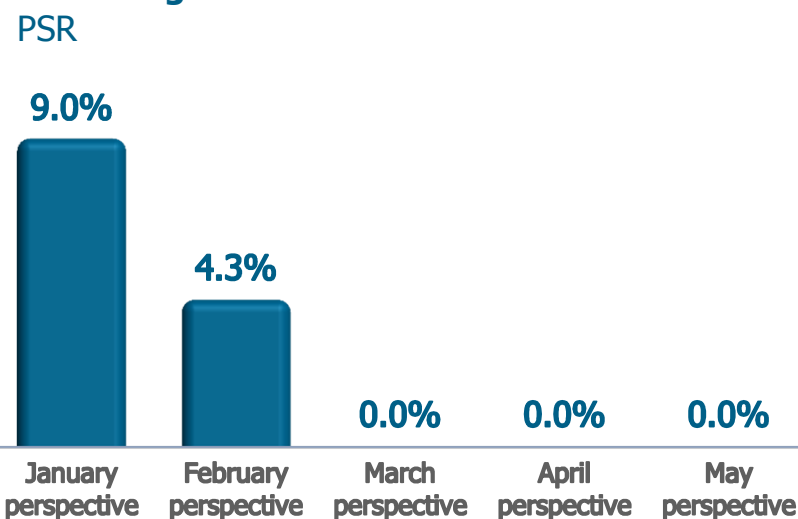
Rainfall at main basins | % long-term average



Reservoir levels at National Integrated System (SIN) % of total



Rationing risks for 2013¹

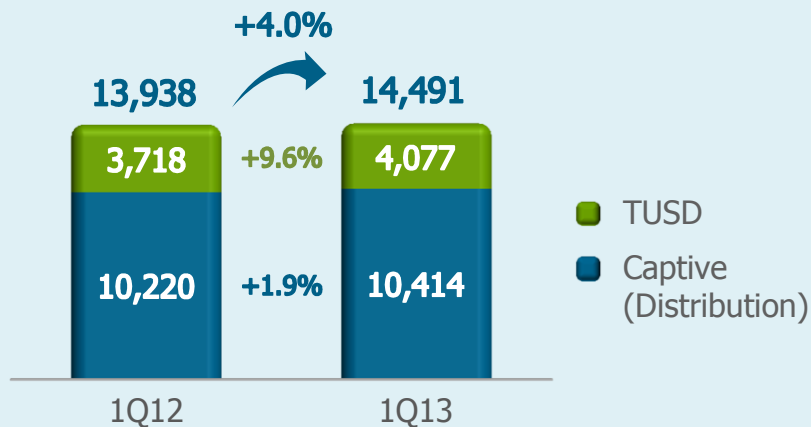


1) Considering full thermal dispatch until the end of April. Estimated natural affluent energy at SIN (% of long term avg): 68% in Jan, 89% in Feb, 77% in Mar, 91% in Apr and 96% in May. From Feb to May, reduction of 1.0 GW in thermal capacity due to downtime in some plants.

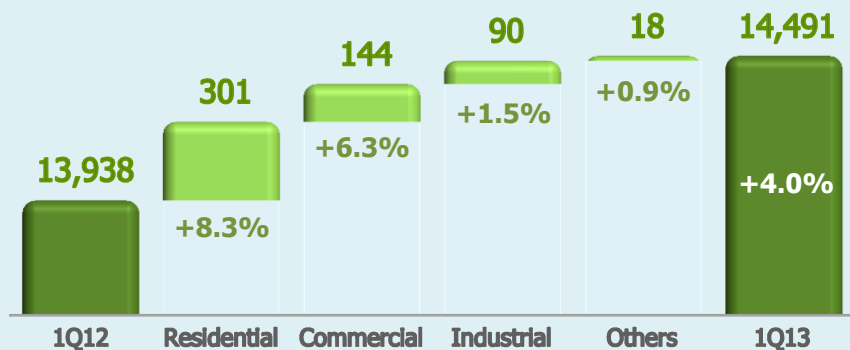


- Energy sales were up **4.0%** in the **concession area**
- Conclusion of **tariff review process at CPFL Paulista** in Apr/13, with a tariff readjustment of **5.48%**
 - Disbursement of **R\$ 698 million from sector fund (CDE)**, according to decree 7,945/13
 - Investments of **R\$ 532 million**
 - Payment of 2012 **complementary dividends**, in the amount of **R\$ 456 million**
- Increase of **8.3%** in **average daily trading volume** (BM&FBovespa + NYSE), reaching R\$ 38.4 million
- **CPFL Santa Cruz** was winner of **IASC 2012** – ANEEL's Consumer Satisfaction Index – among discos from South and Southeast with up to 400 thousand consumers
- **CPFL Santa Cruz** ranked 1st place in **ANEEL's Service Quality Ranking**
- **CPFL Paulista, CPFL Piratininga** and **RGE** were also recognized by the quality of services, being ranked among the top 12 in ANEEL's ranking
- **1st place** in Utilities sector in the **Sector Leader Award 2013**, organized by Environmental Tracking Global Carbon Rankings

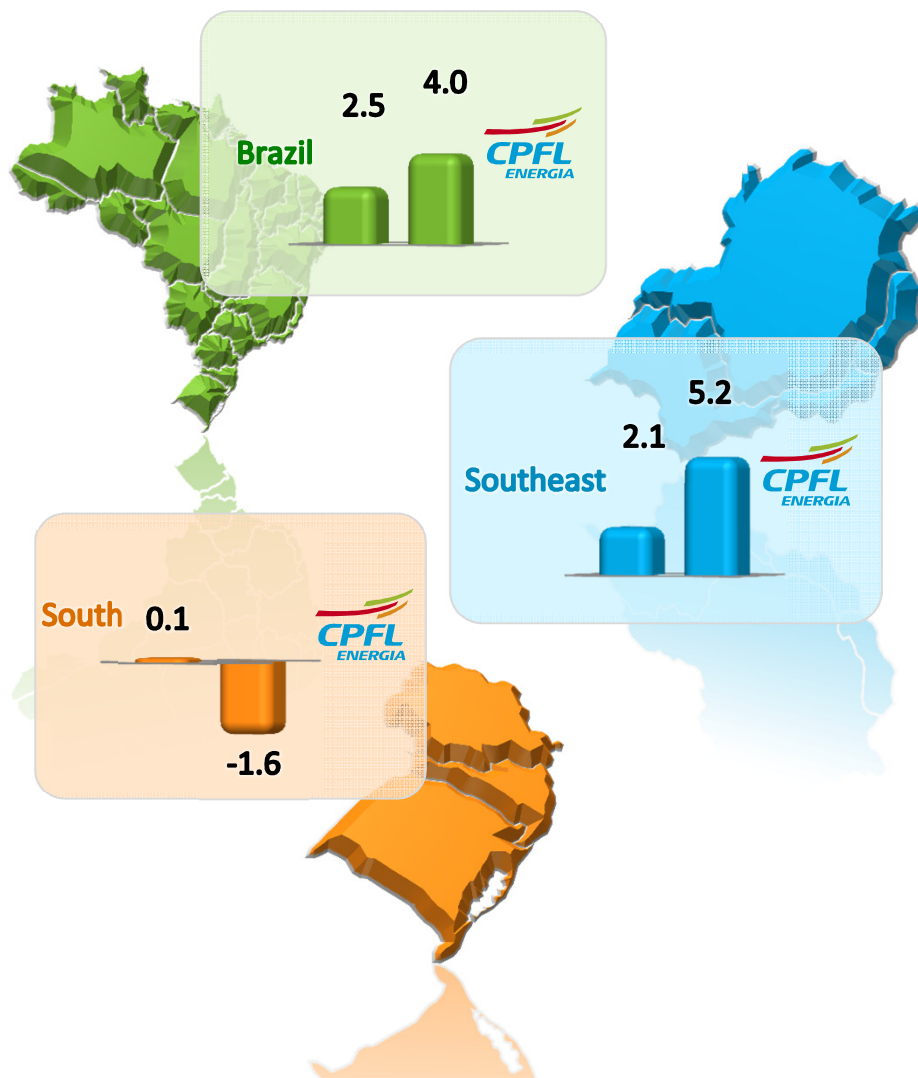
Sales in the concession area (GWh)



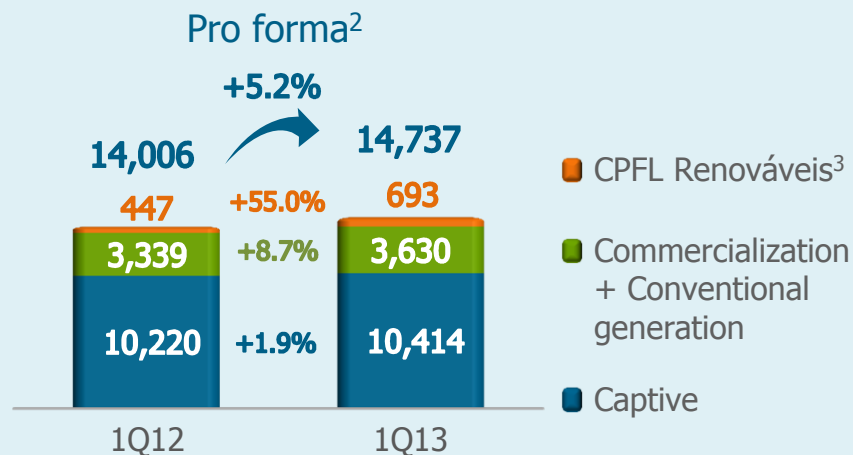
Sales in the concession area Consumption segment | GWh



Sales growth in the concession area Comparison by region | %



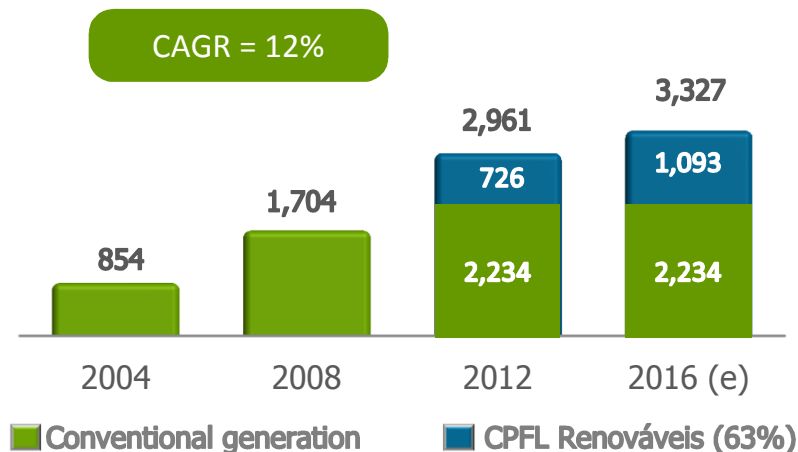
► Total energy sales¹ (GWh)



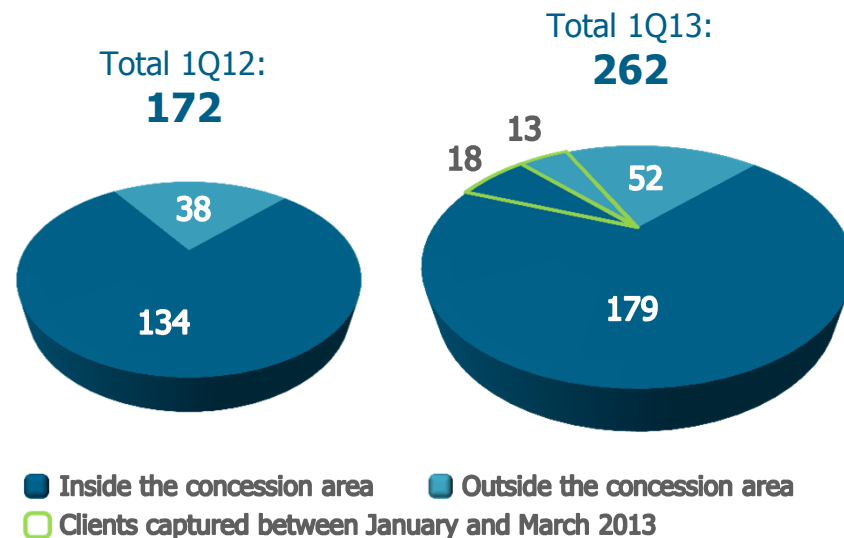
Highlights

- EPASA's dispatch for energy safety
- Expansion of CPFL Renováveis
 - Santa Clara wind farms
 - Bons Ventos wind farms
 - Salto Góes SHPP
- Higher sales to free consumers in the Commercialization segment

► Installed capacity | MW



► CPFL Brasil | number of consumers



1) Disregard CCEE and sales to related parties. 2) Take into account Foz do Chapecó, Baesa, Enercan and Epasa, which are accounted for by the equity method, according to IFRS 11. 3) Take into account 100% of CPFL Renováveis (IFRS).

IFRS

IFRS + Proportional
consolidation of
generation²
+ Regulatory Assets &
Liabilities
- Non-recurring items

Net Revenues¹

+10.7%

1Q12	1Q13
R\$ 3.123 million	R\$ 3.457 million

+18.5%

1Q12	1Q13
R\$ 3.042 million	R\$ 3.604 million

EBITDA

+7.8%

1Q12	1Q13
R\$ 979 million	R\$ 1.055 million

+6.8%

1Q12	1Q13
R\$ 1.059 million	R\$ 1.131 million

Net Income

-1.8%

1Q12	1Q13
R\$ 413 million	R\$ 405 million

+2.8%

1Q12	1Q13
R\$ 399 million	R\$ 410 million

	EBITDA		Net income	
	1Q12	1Q13	1Q12	1Q13
Proportional consolidation of conventional generation (A)	96	71		
Regulatory Assets & Liabilities (B)	21	147	16	95
Legal and judicial expenses and indemnities		73		48
Exposure to MRE (GSF)		66		44
Physical inventory of discos' assets	5		3	
Write-down of Epasa's assets		13		8
Non-recurring items (C)	5	152	3	100
Total (A+B-C)	80	76	13	5

Full coverage by sector fund CDE through **monthly disbursements**

PM 579 Effects

- 1 Involuntary exposure**
Allocation of quotas was insufficient to fulfill discos' contracting needs, exposing them to spot prices

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- 2 Hydrology risk**
Hydrology risks stemming from assets extended by PM579 are now passed on to consumers

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Thermal dispatch

- 3** Thermal dispatch out of merit order since Jan-13 increases **Energy Security Charges (ESS)**

Full coverage by sector fund CDE through **monthly disbursements**

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Total or partial anticipation of **CVA balance**, to limit the impact of tariff readjustments to consumer in 3%¹

Accumulated costs not covered by tariff (CVA)

- 4** Energy contracts based on availability are subject to spot price variations and out of merit order dispatch, which **were not covered by tariff** until Dec-12 (non-manageable costs)

1) RGE periodic tariff review: Jun-13 and CPFL Piratininga annual tariff adjustment: Oct-13.

Full coverage by sector fund CDE through **monthly disbursements**

**PM 579
Effects**

R\$ 105 million (1Q13)

**Thermal
dispatch**

R\$ 222 million (1Q13)

Total or partial anticipation of CVA balance, to limit the impact of tariff readjustments to consumer in 3%¹

**Accumulated
costs not covered
by tariff (CVA)**

**Tariff ratification for
CPFL Paulista (Apr-13)**

R\$ 371 million

1) RGE periodic tariff review: Jun-13 and CPFL Piratininga annual tariff adjustment: Oct-13.

Full coverage by sector fund CDE through **monthly disbursements**

**PM 579
Effects**

R\$ 105 million (1Q13)

**Thermal
dispatch**

R\$ 222 million (1Q13)

Total or partial anticipation of CVA balance, to limit the impact of tariff readjustments to consumer in 3%¹

**Accumulated
costs not covered
by tariff (CVA)**

R\$ 243 million (CVA Energy Purchases 2012)

R\$ 44 million (ESS 2012)

R\$ 84 million (CVA Energy Purchases Jan-13)

1) RGE periodic tariff review: Jun-13 and CPFL Piratininga annual tariff adjustment: Oct-13.

Full coverage by sector fund CDE through **monthly disbursements**

**PM 579
Effects**

R\$ 105 million (1Q13)

**Thermal
dispatch**

R\$ 222 million (1Q13)

**Accounted as
recovery of costs**

Energy purchases
R\$ 432 million



Sector charges
R\$ 266 million

**Total or partial anticipation of CVA balance,
to limit the impact of tariff readjustments to consumer in 3%¹**

**Accumulated
costs not covered
by tariff (CVA)**

R\$ 243 million (CVA Energy Purchases 2012)

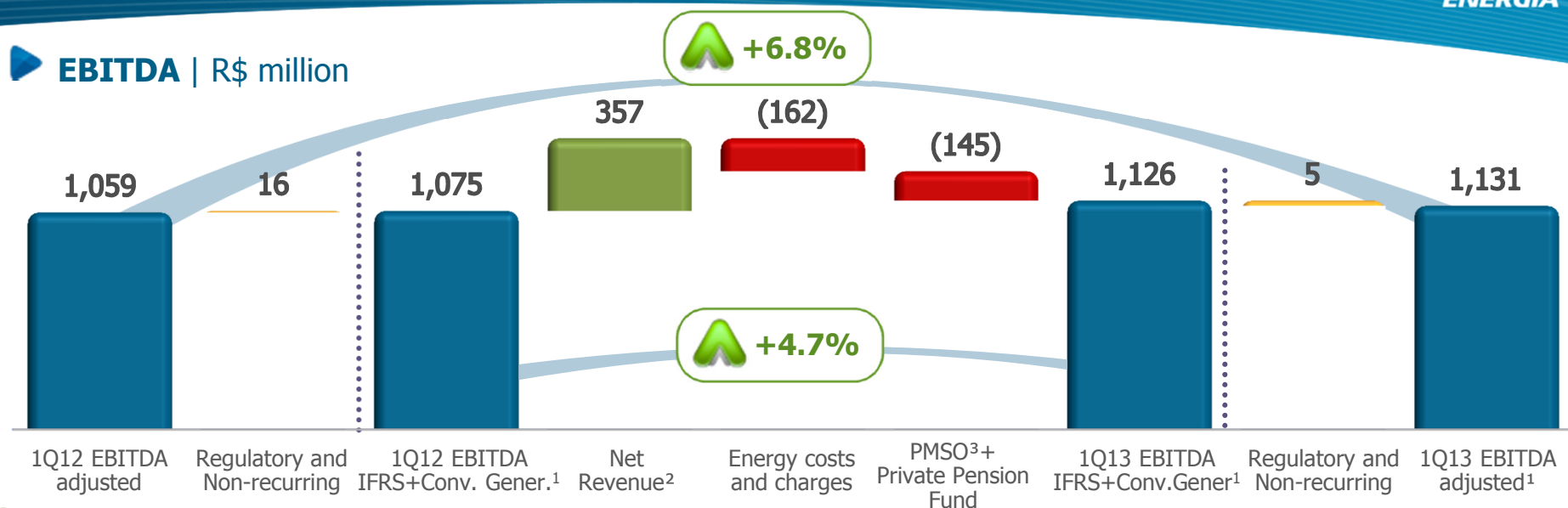
R\$ 44 million (ESS 2012)

R\$ 84 million (CVA Energy Purchases Jan-13)

Total 1Q13
R\$ 698 million

1Q13 Results

EBITDA | R\$ million



+ 11.3% increase in Net Revenues² (R\$ 357 million)

- ➖ Distribution (-R\$ 463 million): -12,6% average tariff readjustment (- R\$ 503 million in captive market and - R\$ 83 million in TUSD – free consumers), captive market growth/mix (+R\$ 101 million) and Others (+ R\$ 22 million)
- ➕ CPFL Renováveis (R\$ 101 million), Conv. Generation (R\$ 72 million) and Commercialization and Services (R\$ 168 million)
- ➕ Deductions from Revenues: decrease in sector charges and taxes (R\$ 361 million) + CDE resources (R\$ 118 million)

➖ 9.7% increase in Energy Costs and Charges (R\$ 162 million)

- ➖ 28.3% net increase in energy costs (R\$ 374 million) **CDE resources: R\$ 432 million**
- ➖ Exposure to MRE (GSF) (R\$ 66 million) **NON RECURRING**
- ➕ 60.9% net decrease in sector charges (R\$ 212 million) **CDE resources: R\$ 266 million**

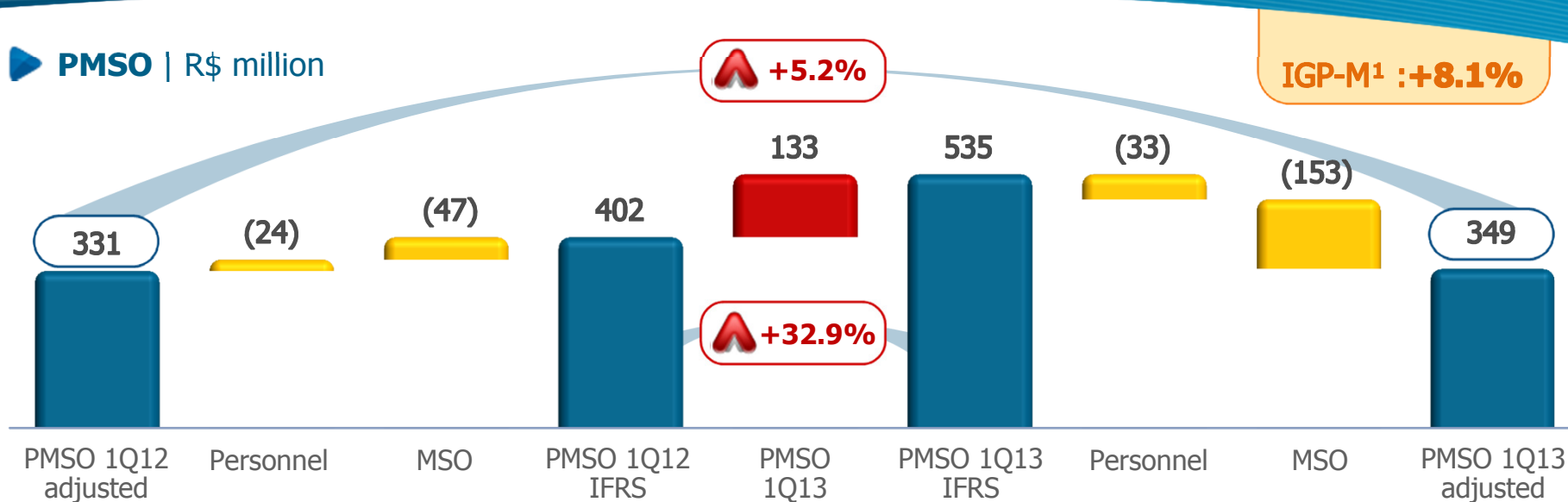
➖ 35.2% increase in Operating Costs and Expenses³ (R\$ 145 million)

- ➖ Fuel oil for EPASA's thermal dispatch (R\$ 17 million)
- ➖ CPFL Renováveis and Services (R\$ 17 million)
- ➖ Legal and judicial expenses and indemnities (R\$ 73 million) and write-down of Epasa's assets (R\$ 13 million) **NON RECURRING**

	1Q12	1Q13
PLD (R\$/MWh) ⁴	124.97	339.75
R\$/US\$	1.76	2.00

1) Take into account consolidation of projects. 2) Disregard construction revenues. 3) Personnel, Material, Third-party services and Others. 4) Average PLD for Southeast/Mid-West

► PMSO | R\$ million



Personnel

Reconciliation	1Q12	1Q13	%
Reported Personnel	159	180	+13.6
CPFL Renováveis	-9	-13	
CPFL Serviços	-15	-20	
Total adjustments	-24	-33	
Adjusted nominal	135	148	+9.6
Adjusted real ¹	146	148	+1.4

MSO

Reconciliation	1Q12	1Q13	%
Reported MSO	243	354	+45.6
Legal and judicial expenses		-73	
CPFL Renováveis	-23	-32	
CPFL Serviços	-17	-16	
EPASA fuel oil	-2	-20	
Others	-5	-12	
Total adjustments	-47	-153	
Adjusted nominal	197	201	+2.2
Adjusted real ¹	213	201	-5.4

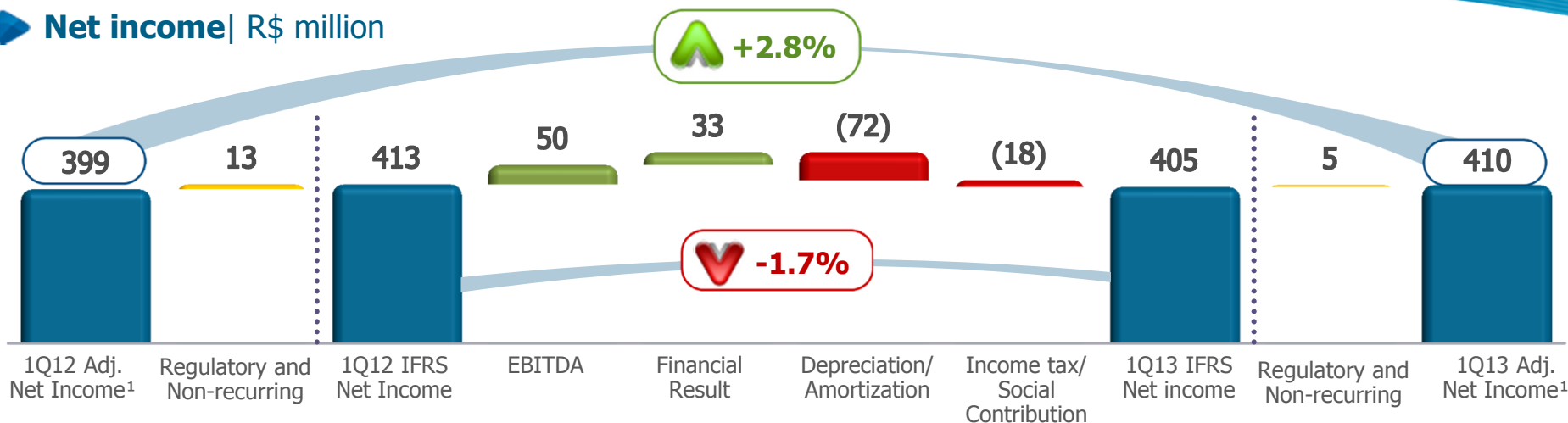
PMSO 1Q13 (real):

Decrease of
R\$ 10 million (-2.7%)

Personnel: +R\$ 2 million
(+1.4%)

MSO: -R\$ 12 million
(-5.4%)

Net income| R\$ million



+ 4.7% increase in EBITDA (R\$ 50 million)

+ 15.3% decrease in Negative Net Financial Result (R\$ 33 million)

- + Update of discos' financial assets (R\$ 31 million)
- + Decrease in debt charges and financing costs (R\$ 46 million)
- + Decrease of monetary and FX restatements (R\$ 10 million)
- Lower financial income (R\$ 16 million)
- Consolidation of CPFL Renováveis (R\$ 43 million)
- + Others (R\$ 5 million)

- 33.0% increase in Depreciation and Amortization (R\$ 72 million)

- Depreciation of CPFL Renováveis' generation projects (R\$ 37 million)
- Depreciation of discos' assets (R\$ 39 million)

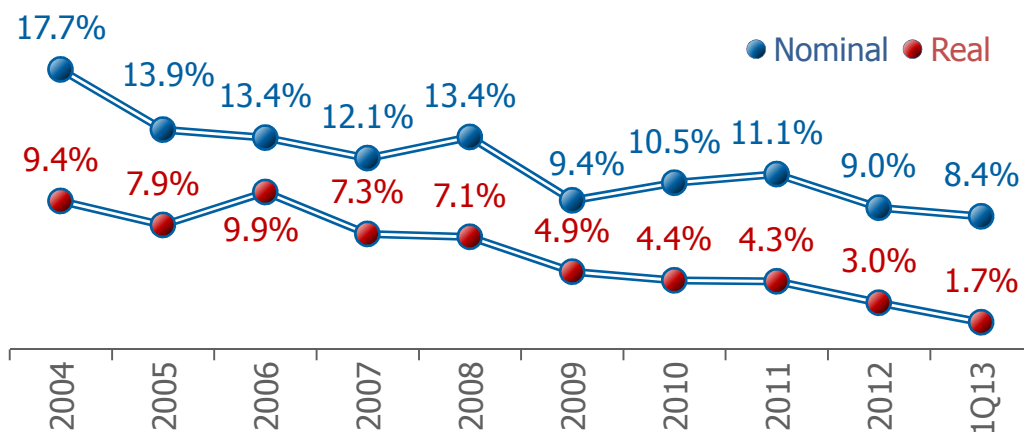
- Income tax and social contribution (R\$ 18 million)

	1Q12	1Q13
CDI	11.4% p.a.	7.5% p.a.
TJLP	6.0% p.a.	5.5% p.a.

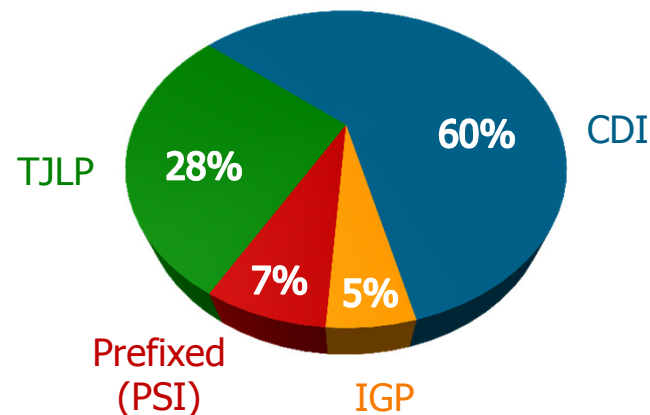
► Leverage¹ | R\$ billion



► Gross debt cost³ | LTM

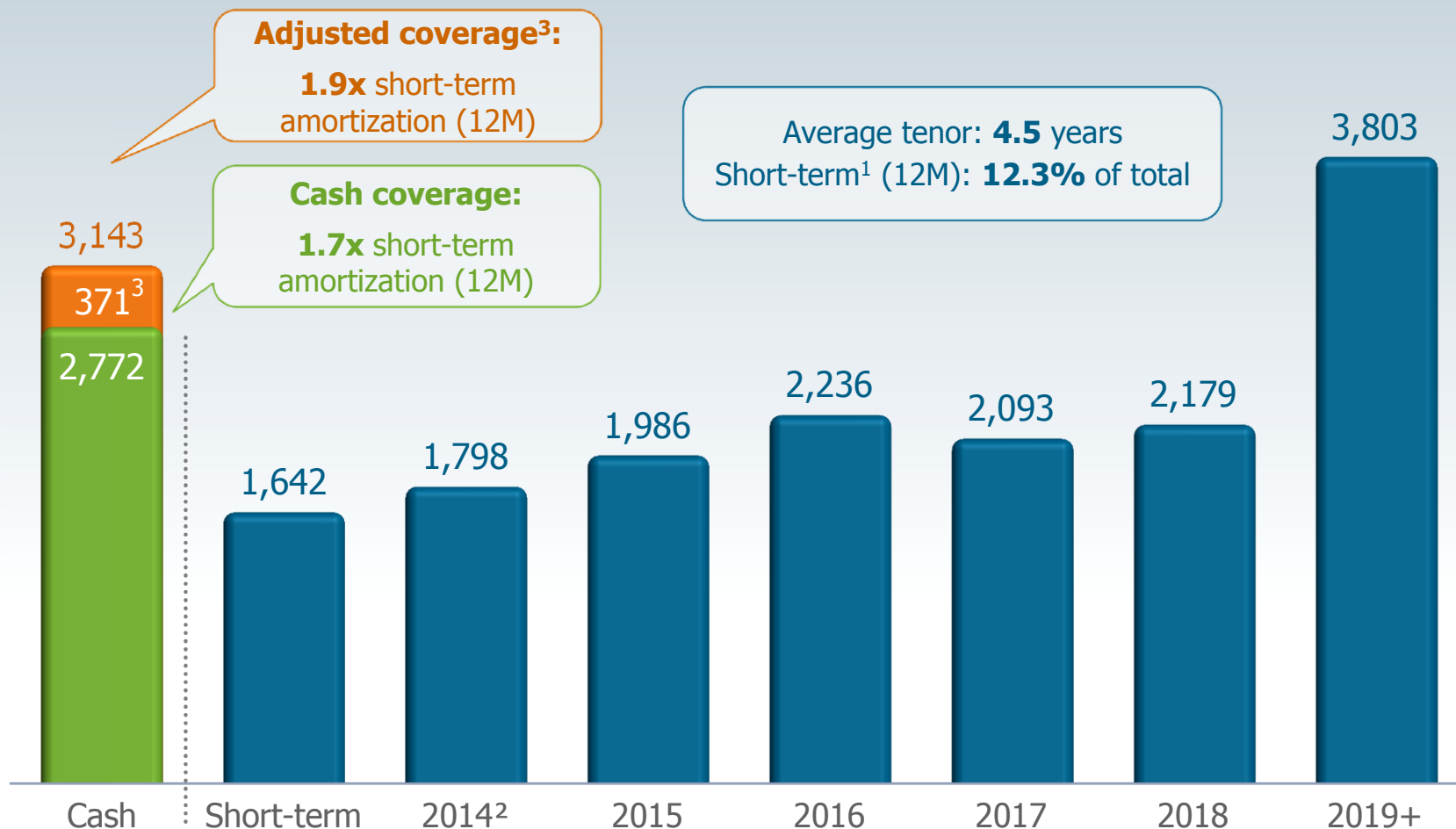


► Gross debt breakdown³



1) Financial covenants criteria, adjusted by disbursement of R\$ 371 million from sector fund CDE at CPFL Paulista to take place in May-13. 2) LTM recurring EBITDA (covenants criteria). 3) Financial debt (+) private pension fund (-) hedge (considering proportional consolidation).

▶ Debt amortization schedule¹ (as of Mar 31, 2013) | R\$ million



1) Disregard financial charges (ST = R\$ 288 million; LT = R\$ 41 million), hedge (net positive effect of R\$ 439 million) and MTM (R\$ 66 million). 2) Considers amortization as of April 01, 2013. 3) Disbursement from sector fund CDE at CPFL Paulista to take place in May-13.

IFRS

Net revenues



70.0%

R\$ 94 million

1Q12	1Q13
R\$ 135 million	R\$ 229 million

EBITDA



76.4%

R\$ 61 million

1Q12	1Q13
R\$ 80 million	R\$ 140 million

Net income (Loss)



R\$ 26 million

1Q12	1Q13
R\$ 11 million	(R\$ 15) million

► Evolution of installed capacity¹ MW

+77%

1,153

652

198

304

652

■ Brownfield

■ Greenfield

■ Aug-11

Joint venture
CPFL and ERSA

1Q13

► Highlights

• Acquisitions (198 MW):

- ✓ Bons Ventos wind farms – 158 MW (Jun-12)
- ✓ Ester biomass TPP – 40 MW (Oct-12)

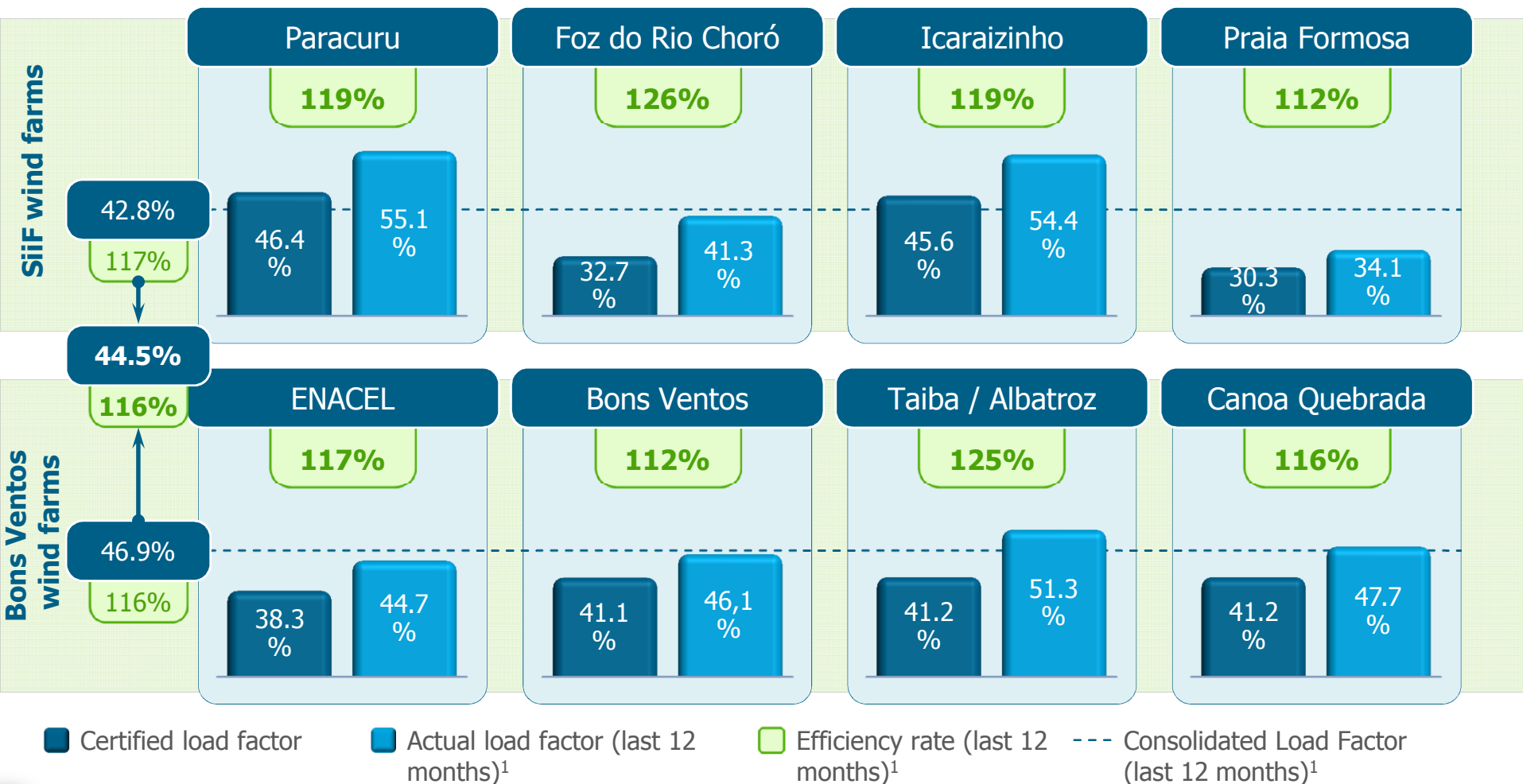
• Operational start-ups (304 MW):

- ✓ Bio Ipê TPP – 25 MW (May-12)
- ✓ Bio Pedra TPP – 70 MW (May-12)
- ✓ Santa Clara wind farms – 188 MW (Jul-12)
- ✓ Tanquinho solar power plant – 1 MWp (Nov-12)
- ✓ Salto Góes SHPP – 20 MW (Dec-12)

• Impacts on 1Q13 net income:

- ✓ Higher indebtedness to support expansion plan
- ✓ Higher depreciation/amortization expenses of new projects
- ✓ Typical seasonality for biomass and wind farms in the beginning of the year

CPFL Renováveis presents a track record of high efficiency ratio.
Actual production of the last 12 months is above the certified load factor.



1) 12 months ended in Feb/13.

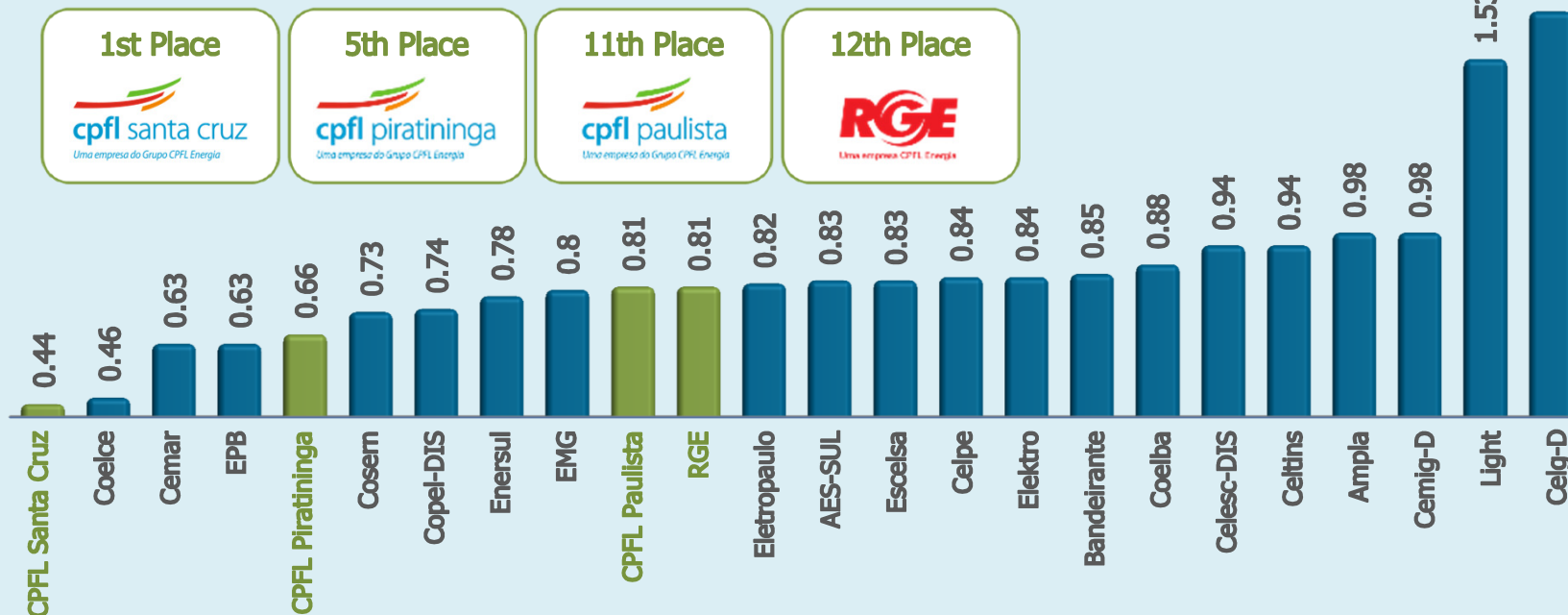
Commercial start-up in **2013-2016(e)** | **582 MW / 270 MWavg**

	Commercial start-up (e)	Installed Capacity (MW)	Assured Energy (MWavg)	Capital structure (e)	PPA	
TPP Coopcana	2Q13	50	18.0	BNDES funding (approved and partially disbursed)	Free market	81% concluded
TPP Alvorada	2Q13	50	18.0	BNDES funding (approved and partially disbursed)	Free market	79% concluded
Macacos I wind farms ¹	3Q13	78.2	37.5	BNDES funding (bridge loan approved and disbursed, long-term funding under review)	Alternative sources auction (Aug/10) R\$ 152.6 ³	59% concluded
Atlântica wind farms ²	3Q13	120	52.7	BNDES funding (under review)	Alternative sources auction (2010) R\$ 154.8 ³	58% concluded
Campo dos Ventos II wind farm	3Q13	30	15.0	BNDES funding (under review)	Reserve energy auction (Aug/10) R\$ 142.5 ³	42% concluded
Campo dos Ventos wind farms ⁴	3Q16	82.0	40.2	BNDES funding (structuring)	Free market	10% concluded
São Benedito wind farms ⁵	3Q16	172.0	89.0	BNDES funding (structuring)	Free market	8% concluded

1) Macacos, Pedra Preta, Costa Branca and Juremas; 2) Atlântica I, II, IV and V; 3) Constant currency (Dec/12); 4) Campo dos Ventos I, III, V; 5) Ventos de São Benedito, Ventos de Santo Dimas, Santa Mônica, Santa Úrsula São Domingos and Ventos de São Martinho

Large Distributors²

▶ Aneel's Ranking for Quality of Service Global Performance Indicator of Continuity¹



Small Distributors



Aneel's Consumer Satisfaction Index
Consumer perception about the quality of services provided by the distribution concessionaires (from 30 thousand up to 400 hundred thousand consumers)

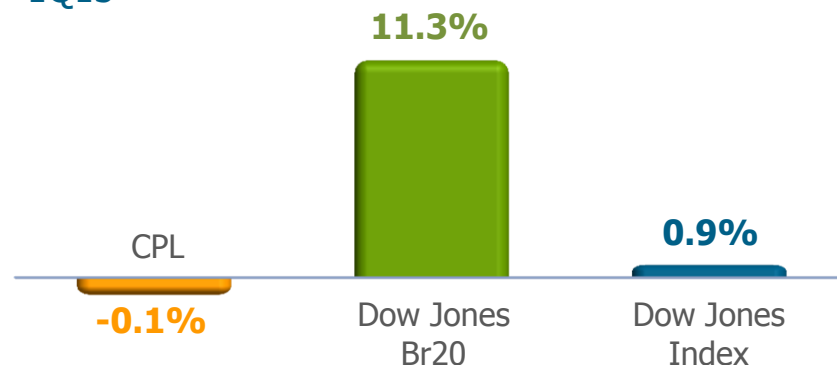
2012 South and Southeast Winner

1) Global Performance Indicator of Continuity (DGC) is the arithmetic average of the ratios between the values calculated and the annual limits of the DEC and FEC indicators. Values and Ranking developed and released by Aneel. 2) Market higher than 1 TWh.

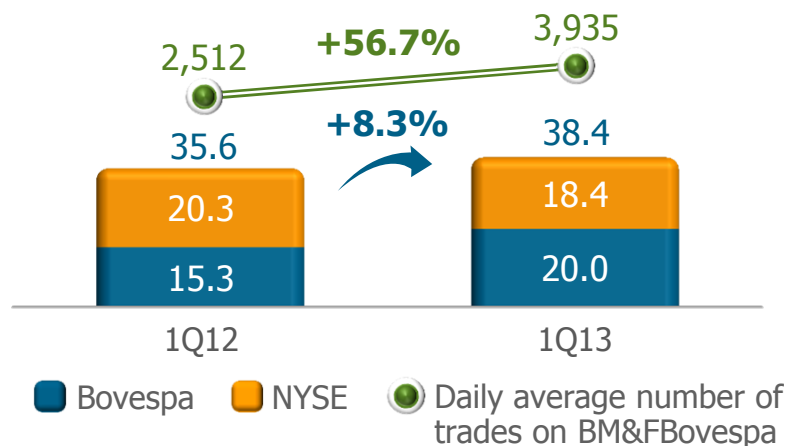
Shares performance on BM&Fbovespa 1Q13



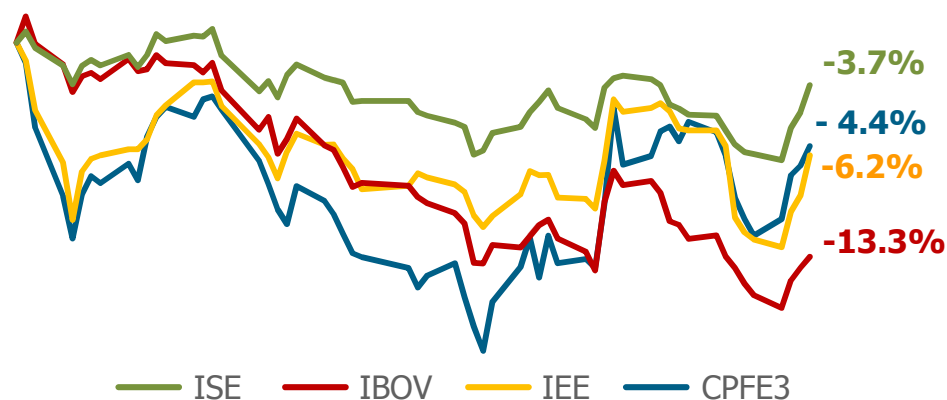
ADRs performance on NYSE 1Q13



Daily average trading volume on BM&Fbovespa + NYSE | R\$ million



Shares performance 2013 accumulated (up to April 26)



100 anos
GERANDO
HISTÓRIAS

