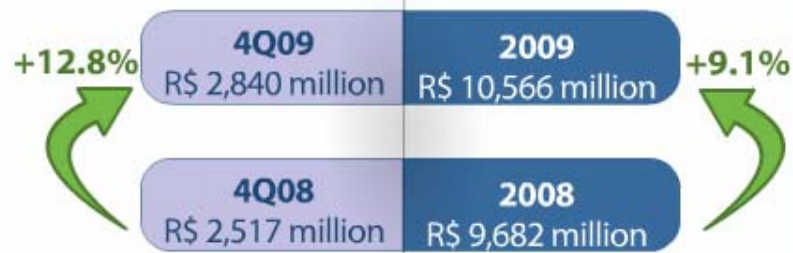




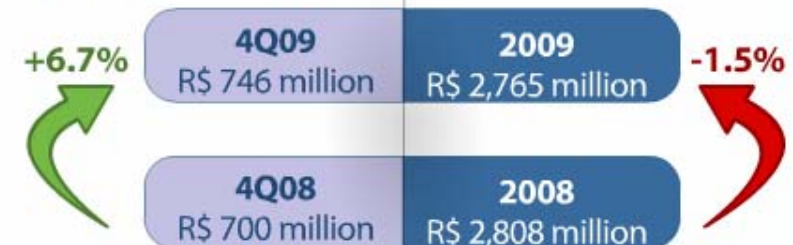
4Q09



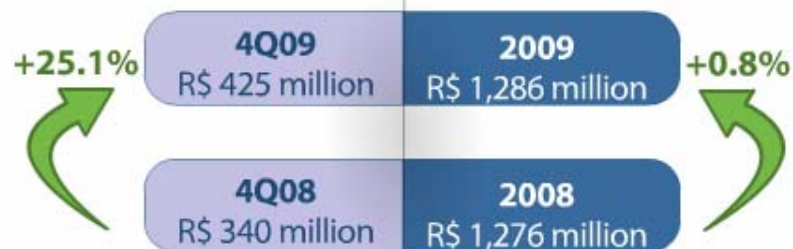
## Net Revenue



## EBITDA



## Net Income



- Growth of 4.9% in total energy sales in 4Q09 and 4.0% in 2009
- Announcement of the definitive indexes for the Second Tariff Review Cycle for CPFL Energia's distributors; average -12.5%
- Debenture's issue of R\$ 1 billion in Jul, 09, with average rate of 110.3% of Interbank Deposit Rate (DI) and BNDES's financing of R\$ 45 million to Baldin TPP and R\$ 228 million in debentures to EPASA in Dec, 09
- Payout of R\$ 1.2 billion in dividends in 2009, equivalent to a dividend yield of 7.9% in the last 12 months
- Success in the Reserve Energy Auction in Dec, 09, selling 76 average MW with average price of R\$ 150/MWh
- New projects announced in 2009: EPASA TPP's, Bio Formosa TPP, Santa Clara and Eurus Wind Farms: addition of 402 MW and 23% to CPFL Energia's current installed capacity
- The most sustainable company in Latin American and the 2<sup>nd</sup> one in transparency in sustainability in the capital markets by Management&Excellence
- CPFL Paulista is awarded as the best energy distributor of Brazil by ABRADÉE
- CPFL Piratininga is winner of the National Quality Award (PNQ) 2009 and RGE is finalist for the same award
- CPFL Energia is among the 10 best companies to work for in Brazil – Você SA/ Exame Magazine



25.7%<sup>1</sup>



31.1%



Sistel

12.7%



Free Float









30.5%




## DISTRIBUTION

100%		cpfl paulista
100%		cpfl piratininga
100%		RGE
99.99%		cpfl santa cruz
95.92%		cpfl leste paulista
87.27%		cpfl jaguari
86.73%		cpfl sul paulista
86.73%		cpfl mococa

## COMMERCIALIZATION AND SERVICES

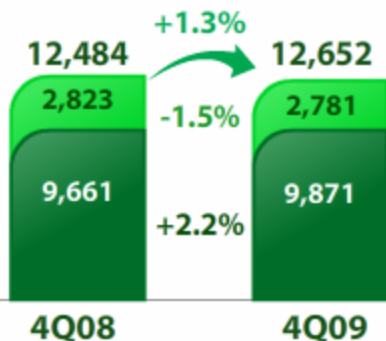
100%		cpfl brasil
100%		cpfl meridional
99.95%		cpfl sul geradora
100%		cpfl cone sul
100%		cpfl bioformosa
100%		cpfl planalto
87.82%		cpfl serviços
100%		cpfl atende

## GENERATION

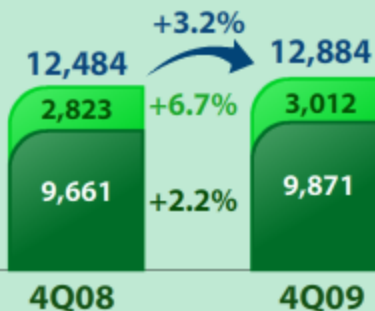
100%		cpfl geração
100%		cpfl sul
65%		Ceran
25.01%		BAESA
48.72%		Enercan
100%		cpfl bioenergia
100%		Parque Eólico Santa Clara <sup>2</sup>
51%		EPASA
51%		Chapecoense Geração S.A.
100%		Foz do Chapecó
87.34%		Jaguari
59.93%		Paulista Lajeado
5.91%		Investco

## Concession area sales (GWh)

■ TUSD ■ CAPTIVE

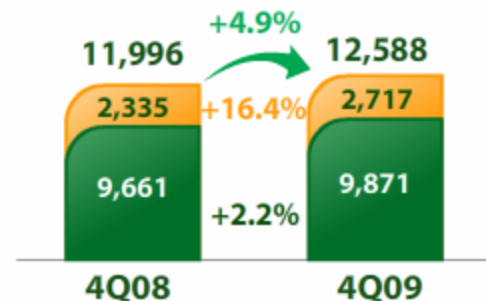


### Pro forma



## Total energy sales (GWh)

■ FREE MARKET ■ CAPTIVE



## Consumer class

### 4Q08 vs 4Q09



### Pro forma 4Q08 x 4Q09



## Pro forma

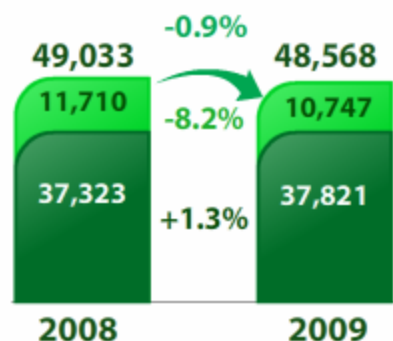
### CAT Resolution 97 – State of São Paulo Finance Secretariat

- All free customers are now being billed on the first day of each month
- Reduced number of days for meter readings in Dec, 09 (about 15 days)
- Compensated under the item "not billed"

**Zero effect on the result**

## Concession area sales (GWh)

■ TUSD ■ CAPTIVE

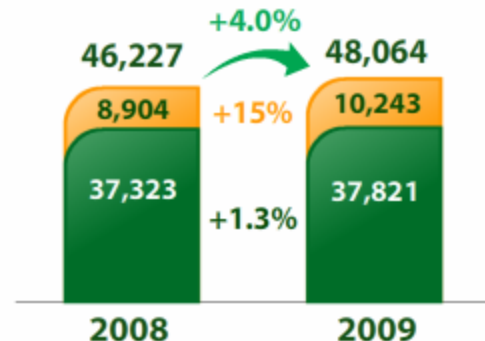


Pro forma



## Total energy sales (GWh)

■ FREE MARKET ■ CAPTIVE



## Consumer class

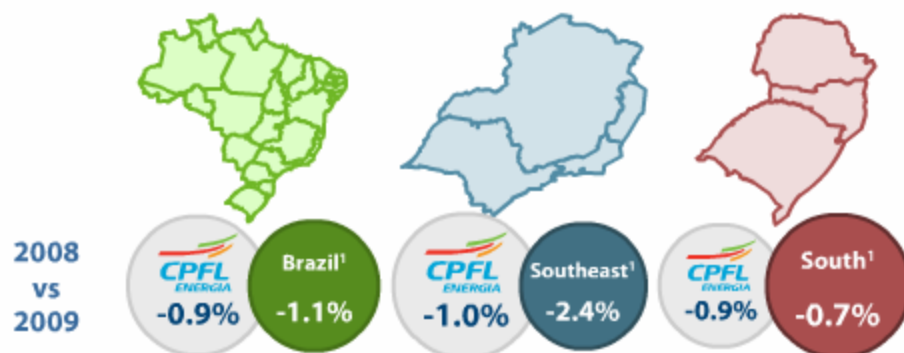
2008 vs 2009



Pro forma  
2008 x 2009



## Concession area sales (GWh) – Region





## Residential Commercial

4Q08 vs 4Q09



2008 vs 2009



## Macroeconomic scenario

Payroll<sup>1</sup>

Sales of furniture and home appliances<sup>1</sup>

Retail sales<sup>1</sup>

Reduction in interest rates (SELIC)<sup>2</sup>

Increase in credit supply (Brazil)<sup>2</sup>

SP

RS

Brazil

+4.3%

+3.7%

+4.0%

+1.7%

+4.6%

+2.1%

+7.5%

+2.7%

+6.0%

Dec, 08

Dec, 09

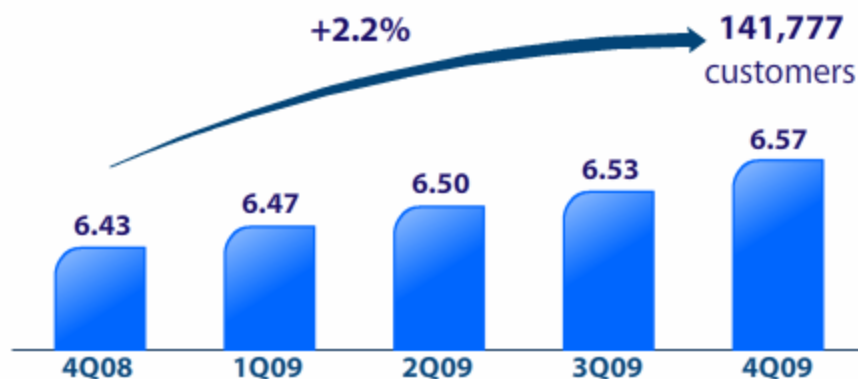
13.75%

8.75%

R\$ 26 bi

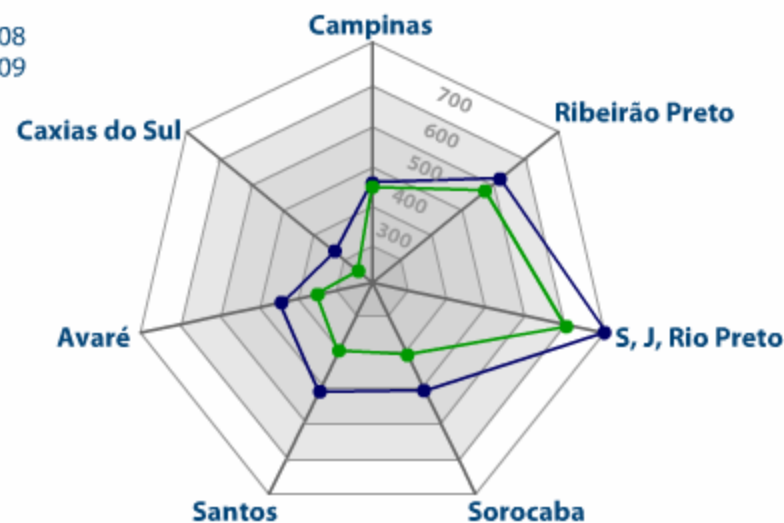
R\$30 bi

## Distributors' number of customers (in million)



## Temperature<sup>3</sup> - (CDD – cooling degree days)<sup>4</sup>

● 4Q08  
● 4Q09



1) Source: IBGE. Accumulated from January to December 2009 and compared with the same period of the previous year

3) Source: CIIAGRO and CPFL stations. Preparation: CPFL Energia

This methodology consists in adding, on a day-by-day basis, the values corresponding to the difference between the daily temperature and the threshold of 18°C

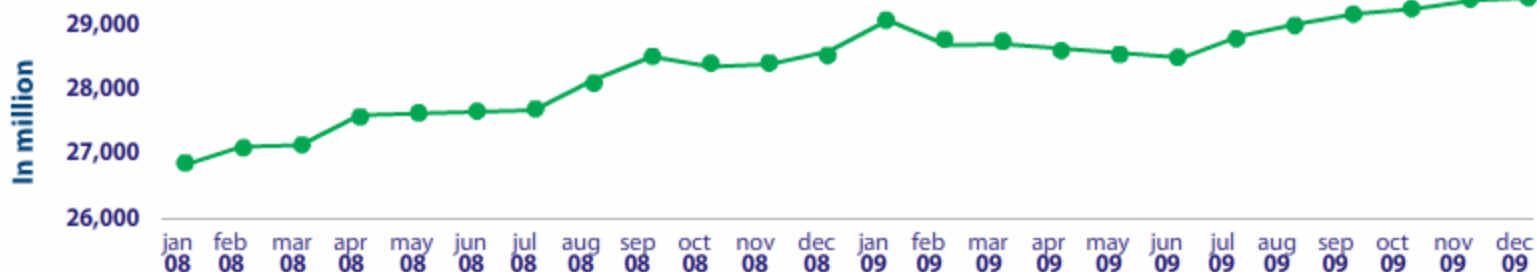
2) Source: Central Bank of Brazil

4) Cooling degree days: index adopted to measure the temperature and its effect on the electric energy market.

# Macroeconomic scenario: Positive outlook for energy consumption in the residential and commercial classes

## Payroll – seasonally adjusted – Total for Metropolitan Regions

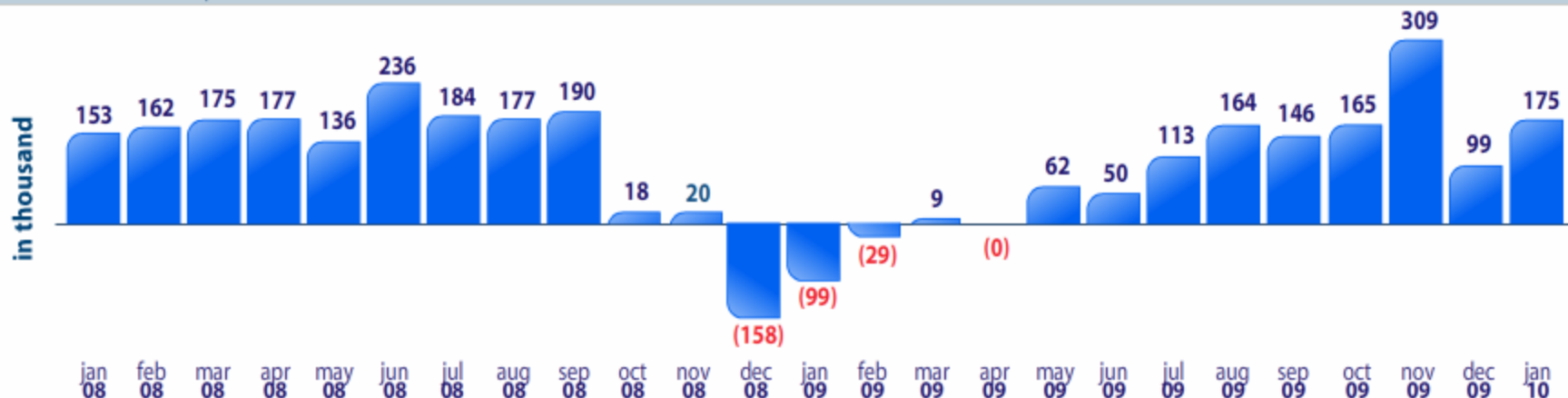
Source: IBGE. Preparation: LCA



**Growth of 4% in payroll in 2009 favored principally by the expansion in real household income.**

## Creation of formal job positions (CAGED) – Brazil - seasonally adjusted balance

Source: MTE. Preparation: LCA

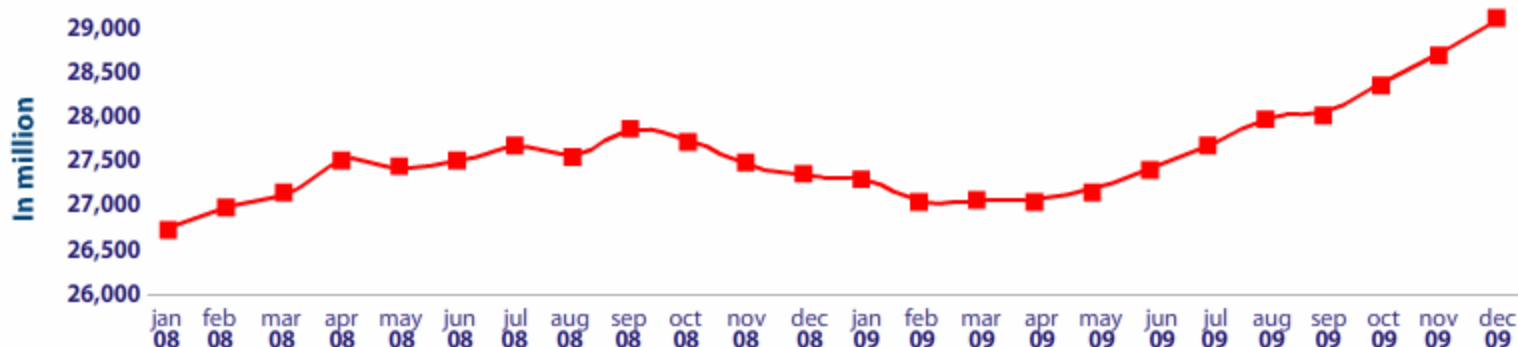


**Creation of 995 thousand jobs in the formal economy in 2009**

# Macroeconomic scenario: Positive outlook for energy consumption in the residential and commercial classes

## Personal credit granted to individuals excluding auto finance, real estate mortgages and overdrafts

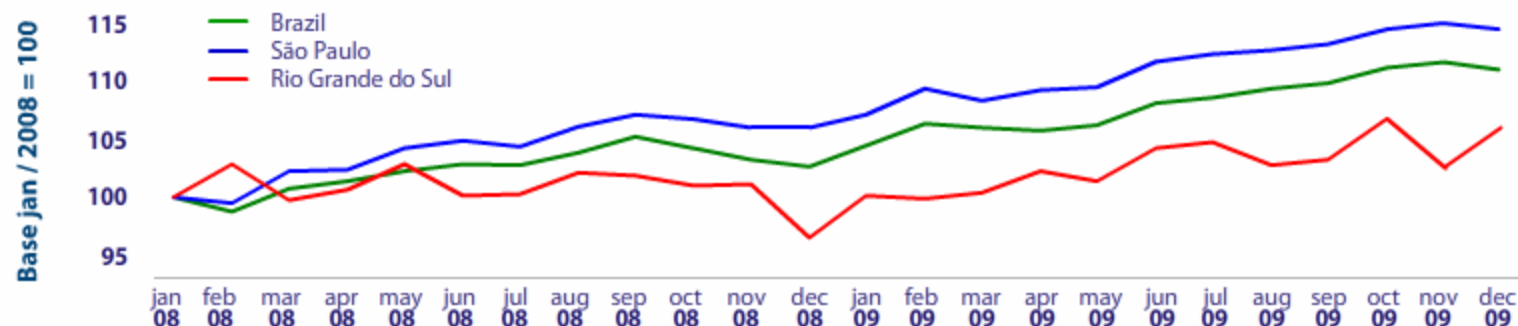
Rolling 12 months average – in millions constant R\$ for the last month. Source: Bacen



**Recovery in credit operations from 2Q09 and current levels exceed pre-crisis**

## Retail sales volume – Brazil, SP and RS – seasonally adjusted

Source: IBGE

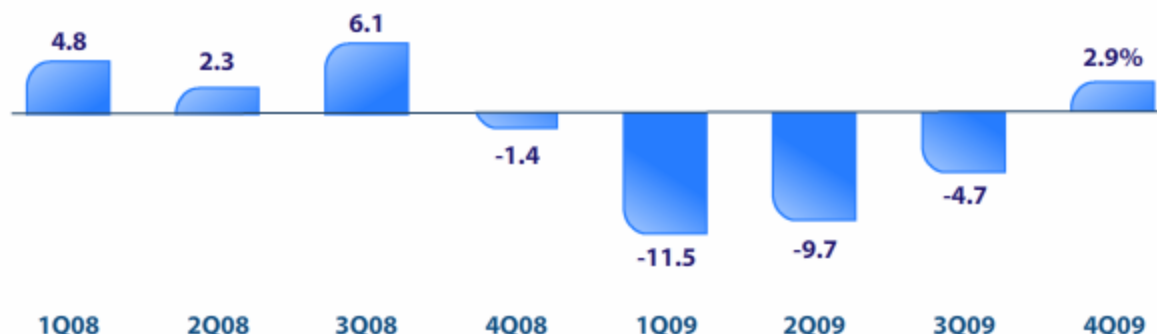


**Retail sales have maintained growing trend in 2009**



## Industrial consumption performance (Pro forma) – Concession Area

% growth against the same period for the preceding year



## Industrial consumption performance by sector - % total consumption

### Sectors which have shown positive change

**4Q09 x 4Q08**

- Food
- Chemicals
- Textiles
- Transportation equipment
- Non-metallic minerals
- Rubber
- Paper and paperboard

**78%**

**2009 x 2008**

- Chemicals
- Non-metallic minerals

**18%**

### Sectors which have shown negative change

**4Q09 x 4Q08**

- Metallurgy
- Mechanical

**22%**

**2009 x 2008**

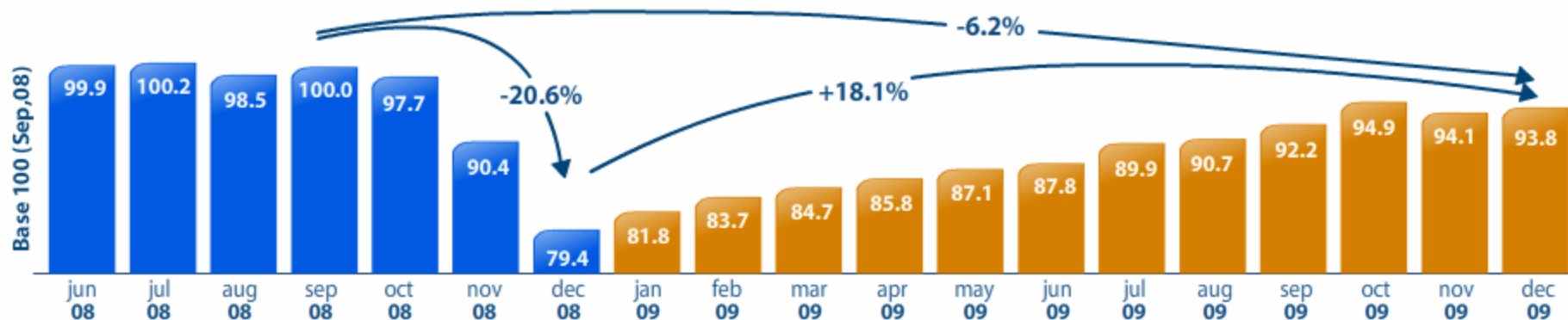
- Metallurgy
- Food
- Textiles
- Transportation equipment
- Rubber
- Paper and paperboard
- Mechanical

**82%**

# Macroeconomic scenario: Recovery of industry in 2009, although exports continue to limit growth in the sector

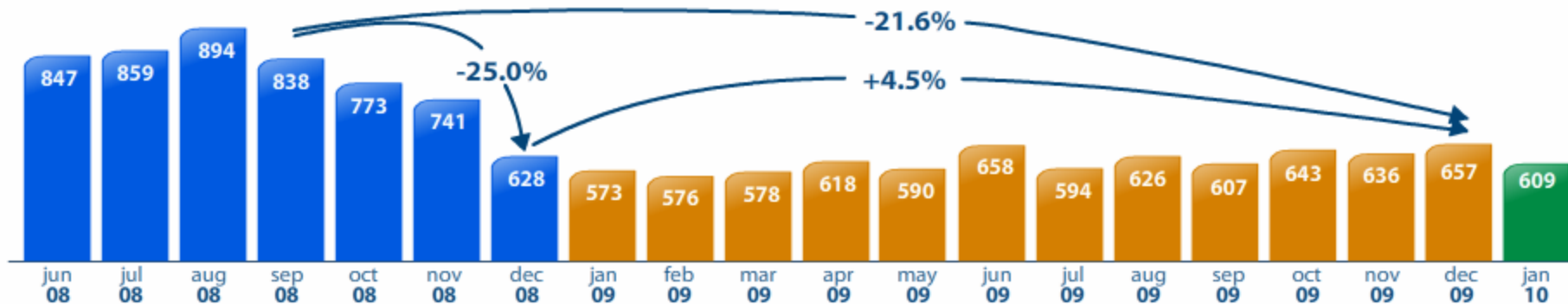
## Industrial production in Brazil – seasonally adjusted index

Source: IBGE. Preparation: LCA/CPFL Energia



## Exports of goods – Average daily (days) in US\$ million – seasonally adjusted

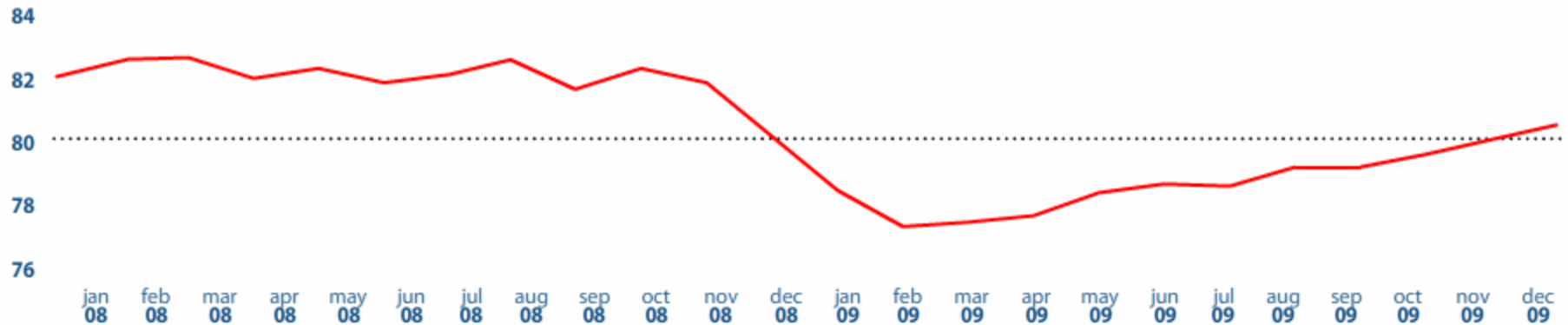
Source: MDIC. Preparation: LCA



Exports are affected by world crisis. For the first time since the World War II, there was a decline in world GDP in 2009

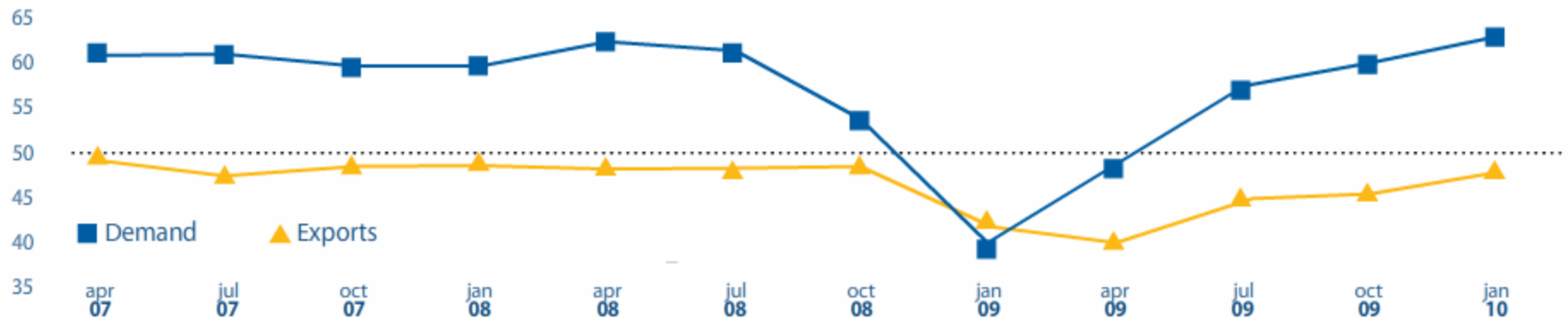
## Evolution in the Level of Installed Utilized Capacity (IUC) – Seasonally adjusted

Source: CNI

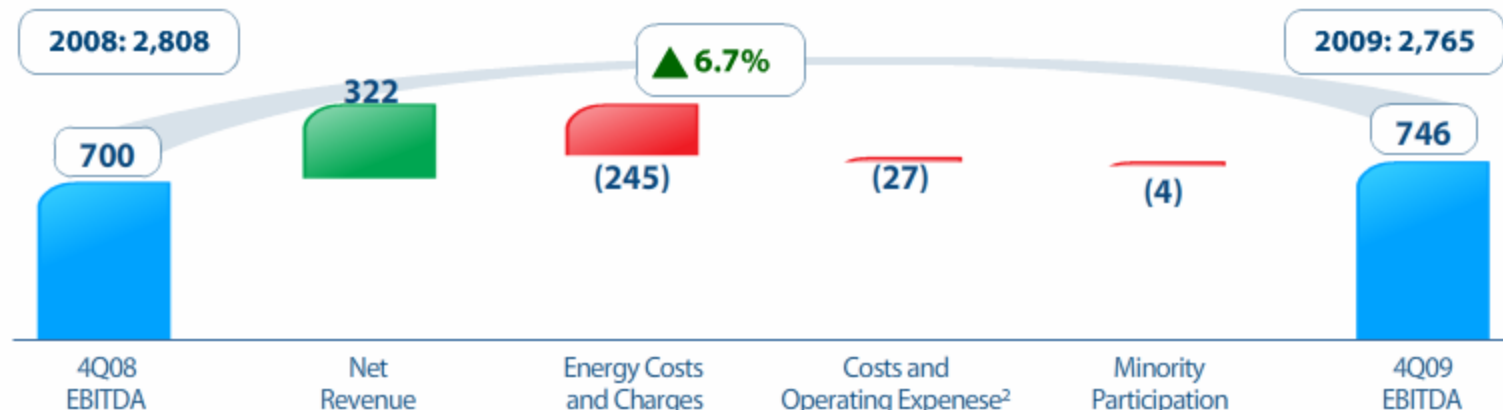


## Indicators of forecasted demand and exports – Source: CNI Industrial Survey

Indicators vary from 0 to 100. Values higher than 50 indicate expectation of growth in the next six months.



## EBITDA – R\$ million



### + Increase of 12.8% in Net Revenue (R\$ 322 million)<sup>1</sup>

- + Increase of 4.9 in total energy sales
- + Increase of 11.8% in the average sell energy price<sup>3</sup>
- + Increase of 14.0% in TUSD Revenue (R\$ 25 million)
- Pass-through related to CUSD-G agreement in 4Q08 (R\$ 110 million)
- + Provision of revenue reversal due to reduction of RAB at RGE in 4Q08 (R\$ 15 million)

### - Increase of 16.4% in Energy Costs and Charges (R\$ 245 million)<sup>1</sup>

- Increase of energy cost from Itaipu, with tariff adjustment of 8.7% in Jan, 09 and 18.2 % IRT's average exchange rate effect
- Increase of 49.0% in charges for use of the system, mainly due to higher order of thermal in 2008
- + Pass-through related to CUSD-G agreement in 4Q08 (R\$ 98 million)

### - Increase of 8.3% in Costs and Operating Expenses<sup>2</sup> (R\$ 27 million)

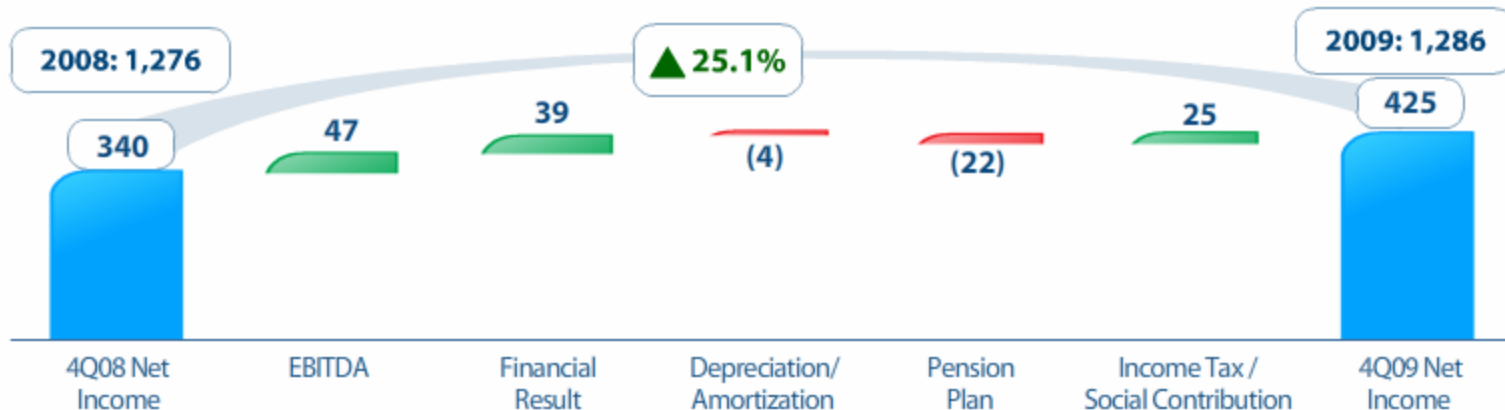
- Additional of 14 de Julho HPP (R\$ 1 million)
- Liability related to free energy losses complement - ANEEL Resolution 387/09 (R\$ 17 million)

**P/M/S/O: 2.7%**

**IGP-M: -1.7%**

**IPCA: 4.3%**

## Net Income – R\$ million



- + Increase of 6.7% in EBITDA (R\$ 47 million)
- + Improvement of 31.1% in Financial Result<sup>1</sup> (R\$ 39 million)
  - Reduction of 26.4% in Financial Revenues (R\$ 36 million)
  - + Reduction of 28.6% in Financial Expenses (R\$ 75 million)
    - Liability related to free energy losses complement – ANEEL Resolution 387/09 (R\$ 14 million)
- Increase of 3.0% in Depreciation and Amortization (R\$ 4 million)
- Pension Plan Entity (R\$ 22 million)
- + Reduction of Income Tax and Social Contribution (R\$ 25 million)
  - + Tax credit complement – CPFL Energia Holding (R\$ 77 million)

	4Q08	4Q09
Selic	3.4%	2.1%
R\$ / US\$	22.1%	-2.1%
IGP-DI	0.7%	-0.1%
TJLP	1.53%	1.47%

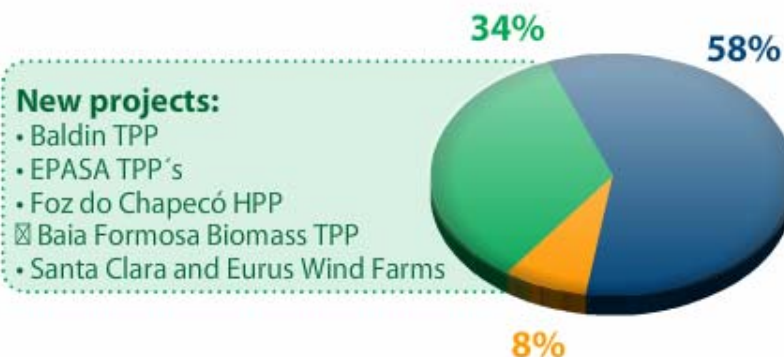
# Growth of Generation stake in Consolidated EBITDA

## EBITDA Breakdown<sup>1</sup>

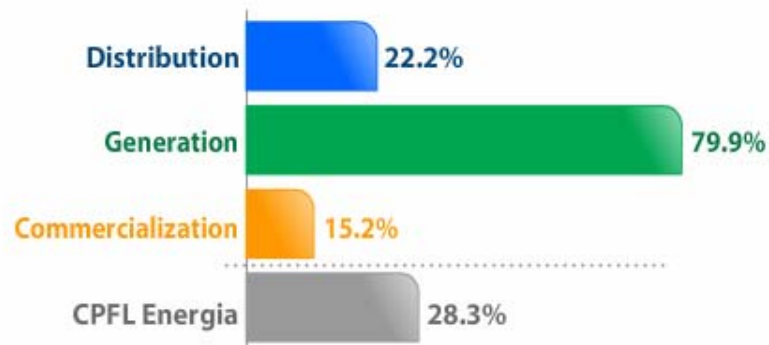


■ Distribution ■ Generation ■ Commercialization

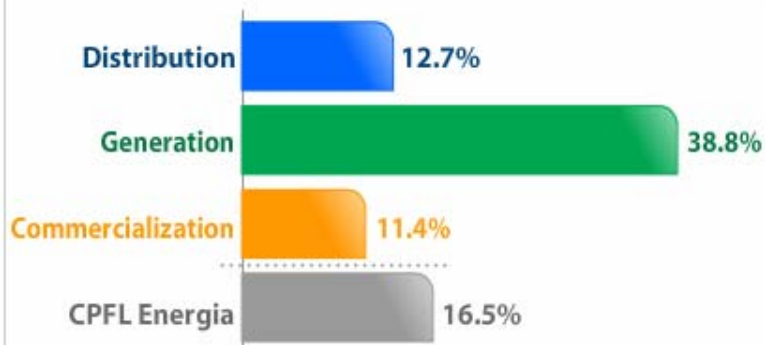
## Estimated EBITDA after new projects



## Recurring EBITDA 4Q09<sup>1</sup>



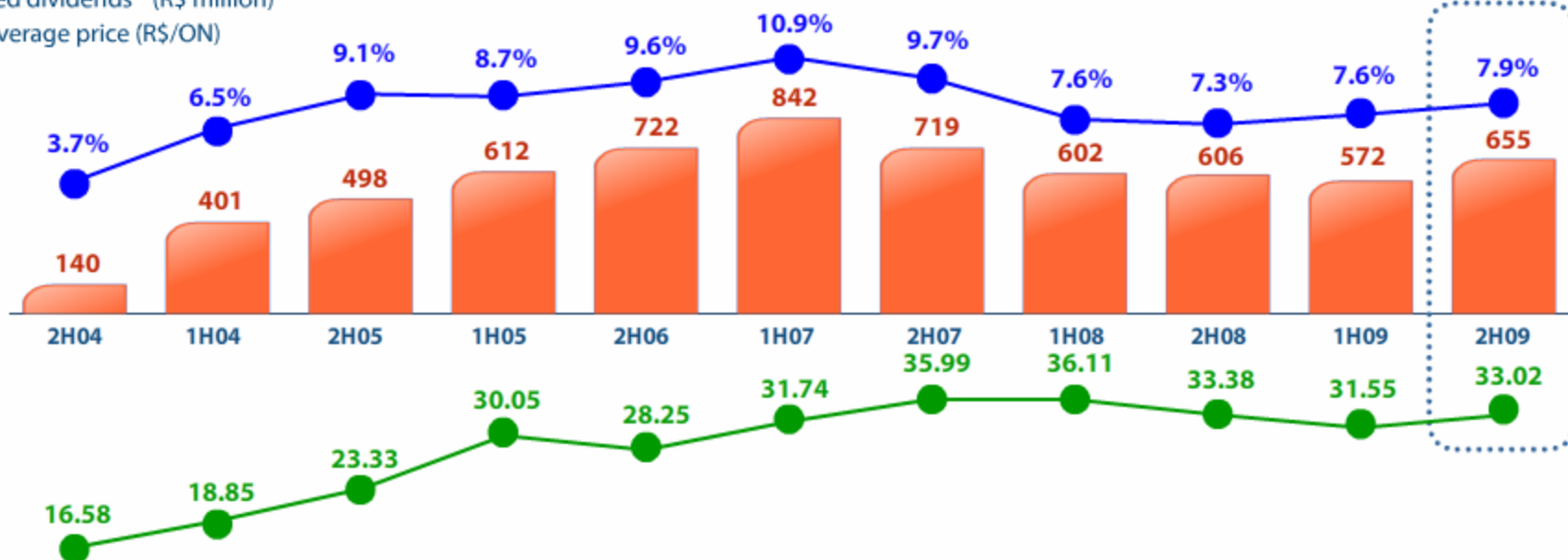
## Recurring Net Margin 4Q09<sup>1</sup>





## Declared dividends and Dividend Yield

- Dividend Yield<sup>1</sup> (last 12 months)
- Declared dividends<sup>2</sup> (R\$ million)
- CPFL average price (R\$/ON)



### CPFL distributes 95% of the net income in dividends

**R\$ 1,2 billion in 2009**  
**R\$ 2,55 per share**

**R\$ 655 million in 2H09**  
**R\$ 1,36 per share**

Acumulated since the IPO  
 (Sep/04): **R\$ 6,4 billion**  
 Dividend Yield: **77.4%**<sup>3</sup>



## Sugarcane-fired Thermoelectric Power Plant

- Estimated investment: R\$ 98 million
- Installed capacity: 45 MW
- Capacity exported to CPFL Brasil: 24 MW/harvest

## BNDES financing

- Finem (TJLP + 1.9% p.y.) and Finame (4.5%p.y. pre)
- Finem: 1.5 year of shortage + 11.5 years
- Finame: 1.5 year of shortage + 8.5 years
- Capital structure: 24% equity and 76% debt

Start of construction  
Aug, 08

Work concluded: 90%  
Dec, 09

Commercial  
Start-up  
Mar, 10

CPFL has already invested: R\$ 72 million

## Foz do Chapecó HPP: 85% of the works already concluded

### Foz do Chapecó HPP – CPFL Stake (51%)

- Installed Capacity 436 MW
- Assured Energy 220 avg.MW
- Total Investment R\$ 1,328 million

Start of construction  
**Dec, 06**

Work concluded  
85%  
**Dec, 09**

Commercial  
Start-up  
**3Q10**

CPFL has already invested: R\$ 1,053 million

**CPFL Estimated Revenue: R\$ 290 million/year**



## EPASA – Termonordeste and Termoparaíba TPPs

CPFL stake: 51%

- Estimated investment: R\$ 310 million
- Installed capacity: 174.2 MW
- Fuel oil
- Average dispatch 4% per annum in order of merit
- 15 years PPA – A-3 auction of Jul/07
- Annual fixed revenue of R\$ 80.4 million (as of Dec/09)
- Location: Paraíba

### 1<sup>st</sup> Debentures Issue

- Bridge-loan
- R\$ 228 million
- 112.6% CDI
- Term: 1 year (Dec/2010)



## Sugarcane-fired Thermoelectric Power Plant

- CPFL estimated investment: R\$ 127 million
- Installed capacity: 40 MW
- Capacity exported to CPFL: 25 MW/harvest
- Location: Rio Grande do Norte

### CPFL: 25 MW/harvest

- ~ 70% is already contracted in the 2006 A-5 Auction  
Price: R\$ 169.67/MWh (as of Dec/09)
- ~30% will be sold in the free market

Start of  
construction  
**Oct, 09**

Work concluded  
20%  
**Dec, 09**

Commercial  
Start-up  
**3T10**

Start of construction  
**Mar, 10**

Commercial  
Start-up  
**Jul, 11**

### CPFL Wind Farms – Rio Grande do Norte State

Santa Clara I, II, III, IV, V, VI and Eurus VI Wind Farms

- Installed Capacity 188 MW
- Commercialized Energy 76 avg.MW
- Total Investment R\$ 768 million
- CPFL sale price **R\$ 150/MWh**

Start of construction  
**Aug, 10**

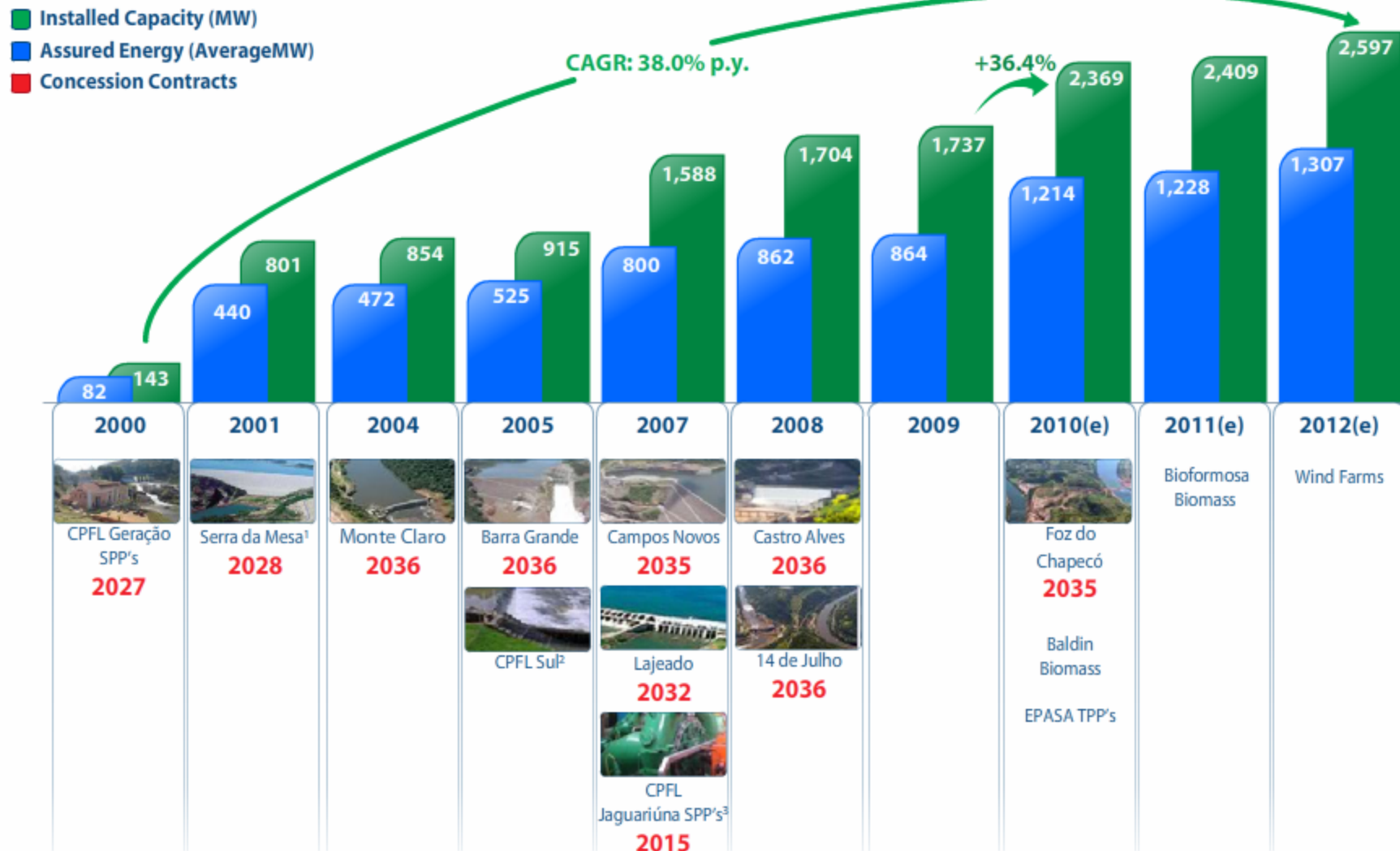
Commercial  
Start-up  
**Jul, 12**

**CPFL Estimated Revenue: R\$ 100 million/year**

### About the Wind Reserve Auction (Dec 14th, 2009):

- 339 enterprises authorized by EPE
- Installed Capacity enabled for the Auction: 10,000 MW
- Bidding in the form of "energy reserve"
- 20 years contracts, as of July 1<sup>st</sup>, 2012
- Average price of the Auction: R\$ 148.39/MWh

## Strong growth in the Generation Installed Capacity and Assured Energy





## SPP's from CPFL Geração Repowering

- Agreement of Emission Reduction Purchase of Long-term signed in 2007
- Commercialized volume in 2009: 13,751 CER's<sup>1</sup>
- Commercialization Potential until 2012: 112 thousand CER's<sup>1</sup>

## Monte Claro HPP - CERAN

- Agreement of Emission Reduction Purchase of Long-term signed in 2007
- Commercialized volume in 2009: 93 thousand CER's<sup>1</sup>
- Commercialization Potential until 2012: 619 thousand CER's<sup>1</sup>

First deal of the world from a run of stream HPP

## 14 de Julho HPP - CERAN

- Agreement of Emission Reduction Purchase of Long-term **signed in 2010**
- Commercialization Potential until 2012: 286 thousand CER's<sup>1</sup>

Revenues in 2009: € 1.46 million

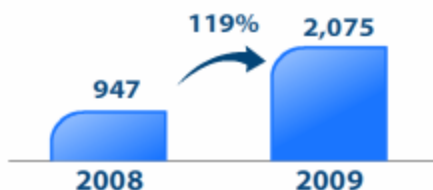
**Billed**  
277 thousand CER's<sup>1</sup> +  
€ 3,890 thousand

**To be billed until 2012**  
740 thousand CER's<sup>1</sup>  
€ 8,914 thousand<sup>2</sup>

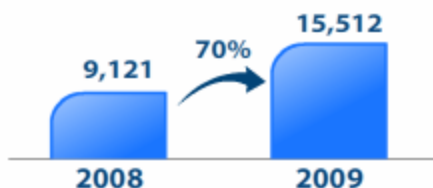
**Carbon Credits**  
**recognized by CPFL(e):**  
**1,017 CER's<sup>1</sup>**

## CPFLTOTAL pagamentos e serviços

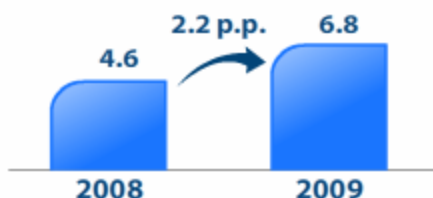
### Consumer Service Points<sup>1</sup>



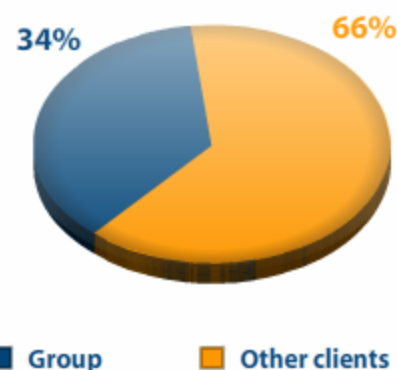
### Quantity of Transactions



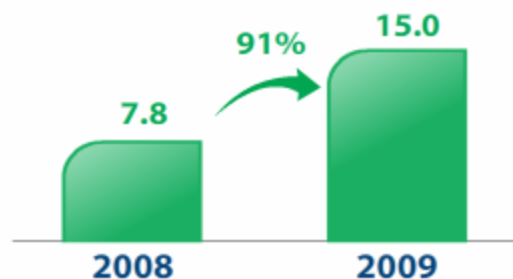
### Market Share – Electricity bills<sup>2</sup>



### Gross Revenue Breakdown

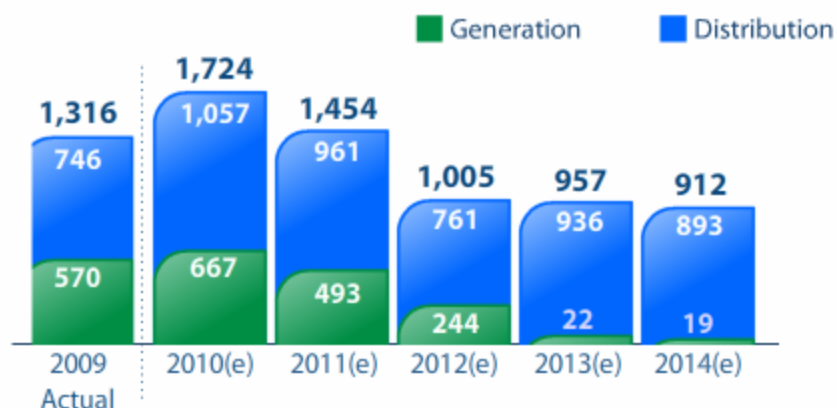


### Gross Revenue – R\$ million



# CPFL Energia's Capex estimated of R\$ 6 billion for the next 5 years

## Total Capex – R\$ million



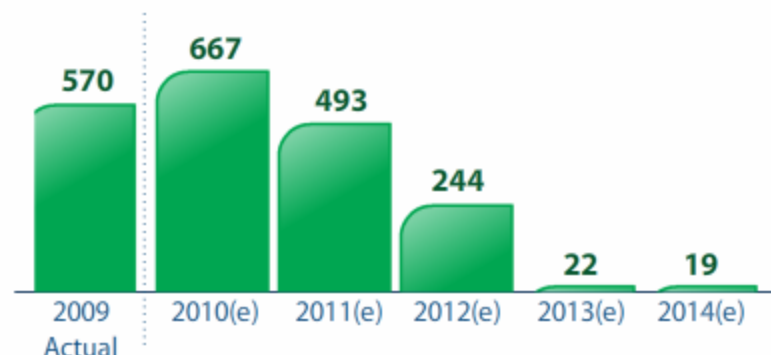
## Distribution – R\$ million



**2010 - 2014(e) Distribution: R\$ 4.6 billion**  
88% of RAB

## Generation

R\$ Milhões

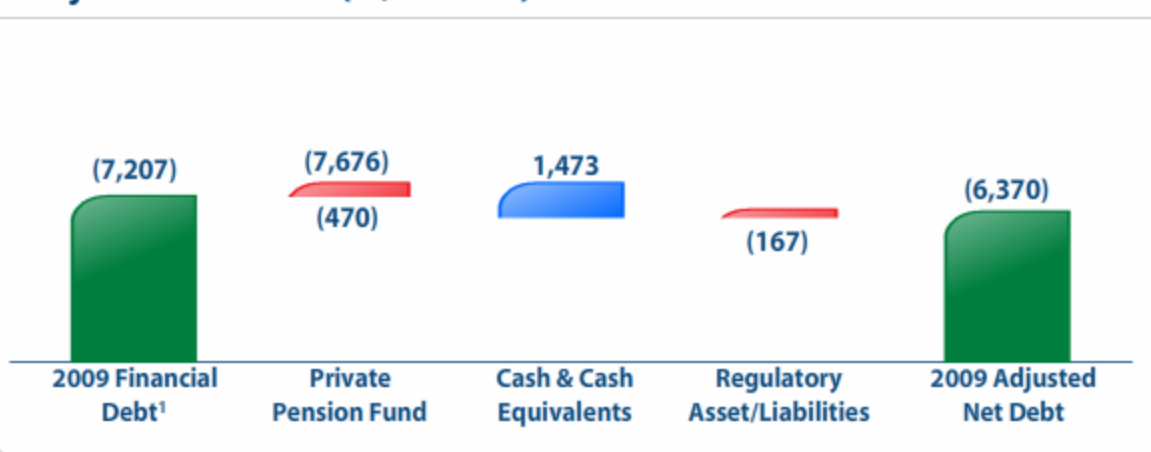


## 2010-2014 Capex:

- 53%: Wind
- 15%: Foz do Chapecó HPP
- 14%: EPASA (Termonordeste and Termoparaíba TPPs)
- 9%: Biomass (Baldin and Bioformosa)
- 8%: Others

**2010 - 2014(e) Generation: R\$ 1.4 billion**

## Adjusted Net Debt (R\$ million)



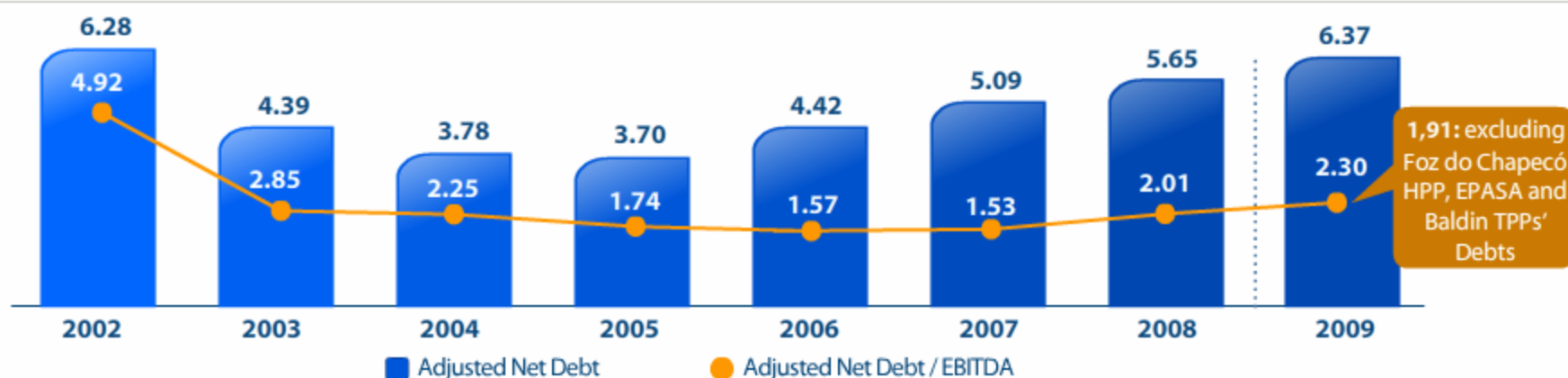
**STANDARD  
& POOR'S**



June 2009

**Rating br AA+**  
National Scale

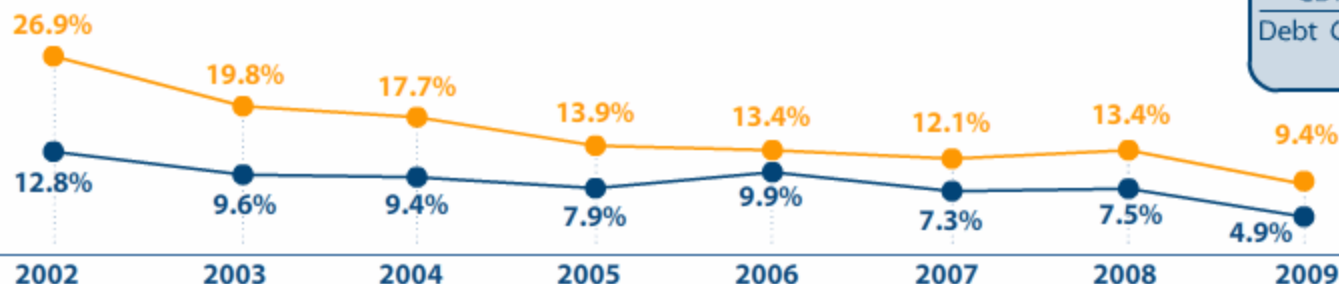
## Adjusted Net Debt/EBITDA<sup>2</sup> (R\$ billion)



## Cost of Debt Evolution (LTM)

● Nominal Cost

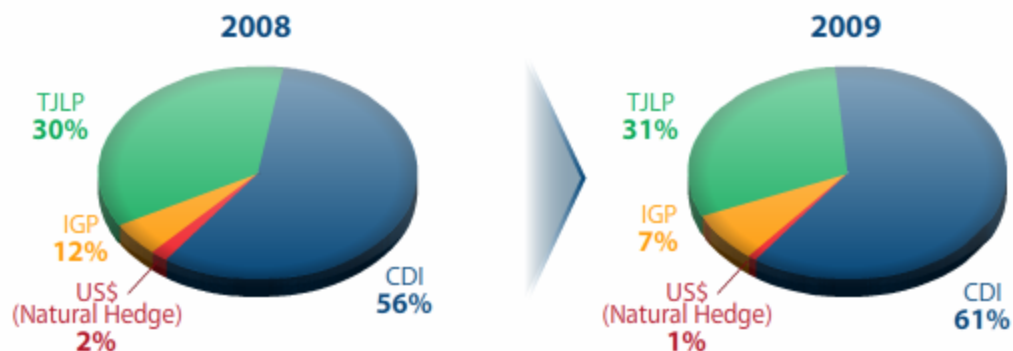
● Real Cost



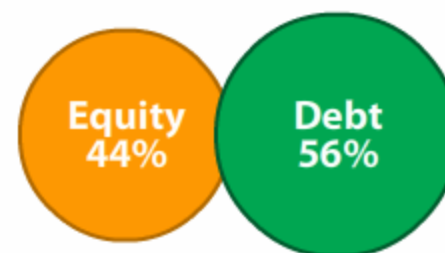
	2008	2009
CDI (LTM)	12.5%	9.9%
Debt Cost in % CDI	107.3%	95.2%

**CPFL doesn't have debt with foreign exchange exposure**

## Debt Breakdown



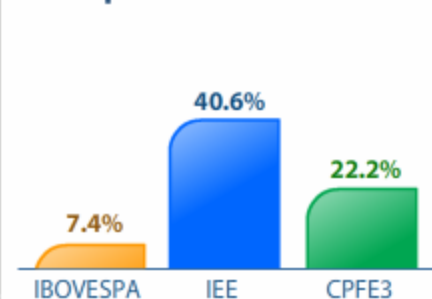
## Capital Structure



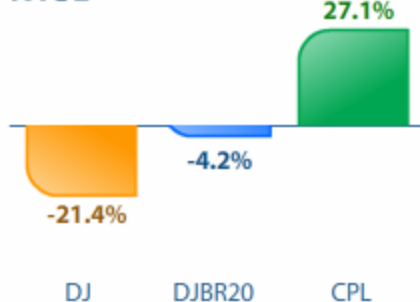


## Shares performance<sup>1</sup> - Accumulated Jan/08 to Dec/09

### Bovespa

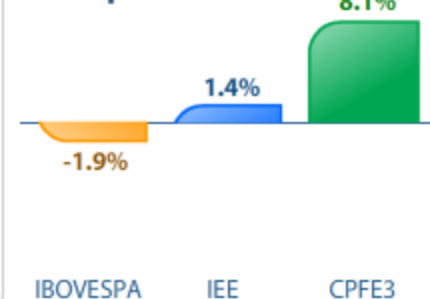


### NYSE

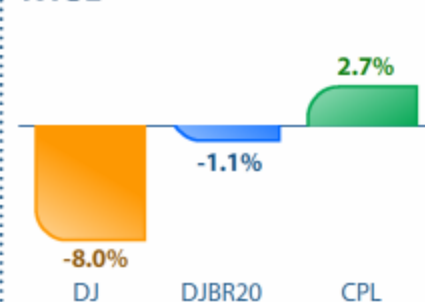


## Shares performance<sup>2</sup> - Accumulated Jan, 10 to Feb, 17

### Bovespa

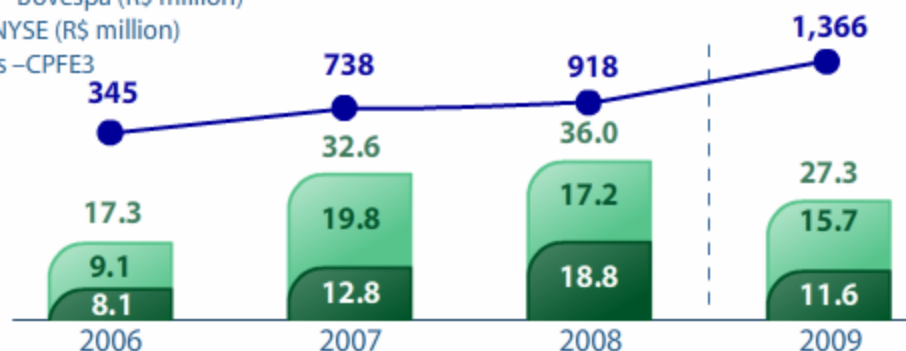


### NYSE



## Daily average volume evolution

- Daily average volume – CPFE3 – Bovespa (R\$ million)
- Daily average volume – CPL – NYSE (R\$ million)
- Daily average number of trades – CPFE3





## Market Recognition

### National Quality Award – PNQ ® 2009



### Abradee Award



## Sustainability and Corporate Governance

### People Management - Você SA|Exame Magazine

- **CPFL Energia:**  
Recognized as one of the 10 best companies to work for in Brazil



### Sustainability - Exame Magazine

- **CPFL Energia:**  
Model Company for six years



### Corporate Governance - Management & Excellence

- 1<sup>st</sup> place on Ranking of Latam's 50 most sustainable large industrial corporations
- 2<sup>nd</sup> place on Ranking of Transparency in Sustainability among the Ibovespa Index's companies



The power of sustainability



**CPFL**  
**ENERGIA**

**4Q09**

**Investor Relations**

Phone.: +55 19 3756 6083

E-mail: [ri@cpfl.com.br](mailto:ri@cpfl.com.br)

Website: [www.cpfl.com.br/ir](http://www.cpfl.com.br/ir)