

**FOR IMMEDIATE RELEASE****COPEL ANNOUNCES FIRST QUARTER 2006 RESULTS**

**Curitiba, Brazil, May 15, 2006-** Companhia Paranaense de Energia- COPEL (NYSE: ELP / LATIBEX: XCOP / BOVESPA: CPLE3, CPLE5, CPLE6), company that generates, transmits, and distributes power to the State of Paraná, today announces its operating results for the first quarter of 2006. All figures included in this report are in thousands of Reais (R\$1,000) and were prepared in accordance with Brazilian GAAP (corporate law).

**HIGHLIGHTS**

- **Net Operating Revenues: R\$ 1,314 million - a 14% increase compared to the same period of 2005.**
- **Operating Income: R\$ 273 million – 110% higher than the amount recorded in the previous year.**
- **Net Income: R\$ 171 million (R\$0.62 per thousand shares), 118% higher than the amount recorded in 1Q05 (R\$ 78 million).**
- **Increase in total electric power consumption: 1.7%**
- **EBITDA (earnings before interest, taxes, depreciation and amortization): R\$ 364 million, 62% higher than the amount recorded in the first quarter of 2005 (R\$225 million).**
- **Return on Equity: 12.4% p.a.**
- **As from June 1, 2005, COPEL has no longer been recording provisions for payment under the gas supply contract between Copel, Petrobras and Compagas, due to its termination.**
- **On April 13, 2006, ANEEL approved, through the Order 769/2006, the constitution of guarantees offered by COPEL in order to guarantee the agreement concerning the gas purchase for Araucária Thermoelectric Power Plant. The Company expects to revert in the next quarter the surplus provisions that had been constituted for the gas supply contract. In the first quarter of 2006, COPEL booked the penalties and interest on the provisioned amounts.**
- **COPEL's consolidated balance sheet presents, in addition to the wholly-owned subsidiaries' figures (COPEL Geração, COPEL Transmissão, COPEL Distribuição, COPEL Telecomunicações and COPEL Participações), Compagas' and Elejor's figures.**

**Copel's Investor Relations**  
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## MAIN EVENTS

**Net income:** In the first quarter of 2006, COPEL recorded a profit of R\$ 170.7 million, corresponding to R\$ 0,6236 per lot of one thousand shares. This amount is 117.7% higher than the profit recorded for the same period in 2005.

**Interest on Capital:** The Annual Shareholders' Meeting held on April 27th, 2006, approved the Board's proposal for distribution of interest on capital in the amount of R\$ 123.0 million for the fiscal year of 2005. This amount will be allotted based on the number of shares owned on April 27th, 2006, and the payment will be made within 60 days of the Meeting, as follows: R\$ 0.42811 for each lot of one thousand common shares; R\$ 1.27167 for each lot of one thousand Class A preferred shares; and R\$ 0.47101 for each lot of one thousand Class B preferred shares.

**Market expansion:** Total power consumption billed by COPEL in the first quarter of 2006 grew by 1.7% as compared to the first quarter of 2005. The residential, commercial, and rural consumer segments grew by 4.4%, 8.6%, and 6.4%, respectively. The industrial class had a decrease of 4.9%.

**UEG Araucária:** On February 17th, 2006, COPEL and El Paso Energy Araucária Company signed a Letter of Intent following negotiations concerning the Araucária Thermal Power Plant, located in the State of Paraná, with 484 MW of installed capacity.

The main points agreed upon were:

- a) COPEL shall acquire all the quotas in UEG Araucária Ltda. owned by El Paso, which represents 60% of the company's capital, for an amount equal to US\$ 190 million;
- b) The fulfillment of this Letter of Intent is subject to approval by the National Electric Energy Agency (ANEEL), by the Legislative Assembly of the State of Paraná, and by EL Paso administrative bodies;
- c) Furthermore, El Paso and COPEL agree, in their condition of co-owners of UEG Araucária Ltda., to suspend all pending lawsuits in state courts and the arbitration proceedings before the Chamber of International Trade in Paris;
- d) The amount resulting from the negotiations shall be paid in full upon signature of the final agreement.

COPEL and El Paso have postponed the signature of the final agreement for another 20 days (until May 20th 2006) since the Parties have to wait for the approval of the transaction by the Legislative Assembly of Paraná.

**Gas supply contract:** COPEL has signed agreements concerning the pending issues related to the Araucária Thermal Power Plant.

These agreements comprise an Out-of-Court Settlement, a Letter of Consent to the Transfer of Co-ownership, and a Letter of Intent.

Under the Out-of-Court Settlement, signed by COPEL Generation having COPEL as guarantor, the Company has acknowledged a R\$ 150 million debt to Petrobras, to be

paid in 60 monthly installments restated by the Selic rate (or any other index replacing the Selic rate), starting in January 2010.

Under the Letter of Consent, Petrobras has declared no opposition to the acquisition, by COPEL, of EL Paso's co-ownership in UEG Araucária.

Under the Letter of Intent, Petrobras has undertaken to employ its best efforts to meet Araucaria's fuel needs (natural gas or an alternate fuel) to operate as of 2010.

On April 13th, 2006, ANEEL approved the guarantees put up by COPEL to secure the transaction.

**Reversal of provisions for the gas purchase contract:** On account of the agreement signed by COPEL, Compagas and Petrobras for the gas supply to Araucaria and the approval by ANEEL, under Decision 769/2006, dated April 13th, 2006, of the guarantees put up by COPEL, the Company expects to revert in the next quarter the surplus provisions that had been constituted for this purpose. During the first quarter of 2006 COPEL continued to record contractual penalties and monetary restatements on the amounts that had been provisioned.

**The 1,200 largest corporations:** COPEL is one of the world's 1,200 largest corporations according to a survey conducted by the U.S.'s credit rating agency Standard & Poor's, which has assessed the stock performance and the market value of the largest and most important international corporations, broken down by continent. The Standard & Poor's list includes a total of 40 companies in Latin America, out of which 15 based in Brazil.

**Workforce:** At the end of March 2006, COPEL's workforce comprised 7,943 employees. As of March 2006, COPEL Distribuição recorded a customer-to-employee ratio of 570 and Compagas, a subsidiary in which COPEL holds a 51% interest, had 65 employees.

COPEL's workforce has been assigned to different business units as follows:

- COPEL Geração = 942 employees
- COPEL Transmissão = 927 employees
- COPEL Distribuição = 5,747 employees
- COPEL Telecomunicações = 300 employees
- COPEL Participações = 27 employees

## MAIN EVENTS

### Market Expansion

Total power consumption billed by COPEL in 1Q06 reached 4,704 GWh, a 1.7% growth as compared to the same period in the previous year.

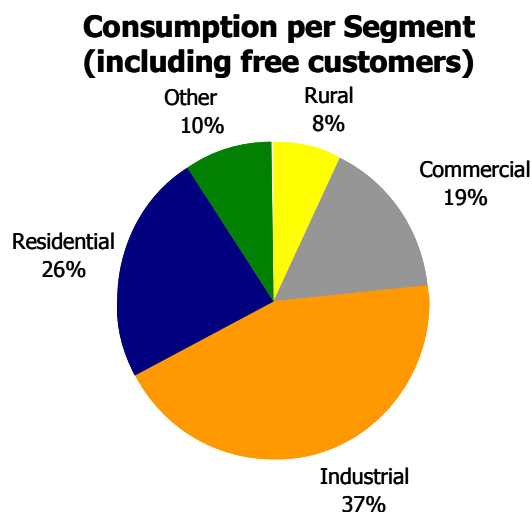
Residential consumption, which accounts for 25.7% of COPEL's market, grew by 4.4% in 1Q06, as attested by the rate of consumption per residential customer, which reached 156.4 kWh/month in the quarter, or 1.8% higher than the figure recorded in 1Q05 (153.6 kWh/month). Such growth has resulted mostly from higher sales of electronics, due to a credit expansion which began in 2004.

Commercial consumption, which accounts for 19.0% of COPEL's market, recorded the best performance among major customer categories, with an 8.6% growth. The retail business benefited from the greater availability of credit to individual customers, from the overall increase in the number of customers (2.2% over 1Q05), and from the opening of new businesses, particularly malls.

The 6.4% growth in rural consumption was mainly due to the increase in average consumption which resulted from the increase in producers' income on account of good harvests in 2002/2003 and 2003/2004, enabling them to invest in electric machinery.

Consumption by the industrial segment, which accounts for 37.5% of COPEL's market, dropped by 4.9%, as a result of the dollar depreciation, which reflected in the reduction of some industrial activities due to the decrease in exports. The energy consumption was more affected in certain segments of Parana's industry, such as timber, paper and vehicles. Industrial consumption was also affected by the withdrawal of certain customers that invested in self-generation.

In March 2006, COPEL's number of customers amounted to 3,277,966, up by 2.3% when compared to March 2005, corresponding to 74,798 new customers.



### Consumption per Segment

Segment	GWh				
	1Q06	4Q05	3Q05	2Q05	1Q05
Residential	1,211	1,167	1,153	1,173	1,160
Industrial (free customers included)	1,762	1,913	1,914	1,959	1,852
Commercial	892	820	767	823	821
Rural	386	338	327	361	363
Other	454	451	447	454	432
<b>Total COPEL</b>	<b>4,704</b>	<b>4,689</b>	<b>4,608</b>	<b>4,770</b>	<b>4,628</b>

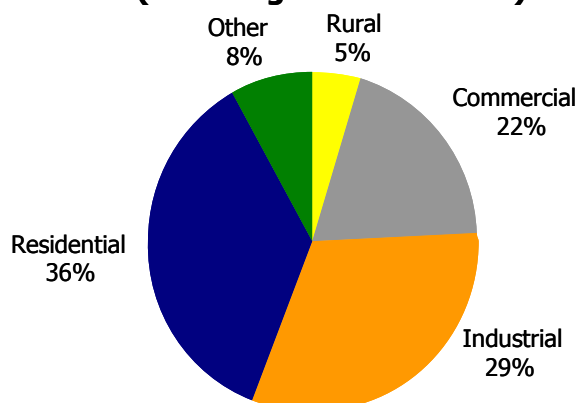
COPEL Distribuição's grid market (TUSD), comprising the captive market and all free customers within the Company's concession area, increased by 4.5% in 1Q06 (5,133 GWh).

### Revenues

Net operating revenues in 1Q06 reached R\$ 1,313.6 million, up by 14.3% the R\$ 1,149.3 million recorded in the same period of 2005.

This increase is primarily a result of: (i) the reduction in the discounts afforded to costumers who pay their bill in time, which represented an average rate of 5% as from February, 2005 and 4.41% as from August, 2005; (ii) the 1.7% increase in the consumption of power energy billed by COPEL and (iii) higher "electricity sales to distributors" revenue, due to the termination of the initial contract between COPEL Geração and COPEL Distribuição and the consequent sale of energy from COPEL Geração to the first old energy auction, to the 2006/2013 period.

### Revenues per Segment (including free customers)



The "Piped Gas Distribution" line refers to revenues from Compagas' gas distribution to third-parties.

**Companhia Paranaense de Energia – Copel**  
**First Quarter 2006 Results**

**Gross Revenue**

(R\$ thousand)

Revenue	1Q06	4Q05	3Q05	2Q05	1Q05
Residential	495,912	470,973	478,329	460,160	447,518
Industrial	408,338	445,471	445,126	401,322	357,303
Commercial	304,707	290,270	274,146	267,053	261,443
Rural	68,713	61,032	58,170	60,757	62,229
Other	109,942	114,849	113,670	108,174	97,888
<b>Total Retail</b>	<b>1,387,612</b>	<b>1,382,595</b>	<b>1,369,441</b>	<b>1,297,466</b>	<b>1,226,381</b>
Supply	281,687	249,428	235,789	237,070	227,650
Revenue from the use of transmission grid	69,224	67,695	69,473	66,636	64,192
Telecom	13,873	19,146	12,333	13,118	12,478
Piped gas distribution	49,952	48,976	47,927	44,119	40,360
Other	13,277	21,397	20,827	20,842	20,791
<b>Total</b>	<b>1,815,625</b>	<b>1,789,237</b>	<b>1,755,790</b>	<b>1,679,251</b>	<b>1,591,852</b>

**Revenue Deductions**

The table below shows COPEL's operating revenue deductions:

(R\$ thousand)

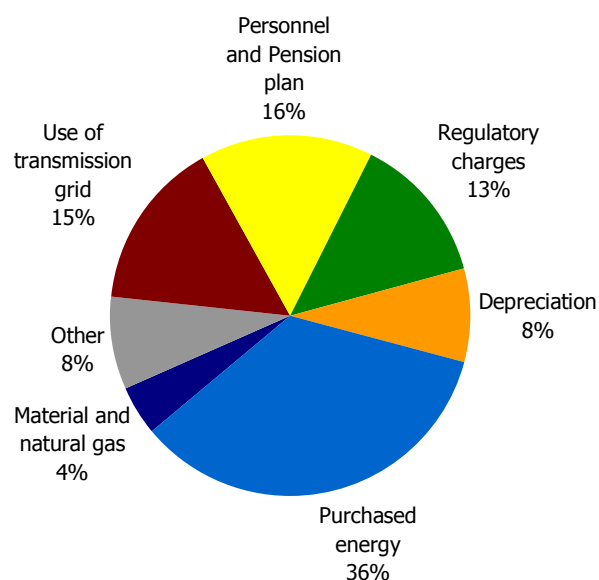
Revenue Deductions	1Q06	4Q05	3Q05	2Q05	1Q05
ICMS	356,766	361,963	355,696	336,326	319,509
PASEP/COFINS	128,862	127,887	137,503	97,458	78,544
RGR	15,100	16,169	16,169	12,150	19,329
Other	1,292	12,609	19,834	26,305	25,143
<b>TOTAL</b>	<b>502,020</b>	<b>518,628</b>	<b>529,202</b>	<b>472,239</b>	<b>442,525</b>

## Operating Expenses

In 1Q06, total operating expenses reached R\$ 1,035.0 million, up 3.1% the R\$ 1,003.6 million recorded in the same period in 2005. The main variations were:

- “Energy purchased for resale” was stable in the quarter. The energy purchased by COPEL Distribuição in the first old energy auction for the period of 2006 to 2013 was offset by the reduction in the volumes of booked energy purchased from Itaipu and by the passive CVA reversion. The main amounts booked are: R\$ 93.8 million from ITAIPU, R\$ 75.2 million from CIEN, R\$ 21.0 million from Itiquira and R\$154.4 million from the energy auction. Also, R\$ 12.4 million was booked as passive CVA.
- The 41.3% variation in the “charges for the use of transmission grid” line is a result of the 9.1% tariff readjustment confirmed by ANEEL Resolution 150, from July 1, 2005, as well as for the addition of new transmission assets and to the effects of CVA costs (R\$ 23.6 million)
- The 4.4% decrease in the “payroll” account is due to the payment, in March 2005, of the agreement on the bonus for hazardous working conditions – a non-recurring expense.
- The 30.1% variation registered in “pension plan and other benefits” is a result of the appropriation of the estimated costs for 2006, according to actuarial criteria, in compliance with CVM Deliberation 371/2000.
- The “raw material and supply for generation of electricity” line is a result of the amount spent with fuels and other supplies purchased by COPEL. The increase is especially due to a higher coal acquisition for Figueira Thermolectric Power Plant.
- The “natural gas and supply for the gas business” line refers to the total natural gas acquired by Compagas from Petrobras. The decrease registered is a result of the termination of the contract for the purchase for UEG Araucária. As from June 1, 2005, Compagas has no longer billed the events to the agreement for the supply of gas and transport.
- The increase in “third-party services” is due to the increase in costs with the mail, technical consulting and telephone.

## Operating Expenses



**Companhia Paranaense de Energia – Copel**  
**First Quarter 2006 Results**

- The 19.2% increase in “regulatory charges”, under which R\$ 75.9 million was booked as Fuel Consumption Account – CCC, R\$ 13.5 as financial compensation for the use of water resources, R\$ 44.1 million as Energy Development Account – CDE, and R\$3.8 million as ANEEL’s oversight fees and other services.

**Operating Expenses Breakdown**

R\$ thousand

Operating Expenses	1Q 06	4Q 05	3Q 05	2Q 05	1Q 05
Energy purchased for resale	359,555	295,439	356,272	424,802	359,817
Use of transmission grid	158,060	156,280	151,549	111,132	111,837
Personnel	130,513	189,960	122,471	117,505	136,519
Pension plan and other benefits	31,505	25,616	24,736	24,811	24,218
Material	16,078	18,197	13,544	17,149	13,575
Raw material and supply for electric power production	6,146	2,469	50,269	5,908	3,424
Natural gas purchased for resale and supplies for the gas business	23,681	24,698	(23,124)	55,079	85,641
Third-party services	51,097	53,762	49,916	51,542	41,923
Depreciation and amortization	85,437	85,634	81,726	82,386	79,160
Regulatory charges	137,316	98,169	113,646	102,802	115,224
Taxes	4,976	(1,226)	34,167	5,298	4,096
Other operating expenses	30,643	62,146	17,792	27,832	28,148
<b>Total</b>	<b>1,035,007</b>	<b>1,011,144</b>	<b>992,964</b>	<b>1,026,246</b>	<b>1,003,582</b>



**Companhia Paranaense de Energia – Copel**  
**First Quarter 2006 Results**

**CVA (Deferred Regulatory Asset)**

The following table shows the charges in balances from deferred tariff costs updated by the SELIC rate in the first quarter of 2006:

	R\$ Thousand					
Parcel A movement	Balance 12/31/05	Deferreal	Amortization	Monetary Update	Transfer	Balance 03/31/06
<b>Asset</b>						
Purchased electric power (Itaipu)	22,712	-	(14,677)	3,321	-	11,356
Transp. of purchased elect. capacity	3,227	974	(919)	311	-	3,593
Use of transmission grid	70,293	(7,481)	(38,628)	4,287	5,821	34,292
Energy Development Account – CDE	16,525	5,511	(8,401)	1,973	-	15,608
Electric Power Services Fee - ESS	10,443	766	(6,327)	1,770	-	6,652
Fuel Consumption Account – CCC	13,546	4,274	(2,847)	791	-	15,764
Proinfra	-	7,488	-	-	-	7,488
<b>Total</b>	<b>136,746</b>	<b>11,532</b>	<b>(71,799)</b>	<b>12,453</b>	<b>5,821</b>	<b>94,753</b>
<b>Liabilities</b>						
Energy purchased for resale						
Auction	45,677	9,682	(9,084)	2,659	-	48,934
Cien	18,743	(4,053)	(3,970)	1,083	-	11,803
Itiquira	(15,484)	(5,203)	202	(983)	-	(21,468)
Itaipu	41,640	(460)	(9,495)	1,793	-	33,478
Use of transmission grid	-	-	-	-	5,821	5,821
<b>Total</b>	<b>90,576</b>	<b>(34)</b>	<b>(22,347)</b>	<b>4,552</b>	<b>5,821</b>	<b>78,568</b>

**EBITDA**

Earnings before interest, taxes, depreciation and amortization – EBITDA reached R\$364,0 million in the first quarter of 2006, up 61.9% over the figure posted in the same period of the previous year (R\$224,9 million).

**Financial Result**

Financial expenses went up by 21.7% when compared to the same period of 2005, especially due to higher interest from financial applications due to a higher cash position in the period. This result was offset by the monetary variation drop due to the decrease of in IGP-DI index used for readjusting CRC transferred to the State Government.

Financial expenses went up by 7.0% as a result, mainly, of the booking of fines and monetary restatement referring to the gas purchase contract (R\$55.1 million), offset by the valuation of the real against the dollar.

### **Operating Result**

COPEL's operating result recorded in the first quarter of 2006 totaled R\$ 273.2 million, 109.8 above the reported in the first quarter of the previous year.

### **Non-Operating Result**

The non-operating result recorded in the period reflects mainly the net effect of the write-offs of assets and rights registered under permanent assets.

### **Net Income**

In the first quarter of 2006, COPEL recorded net income of R\$ 170.7 million, 117.7% above the same period of the previous year (R\$ 78.4 million).

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### **Balance Sheet and Capex (Assets)**

On 03.31.2006, COPEL's total assets amounted to R\$ 10,975.6 million.

COPEL's capex in 2006 reached R\$118.1 million, in which R\$0.9 million were allocated to power generation projects, R\$39.3 million to transmission projects, R\$72.0 million to distribution improvement works, R\$5.8 million to telecommunications, R\$0.1 million to partnerships. Elejor and Compagas, which balance sheet are consolidated with Copel, invested R\$28.0 million and R\$3.5 million, respectively.

### **Balance Sheet (Liabilities)**

As of March 31, 2006, COPEL's total debt amounted to R\$1,909.6 million, representing a debt/shareholders' equity ratio of 33.8%. Not considering Elejor's debt, COPEL's debt/shareholders's equity ratio would be 28.4%.

COPEL's shareholders' equity was R\$5,657.8 million, representing an 8.5% increase over March 2005 and equivalent to R\$20.68 per thousand shares.

**Companhia Paranaense de Energia – Copel  
First Quarter 2006 Results**

**Debt Profile**

R\$ thousand

<b>Foreign Currency</b>	<b>Short-Term</b>	<b>Long-Term</b>	<b>Total</b>
BID	21,323	81,742	103,065
National Treasury	12,293	102,179	114,472
Eletrobras	9	58	67
Banco do Brasil S/A	4,638	11,415	16,053
<b>Total Foreign Currency</b>	<b>38,263</b>	<b>195,394</b>	<b>233,657</b>

<b>Local Currency</b>	<b>Short-Term</b>	<b>Long-Term</b>	<b>Total</b>
Eletrobras – COPEL	46,154	301,778	347,932
Eletrobras – Elejor	-	36,874	36,874
BNDES	6,366	30,292	36,658
Copel's Debentures	718,030	266,680	984,710
Elejor's Debentures	5,013	263,572	268,585
Other	141	1,001	1,142
<b>Total Local Currency</b>	<b>775,704</b>	<b>900,197</b>	<b>1,675,901</b>

<b>TOTAL</b>	<b>813,967</b>	<b>1,095,591</b>	<b>1,909,558</b>
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**ADDITIONAL INFORMATION**

**Main Operational and Financial Highlights**

As of March 31, 2006

**Generation**

Number of power plants of COPEL Geração:	18 (17 hydro and 1 thermal plant)
Number of power plants of Copel Participações:	5 (3 hydro, 1 thermal and 1 eolic)
Total installed capacity of COPEL Geração:	4,550 MW
Total installed capacity of COPEL Participações:	221 MW
Number of automated power plants of COPEL Geração:	10
Number of step up substations of COPEL Geração:	11
Number of automated step up substations of COPEL Geração:	10
Availability of COPEL's generating units over 10 MW:	95.46%

**Transmission**

Transmission lines:	7.047 km
Number of substations:	127
Number of automated substations:	127
Installed capacity:	15,252 MVA

**Distribution**

Distribution lines:	165,576 km
Number of substations:	231
Number of automated substations:	204
Installed capacity in substations of 13.8kV and 34.5kV:	1,434 MVA
Number of localities served:	1.109
Number of municipalities served:	393
Number of consumers:	3,277,966
DEC (outage duration per customer):	4.38
FEC (outage frequency per customer):	4.25 times

**Telecom**

Optical cable – main ring:	4,475 km
Self-sustained optical cable:	3,922 km
Number of cities served:	146
Number of customers:	264

**Administration**

Number of employees (wholly-owned subsidiaries):	7,943
Customer per distribution branch employee:	570

**Financial**

Book value per 1,000 shares:	R\$ 20.68
EBITDA:	R\$ 364 milhões
Liquidity (current ratio):	0.85

### Average Tariffs for Energy Purchase

Energy purchase tariffs	R\$/MWh		
	March 2006	March 2005	Chg %
Auction – CCEAR 2005-2012	57.69	57.51	0.3
Auction – CCEAR 2006-2013	67.81	-	-
CIEN	88.24	92.67	(4.8)
Itaipu *	84.82	91.54	(7.3)

(\*)Furnas tariff included

### Retail Tariffs

Tariffs	R\$/MWh		
	March 2006	March 2005	Chg %
Residential	268.95	269.18	(0.1)
Industrial	176.29	148.75	18.5
Commercial	232.27	228.69	1.6
Rural	164.43	162.36	1.3
Other	177.14	172.41	2.7
Total	211.59	199.27	6.2

ICMS not included

### Energy Supply Tariff

Energy supply tariffs	R\$/MWh		
	March 2006	March 2005	Chg %
Small wholesale concessionaries	86.08	78.59	9.5
Auction – CCEAR 2005-2012	57.53	57.50	0.1
Auction - CCEAR 2006-2013	67.65	-	-

## Energy Flow

Source	GWh 1Q 2006
<b>Own Generation</b>	<b>3,576</b>
<b>Purchased Energy</b>	<b>6,151</b>
Itaipu	1,146
Auction – CCEAR	2,986
Cien	864
Itiquira	232
MRE	604
CCEE	3
Other	316
<b>Total available power</b>	<b>9,727</b>
<b>State demand</b>	<b>4,520</b>
Retail	4,409
Wholesale	111
<b>Free customers</b>	<b>295</b>
<b>Bilateral Contracts</b>	<b>1,072</b>
<b>Auction – CCEAR</b>	<b>2,817</b>
<b>MRE</b>	<b>0</b>
<b>CCEE</b>	<b>283</b>
<b>Losses</b>	<b>740</b>
Basic grid losses	206
Distribution losses	486
CG contracts allocation	48

CCEAR = Energy purchase agreements in the regulated market

MRE = Energy Reallocation Mechanism

CCEE = Electric Power Trade Chamber

CG = Center of gravity of the Submarket (difference between billed energy and energy received from CG).

Amounts subject to changes after settlement by CCEE.

## Shareholders' Structure (in thousand shares)

As of March 31, 2006

Shareholders	Millions of shares							
	COMMON	%	PREFERRED "A"	%	PREFERRED "B"	%	TOTAL	%
State of Paraná	85,028	58.6	-	-	-	-	85,028	31.1
ELETRORÁS	1,531	1.1	-	-	-	-	1,531	0.6
BNDSPAR	38,299	26.4	-	-	27,282	21.3	65,581	24.0
<b>Free Floating</b>	<b>19,559</b>	<b>13.5</b>	<b>120</b>	<b>29.8</b>	<b>100,787</b>	<b>78.6</b>	<b>120,466</b>	<b>44.0</b>
In Brazil	16,112	11.1	120	29.8	70,687	55.1	86,919	31.7
ADS's	3,447	2.4	-	-	30,099	23.5	33,546	12.3
<b>Other</b>	<b>614</b>	<b>0.4</b>	<b>283</b>	<b>70.2</b>	<b>152</b>	<b>0.1</b>	<b>1,049</b>	<b>0.3</b>
<b>TOTAL</b>	<b>145,031</b>	<b>100.0</b>	<b>403</b>	<b>100.0</b>	<b>128,221</b>	<b>100.0</b>	<b>273,655</b>	<b>100.0</b>

COMMON

TOTAL

FINANCIAL STATEMENTS - COPEL

COMPANHIA PARANAENSE DE ENERGIA

CNPJ 76.483.817/0001-20  
Public Company - CVM 1431-1  
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COPEL

SUMMARIZED FINANCIAL STATEMENTS

Translation from the original in portuguese (amounts expressed in thousands of Brazilian Reais)

ASSETS	1Q2006	4Q2005	3Q2005	2Q2005	1Q2005
<b>Current</b>					
Cash in hand	1,150,459	1,131,766	813,558	575,895	510,305
Customers and distributors	988,606	945,577	1,047,456	964,507	909,847
Allowance for doubtful accounts	(81,978)	(79,073)	(138,238)	(128,838)	(109,980)
Third-parties services, net	8,489	7,349	5,226	3,395	4,591
Dividends receivable	2,573	3,665	2,152	2,152	2,886
Services in progress	11,625	12,132	9,748	6,863	5,592
CRC transferred to State Government	32,338	31,804	30,961	30,660	30,069
Taxes and social contributions paid in advance	103,682	131,038	82,632	112,476	112,150
Account for compensation of "Portion A"	86,018	128,187	150,134	204,621	208,470
Regulatory Assets - PASEP/COFINS	25,081	43,876	56,382	-	-
Bonds and linked deposits	44,271	43,746	-	-	38,076
Material and supplies	44,344	36,590	33,208	32,106	32,678
Other	43,858	33,587	76,796	72,486	39,571
	<b>2,459,366</b>	<b>2,470,244</b>	<b>2,170,015</b>	<b>1,876,323</b>	<b>1,784,255</b>
<b>Long-term assets</b>					
Customers and distributors	99,996	104,483	99,318	105,883	104,039
CRC transferred to State Government	1,144,591	1,150,464	1,146,764	1,170,108	1,180,383
Taxes and social contributions paid in advance	523,615	526,505	563,123	539,851	525,910
Judicial Deposits	149,775	145,183	165,319	158,735	151,690
Account for compensation of "Portion A"	8,735	8,559	14,280	1,659	55,171
Regulatory Assets - PASEP/COFINS	49,173	43,608	32,680	111,925	99,807
Bonds and linked deposits	25,096	27,041	-	-	27,141
Intercompany receivables	35,722	35,357	204,737	195,288	33,990
Other	15,350	16,576	48,204	48,921	22,735
	<b>2,052,053</b>	<b>2,057,776</b>	<b>2,274,425</b>	<b>2,332,370</b>	<b>2,200,866</b>
<b>Permanent</b>					
Investments	416,375	414,320	465,499	461,442	411,933
Property, plant and equipment	6,042,542	5,991,291	5,409,481	5,410,588	5,770,635
Deferred	5,314	5,375	205	49	5,122
	<b>6,464,231</b>	<b>6,410,986</b>	<b>5,875,185</b>	<b>5,872,079</b>	<b>6,187,690</b>
<b>Total</b>	<b>10,975,650</b>	<b>10,939,006</b>	<b>10,319,625</b>	<b>10,080,772</b>	<b>10,172,811</b>

Companhia Paranaense de Energia – Copel  
First Quarter 2006 Results

COMPANHIA PARANAENSE DE ENERGIA

CNPJ 76.483.817/0001-20  
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SUMMARIZED FINANCIAL STATEMENTS

Translation from the original in portuguese (amounts expressed in thousands of Brazilian Reais)

LIABILITIES AND SHAREHOLDERS' EQUITY

	1Q2006	4Q2005	3Q2005	2Q2005	1Q2005
<b>Current</b>					
Loans and financing	90,924	99,253	94,419	99,016	523,597
Debentures	723,043	115,703	51,500	61,055	6,727
Suppliers	1,265,631	1,162,415	1,108,984	1,047,355	966,423
Taxes and social contributions	207,193	310,942	318,013	245,933	218,881
Interest on own capital	115,429	114,467	27,047	27,050	90,697
Accrued payroll costs	109,482	108,326	93,549	81,733	102,765
Pension plan and other post-retirement benefits	126,415	132,902	123,704	127,587	135,135
Account for compensation of "Portion A"	64,020	65,664	40,686	46,871	-
Regulatory charges	59,429	41,280	66,382	68,751	75,251
Swap operations	-	-	-	-	136,982
Other	124,822	107,388	22,691	19,109	29,273
	<b>2,886,388</b>	<b>2,258,340</b>	<b>1,946,975</b>	<b>1,824,460</b>	<b>2,285,731</b>
<b>Long-term liabilities</b>					
Loans and financing	565,339	602,624	576,053	614,761	671,523
Debentures	530,252	1,226,525	958,351	965,391	564,484
Provision for contingencies	496,200	495,292	500,419	498,659	496,960
Suppliers	152,251	176,609	191,492	206,372	223,474
Taxes and social contributions	38,809	37,236	94,368	61,197	67,962
Pension plan and other post-retirement benefits	486,198	486,854	508,066	514,991	520,071
Customers	1,465	-	-	-	-
Account for compensation of "Portion A"	14,548	24,912	40,874	7,647	-
	<b>2,285,062</b>	<b>3,050,052</b>	<b>2,869,623</b>	<b>2,869,018</b>	<b>2,544,474</b>
<b>Minority interest</b>	<b>146,363</b>	<b>143,431</b>	<b>57,648</b>	<b>54,317</b>	<b>127,882</b>
<b>Shareholders' equity</b>					
Capital stock	3,480,000	3,480,000	3,480,000	3,480,000	3,480,000
Capital reserves	817,293	817,293	817,293	817,293	817,293
Income reserves	1,360,544	1,189,890	1,148,086	1,035,684	917,431
	<b>5,657,837</b>	<b>5,487,183</b>	<b>5,445,379</b>	<b>5,332,977</b>	<b>5,214,724</b>
<b>Total</b>	<b>10,975,650</b>	<b>10,939,006</b>	<b>10,319,625</b>	<b>10,080,772</b>	<b>10,172,811</b>



Companhia Paranaense de Energia – Copel  
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COMPANHIA PARANAENSE DE ENERGIA

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QUARTERLY INCOME STATEMENT

Translation from the original in portuguese (amounts expressed in thousands of Brazilian Reais)

	1Q2006	4Q2005	3Q2005	2Q2005	1Q2005
<b>Operating revenues</b>					
Electricity sales to final customers	1,387,612	1,382,595	1,369,441	1,297,466	1,226,381
Electricity sales to distributors	281,687	249,428	235,789	237,070	227,650
Use of transmission plant	69,224	67,695	69,473	66,636	64,192
Telecom revenues	13,873	19,146	12,333	13,118	12,478
Piped gas distribution	49,952	48,976	47,927	44,119	40,360
Other revenues	13,277	21,397	20,827	20,842	20,791
	<b>1,815,625</b>	<b>1,789,237</b>	<b>1,755,790</b>	<b>1,679,251</b>	<b>1,591,852</b>
<b>Deductions from operating revenues</b>	<b>(502,020)</b>	<b>(518,628)</b>	<b>(529,202)</b>	<b>(472,239)</b>	<b>(442,525)</b>
<b>Net operating revenues</b>	<b>1,313,605</b>	<b>1,270,609</b>	<b>1,226,588</b>	<b>1,207,012</b>	<b>1,149,327</b>
<b>Operating expenses</b>					
Payroll	(130,513)	(189,960)	(122,471)	(117,505)	(136,519)
Pension plan	(31,505)	(25,616)	(24,736)	(24,811)	(24,218)
Material	(16,078)	(18,197)	(13,544)	(17,149)	(13,575)
Raw material and supplies for generation of electricity	(6,146)	(2,469)	(50,269)	(5,908)	(3,424)
Third-party services	(51,097)	(53,762)	(49,916)	(51,542)	(41,923)
Electricity purchased for resale	(359,555)	(295,439)	(356,272)	(424,802)	(359,817)
Charges for the use of transmission grid	(158,060)	(156,280)	(151,549)	(111,132)	(111,837)
Depreciation and amortization	(85,437)	(85,634)	(81,726)	(82,386)	(79,160)
Regulatory charges	(137,316)	(98,169)	(113,646)	(102,802)	(115,224)
Taxes	(4,976)	1,226	(34,167)	(5,298)	(4,096)
Natural gas and supplies for the gas business	(23,681)	(24,698)	23,124	(55,079)	(85,641)
Other expenses	(30,643)	(62,146)	(17,792)	(27,832)	(28,148)
	<b>(1,035,007)</b>	<b>(1,011,144)</b>	<b>(992,964)</b>	<b>(1,026,246)</b>	<b>(1,003,582)</b>
<b>Result of operations</b>	<b>278,598</b>	<b>259,465</b>	<b>233,624</b>	<b>180,766</b>	<b>145,745</b>
<b>Financial income (expenses)</b>					
Financial income	115,308	125,639	81,178	94,685	94,777
Financial expenses	(122,645)	(137,483)	(136,974)	(85,694)	(114,613)
	<b>(7,337)</b>	<b>(11,844)</b>	<b>(55,796)</b>	<b>8,991</b>	<b>(19,836)</b>
<b>Equity investment</b>	<b>1,930</b>	<b>(21,269)</b>	<b>1,731</b>	<b>1,768</b>	<b>4,302</b>
<b>Operating income (expenses)</b>	<b>273,191</b>	<b>226,352</b>	<b>179,559</b>	<b>191,525</b>	<b>130,211</b>
<b>Non-operating income (expenses)</b>	<b>(3,652)</b>	<b>(1,547)</b>	<b>(3,869)</b>	<b>(1,382)</b>	<b>(3,848)</b>
<b>Income (loss) before income tax</b>	<b>269,539</b>	<b>224,805</b>	<b>175,690</b>	<b>190,143</b>	<b>126,363</b>
<b>Income tax and Social contribution</b>					
Income tax	(69,739)	(20,182)	(43,623)	(50,101)	(30,998)
Social contribution	(25,246)	(7,789)	(16,333)	(17,028)	(12,146)
	<b>(94,985)</b>	<b>(27,971)</b>	<b>(59,956)</b>	<b>(67,129)</b>	<b>(43,144)</b>
<b>Net income (loss) before minority interest</b>	<b>174,554</b>	<b>196,834</b>	<b>115,734</b>	<b>123,014</b>	<b>83,219</b>
<b>Minority interest</b>					
Minority interest	(3,900)	(3,519)	(3,332)	(4,761)	(4,812)
<b>Net income (loss)</b>	<b>170,654</b>	<b>193,315</b>	<b>112,402</b>	<b>118,253</b>	<b>78,407</b>
<b>Earning per thousand shares</b>	<b>0.6236</b>	<b>0.7064</b>	<b>0.4107</b>	<b>0.4321</b>	<b>0.2865</b>

FINANCIAL STATEMENTS - SUBSIDIARIES

COMPANHIA PARANAENSE DE ENERGIA

CNPJ 76.483.817/0001-20  
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SUMMARIZED FINANCIAL STATEMENTS  
as of March 31, 2006

Translation from the original in portuguese (amounts expressed in thousands of Brazilian Reais)

ASSETS	GER	TRA	DIS	TEL	PAR	COM	ELE
<b>Current</b>							
Cash in hand	604,927	10,632	437,656	2,655	4,775	32,370	56,426
Customers and distributors, net	163,572	47,103	726,190	-	-	39,317	6,600
Third-parties services, net	1,331	183	35	9,321	-	-	-
Dividends receivable	-	-	-	-	7,568	-	-
Services in progress	3,453	2,342	4,539	-	231	-	-
CRC transferred to State Government	-	-	32,337	-	-	-	-
Taxes and social contributions paid in advance	12,183	10,002	85,933	2,338	10,056	831	856
Account for compensation of "Portion A"	-	-	86,018	-	-	-	-
Regulatory Assets - PASEP/COFINS	-	6,938	18,143	-	-	-	-
Bonds and linked deposits	22,529	-	21,506	-	-	236	-
Other	10,843	6,324	17,537	1,459	163	951	3,108
Material and supplies	68	10,033	26,231	7,381	-	630	-
	<b>818,906</b>	<b>93,557</b>	<b>1,456,125</b>	<b>23,154</b>	<b>22,793</b>	<b>74,335</b>	<b>66,990</b>
<b>Long-term assets</b>							
Customers and distributors	138,324	-	71,123	-	-	-	-
CRC transferred to State Government	-	-	1,144,591	-	-	-	-
Taxes and social contributions paid in advance	58,606	36,123	253,929	10,306	8,122	2,456	-
Judicial Deposits	7,336	16,676	63,340	289	-	-	2
Account for compensation of "Portion A"	-	-	8,735	-	-	-	-
Regulatory Assets - PASEP/COFINS	-	16,493	32,680	-	-	-	-
Bonds and linked deposits	-	5,238	19,859	-	-	-	-
Intercompany receivables	124,839	-	-	-	187,189	-	-
Prepaid receivables	3,592	-	-	-	-	49	751
Other	936	56	8,272	-	1,694	-	-
	<b>333,633</b>	<b>74,586</b>	<b>1,602,529</b>	<b>10,595</b>	<b>197,005</b>	<b>2,505</b>	<b>753</b>
<b>Permanent</b>							
Investments	4,150	2,257	419	-	516,624	2	-
Property, plant and equipment	2,897,319	1,145,092	1,121,401	181,309	143	121,761	575,517
Deferred	-	-	-	-	-	5,314	-
	<b>2,901,469</b>	<b>1,147,349</b>	<b>1,121,820</b>	<b>181,309</b>	<b>516,767</b>	<b>127,077</b>	<b>575,517</b>
<b>Total</b>	<b>4,054,008</b>	<b>1,315,492</b>	<b>4,180,474</b>	<b>215,058</b>	<b>736,565</b>	<b>203,917</b>	<b>643,260</b>

GER: Generation, TRA: Transmission, DIS: Distribution, TEL: Telecommunication, PAR: Partnership, COM: Compagas, ELE: Elejor

Companhia Paranaense de Energia – Copel  
First Quarter 2006 Results

COMPANHIA PARANAENSE DE ENERGIA

CNPJ 76.483.817/0001-20  
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LIABILITIES AND SHAREHOLDERS' EQUITY	GER	TRA	DIS	TEL	PAR	COM	ELE
<b>Current</b>							
Loans and financing	48,252	15,562	20,744	-	-	6,366	-
Debentures	-	-	572,825	-	-	-	5,013
Suppliers	877,923	6,662	435,362	1,355	43	18,748	4,180
Taxes and social contributions	33,103	16,994	166,679	932	7	4,302	713
Interest on own capital	-	69,217	-	916	61,526	9,732	154
Accrued payroll costs	17,770	15,984	68,604	5,299	871	795	64
Pension plan and other post-retirement benefits	24,319	22,935	73,550	5,466	144	-	-
Account for compensation of "Portion A"	-	-	64,020	-	-	-	-
Regulatory charges	12,018	2,074	45,134	16	-	-	187
Concession charges - Aneel' consent	-	-	-	-	-	-	9,319
Other	11,922	5,073	96,892	132	189	677	763
	<b>1,025,307</b>	<b>154,501</b>	<b>1,543,810</b>	<b>14,116</b>	<b>62,780</b>	<b>40,620</b>	<b>20,393</b>
<b>Long-term liabilities</b>							
Loans and financing	330,831	74,305	93,037	-	-	30,292	36,874
Debentures	-	-	-	-	-	-	263,572
Provision for contingencies	64,317	41,977	97,978	753	-	-	-
Intercompany receivables	-	-	245,246	-	-	-	187,189
Advance for future capital increase	-	20,400	-	67,243	256,257	-	-
Suppliers	889	-	260,545	-	-	267	-
Taxes and social contributions	-	5,608	24,243	-	-	8,957	-
Pension plan and other post-retirement benefits	92,013	81,740	293,856	17,062	615	912	-
Customers	-	-	1,465	-	-	-	-
Account for compensation of "Portion A"	-	-	14,548	-	-	-	-
	<b>488,050</b>	<b>224,030</b>	<b>1,030,918</b>	<b>85,058</b>	<b>256,872</b>	<b>40,428</b>	<b>487,635</b>
<b>Shareholders' equity</b>							
Capital stock	2,338,932	751,989	1,607,168	120,650	330,718	50,012	113,800
Capital reserves	-	-	-	701	-	-	21,443
Income reserves	129,472	151,739	-	-	74,657	64,228	32
Accrued (losses) income	72,247	33,233	(1,422)	(5,467)	11,538	8,629	(43)
	<b>2,540,651</b>	<b>936,961</b>	<b>1,605,746</b>	<b>115,884</b>	<b>416,913</b>	<b>122,869</b>	<b>135,232</b>
<b>Total</b>	<b>4,054,008</b>	<b>1,315,492</b>	<b>4,180,474</b>	<b>215,058</b>	<b>736,565</b>	<b>203,917</b>	<b>643,260</b>

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Companhia Paranaense de Energia – Copel  
First Quarter 2006 Results

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SUMMARIZED FINANCIAL STATEMENTS  
as of March 31, 2006

Translation from the original in portuguese (amounts expressed in thousands of Brazilian Reais)

INCOME STATEMENT	GER	TRA	DIS	TEL	PAR	COM	ELE
<b>Operating revenues</b>							
Electricity sales to final customers	37,929	-	1,350,120	-	-	-	555
Electricity sales to distributors	283,411	-	14,512	-	-	-	18,606
Use of transmission plant	-	105,305	35,400	-	-	-	-
Receita de telecomunicações	-	-	-	21,037	-	-	-
Distribuição de gás canalizado	-	-	-	-	-	50,050	-
Other	1,560	656	11,698	-	-	20	35
<b>Deductions from operating revenues</b>	<b>(38,303)</b>	<b>(14,844)</b>	<b>(435,673)</b>	<b>(2,932)</b>	-	<b>(9,451)</b>	<b>(816)</b>
<b>Net operating revenues</b>	<b>284,597</b>	<b>91,117</b>	<b>976,057</b>	<b>18,105</b>	-	<b>40,619</b>	<b>18,380</b>
<b>Operating expenses</b>							
Pessoal e planos previdenciário e assistencial	(25,090)	(21,521)	(105,224)	(6,461)	(1,164)	(1,167)	(233)
Material	(1,881)	(973)	(12,641)	(526)	(3)	(44)	(9)
Raw material and supplies for generation of electricity	(6,244)	-	-	-	-	-	-
Natural gas purchased for resale and supplies for the	-	-	-	-	-	(23,681)	-
Third-party services	(11,410)	(4,404)	(38,764)	(1,542)	(137)	(718)	(1,147)
Electricity purchase for resale	(16,389)	-	(377,526)	-	-	-	(482)
Charges for the use of transmission grid	(44,213)	-	(183,800)	-	-	-	(1,531)
Depreciation and amortization	(25,781)	(10,084)	(39,082)	(6,682)	(8)	(1,618)	(2,181)
Regulatory charges	(14,500)	(830)	(121,559)	(134)	-	-	(293)
Taxes	(373)	(481)	(2,013)	(158)	(97)	(88)	(7)
Concession charges - Aneel' consent	-	-	-	-	-	-	(3,572)
Other expenses	1,222	(3,275)	(21,432)	(702)	(34)	(332)	(1,193)
	<b>(144,659)</b>	<b>(41,568)</b>	<b>(902,041)</b>	<b>(16,205)</b>	<b>(1,443)</b>	<b>(27,648)</b>	<b>(10,648)</b>
<b>Result of operations</b>	<b>139,938</b>	<b>49,549</b>	<b>74,016</b>	<b>1,900</b>	<b>(1,443)</b>	<b>12,971</b>	<b>7,732</b>
<b>Financial income (expenses)</b>							
Financial income	30,366	1,968	76,342	167	9,020	1,406	2,071
Financial expenses	(58,859)	454	(33,192)	(117)	(91)	(1,314)	(10,309)
	<b>(28,493)</b>	<b>2,422</b>	<b>43,150</b>	<b>50</b>	<b>8,929</b>	<b>92</b>	<b>(8,238)</b>
<b>Equity investment</b>	-	-	-	-	<b>6,150</b>	-	-
<b>Operating income (expenses)</b>	<b>111,445</b>	<b>51,971</b>	<b>117,166</b>	<b>1,950</b>	<b>13,636</b>	<b>13,063</b>	<b>(506)</b>
<b>Non-operating income</b>	(41)	(407)	(3,186)	(34)	-	(1)	-
<b>Income (loss) before income tax</b>	<b>111,404</b>	<b>51,564</b>	<b>113,980</b>	<b>1,916</b>	<b>13,636</b>	<b>13,062</b>	<b>(506)</b>
Income tax and Social contribution	(39,157)	(18,331)	(40,740)	(756)	(2,098)	(4,433)	-
<b>Net income (loss)</b>	<b>72,247</b>	<b>33,233</b>	<b>73,240</b>	<b>1,160</b>	<b>11,538</b>	<b>8,629</b>	<b>(506)</b>

GER: Generation, TRA: Transmition, DIS: Distribution, TEL: Telecommunication, PAR: Partnership, COM: Compagas, ELE: Elejor

Companhia Paranaense de Energia – Copel  
First Quarter 2006 Results

COMPANHIA PARANAENSE DE ENERGIA

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STATEMENT OF CASH FLOW  
AS OF MARCH 31, 2006 AND 2005

Translation from the original in portuguese (amounts expressed in thousands of Brazilian Reais)

	Consolidado	
	2006	2005
<b>OPERATING ACTIVITIES</b>		
Net income for the period	170,654	78,407
<b>Non-cash expenses (revenues):</b>		
Provision (reversion) for possible loan losses	3,197	24,652
Depreciation and Amortization	85,437	79,160
Long-term monetary variation - net	(1,375)	(21,592)
Equity Result	(3,223)	(5,503)
Deferred Income tax and social contribution	5,830	(7,911)
Provision for long-term liabilities	25,487	20,408
Long-term assets write-offs	21	21
Permanent asset at service write-off - net	5,883	4,604
Investment goodwill	1,297	1,202
Minority interest	2,932	7,079
	<b>125,486</b>	<b>102,120</b>
<b>Current asset variation</b>	<b>41,282</b>	<b>(124,543)</b>
<b>Current liability variation</b>	<b>(29,324)</b>	<b>141,115</b>
<b>Long-term asset increase</b>	<b>(16,965)</b>	<b>(24,237)</b>
<b>Total from Operating Activities</b>	<b>291,133</b>	<b>172,862</b>
<b>INVESTMENT ACTIVITIES</b>		
Interest in Subsidiaries:		
Copel Transmissão S.A.		
Copel Participações S.A.		
Other coligated companies	(129)	(5)
Dividends and interest on own capital	1,092	-
Permanent Assets investment		
In generation	(856)	(3,776)
In generation (Centrais Elétricas do Rio Jordão S.A. - Elejor)	(27,963)	(37,814)
In transmission	(39,294)	(30,813)
In distribution	(72,010)	(53,063)
In telecom	(5,805)	(5,315)
In gas plumbing	(3,530)	(2,375)
Consumers contribution	8,431	9,355
Difered investment	(18)	(163)
<b>Total from Investing Activities</b>	<b>(140,082)</b>	<b>(123,969)</b>
<b>FINANCING ACTIVITIES</b>		
Loans and financing	(35,122)	(21,132)
Debentures	(98,198)	(49,893)
Dividends	962	(655)
<b>Total from Financing Activities</b>	<b>(132,358)</b>	<b>(71,680)</b>
<b>TOTAL CHANGE IN CASH POSITION</b>	<b>18,693</b>	<b>(22,787)</b>
Cash position - beginning of the period	1,131,766	533,092
Cash position - end of the period	1,150,459	510,305
<b>Cash variation</b>	<b>18,693</b>	<b>(22,787)</b>

**1Q06 RESULTS CONFERENCE CALL**

**Presentation:** Mr. Paulo Roberto Trompczynski, CFO and IRO

**Date & Time:** Tuesday, May 16, 2005  
10:00 am (US EST)  
11:00 am (Brasília Time)

**Phone:** (55-11)2101-1490

**Access code:** Copel

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