

**COPEL – Conference Call**  
**1Q09 Results**  
**March 15, 2009 – 11:00 a.m. (Brasília)**

1º SLIDE

**Operator:** Good morning and thank you for your patience. Welcome to COPEL's conference call to discuss its results for the first quarter of 2009.

We would like to inform you that all participants will be in listen-only mode during the company's presentation. After the presentation, there will be a question and answer session, when further instructions will be provided. Should any participant need assistance during the call, please press the "star key" then "zero" to reach the operator.

2º SLIDE

Before proceeding, note that any forward-looking statements about the industry's prospects and COPEL's financial and operating result estimates, as well as information currently available, are merely projections, and as such are based solely on management's expectations regarding the future of the business, and therefore are dependent on circumstances that may or may not occur. Investors should understand that general economic conditions, industry conditions and other operating factors may affect the future performance of COPEL and could lead to results that differ substantially from those expressed in such forward-looking statements.

I now hand over the conference call over to the company's chief financial, investor relations and holdings officer, Mr. **Paulo Roberto Trompczynski**, who will present the company's operational and financial highlights. Also present today is the company's chief executive officer, **Mr. Rubens Ghilardi**.

3º SLIDE

**Mr. Paulo:** Good morning everyone and thank you for participating in today's conference call, which will present Copel's results in the first quarter of 2009.

The presentation, which is available on our website at [www.copel.com/ri](http://www.copel.com/ri), covers some of the main events in the quarter and includes a brief summary of our financial results. At the end of the presentation, we will be available to take any questions you may have.

4º SLIDE

First, I would like to comment on the behavior of Copel's energy market. For those of you who are accompanying the presentation over the Internet, you can see on slide 4 that until now, the energy market in the State of Paraná is being affected to a lesser degree than the rest of the country from impacts related to international crisis.

According to the EPE, total energy consumption in Brazil contracted by 3.1% in the first quarter of 2009 in relation to the same quarter a year earlier. The industrial class alone registered a contraction of 12.5%.

Meanwhile, also according to the EPE, energy consumption in the South region contracted by 2.4%, driven by the decline of 10.4% in the industrial class.

Total electricity billed by Copel in the captive market increased by 2.6% in the first quarter of 2009, while consumption in the industrial class fell by 3.3%.

Note that the captive market was influenced primarily by the high temperatures experienced in our concession area.

Another highlight was the renewal of the concession contract for the Araucária thermal power plant to Petrobras for three years, as of January 1 of this year. COPEL Geração e Transmissão continues to be the party contracted for assuring the plant's operation and maintenance services. The agreement provides for the possibility of partial or full rescission if the plant wins the energy auctions to be held by the regulator ANEEL. In the first quarter of 2009, in order to comply with the request from the National System Operator, or ONS, the plant was dispatched with approximately 50% of its installed capacity. As of May, the ONS determined that the Araucária plant would dispatch its full capacity.

#### 5º SLIDE

Copel's executive board created two new voluntary retirement programs. One is aimed at employees already retired, while the other, which is a permanent program, is aimed at employees who will retire through the INSS social security system.

As of March 20, 2009, a total of 300 employees had registered for these two programs.

In April, the Company's Management decided that employees retiring under the INSS system will leave the company according to a specific timetable to be implemented.

This situation includes approximately 700 employees of the Company and until now it has not been possible to estimate the costs to be incurred, due to the many variables required for the calculation, which will be concluded by the end of the second quarter of 2009.

The last highlight is the participation of Copel Geração e Transmissão in the auction of transmission lines held by ANEEL on May 8, 2009, with the company winning the bid for Lot J. This lot consists of the 525-kV, 115-km transmission line Foz do Iguaçu - Cascavel Oeste, which is located in the State of Paraná.

#### 6º SLIDE

I would now like to comment on the accounting results for the first quarter of 2009:

Slide 6 shows the behavior of Copel's net operating revenue, which registered growth of 3.2% in the first quarter of 2009 to 1 billion 357 million reais. This variation was mainly due to the growth in electricity sales, which had an impact of 53 million reais on revenue from energy supply and the availability of the electricity network.

Another factor influencing this result was the revenue from energy supply, which grew by approximately 6%, for an increase of 18 million reais in revenue, due to:

- (1) the revenue as of January 2009 from the energy sale contracts signed in the 4<sup>th</sup> existing energy auction (245 MW average for the period from 2009 to 2016); and
- (2) the higher revenue from short-term energy sales (CCEE).

This increase was partially offset by the reduction in energy sales through bilateral contracts, due to the termination of the contract with Celesc.

#### 7º SLIDE

Slide 7 shows the behavior of Copel's operating costs and expenses, which reached 987 million reais, 1.6% higher than in the first quarter of 2008. This increase was mainly due to:

- (1) the 16% increase in the line "charges for use of the electricity network", primarily due to the effects from CVA offsetting account, and

- (2) the 27% increase in the personnel line, basically due to the 7.5% wage increase as of October 2008 and the provision, which is now constituted monthly, of the employee profit sharing scheme, which totaled R\$16.5 million in the first quarter of this year.

We also registered a 3% reduction in the line "electricity purchases for resale", chiefly due to the lower energy acquisition cost under the CCEE, and the 43% contraction in the line "provisions and reversals", primarily due to the lower provisioning for doubtful accounts and for contingencies, mainly lower provisions of labor claims.

#### 8º SLIDE

Therefore, as Slide 8 shows, Copel's net income in the first quarter of 2009 was R\$272 million reais, up 6.5% on the same quarter of last year.

Return on equity reached 3.4% in the first quarter of 2009, which is equivalent to an annualized rate of 13.5%.

#### 9º SLIDE

EBITDA was R\$468 million in the quarter, for EBITDA margin of 34% in relation to net operating revenue, which shows that despite the international economic crisis, the level of Copel's cash generation has remained at the same levels of previous years.

#### 10º SLIDE

Slide 10 shows Copel's debt profile on March 31, 2009. Total debt at the end of the quarter was approximately 1 billion 700 million reais. On February 1, 2009, Copel settled its third debentures issue placed in 2005. The amortization of the principal and interest totaled approximately 190 million reais.

The debt to equity ratio stood at 20%. Excluding the debt held by Elejor and Compagas, companies which are consolidated in the results of Copel, the debt/equity ratio is 17%.

Note that this is one of the lowest debt ratios in Brazil's electricity sector. In addition, only 9% of COPEL's totaled debt is pegged to foreign currencies, and of this total, more than half (or 85 million reais) involves the treasury bonds to renegotiate Brazil's external debt that matures in large part only in 2024.

#### 11º SLIDE

In addition to its low level of debt, bear in mind that at the end of March Copel also held 1.6 billion reais in cash, which leaves us in a very comfortable position in view of the developments in the international financial crisis and the related impacts on Brazil, which will enable us to carry out the investment program for 2009 with no need to raise funds at the high rates currently practiced.

The chart on slide 11 shows the behavior of Copel's net debt, which comprises the loans, financings and debentures, less the cash balance. In 2002, Copel's net debt stood at more than 2 billion reais, falling to only 64 million reais at the end of March this year.

#### 12º SLIDE

Lastly, I would like to highlight that in the first quarter of 2009, Copel allocated to its investment program the amount of 183 million reais.

Of this total, 30.7 million was invested in the Mauá hydroelectric plant, which is Copel's most important generation project. Other investments included 7.4 million for other projects at Copel Geração e Transmissão, and approximately 140 million reais at Copel Distribuição and 5 million reais in telecommunications.

#### 13º SLIDE

That basically represents Copel's performance in the first quarter of 2009. I would like to thank you for your attention, and remind you that we are available for any clarifications that you may need on the results presented in the quarter.

Thank you.

#### Q&A SESSION

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

Q&A session

Operator: If there are no further questions at this time, we would to turn the conference over to Mr. Paulo Trompczynski for his closing remarks.

#### CLOSING REMARKS

**Mr. Paulo:** I would like to thank everyone for participating in today's conference call and for their interest in Copel. I would like to emphasize the current management's commitment to respecting the rights of all shareholders, and maintaining the company healthy and competitive in Brazil's electricity sector. Please contact me if you have any questions. And please do not hesitate to contact our Investor Relations area, which will be very pleased to assist you. Thank you very much.

Operator: Ladies and gentlemen, that concludes COPEL's conference call for the first quarter of 2009. Thank you very much for your participation.