

COPEL – Conference Call
Results of 2008
March 24, 2009 – 3:00 p.m. (Brasília time)

SLIDE 1

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

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 you need assistance during the conference call, please request the help of an operator by pressing *0 (star zero).

SLIDE 2

Before proceeding, let me clarify that forward-looking statements may be made during this presentation. These 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 events that may or may not occur. Investors should understand that general economic conditions, industry conditions, and other operating factors may also affect the future results of COPEL and could cause actual results to differ materially from those expressed in these forward-looking statements.

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

SLIDE 3

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

This presentation, which is being transmitted via webcast on our website at www.copel.com/ri, covers the main events in the year, especially in the last quarter, provides a brief summary of the financial results and presents the main impacts from the introduction of Law 11,638 and the accounting pronouncements approved by the Securities and Exchange Commission of Brazil (CVM). After the presentation, we will be available to answer any questions you may have.

SLIDE 4

Total energy billed by COPEL Distribuição (grid market) grew by 5.6% in 2008, chiefly due to two factors:

1st – higher income levels and the expansion in credit in Brazil, which boosted commercial activities; and

2nd – the growth of 8.6% in industrial production in Paraná State, which is almost three times higher than the national average of 3.1%.

Copel's energy sales outpaced the 4.2% and 3.8% increases in energy sales in the South region and in Brazil, respectively.

Another highlight was the renewal of the agreement with Petrobras to lease the Araucária Thermal Power Plant for three years, starting in January 1, 2009. COPEL Geração e Transmissão is still contracted to provide operational and maintenance services at the plant.

SLIDE 5

On the issue of the renewal of concession contracts, the Brazilian Electricity Agency (ANEEL), through Circular 455 of February 3, 2009, recommended to the Ministry of Mines and Energy the extension, with no valuable consideration, of the concession contracts for power plants Segredo and Salto Caxias, and for the small hydro power plants Derivação do Rio Jordão and Cavernoso. Note that the renewal of these concession contracts involves 55% of Copel's installed capacity.

It is also important to highlight the Company's efforts to restructure its corporate organization and cut costs:

1st - In November 2008, the Company carried out the split-off and liquidation of COPEL Participações S.A., with its book value transferred to Copel Holding and COPEL Geração e Transmissão S.A., in the amounts of R\$866 million and R\$453 million, respectively. As a result, Copel's organizational structure comprised one holding company and three wholly owned subsidiaries.

2nd - In December 2008, we signed an agreement for the sale of our interest in Braspower.

SLIDE 6

We will now comment on the accounting results for 2008, which adopted the changes proposed by Law 11,638, by Executive Order 449 and by the pronouncements issued by the Accounting Pronouncements Committee, or CPC.

COPEL has opted to introduce these changes retrospectively. Therefore, the financial statements for the fiscal year ended December 31, 2007 were reclassified to incorporate the changes in accounting practices.

Slide 6 shows COPEL's operating revenue, which in 2008 grew by 4.9% to R\$5.5 billion. Net operating growth was primarily driven by higher energy sales, which boosted revenue from energy supply and electricity network availability by more than R\$370 million.

Another important driver was the increase of 26%, or R\$17 million, in telecommunications revenue, which was impacted by new clients additions, the higher volume of services to existing clients, and the increase of R\$40 million, or 16%, in revenue from gas sales.

SLIDE 7

Slide 7 shows the trajectory of COPEL's operating costs and expenses, which totaled R\$3.982 billion, 10% higher than in 2007. This increase was chiefly due to the 26% increase in energy purchased for resale as a result of higher costs with acquiring energy from the CCEE, Itaipu and energy auctions, and the higher cost of gas acquired by Compagas. The higher costs were also due to the reversal in 2007 of approximately R\$100 million related to the cancellation of bills issued to CIEN, which generated a non-recurring effect.

SLIDE 8

As slide 8 shows, Copel's net income in 2008 was R\$1.079 billion, down 2.5% in relation to 2007.

The decline in net income in 2008 was chiefly due to higher costs with energy purchased for resale and to the appreciation in the U.S. dollar.

A proposal for the payment of interest on equity of R\$228 million and dividends of R\$34 million will be submitted to the Annual Shareholders' Meeting to be held in April 2009, for a total payout of R\$262 million.

We can also see the trends in return on equity in recent years. In 2008, ROE stood at 15.5%. Note that the high ROE in 2006 was chiefly due to non-recurring effects, especially the reversal of amounts related to the Araucária Thermal Plant.

SLIDE 9

On the next slide, we will comment on EBITDA, which came to R\$1.851 billion in 2008, with EBITDA margin of 34%. The Company's cash generation was slightly lower than in 2007, chiefly due to the higher energy acquisition costs.

SLIDE 10

As we mentioned earlier, the results presented in 2008 reflect the changes proposed by Law 11,638, Executive Order 449 and the accounting pronouncements issued by the CPC. The main objective of this new legislation is to converge accounting practices in Brazil with those of the International Financial Reporting Standards (or IFRS).

In 2008, the CPC issued 15 pronouncements, three of which had an effect on the balance sheet and only one of which had an impact of the company's results:

- CPC Pronouncement 1, which deals with asset impairment;
- CPC Pronouncement 4, which addresses intangible assets;
- CPC Pronouncement 13, which addresses the initial adoption of Law 11,638; and
- Pronouncement CPC 14, which involves the recognition, measurement and disclosure of financial instruments.

In accordance with Pronouncement 1, Copel concluded the work related to the impairment tests for the Company's assets. These tests showed, with an adequate level of certainty, that part of the assets related to Sercomtel, of R\$24 million, is above the recoverable amount, indicating the need to recognize the loss. For the Company's other assets, we did not identify the need to book provisions for the depreciation in the investments made.

No other material adjustments were identified involving the other pronouncements.

SLIDE 11

Slide 11 shows COPEL's debt profile on December 31, 2008. Total debt came to almost R\$2 billion. The debt-to-equity ratio stood at 23.2%. After excluding the debt at Elejor and Compagas, which are consolidated in COPEL's result, this ratio stands at 19.8%.

Note that this is one of the best debt ratios in Brazil's power sector. In addition, only 9% of COPEL's total debt is pegged to foreign currencies and more than half of this amount (R\$85 million) refers to Brazilian treasury bonds (renegotiation of Brazil's foreign debt), most of which come due only in 2024.

Another important factor was the payment in 2009 of R\$144 million to settle the debentures issued in 2005.

SLIDE 12

In addition to its low debt, the company also held R\$1.8 billion in cash and cash equivalents at year-end 2008, leaving the company in a comfortable position to weather any developments in the international financial crisis and its impacts on Brazil, and allowing us to carry out our investment program for 2009 with no need to raise funds at the high rates that are being practiced.

The chart on Slide 11 shows the trajectory of COPEL's net debt, which comprises loans, financings and debentures, less cash and cash equivalents. Note that in 2002, COPEL's net debt stood at more than R\$2 billion, sinking to only R\$51 million at the end of 2008.

The cash equivalents the company and its subsidiaries represent almost entirely investments in fixed-income securities linked to government bonds, with returns linked to the CDI interbank overnight rate. Moreover, the company and its subsidiaries hold zero exposure to operations involving currency derivatives.

We would also like to mention that in November 2008, Moody's upgraded Copel's corporate credit rating and the rating for our third debenture issue. According to Moody's, the upgrade was due to the combination of stable and solid credit indicators and the increased support in Brazil's regulatory environment for the power sector. In October, Fitch also upgraded Copel's credit rating.

SLIDE 13

Finally, for 2009, we highlight that the Board of Directors approved the R\$1.1 billion investment program.

Of this total, R\$180 million will be allocated to the Mauá Hydro Power Plant, Copel's most important generation project. Another R\$56 million will be invested in transmission lines and substations in the basic network, R\$360 million in works to plan, expand and connect of over one hundred thousand new customers, R\$175 million in distribution lines and substations and R\$50 million in the expansion of the telecommunications network.

The Mauá project, which is being built by the consortium formed by Copel and Eletrosul, is included in the federal government's economic stimulus program known as PAC, and will comprise a main 350MW plant and a small 11MW supplementary plant, for total installed capacity of 361MW.

The project has total estimated investment of approximately R\$1 billion. On November 17, 2008, the BNDES approved the financing of close to 70% of the total amount to be invested by Copel in the Mauá plant.

Construction of the plant began in May 2007, and is proceeding normally.

Finally, in order to reduce personnel costs, we implemented two new Volunteer Retirement Programs. The first focuses on retired employees, and the other, which is a permanent program, will focus on employees working towards retirement under the INSS social security system.

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In general terms, that was COPEL's performance in 2008. I would like to thank you all for your attention today. We are now available to provide any clarifications you may need on the results presented.

Thank you.

Q&A SESSION

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

Instructions.

Q&A SESSION

Operator: Since there are no more questions from participants, we now return to **Mr. Paulo Trompczynski** for his closing remarks.

CONCLUSION

Mr. Trompczynski: Once more, thank you for your participation and interest. I would like to underscore the current management's commitment to respecting the rights of our shareholders and to keeping the company solid and competitive in Brazil's power sector. I am now available to answer any questions you may have. Feel

free to contact our Investor Relations department, where it will be our pleasure to assist you. Thank you very much.

Operator: Ladies and gentleman that concludes COPEL's conference call for its results in fiscal year 2008. Thank you for your participation.