

COPEL – Conference Call
Results of the Third Quarter of 2008
November 14, 2008 – 11:30 a.m. (Brasília time)

Slide 1

Operator: Good morning and thank you for waiting. Welcome to the conference call to present the results of the third quarter of 2008 for Companhia Paranaense de Energia – COPEL.

During the presentation portion, all conference call participants will be in listen-only mode. Following the presentation, the question and answer session will begin, at which time further instructions will be given. Should anyone need assistance during the conference call, please request the help of an operator by pressing *0.

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Before proceeding, let me mention that forward-looking statements may be made during this presentation. Such statements are based on the beliefs and assumptions of COPEL's management and on information currently available to the Company. They involve risks, uncertainties, and assumptions because they relate to future events and therefore depend on future circumstances that may or may not occur. Investors should understand that general economic conditions, industry conditions, and other operating factors could also affect the future results of COPEL and could cause actual results to differ materially from those expressed in such forward-looking statements.

I'll now turn the conference over to **Mr. Paulo Roberto Trompczynski**, Chief Financial, Investor Relations and External Stockholding Officer, who will present COPEL's operational and financial highlights. **Mr. Rubens Ghilardi** – CEO and **Mr. Élzio Batista Machado** – Deputy Executive, are also present.

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Mr. Paulo: Good morning and thank you for participating in our conference call, whose objective is to present COPEL's results for the third quarter of 2008.

This presentation is being broadcasted through our website – www.copel.com/ri - and consists of a summary of the company's financial results, indebtedness and cash investments and, finally, the main highlights of the period. After the presentation, we will comment on the main events of the period and our strategies, especially in the areas of energy generation and sales. At the end, we will be available to answer the questions that you may have.

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On slide 4 we show the net income for the 9M08, which came to 899 million, 13% up on the same period of the previous year. This significant increase was mainly driven by higher energy sales.

Slide 5

On slide 5 we illustrate the performance of COPEL's net operating revenue, which grew by 6% in the first nine months of 2008, year-on-year. This upturn mainly resulted from the 6.4% increase in energy sales for the captive market. The grid market for Copel Distribuição (composed by the captive market, the supply to concessionaires in the state of Paraná and the total number of free consumers in its concession area) also had significant growth of 6.6%, reflected in the increase of more than 100 million reais booked under the item electricity network availability.

Slide 6

On slide six we see the COPEL's operating costs and expenses, which came to 2 billion and 878 million reais in the 9M08, 9% above the same period in the previous year. This increase is basically due to the following three facts:

- 1st a 27% variation in the energy purchased for resale line because of the non-recurring effect caused by the reversal of almost 100 million reais stemming from bills cancelled by the CIEN, which affected the fiscal year of 2007. In addition, there were higher costs with energy purchased from Itaipu and energy auctions;
- 2nd the allocation of 49 million reais, in September 2008, to individual accounts related to profit sharing and results for the 9M08; and
- 3rd higher third-party services due to higher costs with electric system maintenance, telecommunications and data processing and transmission.

Slide 7

On the next slide, we can see that EBITDA surpassed 1.8 billion reais in the first nine months of 2008. The Company's cash generation was a bit lower than the mark for the first nine months of 2007.

EBITDA margin remained came to 36%, basically matching the same levels attained during the past two years.

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On slide 8, we see the return on net equity for the past years. From January to September 2008, this ratio reached 12.7%, remaining unchanged in relation to the same period of the previous year. Note that the return for 2006 was due to non-recurring effects, especially the reversal of gas bills to UEG Araucária.

On the other graphic we can see the performance of the operating margin, which came to 32% in the quarter.

Slide 9

On slide 9 we show COPEL's debt profile as of September 30, 2008. Total debt nearly reached 2 billion reais, and the debt to equity ratio stood at 24.3%. Excluding debts from Elejor and Compagas, whose balance sheets are consolidated with COPEL, the ratio reaches 19.2%.

This is one of the lowest ratios of the Brazilian electricity industry. In addition, only 7% of COPEL's total debt is indexed to foreign currency, and over half of this percentage (73 million reais) is related to National Treasury bonds (renegotiation of Brazil's foreign debt) which do not mature until 2024.

Slide 10

The chart on slide 10 illustrates the performance of COPEL's net debt, which consists of loans, financing contracts and debentures less cash balance. We wish to point out that in 2002 COPEL's net debt surpassed 2 billion reais, whereas at the end of the third quarter it stands at only 106 million reais.

Besides COPEL's low debt profile, we highlight that the company has 1.8 billion reais in cash and cash equivalents, a position that helps to insulate us from the global financial crisis and its impacts in our country.

Cash and cash equivalents investments made by the company and its subsidiaries went to fixed income securities linked to government bonds, with remuneration pegged to the Interbank Deposit Certificate (CDI) rate.

Moreover, the company and its subsidiaries are not exposed to operations of foreign exchange derivatives.

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Due to low financial leverage, significant operational cash flow and robust liquidity, Fitch Ratings, on October 22, 2008, raised COPEL's company rating and fourth debenture issue to "AA", and its third debenture issue to "AA+".

Finally, we inform you about the Extraordinary General Meeting, which will be held on November 28, 2008, the main topics of which will be the spin-off and closure of Copel Participação, COPEL's fully-owned subsidiary, and the reversal of assets to Companhia Paranaense de Energia – Copel and to Copel Geração e Transmissão. The company's capital stock and number of shares will not be changed, since they already reflect the capital stock of Copel Participações. Thus, this operation will only result in the reallocation of assets.

This spin-off aims to downsize corporate structure and reduce costs with operations between subsidiaries, minimizing tax liability.

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This presentation gives you a general picture of COPEL's performance for the first nine months of 2008. I would like to thank you all for your attention and let you know that we are available to clarify any concerns you may have regarding the results that have been presented.

Thank you.

Q&A SESSION

Operator: We will now begin the question and answer session.

Instructions.

Q&A SESSION

Operator: As there are no more questions from the participants, the floor is again open to **Mr. Paulo Trompczynski** for his final considerations.

CONCLUSION

Mr. Paulo: Once more, thank you for your participation. I would like to point out the current management's commitment to respecting shareholders' rights, and to maintaining the company's health and competitive drive in the Brazilian electricity industry. I now make myself available to answer any question that you may have. Feel free to contact our Investor Relations department, we will be glad to help you. Thank you very much and have a nice day.

Operator: Ladies and gentleman, COPEL's conference call for the third quarter of 2008 has been concluded. Thank you for your participation.