



Baldin TPP
Overview: Boiler | Power house



Epasa TPP
Power house

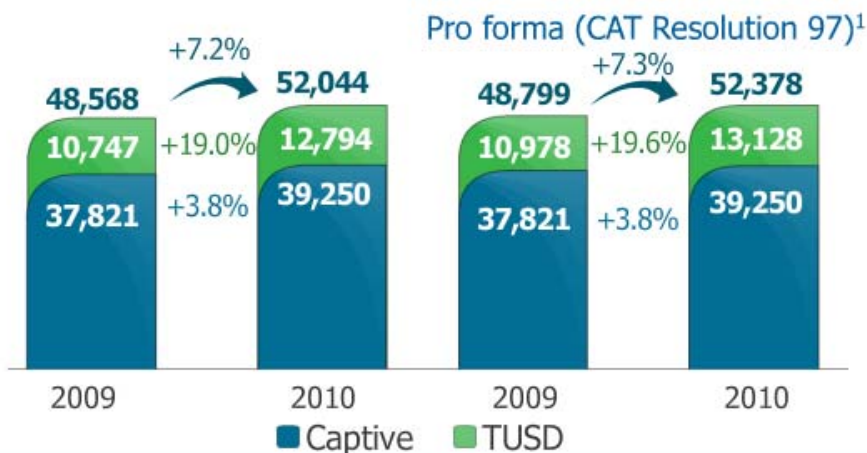


4Q10 Results

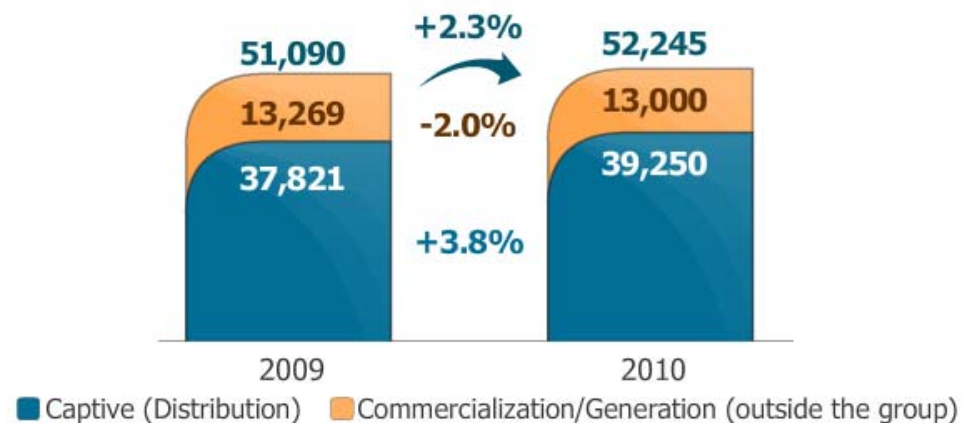
Foz do Chapecó HPP
Overview: Dam | Reservoir



▶ Concession area sales (GWh)



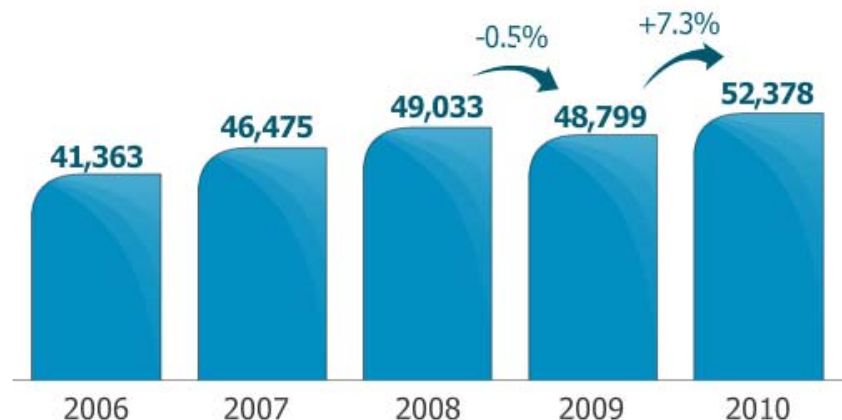
▶ Total energy sales (GWh)²



▶ Concession area sales (GWh) Consumer class (CAT Resolution 97)



▶ Concession area sales evolution (GWh)



Previous standard

Net Revenue

**R\$ 10,961 million
(2010)**




 **3.7%**

**R\$ 10,566 million
(2009)**

New Procedures

R\$ million



2010

-  **72** CERAN Consolidation +35%
-  **69** Non recognition of Regulatory Assets and Liabilities
-  **1,044** Revenue of Construction
-  **16** Others

Total 2010

Net Revenue  **1,063**

2009

-  **73** CERAN Consolidation +35%
-  **91** Non recognition of Regulatory Assets and Liabilities
-  **616** Revenue of Construction
-  **12** Others

Total 2009

Net Revenue  **792**

IFRS standard

Net Revenue

**R\$ 12,024 million
(2010)**

 **5.9%**

**R\$ 11,358 million
(2009)**

Previous standard

EBITDA

**R\$ 3,232 million
(2010)**


 **16.9%**

**R\$ 2,765 million
(2009)**


New Procedures

R\$ million

2010

-  **1,063** Net Revenue
-  **12** CERAN Consolidation +35% (Costs)
-  **91** Non recognition of Regulatory Assets and Liabilities (Energy Costs)
-  **1,044** Cost of Construction
-  **21** Others

Total 2010

EBITDA  118

2009

-  **792** Net Revenue
-  **14** CERAN Consolidation +35% (Costs)
-  **524** Non recognition of Regulatory Assets and Liabilities (Energy Costs)
-  **616** Cost of Construction
-  **1** Others

Total 2009

EBITDA  687

IFRS standard

EBITDA

**R\$ 3,350 million
(2010)**

 **-3.0%**

**R\$ 3,453 million
(2009)**

Previous standard

Net Income

**R\$ 1,544 million
(2010)**






 **20.0%**

**R\$ 1,286 million
(2009)**

New Procedures

R\$ million

2010

-  **118** EBITDA
-  **41** CERAN Consolidation +35% (Depreciation, Financial Result and Income Tax and Social Contribution)
-  **3** Non recognition of Regulatory Assets and Liabilities (Financial Result and Income Tax and Social Contribution)
-  **26** Generation depreciation - deemed cost (no impact in dividends)¹
-  **32** Others

Total 2010

Net Income

 **16**

2009

-  **687** EBITDA
-  **39** CERAN Consolidation +35% (Depreciation, Financial Result and Income Tax and Social Contribution)
-  **207** Non recognition of Regulatory Assets and Liabilities (Financial Result and Income Tax and Social Contribution)
-  **26** Generation depreciation - deemed cost (no impact in dividends)¹
-  **13** Others

Total 2009

Net Income

 **402**

IFRS standard

Net Income

**R\$ 1,560 million
(2010)**

 **-7.6%**

**R\$ 1,689 million
(2009)**

Net Revenue (R\$ million)

4Q10
Previous standard
2,778

▼ **2.2%**

4Q10
IFRS standard
3,179

▲ **6.0%**

4Q09
Previous standard
2,840

4Q09
IFRS standard
2,998

EBITDA (R\$ million)

4Q10
Previous standard
814

▲ **9.0%**

4Q10
IFRS standard
812

▼ **14.3%**

4Q09
Previous standard
746

4Q09
IFRS standard
947

Net Income (R\$ million)

4Q10
Previous standard
382

▼ **10.2%**

4Q10
IFRS standard
359

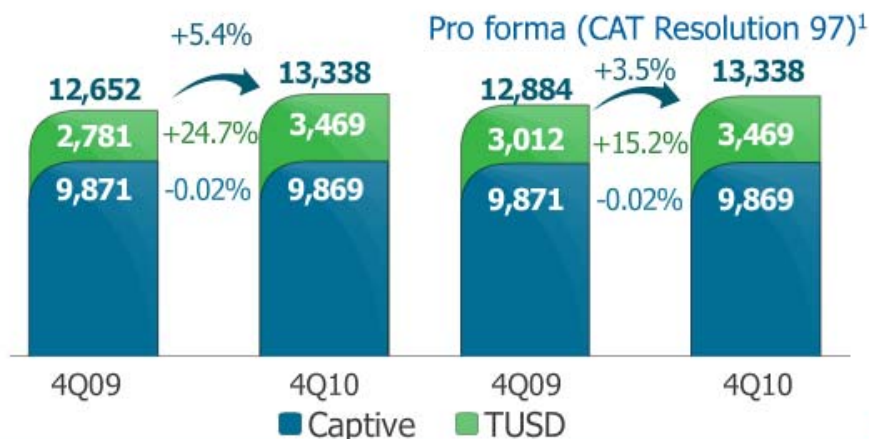
▼ **34.0%**

4Q09
Previous standard
425

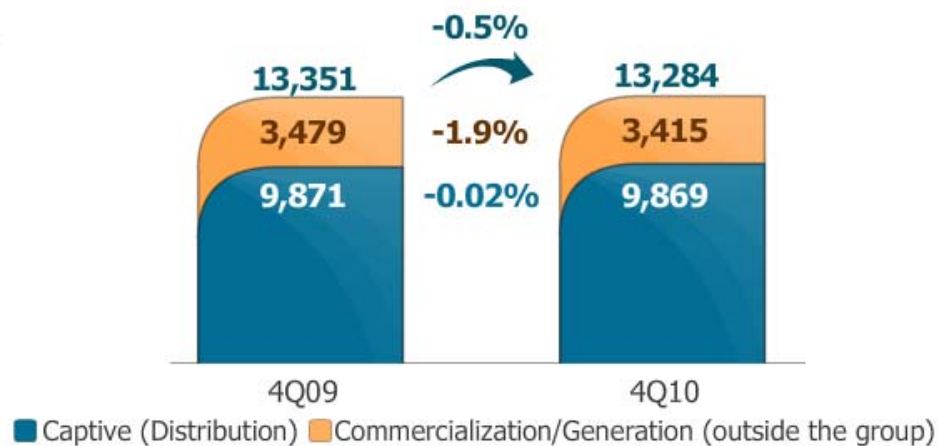
4Q09
IFRS standard
544

- Growth of 3.5% in sales in the concession area¹ in 4Q10 and 7.3% in 2010
- Annual economic tariff adjustment of 8.59 for CPFL Piratininga in Oct, 10, 8.01% for CPFL Santa Cruz, 6.84% for CPFL Mococa, 6.57% for CPFL Sul Paulista, 6.42% for CPFL Leste Paulista and 5.22% for CPFL Jaguari in Feb, 11
- Commercial startup of Termonordeste TPP (Dec, 10) and Termoparaíba TPP (Jan, 11), adding 174.2 MW of power generation to CPFL Energia
- Announcement of the construction of Campo dos Ventos I, III, IV and V and Eurús V wind farms, with installed capacity of 150 MW, for commercialization in the free market
- Capex of R\$ 524 million in 4Q10 and R\$ 1.8 billion in 2010. Capex estimated at R\$ 6.9 billion between 2011-2015
- Funding of R\$ 973 million approved by BNDES for biomass projects (Bio Buriti, Bio Ipê, Bio Formosa and Bio Pedra) and Santa Clara I,II, III, IV, V, VI and Eurús VI wind farms
- Distribution of R\$ 1.260 million in dividends in 2010. Dividend yield of 6.9% over the past twelve months
- Reverse split and split of shares and change in the ON:ADR ratio, with trading beginning in July 2011
- 6.5% increase in the value of shares on the Bovespa. In 2010, 25.7% increase, surpassing Ibovespa (1.0%) and IEE (12,0%)
- CPFL Energia remains on Bovespa Corporate Sustainability Index (ISE) for the sixth consecutive year

▶ Concession area sales (GWh)



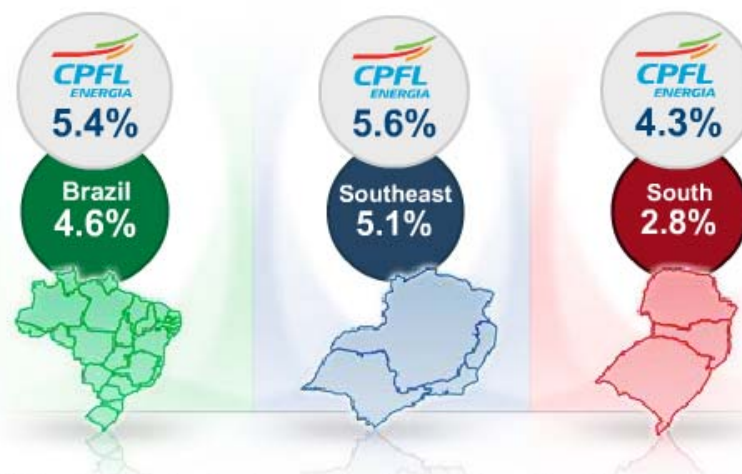
▶ Total energy sales (GWh)²



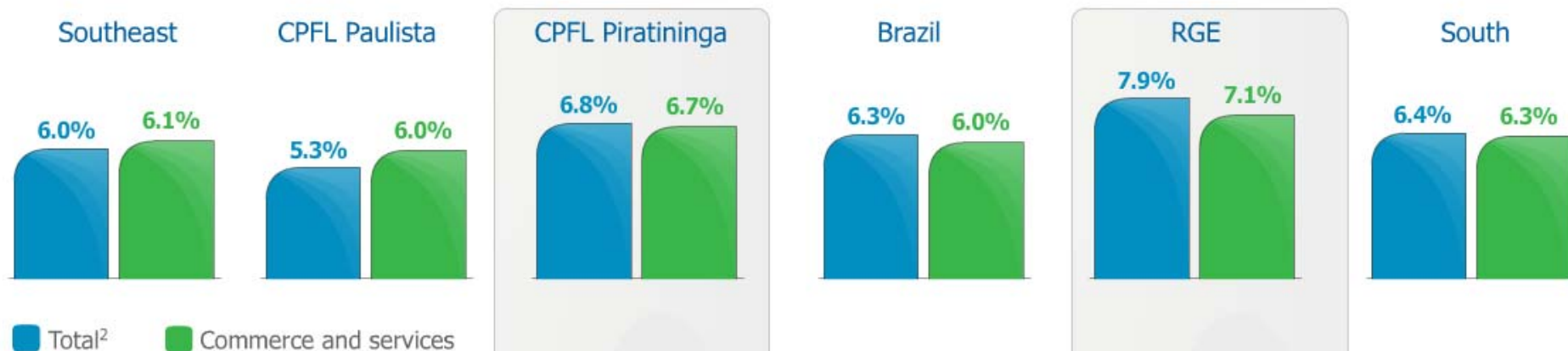
▶ Concession area sales (GWh) Consumer class (CAT Resolution 97)



▶ Concession area sales (GWh) Comparison by region³



► Employment – CAGED | 2010¹



► Highlights in the concession area sales (MWh)



EBITDA – R\$ million



+ Increase of 1.5% in Net Revenues¹ (R\$ 42 million)

+ Increase of 3.5% in sales in the concession area (captive: -0.02%; TUSD free costumer: +15.2%)

+ Increase of 55.7% in TUSD free costumer revenues (R\$ 114 million)

- Decrease of 1.9% in commercialization/generation sales outside Group

- Tariff revision with higher financial components in 2009, due to the pass trough of costs increases in 2008 (R\$ 198 million)²

- Increase of 10.0% in Energy costs and charges (R\$ 150 million)

- Increase of 9.6% in distributors costs (R\$ 151 million)

- Purchased energy for EPASA and Foz do Chapeco HPP (R\$ 41 million)

- Increase of 7.2% in operating costs and expenses³ (R\$ 25 million)

- Business expansion of CPFL Total, CPFL Serviços and news projects (R\$14 milion)

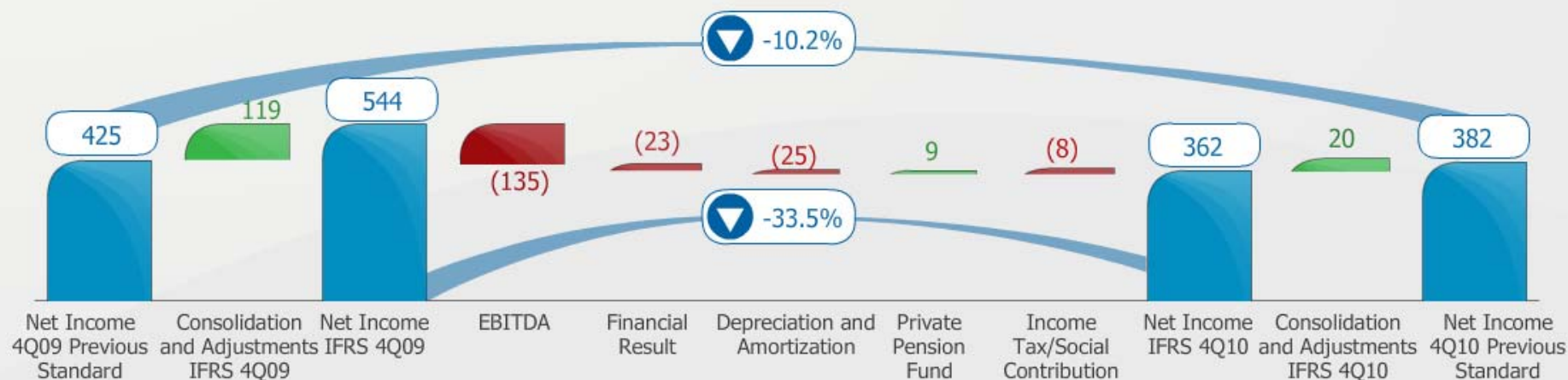
- Foz do Chapeco HPP and Baldin and EPASA TPPs (R\$ 1 million)

- Network incorporation contract and physical inventory of assets (R\$ 3 million)

+ Liability related to free energy losses complement – ANEEL resolution 387/09 (R\$ 17 million)

IGP-M: **+11.3%**

Net Income – R\$ million

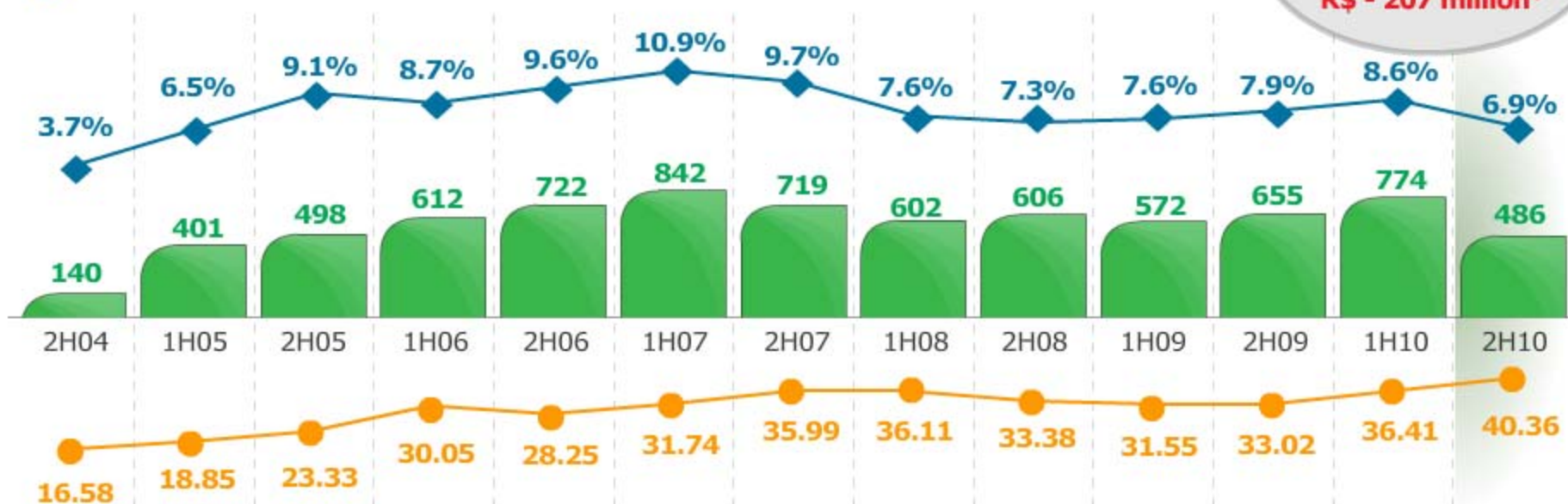


- ⊖ Decrease of 14.3%% in EBITDA (R\$ 139 million)
- ⊖ Decrease of 25.3% in Financial Income (R\$ 23 million)
 - ⊖ Financial update Foz do Chapecó HPP's passive UBP - "Public Utilities" (R\$ 13 million)
 - ⊖ Charges and financial updates's debt due to increase of debt
- ⊖ Increase of 14.9% in Depreciation and Amortization (R\$ 25 million)
 - ⊖ Generation: depreciation during the term (R\$ 4 million)
 - ⊖ Foz de Chapecó HPP (R\$ 6 million)
- ⊕ Private pension fund (R\$ 9 million)
- ⊖ Increase in Income Tax and Social Contribution (R\$ 8 million)
 - ⊖ Lower tax credit complement – CPFL Energia Holding than 2009 (R\$ 59 million)

	4Q09	4Q10
CDI	2.1%	2.6%
R\$/US\$	-2.1%	-1.7%
TJLP	1.5%	1.5%

▶ Declared Dividends and Dividend Yield

- ◆ Dividend Yield² (last twelve months)
- Declared dividends¹ (R\$ million)
- CPFL average price (R\$/ON)



CPFL distributes 95% of the Net Income in dividends

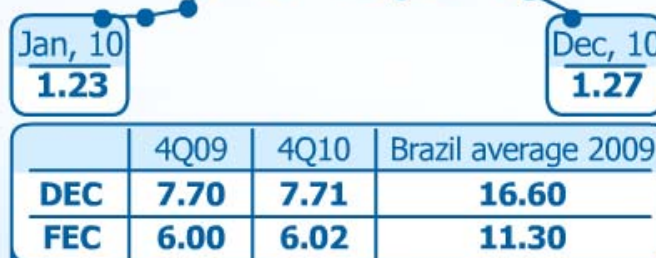
R\$ 1.3 billion in 2010
R\$ 2.62 per share

Acumulated since the IPO (Sep/04): R\$ 7.6 billion
Dividend Yield: 93%³

▶ Leader in distribution business

- 6.7 million clients (+2.8% in 2010)
- High per capita consumption potential
- R\$ 2,265 million EBITDA in 2010

Delinquency (%)¹



Distribution market share²

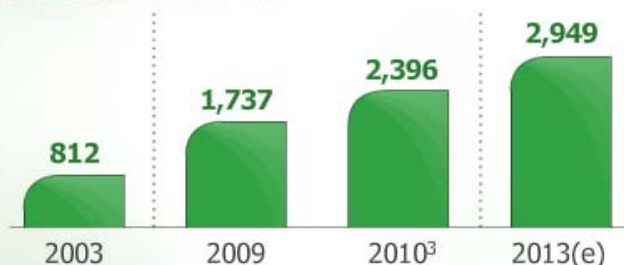


▶ 3rd largest private generator

- Long-term concessions and contracts
- 553 MW under construction
- EBITDA margin over 80%
- R\$ 809 million EBITDA in 2010

Growth of installed capacity (MW)

CAGR 03-10: 17%



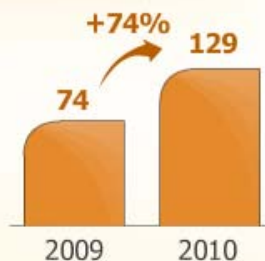
Generation market share⁴



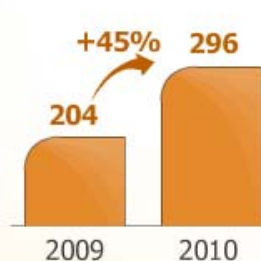
▶ Leader in commercialization

- 25% of total sales of the group⁵
- Diversified services portfolio
- VAS, CPFL Total and CPFL Atende: revenues of R\$ 120 million in 2010
- R\$ 308 million EBITDA in 2010

of free clients



of VAS clients



Commercialization market share⁶



Group A intelligent metering

► Features

- Remote metering
- Validation of integrated data to billing
- Protection of Revenues — more precise algorithms to detect mistakes and fraud
- Automatic identification of power outages — integrated with the Operations Center
- Possibility of remote cutting and reestablishment of power

► Investment

- Automation of 20,000 meters
- Estimated Investment: R\$ 30 million
- Deadline: 24 months
- Start up: Mar/11



► Benefits

- Reduction in operating costs
- Improvement in detection of outages
- Reduction of technical and non-technical losses
- Quality of services to consumers

Degree of benefit



Operating efficiency



Financial benefits



Client satisfaction



Regulatory (supervision)



Expansion in generation | 8 wind farms under construction (sales in the reserve auction) and announcement of 5 wind farms for sales in the free market

Announcement of construction of 5 wind farms for sales in the free market: Campo dos Ventos I, III, IV, V and Eurus V

Funding of R\$ 574 million approved by BNDES for Santa Clara I, II, III, IV, V, VI and Eurus VI

	Installed Capacity (MW)	Commercialized Energy	Total Invest. (R\$ million)	Construction (Feb, 11)	Commercial Start-up
Santa Clara I, II, III, IV, V, VI and Eurus VI ¹	188	76 avg. MW Reserve Auction (Dec, 09)	801	17.3%	3T12
Campo dos Ventos II	30	14 avg. MW Reserve Auction (Aug, 10)	127	4.9%	3T13
Campo dos Ventos I, III, IV, V and Eurus V ²	150	Guaranteed Power Output (Free Market) 64,6 avg. MW	600	Waiting for Aneel authorisation	3T13
TOTAL	368		1,528		

EPASA TPPs

CPFL stake (51%)

Installed Capacity: 174.2 MW

Investment: R\$ 310 million

Capital Structure: 65% debt / 35% equity

Start of construction: Oct, 09

Commercial Start-up:

Termonordeste TPP: Dec, 10

Termoparaíba TPP: Jan, 11

Average dispatch 4% per year in order of merit

15 years PPA – A-3 auction of Jul, 07

Location: Paraíba

Annual fixed revenue around of R\$ 87 million



Bio Ipê TPP

Installed Capacity: 25 MW
Capacity exported to CPFL Brasil:
8.4 MW/harvest

Estimated Investment: R\$ 26 million

Capital Structure: 87% debt / 13% equity

Location: Nova Independência / SP

Start of
construction
Sep, 10

40%
concluded
Feb, 11

Commercial
Start-up
2Q11



Bio Buriti TPP

Installed Capacity: 50 MW
Capacity exported to CPFL Brasil:
21.2 MW/harvest

Estimated Investment: R\$ 135 million

Capital Structure: 80% debt / 20% equity

Location: Buritizal / SP

Start of
construction
Apr, 10

57%
concluded
Feb, 11

Commercial
Start-up
2Q11



Bioformosa TPP

Installed Capacity: 40 MW

Assured Energy: 16 avg. MW

~70% is already contracted in the
2006 A-5 Auction

Price: R\$ 179.10/MWh (as of Dec,10)

Estimated Investment: R\$ 127 million

Capital Structure: 81% debt / 19% equity

Location: Rio Grande do Norte

Estimated Revenue: R\$ 24 million¹/year

Start of
construction
Mar, 10



85%
concluded
Feb, 11

Commercial
Start-up
3Q11

Bio Pedra TPP

Installed Capacity: 70 MW

Assured Energy: 24 avg. MW

Energy commercialized in the reserve auction (Aug, 10)

Price: R\$ 145.48 / MWh (as of Aug,10)

Estimated Investment: R\$ 205 million

Capital Structure: 80% debt / 20% equity

Location: Serrana /SP

Estimated Revenue: R\$ 33 million¹/year

Start of
construction
Jul, 10

12%
concluded
Feb, 11

Commercial
Start-up
2Q12

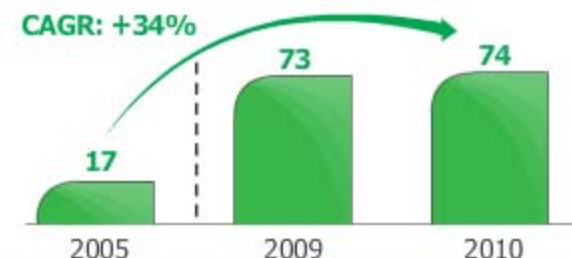




Added value services

- Self-production system
- Project, construction and maintenance of electricity assets
- Reform of equipment
- Technical commercial services
- Consulting and representation

Revenues (R\$ million)



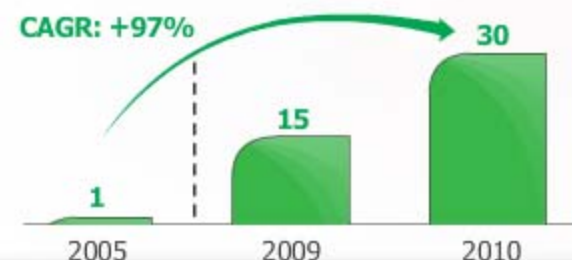
CPFLTOTAL pagamentos e serviços

Points of service ('000)



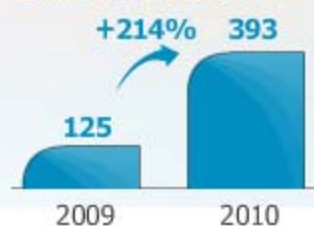
Transfer of payment of the electricity bill from lottery output to accredited stores as of Aug, 10

Revenues (R\$ million)



cpfl atende

Points of service



Revenues (R\$ million)



Total capex | R\$ million

■ Distribution ■ Generation ■ Commercialization /services



Distribution | R\$ million

■ Expansion ■ Maintenance

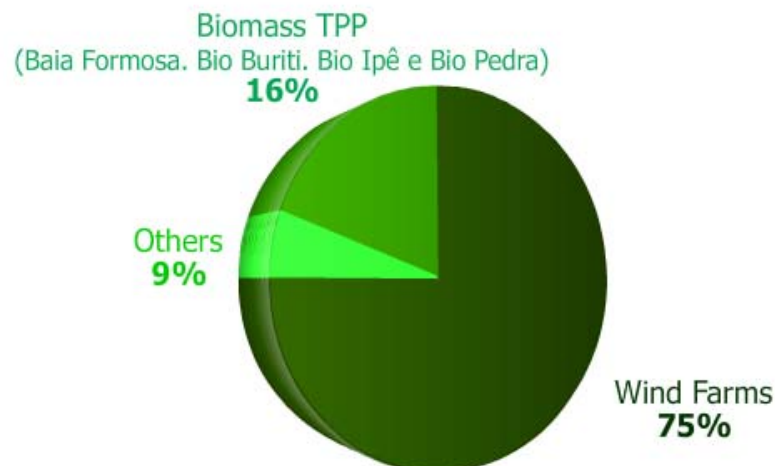


2011-2015 (e) Distribution: R\$ 4.6 billion
86% recognized as RAB

Generation | R\$ million



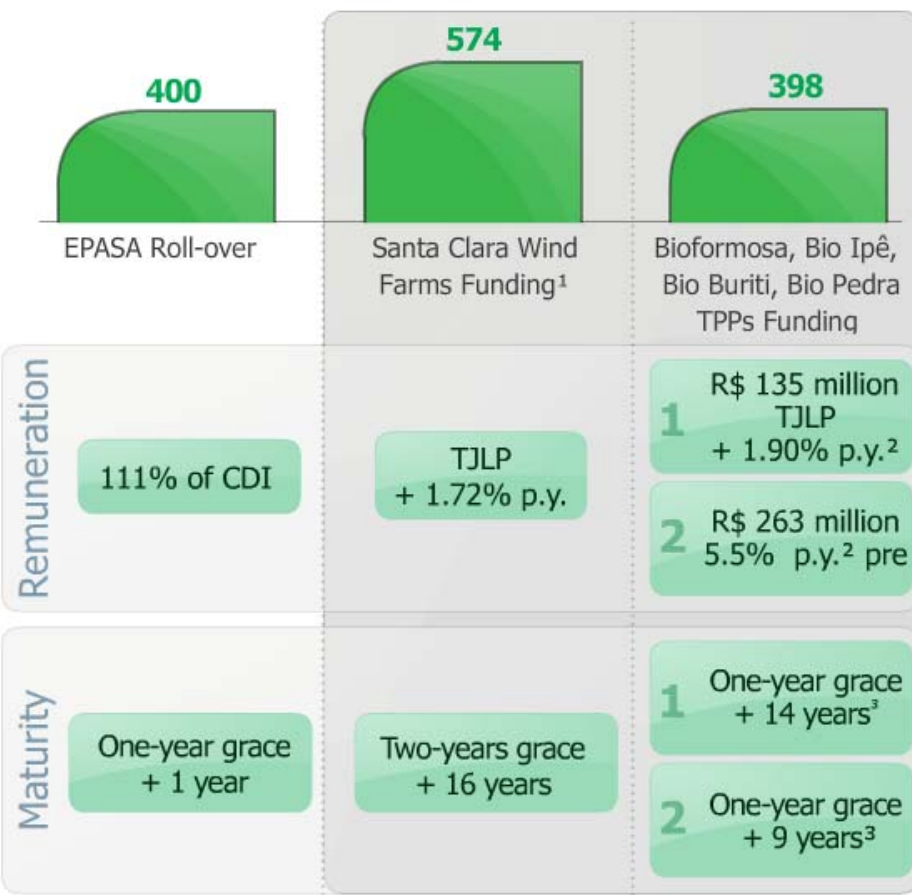
2011-2015 (e) Generation: R\$ 1.9 billion



► Fundind and Roll-over debts surpass R\$ 2 billion on the 4Q10

Generation – R\$ 1,372 million

2010 Concluded Capex: R\$ 645 million

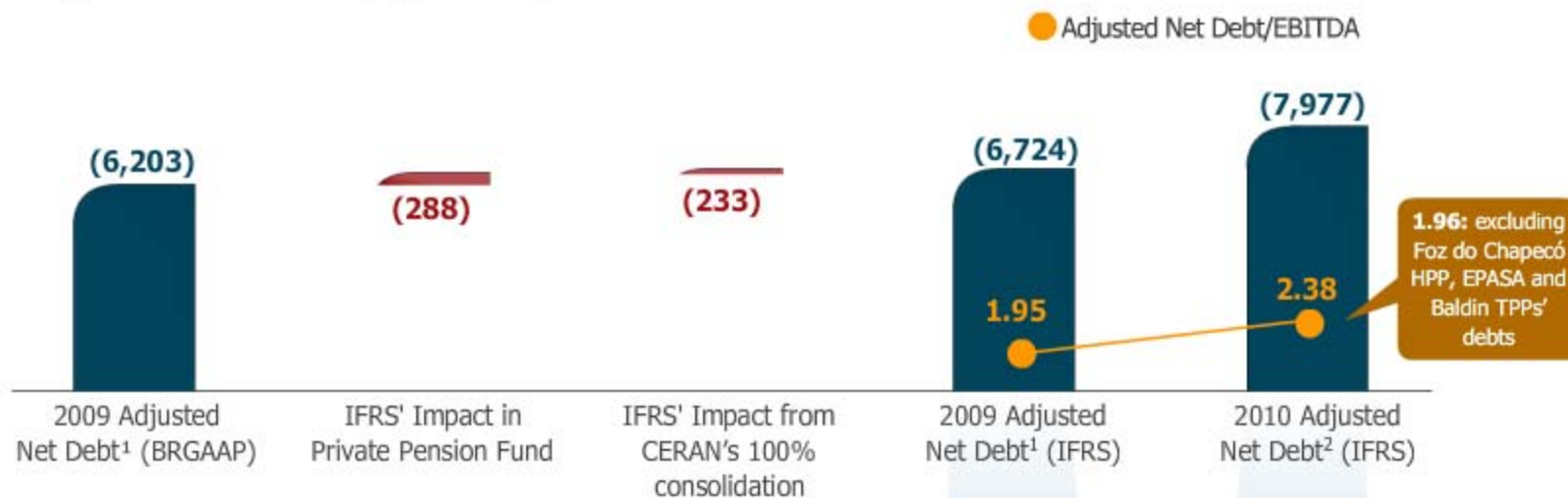


Distribution –R\$ 905 million

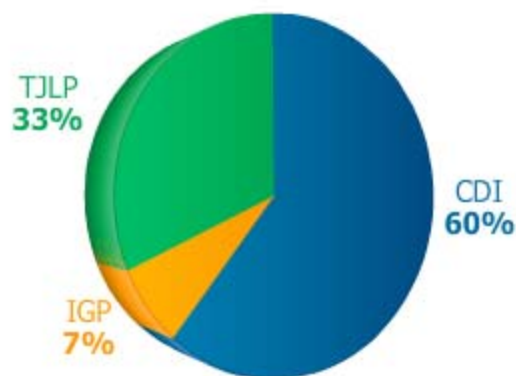
2010 Concluded Capex: R\$ 1,128 million



2010 Adjusted Net Debt (R\$ million)



Debt Breakdown



Real cost



► Operation

Change in the exchange ratio between ONs and ADRs

- Current exchange ratio → 3 ONs : 1 ADR
- Proposed ratio → 2 ONs : 1 ADR

Simultaneous grouping and split of the ONs

- Grouping of 10 ON shares into 1 share
- Split of 1 ON share into 20 shares

ON price would go from about R\$ 44 to R\$ 22 and the price of the ADRs would go from about US\$ 79 to US\$ 26

► Benefits

- Probable increase in the liquidity of the ONs and ADRs
- Greater access to individual investors for trades (lower price quote)
- Increase of active shareholders
- Optimization of share base management



► Timetable

Approval in the BDM¹
Feb. 23, 2011

Approval in the EGM²
April 28, 2011

Beginning of the trading of the grouped and split shares
Jul, 11³

Distribution of the ADRs and ONs at the new price
Jul, 11³

Payment of the share fractions
Aug/11³

Shares Performance¹ – 4Q10

Bovespa

NYSE



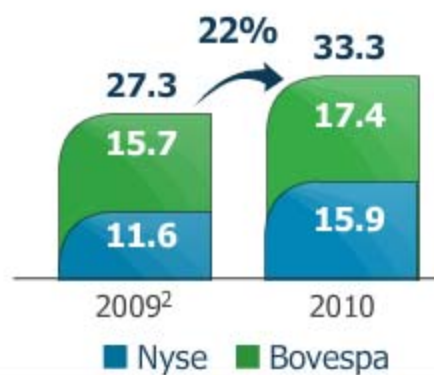
Shares Performance¹ – 2010

Bovespa

NYSE



Daily average volume (R\$ million)



Índice de Sustentabilidade Empresarial **ISE**



CPFL Energia remains on ISE for the sixth consecutive year

38 participating companies from 18 sectors

CPFL is one of the 13 companies that remains on ISE since the beginning, in Dec, 05

IASC Prize – ANEEL Consumer Satisfaction Index

- Rio Grande Energia — RGE** — IASC South Prize: 2004|2010
CPFL Leste Paulista — IASC Brazil Prize 2010
— IASC South/Southeast Prize: 2006|2010



CPFL Energia – Model Company

Exame Sustainability Guide - 2002|03|04|06|07|08|09|10

- 200 participating companies
- More points than the average
 - Transparency: 9.5 vs 5.0 (average of the other companies)
 - Socio-economic performance: 9.1 vs 6.2 (average of the other companies)

Certification from Bureau Veritas



Evaluation of corporate risk management and internal controls

- Corporate Risk Management
- Internal controls over financial statements (SOX and CVM 480/2009)

Certification from Bureau Veritas



1st company in the electricity sector to obtain certification

Evaluation of the Datacenter information security system

- Control, operation, monitoring and infrastructure maintenance services



Baldin TPP
Overview: Boiler | Power house



Epasa TPP
Power house



4Q10 Results

Investors Relations

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Foz do Chapecó HPP
Overview: Dam | Reservoir

