

COPEL – Conference Call
1H09 Results
August 14, 2009 – 11:00 am (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 the first half of 2009.

We would like to inform you that all participants will be in a listen-only mode during the company's 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 *0 to reach the operator.

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 affect the future performance of COPEL, and may lead to results that differ substantially from those expressed in such forward-looking statements.

Now, I would like to turn the conference to **Mr. Paulo Roberto Trompczynski**, the Chief Financial and Investor Relations Officer, who will present COPEL's operational and financial highlights. Also present today is the company's chief executive officer, **Mr. Rubens Ghilardi**

SLIDE 3

Mr. Trompczynski: Good morning and thank you for participating in our conference call, whose objective is to present COPEL's results for the first half of 2009.

The presentation, which is available on our website at www.copel.com/ri, covers some of the main results and highlights of the first half of 2009, and includes data about our debt profile, investment programs, tariff adjustments, market performance and industrial production in the state of Paraná. At the end of the presentation, we will be available to take any questions you may have.

SLIDE 4

Slide 4 shows the behavior of Copel's net operating revenue, which totaled more than 2.7 billion reais in the first half of 2009, 1.7% higher than in the same period of the previous year. This variation was mainly due to the growth of 2.5% in total power consumption billed by COPEL to captive customers, which had an impact of 139 million reais on retail and TUSD revenues.

This result was also influenced by the following factors:

1st) 4.7% increase in the account "electricity sales to distributors", due to the billing, from January 2009, of the new energy sale agreements with an average of 245 MW from 2009 through 2016 and the higher revenue from short-term electricity billing.

2nd) the 12 million reais upturn in "telecom revenues" thanks to new clients and the higher volume of services provided to existing clients; and

3rd) the 27 million reais increase in "other operating revenues", mainly due to the startup of UEG Araucária, dispatched by ONS from May 10 to July 8.

SLIDE 5

Slide 5 shows the behavior of Copel's operating costs and expenses, which reached almost 2 billion reais, 6.8% higher than in the same period of 2008. This increase was mainly due to:

1^o) the increase in the line "charges for the use of transmission grid", primarily due to the CVA effects; and

2^o) the 26% increase in the personnel line, basically due to the 7.5% wage increase as of October 2008; the provision for employee profit-sharing, which stood at 33.0 million reais for the period between January and June 2009; and the constitution of provisions for severance pay related to the Voluntary Redundancy Program totaling 15 million reais.

It is worth noting that COPEL's Board of Executive Officers constituted two new Voluntary Redundancy Programs at the beginning of the year. One of them is focused on employees that have already retired (the PDV) and has already been concluded and the other one, the PIA, which is permanent, is focused on employees retiring via the INSS.

In April 2009, management decided that the employees retired via the INSS and who had not adhered to the Voluntary Redundancy Program would be laid off in a planned manner. However, in June, an injunction suspended the process of dismissal of the employees retired

via the INSS. The company then provisioned 15 million reais, corresponding to the 306 employees registered on the Voluntary Redundancy Program.

As for expenses, I would like to mention the decline in 'electricity purchased for resale', chiefly due to the lower cost of acquisition of energy from Itaipu, the effects of CVA on energy and the increase in Pasep/Cofins credits on 'electricity purchased for resale'.

SLIDE 6

Therefore, as Slide 6 shows, Copel's net income in the first half of 2009 was 562 million reais.

Return on equity reached 7% in the first half of 2009, and EBITDA totaled 942 million reais, with an EBITDA margin of 35%.

SLIDE 7

Slide 7 shows COPEL's debt profile on June 30, 2009. Total debt came to almost 1.7 billion reais. The debt-to-equity ratio stood at 19.4%. Excluding debt from Elejor and Compagas, which are consolidated into COPEL's results, this ratio stood at 16.3%.

Note that this is one of the lowest debt ratios in Brazil's electricity sector. In addition, only 7% of COPEL's total debt, that is, 118 million reais, is pegged to foreign currencies.

SLIDE 8

In addition to its low debt level, the company's cash and cash equivalents totaled 1.5 billion reais at the end of June.

The chart on slide 8 shows 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 2 billion reais, sliding to only 136 million reais at the end of June 2009.

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

SLIDE 9

In the first half of 2009, the company invested 440 million reais, or 40% of the amount planned for 2009.

Of this total, 59 million reais were invested in the Mauá hydroelectric plant, which is Copel's most important generation project, and 32 million reais were invested in other generation and transmission projects. We also invested 332 million reais in distribution works and 17 million reais in telecommunications.

SLIDE 10

Now I would like to comment on our tariff adjustment. Aneel, through Resolution 839, of June 23, confirmed the average increase of 18.04% in retail and TUSD tariffs. Of this total, 11.42% is related to the annual tariff increase and 6.62% is related to financial components, corresponding to an average 12.98% which will be felt by captive consumers.

However, the Shareholders' Meeting of July 23 approved the application of the tariff adjustment authorized by Aneel, as well as the concession of a discount equivalent to the average increase of the respective consumption segment to all the captive consumers whose bills are paid when due, as was the case in 2003. We highlight that the concession of these discounts can be reduced or discontinued at any moment.

The application of the discount policy considered, mainly, the impact of the adjustment on consumption due to the current global financial crisis.

SLIDE 11

Regarding the performance of Copel's energy market, we highlight the 2.5% upturn in sales to the captive market. The 4% decline in industrial consumption was offset by increased consumption in residential, commercial and rural segments, which moved up by more than 5%.

According to the EPE – Energy Research Company, Brazil's total energy consumption dropped by 2.7% in the first half of 2009 compared to the same period the year before. The industrial segment alone dropped by 11.4%.

The South region's total power consumption fell by 1.8%, influenced by the 9.4% decline by the industrial segment.

These data prove that, so far, the energy market in Paraná state has been less affected by the effects of the international crisis than the rest of the country.

Before closing this presentation and opening the floor for questions, I will comment on the data for the Monthly Industrial Research prepared by the IBGE.

From September 2008, when the international crisis erupted, to June 2009, Paraná's industrial production declined by 1.5%, the best performance in the surveyed regions. Average Brazilian industrial production declined by 8.8% in the same period.

SLIDE 12

That basically represents Copel's performance in the first half 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 answers session. Instructions

Q&A SESSION

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

CLOSING REMARKS

Mr. Paulo: 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 Gentlemen, this concludes COPEL's conference call for the results of first half of 2009. Thank you all for coming.