Cataguases, May 15, 2013 - The management of Energisa Sergipe – Distribuidora de Energia S/A (“Company”) hereby presents its results for the first quarter of 2013 (1Q13). The following financial and operational information is presented in accordance with international financial reporting standards (IFRS), except when stated otherwise.

1 - Business profile and economic-financial headlines

Energisa Sergipe is an electricity distributor that serves approximately 660 thousand consumers and a population of roughly 1.8 million in 63 municipalities in the state of Sergipe, covering an area of 17,465 Km^2.

The Company’s main economic and financial figures for the first quarter have been summarized below:

Description	1Q13	1Q12	Change %
Results - R$ million			
Gross Operating Revenue	242.5	256.2	- 5.3
Net Operating Revenue	173.0	175.1	- 1.2
Earnings before interest and tax (EBIT)	31.0	33.9	- 8.6
EBITDA	42.4	43.4	- 2.3
Adjusted EBITDA	45.4	46.3	- 1.9
Financial Income/Loss	(14.4)	(8.5)	+ 69.4
Net Income	11.0	19.3	- 43.0
Financial Indicators - R$ million			
Total Assets	1,082.3	1,046.1	+ 3.5
Cash / Cash Equivalents / Short-Term Investments	113.4	89.9	+ 26.1
Shareholders' Equity	355.6	357.7	- 0.6
Net Debt	478.5	408.9	+ 17.0
Operating Indicators			
Number of Captive Consumers (thousands)	660.0	632.5	+ 4.3
Sales of energy to captive consumers (GWh)	617.7	583.7	+ 5.8
Total Electricity Distributed (GWh)	850.9	820.9	+ 3.7
Energy Losses (% in past 12 months)	9.61	10.11	- 0.50 p.p
Relative Indicators			
Adjusted EBITDA / Net Revenue (%)	26.2	26.4	- 0.2 p.p
Net Debt / Adjusted EBITDA for 12 months (times)	2.6	2.3	+ 13.0

NB: Adjusted EBITDA: EBITDA plus arrears charges on electricity bills.

2 - Financial performance

2.1 - Gross and net operating revenue

In 1Q13 Energisa Sergipe presented gross operating revenue, not including construction cost revenue, which is attributed a margin of zero, of R$ 232.8 million, compared with R$ 240.3 million in 1Q12, a decrease of 3.1% (R$ 7.5 million). Also excluding construction revenue, net operating revenue rose by 2.6% (R$ 4.1 million) in the period, to R$ 163.3 million.

Net revenue breaks down as follows:

Company	Net Revenue (in R$ millions)		Change 1Q13 / 1Q12	
	1Q13	1Q12	In %	R$ millions
(+) Electricity revenue (captive market)	220.7	220.2	+ 0.2	+ 0.5
✓ Residential	104.6	101.3	+ 3.3	+ 3.3
✓ Industrial	21.7	27.2	- 20.2	- 5.5
✓ Commercial	56.8	56.7	+ 0.2	+ 0.1
✓ Rural	8.4	6.2	+ 35.5	+ 2.2
✓ Other sectors	29.2	28.8	+ 1.4	+ 0.4
(+) Electricity sales to distributors	3.1	5.9	- 47.5	- 2.8
(+) Net Unbilled Sales	(8.3)	(3.6)	+ 130.6	- 4.7
(+) Electricity network usage charges	12.6	13.4	- 6.0	- 0.8
(+) Construction revenue	9.7	15.9	- 39.9	- 6.2
(+) Other revenue	4.7	4.4	+ 6.8	+ 0.3
(=) Subtotal - Gross operating revenue	**242.5**	**256.2**	**- 5.3**	**- 13.7**
(-) Tax on sales	(68.0)	(68.6)	- 0.9	+ 0.6
(-) Sector charges	(1.5)	(12.5)	- 88.0	+ 11.0
(=) Total - Net operating revenue	**173.0**	**175.1**	**- 1.2**	**- 2.1**

2.2 - Rate review

Energisa Sergipe has undergone its 3rd Rate Review Cycle. The adjustment of electricity rates resulted in an average effect to be felt by consumers of 4.08% from April 22, with the rates of low-voltage consumers rising by 6.60% and medium- and high-voltage consumers fall by 0.07%.

Pursuant to Decree 7891/2013, ANEEL also ratified the following funds from the Energy Development Account (CDE) to be passed through by Centrais Elétricas Brasileiras S.A. - Eletrobrás to Energisa Sergipe:

i) the monthly amount of R$ 2.6 million in the period April 2013 to March 2014 referring to discounts imposed on rates applicable to users of the public electricity distribution service.

ii) the amount of R$ 11.8 million, in a lump sum, through May 06, 2013, to cover additional expenses incurred on System Service Charges (ESS) in the previous rate period, pursuant to Decree 7891/2013.

Under Decree 7945/2013, ANEEL will also publish every month the CDE funds to be passed through by Eletrobrás to the distribution companies to cover the ESS costs as a result of energy security and the hydrological risk and involuntary exposure in the spot market. By way of SRE/ANEEL Notices 954 issued April 02, 2013 and 1312 issued April 30, 2013, ANEEL ratified R$ 40.3 million for the months of January to March 2013, which the Company recorded as a reduction to the purchased energy costs and system service charges.

2.3 - Net income and cash generation

Energisa Sergipe recorded net income of R$ 11.0 million in the first quarter of 2013, compared with R$ 19.3 million in the same period last year. The decrease in net income in the quarter is chiefly due to the R$ 5.9 million increase in net financial expenses plus the R$ 2.1 million decrease in net operating revenue in the quarter.

The operating cash generation (Adjusted EBITDA) amounted to R$ 45.5 million in the period, compared with R$ 46.3 million in 1Q12. The Company's cash generation has performed as follows:

Breakdown of cash generation (EBITDA) - R$ million	1Q13	1Q12	Change %
(=) Net Income	**11.0**	**19.3**	**- 43.0**
(-) Income and social contribution taxes	(5.7)	(6.1)	- 6.7
(-) Financial result	(14.4)	(8.5)	+ 69.4
(-) Depreciation and amortization	(11.4)	(9.5)	+ 20.0
(=) Cash generation (EBITDA)	**42.5**	**43.4**	**- 2.1**
(+) Arrears surcharge revenue	3.0	2.9	+ 3.4
(=) Adjusted cash generation (Adjusted EBITDA)	**45.5**	**46.3**	**- 1.7**
Adjusted EBITDA Margin	26.2	26.4	- 10.8 p.p

2.4 - Operating expenses

Consolidated operating expenses excluding construction costs amounted to R$ 132.3 million in 1Q13, an increase of 5.6% (R$ 7.0 million) over 1Q12. Of this total, the growth in controllable expenses was R$ 5.0 million, amounting to R$ 31.1 million. Noncontrollable expenses on electricity and transportation purchases expanded by R$ 0.4 million in the quarter, an increase of 0.5%.

Operating expenses break down as follows:

Breakdown of operating expenses (R$ million)	Quarter		Change 1Q13 / 1Q12	
	1Q13	1Q12	In %	R$ millions
1 – Controllable expenses	31.1	26.1	+ 19.2	+ 5.0
1.1 Personnel (includes pension fund)	19.2	13.4	+ 43.3	+ 5.8
1.2 Material	1.8	2.7	- 33.3	- 0.9
1.3 Services	10.1	10.0	+ 1.0	+ 0.1
2 - Uncontrollable expenses (acquisition of energy and transmission)	87.3	86.9	+ 0.5	+ 0.4
3 - Depreciation and amortization	11.4	9.5	+ 20.0	+ 1.9
4 - Allowance for doubtful accounts and contingencies	(0.2)	1.2	-	- 1.4
5 - Other expenses/revenue	2.7	1.6	+ 68.8	+ 1.1
Subtotal	**132.3**	**125.3**	**+ 5.6**	**+ 7.0**
7 – Construction cost	9.7	15.9	- 39.0	- 6.2
Total	**142.0**	**141.2**	**+ 0.6**	**+ 0.8**

2.3 - Financial result

The net financial income (financial revenue minus financial expenses) amounted to a net financial expense of R$ 14.4 million in 1Q13, as compared to a net financial expense of R$ 8.5 million in 1Q12. The table below denotes the short- and long-term debt net of financial resources (cash, cash equivalents and short-term investments) of Energisa Sergipe as of March 31, 2013 and December 31, 2012:

Description Amount in R$ million	3/31/2013	12/31/2012
Short-term	**279.0**	**285.4**
Loans, financing and debentures	270.1	269.7
Debt charges	7.1	13.9
Financing of taxes and actuarial deficit	1.8	1.8
Long-term	**312.9**	**282.9**
Loans, financing and debentures	267.7	273.2
Financing of taxes and actuarial deficit	45.2	9.7
Total debts	**591.9**	**568.3**
(-) Cash and cash equivalents	113.4	109.7
Total net debts	**478.5**	**458.6**

R$ 368.0 million (65.8%%) of the debt as of March 31, 2013 is denominated in US dollars deriving from part of the international Notes Units issuance, with an outstanding balance at the end of March 2013 of USD 220.4 million (USD 109.4 million). The notes mature on July 19, 2013 and pay interest of USD plus 10.5% per annum.

3 - Electricity sales

3.1 - Total electricity distributed

In the first quarter of 2013 (1Q13), electricity sales to end consumers (captive market), located in Energisa Sergipe's concession area, including energy associated with free consumers (TUSD), amounted to 811.7 GWh, an increase of 7.8% over the same period last year. Consumption was driven by the residential sector, which expanded by 11.9% in the period. Though accounting for a smaller slice of energy sales, the rural sector also performed well, with consumption rising 19.1%. Industrial consumption, including captive and free sales, rose by 4.5% in the quarter. Total energy distributed in 1Q13 was 850.9 GWh, compared with 820.9 GWh in the same period last year, as follows:

Total Electricity Distributed by Consumption Sector (in GWh)

Description	1Q13	1Q12	Change %
1) Energy sales to end consumers (Captive Sales)	**617.7**	**583.7**	**+ 5.8**
✓ Residential	244.3	218.3	+ 11.9
✓ Industrial	72.6	85.6	- 15.2
✓ Commercial	131.8	127.1	+ 3.7
✓ Rural	38.1	32.0	+ 19.1
✓ Other Sectors	130.9	120.7	+ 8.5
2) Energy associated with free consumers (TUSD)	194.0	169.4	+ 14.5
3) Captive sales + TUSD (1+2)	**811.7**	**753.1**	**+ 7.8**
4) Sales to distributors and unbilled sales	39.2	67.8	- 42.2
5) Total Electricity Distributed (3+4)	**850.9**	**820.9**	**+ 3.7**

Energisa Sergipe closed 1Q13 with 659,988 captive consumer units, 4.3% more than at the end of March 2012. The number of free consumers amounted to 16 at the end of March 2013.

3.2 - Energy losses

Energisa Sergipe's energy losses were recorded at 9.61% in the past twelve months ended March 2013, a decrease of 0.50 percentage points over the same period ended March last year.

4 - Investment

Energisa Sergipe’s investments amounted to R$ 15.4 million in 1Q13, compared with R$ 19.5 million in 1Q12.

5- Services rendered by the independent auditor

The total remuneration of Deloitte Touche Tohmatsu Auditores Independentes for the services provided to Energisa Sergipe in the first quarter of 2013 was R$ 28,000 for reviewing the financial statements.

The Company's engagement policy complies with the principles that sustain the auditor’s independence, in accordance with existing standards, which mainly determine that the auditor should not audit its own work, perform managerial duties for its client or pursue its interests.

Management.

Financial Statements

1. Balance Sheet - Assets

ENERGISA SERGIPE - DISTRIBUIDORA DE ENERGIA S/A
BALANCE SHEET
AS OF March 31, 2013 AND December 31, 2012
(In thousands of reais)

	3/31/2013	12/31/2012
		(Adjusted)
Assets		
Current		
Cash and cash equivalents	68,039	53,225
Money market and secured funds	37,039	47,019
Consumers and concessionaires	85,142	117,517
Credit receivables	7,502	7,739
Inventory	2,176	2,382
Recoverable taxes	23,208	26,866
Prepaid expenses	3,549	3,343
Low income and other receivables	43,199	25,333
Total current	**269,854**	**283,424**
Noncurrent		
Noncurrent Assets		
Money market and secured funds	8,327	9,483
Consumers and concessionaires	7,544	7,544
Credit receivables	3,740	4,110
Recoverable taxes	16,090	16,551
Tax credits	29,121	34,106
Restricted deposits and escrows	20,753	21,818
Derivative financial instruments	5,051	15,394
Accounts receivable from the concession	134,594	130,146
Other accounts receivable	800	837
	226,020	**239,989**
Investment	4,026	4,026
Intangible assets	577,714	581,125
Property, plant and equipment	4,708	5,062
Total noncurrent	**812,468**	**830,202**
Total Assets	**1,082,322**	**1,113,626**

See the accompanying notes to the financial statements.

2. Balance Sheet - Liabilities

ENERGISA SERGIPE - DISTRIBUIDORA DE ENERGIA S/A
BALANCE SHEET
AS OF March 31, 2013 AND December 31, 2012
(In thousands of reais)

	3/31/2013	12/31/2012
		(Adjusted)
Liabilities		
Current		
Suppliers payable	38,916	63,031
Debt charges	7,134	13,913
Loans and financing	237,751	240,011
Debentures	32,308	29,696
Taxes and social contributions	28,857	35,376
Tax financing	1,793	1,770
Estimated obligations	4,901	4,393
Consumer charges payable	703	4,991
Other accounts payable	29,850	29,823
Total current	**382,213**	**423,004**
Noncurrent		
Suppliers payable	2,353	1,963
Loans and financing	166,129	170,581
Debentures	101,605	102,613
Taxes and social contributions	9,121	8,227
Tax financing	5,378	5,753
Provisions for labor, civil and tax risks:	20,047	20,547
Employee benefits - pension plan	39,815	36,332
Other	109	21
Total noncurrent	**344,557**	**346,037**
Shareholders' equity		
Capital	329,370	329,370
Treasury stock	(18)	(18)
Capital reserves	3,348	3,348
Profit reserves	25,575	25,575
Comprehensive income	(21,504)	(21,504)
Additional dividends proposed	7,694	7,694
Retained earnings/Accumulated losses	11,087	120
	355,552	**344,585**
Total Liabilities	**1,082,322**	**1,113,626**

See the accompanying notes to the financial statements.

3. Statements of Income

ENERGISA SERGIPE - DISTRIBUIDORA DE ENERGIA S/A
STATEMENT OF INCOME
THREE MONTHS ENDED March 31, 2013 AND 2012
(In thousands of reais, except for net income per share)

	1Q2013	1Q2012 (Adjusted)
Revenues		
Electricity Sales to Consumers	212,438	216,628
Provision of system	12,560	13,359
Energy sales to distributors	3,093	5,916
Construction revenue	9,730	15,856
Other Operating Income	4,703	4,391
	242,524	**256,150**
Deductions from operating revenue		
ICMS on billing	46,239	46,349
PIS, Cofins and ISS	21,744	22,261
Others (CCC, CDE, P&D, PEE and RGR)	1,530	12,483
	69,513	**81,093**
Net operating revenue	**173,011**	**175,057**
Operating expenses		
Electricity purchased	93,397	77,385
System service charges	(6,110)	9,476
Personnel	19,200	13,441
Material	1,785	2,684
Outsourced services	10,106	9,967
Depreciation and amortization	11,372	9,546
Allowance for possible loan losses / contingencies	(162)	1,184
Construction cost	9,730	15,856
Other expenses	2,778	1,958
Other operating revenue	(708)	(907)
Other operating expenses	587	545
	141,975	**141,135**
Earnings before interest and tax	**31,036**	**33,922**
Financial income		
Revenue on short-term investments	1,167	2,414
Arrears charge on power sales	2,961	2,867
Debt charges - Interest	(12,065)	(12,598)
Debt charges - monetary and exchange variance	3,950	5,316
Mark-to-market of derivatives	(4,410)	6,162
Derivative financial instruments	(6,239)	(12,099)
Adjustment to present value	118	296
(-) Transfers to work in progress	238	1,322
Other financial income (expenses)	(125)	(2,134)
	(14,405)	**(8,454)**
Net income before tax	**16,631**	**25,468**
Income and social contribution taxes	(5,664)	(6,140)
Net income for the period	**10,967**	**19,328**

See the accompanying notes to the financial statements.

4. Statements of Cash Flows

ENERGISA SERGIPE
STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED March 31, 2013 AND 2012
(In thousands of reais)

	1Q2013	1Q2012
Operating activities		(Adjusted)
Profit before income and social contribution taxes	16,631	25,468
Expenses (revenue) not affecting cash:		
Expenses on interest and monetary and exchange variance - net	4,845	7,573
Depreciation and amortization	11,372	9,546
Allowance for doubtful accounts	(7)	307
Provisions for labor, civil and tax risks	(931)	801
Residual value of retired permanent assets	(121)	412
Derivative financial instruments	6,239	12,099
Mark-to-market of derivatives	4,410	(6,162)
Changes in current and noncurrent assets		
Decrease in consumers and concessionaires	32,367	715
Decrease (increase) in credit receivables	740	(860)
Inventory decrease	205	228
(Increase) decrease in recoverable taxes	4,119	(3,276)
Decrease (increase) in escrow deposits	1,065	(1,071)
(Increase) in prepaid expenses	(206)	(1,835)
(Increase) in other accounts receivable	(18,154)	(4,200)
Changes in current and noncurrent liabilities		
(Decrease) in suppliers payable	(27,730)	(315)
(Decrease) increase in taxes and social contributions	(3,513)	2,101
Income and social contribution taxes paid	(2,791)	(1,238)
(Decrease) in tax financing	(353)	(555)
Increase in estimated obligations	508	539
(Decrease) in consumer charges payable	(4,288)	(1,723)
Increase in other accounts payable	3,602	1,697
Net cash produced by operating activities	**28,009**	**40,251**
Investment activities		
Additions to Intangible assets	(5,899)	(12,683)
Short-term investments and secured funds	(2,250)	(1,644)
Discharge of short-term investments	14,553	1,772
Sale of PP&E and intangible assets	708	-
Net cash consumed in investment activities	**7,112**	**(12,555)**
Financing activities		
New loans and financing obtained	1,001	524
Payment of loans, debentures – principal	(4,667)	(11,108)
Payment of loans, debentures – interest	(16,336)	(13,471)
Settlement of derivative financial instruments	(305)	(933)
Payment of dividends	-	(24,424)
Net cash consumed in financing activities	**(20,307)**	**(49,412)**
Net cash variation	**14,814**	**(21,716)**
Opening balance of cash and cash equivalents	53,225	78,427
Closing balance of cash and cash equivalents	68,039	56,711
Net cash variation	**14,814**	**(21,716)**

See the accompanying notes to the financial statements.

Notes to the quarterly information
Period ended March 31, 2013
(In thousands of reais, unless stated otherwise)

1 Operations

A part of ENERGISA GROUP, Energisa Sergipe – Distribuidora de Energia S/A ("Company or Energisa SE") is an electricity distribution company, operating in 63 municipalities in the state of Sergipe, serving 660,006 consumers (information not reviewed by the independent auditors). The Company is a publicly held company and is headquartered in the city of Aracaju, Sergipe state.

In September 2012 the Federal Government issued Preliminary Law 579, enacted as Law 12783 on January 11, 2013. This legislation states the following:

Concession renewal:
Electricity generation, transmission and distribution concessions expiring between 2015 and 2017 can be extended for the term of 30 years in order to ensure the continuity, efficiency of service and minimum price increases.

The extension terms will only be known when the concession authority discloses the draft amendment to the concession agreement.

Reduction/elimination of regulatory charges:
The following regulatory charges have been eliminated from electricity rates: the RGR (Global Reversal Reserve); CCC – Fuel consumption cost and reduction of the CDE – Energy Development Account and minimum price increases.

The eliminations and reductions in sector charges payable on electricity did not directly impact earnings, as the revenue drop was offset by lower charges and taxes.

The Company's concession expires in December 2027.

See below some of the concession operator's obligations stipulated in the concession arrangement:

I - to supply electricity to consumers located in their concession area, at the levels of quality and continuity established in specific legislation

II - to carry out the work necessary to provide the concession services, replace assets and operate the infrastructure so as to ensure the regular, continuous, efficient and safe provision of services and charging of rates, in accordance with the specific technical and legal standards

III – to organize and maintain a record and inventory of the concession assets and strive for the integrity thereof, where concession operator may not sell or submit as collateral such assets without the prior explicit consent of the regulatory agency

IV - to meet all tax, labor, social security and regulatory obligations, including the provision of information to consumers

V - to implement measures to combat energy waste, through energy consumption reduction programs and innovations

VI – to submit to the prior approval of the National Electricity Regulatory Agency (ANEEL) any changes in equity positions that could result in control changing hands. In the event share control is transferred, the new controlling shareholders should sign an agreement accepting the terms of the concession arrangement and the concession legislation and regulations;

VII - the concession may be discontinued by terminating the agreement, expropriation of the service, cessation, rescission, irregularities or bankruptcy of the concession operator, and may be extended by way of an application from the concession operator and at the sole discretion of the concession authority.

The information regarding rate reviews and adjustments, accounts receivable of the concession, concession assets, construction revenue and concession term can be seen in notes 9, 14, 15, 23 and 29 respectively.

2 Presentation of the interim financial statements (quarterly information)

Approved by the Board of Directors on May 09, 2013, the Company's interim financial information (quarterly information) consists of:

- The interim financial information prepared and presented in accordance with CPC Technical Pronouncement 21 (R1) - Interim statements and IAS 34 – Interim Financial Reporting and the standards issued by the Brazilian Securities Commission, that apply to the preparation of Quarterly Information - ITR.

The other information regarding the preparation bases, presentation of the interim financial information and summary of the main accounting practice has not changed in relation to that disclosed in Note 2 to the Annual Financial Statements for the financial year ended December 31, 2012 (hereinafter referred to as "Financial Statements as of December 31, 2012"), published in the official press on March 08, 2013, except for the application of CPC 33 R1 (IAS 19) which changed the accounting of employee benefits - supplementary retirement and pensions plan, which requires amendments be recognized as incurred, eliminating the corridor approach which permits the deferred recognition of actuarial gains and losses. From FY 2013, the actuarial losses and gains are recognized in "other comprehensive income" in the statement of comprehensive income and equity.

This interim financial information (quarterly information) should therefore be read in conjunction with the aforesaid financial statements.

3 Adoption of international accounting standards

3.1 New accounting procedures issued by the IASB

The information about the new accounting procedures issued by the IASB has not undergone any significant changes in relation to that disclosed in Note 3 to the Financial Statements as of December 31, 2012, except for the application of CPC 33 R1 (IAS 19), as cited in note 2.

3.2 Adjustments and reclassifications

CPC 33 (R1) and IAS 19 Revised - Employee benefits

The accounting practices referring to the recognition of employee benefits - supplementary retirement and pensions plan, were amended on January 01, 2013. . Consequently, in order to maintain good comparability of its balance sheet with the classification adopted, the Company adjusted the opening and closing balances in the balance sheet as of 12/31/2012 in relation to those originally published, as follows:

	Energisa Sergipe		
	Balance at 12/31/2012 (Published)	**Adjustments**	**Balance at 12/31/2012 (Re-presented)**
Assets			
Noncurrent assets	819,186	11,016	830,202
Noncurrent assets			
Tax credits	23,090	11,016	34,106
Total Assets	**1,102,610**	**11,016**	**1,113,626**
Liabilities			
Noncurrent liabilities	313,637	32,400	346,037
Employee benefit - pension plan	3,932	32,400	36,332
Shareholders' equity	365,969	(21,384)	344,585
Retained earnings	-	7,410	7,410
Other comprehensive income	-	(28,794)	(28,794)
Net actuarial losses	-	(28,794)	(28,794)
Total Liabilities	**1,102,610**	**11,016**	**1,113,626**

	Balance at 3/31/2012 (Disclosed)	Adjustments	Balance at 3/31/2012 (Re-presented)
Cost of goods sold and/or services sold			
Private pension fund	(190)	46	(144)
Gross profit	56,213	46	56,259
Earnings before financial income and tax	33,876	46	33,922
Earnings before tax on net income	25,422	46	25,468
Income and social contribution taxes	(6,125)	(15)	(6,140)
Net income for the period	**19,298**	**30**	**19,328**

4 Segment reporting

An operational segment is a component of the Company that develops business activities from which revenue streams can be derived and expenses incurred, including revenue and expenses related to transactions with other Company components. All operational income from segments is reviewed frequently by Management to support decisions about new resources to be allocated to the segment and to evaluate its performance, for which individual financial information is made available.

Segment results reported to Management include items directly attributable to the segment and items that can be reasonably allocated. Items not allocated primarily consist of corporate assets.

The Company only operates in the energy distribution segment in 63 municipalities in Sergipe state.

5 Cash and cash equivalents, money market and secured funds

a) Cash and cash equivalents

a.1 Short-term investments appraised at fair value through profit and loss					
Financial institution	**Type**	**Maturity (*)**	**Compensation**	**3/31/2013**	**12/31/2012**
BICBANCO	CDB	2/10/2016	108,0% of CDI	14,470	-
CEF	CDB	3/31/2015 to 1/30/2018	100,5% of CDI	20,469	24,694
HSBC	CDB	9/3/2014	98,0% of CDI	-	459
Mercantil	CDB	12/22/2014	105,0% of CDI	-	6,959
Santander	Debentures	3/9/2015	103,2% of CDI	17,992	0
Total				**52,931**	**32,112**
Cash and bank deposits				15,108	21,113
Total cash and cash equivalents				**68,039**	**53,225**

b) Money market and secured funds

b.1 Short-term investments appraised at fair value through profit and loss					
Financial institution	**Type**	**Maturity (*)**	**Compensation**	**3/31/2013**	**12/31/2012**
ABC Brasil	CDB	6/26/2013	106,0% of CDI	20,354	20,011
BES	CDB	9/1/2014	104,5% of CDI	73	72
BICBanco	CDB	2/22/2013	115,0% of CDI	-	14,638
BMG	CDB	12/16/2013 to 1/24/2014	112.0% to 113.0% of CDI	1,195	1,174
Bradesco	CDB	7/25/2013	99,0% of CDI	259	255
Itaú	CDB	8/5/2013 to 11/18/2014	100.0% to 101.8% of CDI	605	573
North-east	CDB	7/28/2017 to 9/9/2019	90.0% to 99.0% of CDI	7,350	8,119
Pine	CDB	6/21/2013	100,0% of CDI	41	40
Standard Bank	CDB	2/1/2013	100,25% of CDI	-	5
Itaú	Debentures	12/6/2013	102,0% of CDI	792	802
BB Amplo	Investment Fund	-	Benchmark CDI	552	-
BTG Pactual	Investment Fund	-	Benchmark CDI	4,913	5,026
CEF	Investment Fund	-	Benchmark CDI	1,408	598
Itaú	Investment Fund	-	Benchmark CDI	3,865	-
Santander	Investment Fund	-	Benchmark CDI	826	845
Bradesco	Investment Fund	-	Benchmark CDI	304	-
Itaú	Investment Fund	-	Benchmark CDI	518	713
BICBanco	Credit receivables investment funds	-	112,0% of CDI	1,290	1,267
CEF	Savings	-	Savings	44	44
Bradesco	Capitalization bond	3/2/2013	Saving rate 0.5% p.m.	-	74
				44,389	**54,256**
b.2 Held-to-maturity securities					
Itaú	Credit Receivables Investment Funds	12/29/2020	100,0% of CDI	977	2,246
				977	**2,246**
Total money market and secured funds				**45,366**	**56,502**
Current				**37,039**	**47,019**
Noncurrent				**8,327**	**9,483**

(*)The dates presented denote the maturity of the security underlying the financial investments. These investments can be redeemed within 90 days of the procurement date at the contracted rates, under a contractual clause.

(**) Debentures held under repurchase agreements - Sales of securities subject to a repurchase agreement undertaken by the seller, alongside the resale commitment undertaken by the buyer. These operations have immediately liquidity, yield the CDI rate and underlie the debentures issued by the bank.

6 Consumers and concessionaires

Consumer Sectors	Overdue Balances (1)	Overdue up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	over 360 days	Total 3/31/2013	12/31/2012
Residential	12,122	10,599	3,590	1,037	129	7	27,484	26,988
Industrial	9,713	451	137	17	9	143	10,470	12,868
Commerce, services and other activities	15,445	2,081	585	481	708	529	19,829	22,325
Rural	1,410	291	146	34	-	-	1,881	2,262
Government:								
Federal	1,252	147	157	4	-	-	1,560	1,486
State	565	67	71	2	-	-	705	671
Municipal	2,221	261	279	7	-	-	2,768	2,636
Public lighting	2,802	149	49	2	-	-	3,002	4,061
Public utility	3,017	7	2	-	-	-	3,026	3,752
Subtotal - consumers	**48,548**	**14,053**	**5,016**	**1,583**	**846**	**679**	**70,725**	**77,049**
Concession operators **(2)**	464	-	-	-	-	7,544	8,008	30,255
Unbilled sales	13,905	-	-	-	-	-	13,905	22,194
Other	4,560	-	-	-	-	-	4,560	68
(-) Allowance for doubtful accounts	-	-	(247)	(1,583)	(846)	(1,836)	(4,512)	(4,505)
Total	**67,477**	**14,053**	**4,769**	**-**	**-**	**6,387**	**92,686**	**125,061**
Current							85,142	117,517
Noncurrent							7,544	7,544

(1) Maturities are scheduled for the 5th working day after the bills are delivered, except for government consumers who have 10 working days to pay.

(2) Includes energy sold at the Electricity Commercialization Chamber - CCEE.

The balance of the consumers and concessionaires account as of March 31, 2013 includes amounts referring to the sale of energy at the Electricity Commercialization Chamber – CCEE to the amount of R$ 10,340 (R$ 30,255 as of December 31, 2012), relating to the period September 2000 through March 2013, net of the partial payments made up to March 31, 2013. These balances were determined based on calculations prepared and published by the CCEE.

The breakdown of these amounts, including the balances recorded under "suppliers payable" in the current liabilities is R$ 964 referring to the acquisition of electricity at CCEE and system service charges of R$ 327 (R$ 7,799 as of December 31, 2012), as shown below:

Breakdown of CCEE credits	3/31/2013	12/31/2012
Outstanding balances	2,795	22,380
Credits linked to court injunctions up to December 2002	6,387	6,387
Overdue credits (*)	1,158	1,488
	10,340	**30,255**
(-) Energy acquisitions at CCEE	(964)	-
(-) System service charges	(327)	(7,799)
	9,049	**22,456**

(*) The Company has an allowance for doubtful accounts

Transactions occurring as from July 2003 are being settled 45 days after the accrual month.

Current energy amounts linked to court injunctions are subject to change, depending on the outcome of the legal proceedings in progress. These proceedings have been brought by various companies in the sector relating to the interpretation of existing market rules. Not included in the rationing area, these companies obtained a court injunction which overturned ANEEL Resolution 288 issued May 16, 2002 which aimed to clarify companies operating in the sector about the treatment and means of applying certain MAE (now the CCEE) accounting rules set out in the General Electric Sector Agreement. These companies' claim involves the sale of Itaipu's quota in the southeast/central and western submarket during the period of rationing between 2001 and 2002, when there was a significant discrepancy in short-term energy prices between the submarkets.

The Company did not make an allowance for doubtful accounts referring to the balances linked to these injunctions, as it holds that the amounts will be received in full either from the borrowers legally contesting the loans or from other companies which the CCEE specifies in the future.

7 Credit receivables

Refers to overdue electricity bills, renegotiated with consumers through the Debt Acknowledgement Instruments, restated according to the variation of the IGPM price index. The receivables under certain operations that have been negotiated at rates other than those practiced for this set of accounts receivable have been restated to present value based on the change in the CPI rate.

The balances as of March 31, 2013 are shown below:

	3/31/2013	12/31/2012
Credit receivables	24,336	25,076
Adjustment to present value	(1,001)	(1,120)
(-) Allowance for doubtful accounts (*)	(12,093)	(12,107)
	11,242	**11,849**
Current	7,502	7,739
Noncurrent	3,740	4,110

(*) Included in the total presented as a reduction to the current assets.

As of March 31, 2013, the maturities of receivables are scheduled as follows:

	3/31/2013
Overdue	12,093
2013	5,626
2014	4,012
2015	867
2016	421
2017	305
2018 onwards	11
Total	**23,335**

8 Allowance for doubtful accounts

Changes in provisions	3/31/2013	12/31/2012
Initial balance - 12/31/2012 and 12/31/2011	16,612	12,895
Provisions recorded in the year/period	279	7,273
Reversal of provisions in the year/period	(286)	(3,556)
Closing balance - 3/31/2013	**16,605**	**16,612**
Consumers and concessionaires	4,512	4,505
Credit receivables	12,093	12,107

The allowance for doubtful accounts was made to an amount deemed sufficient to cover any losses incurred on the realization of loans and in accordance with ANEEL instructions, which have been summarized below:

Customers with material debts:

- Individual analysis of the trade accounts receivable by consumption sector, with little prospect of realization.

For the other cases:

- Residential consumers more than 90 days overdue
- Commercial consumers more than 180 days overdue
- Industrial, rural and government consumers, street lighting, public services and others more than 360 days overdue.
- A provision is made for outstanding and overdue receivables more than 90 days overdue.

9 Rate adjustment and review

As consideration for services rendered the concession operator is entitled to charge consumers the rates determined and ratified by the concession authority. The rates are adjusted annually and the concession operator's revenue is divided into two portions: A Portion (consisting of uncontrollable costs) and B Portion (efficient operating costs and capital costs). The annual rate adjustment aims to pass through uncontrollable costs and to monetarily restate controllable costs.

Rate review:

By way of Resolution 1,513 issued April 16, 2013 Aneel ratified the result of the third rate review of ESE with an adjustment of 4.08% respectively, effective from April 22, 2013.

The periodical rate review takes place every 5 years.

In this process ANEEL recalculated the rates according to the changes in the structure of the concession operator's costs and sales, in order to foster the efficiency and affordability of the rates. The adjustments and reviews are rate restatement mechanisms, both stipulated in the concession agreement. The concession operator may also request an extraordinary review whenever an event causes a significant economic and financial imbalance in the concession.

Rate adjustments:

On April 17, 2012 Resolution 1,278 ratified the Company's rate review in force since April 22, 2012. The effective rate impact felt by consumers was an increase of 4.97%.

10 Low income and other receivables

	3/31/2013	12/31/2012
Low income	6,939	8,429
Service orders in progress - PEE and R&D	11,544	10,817
Service orders in progress - other	3,009	1,596
Deactivation orders in progress	78	(120)
Advances	1,773	2,004
CDE subsidy - rate discount (1)	4,332	-
Charges for use of ESS grid (2)	11,819	-
Other	3,705	2,607
	43,199	**25,333**

(1) CDE subsidy for energy consumption by the sectors: Rural – Irrigation (Decrease of 73%) and the Public Service sector (Decrease of 15%) ratified by Decree 7891/2013.

(2) Refers to additional costs incurred on System Service Charges - ESS, pursuant to Decree 7891/2013, which Eletrobrás reimbursed on May 07, 2013.

See below the change in low income and Eletrobrás accounts receivable:

	3/31/2013	12/31/2012
Balance - opening current - 2012	8,429	4,320
Low-income Subsidy	10,049	38,350
Eletrobrás Reimbursement	(11,539)	(34,241)
Balance - closing - current	**6,939**	**8,429**

These credits consist of the subsidy for the low-income residential sector with monthly consumption of under 220 KWh, subject to certain requirements being met. This revenue is paid for with funds from the RGR – Global Reversal Reserve and the CDE – Energy Development Account, both administrated by Eletrobrás. The balances not yet reimbursed have been recorded in the balance sheet under "low income and other receivables" in the current assets. Management does not expect to record any losses in the realization of the balance.

11 Recoverable taxes

	3/31/2013	12/31/2012
Value Added Tax on Sales and Services - ICMS	13,776	14,300
Income Tax Withheld at Source - IRRF	1,842	951
Corporate Income Tax - IRPJ	2,388	2,445
Social Contribution on Net Income – CSSL	395	299
PIS and COFINS	18,573	23,141
Other	2,324	2,281
	39,298	**43,417**
Current	23,208	26,866
Noncurrent	16,090	16,551

12 Related-party transactions

The parent company provides administrative services to the Company on an arm's length basis and supported by contracts approved by ANEEL.

	ESA	ESER	3/31/2013	3/31/2012
Provision of services	3,206	150	3,356	3,024
Financial expenses - endorsement commission (a)	(732)	-	(732)	-
			3/31/2013	**12/31/2012**
Balance of trade payables	1,018		1,018	961

(a) Refers to endorsement commission cost, initiated in February 2013, for the parent company's guarantees of the Company's contracts at the rate of 1.5% p.a.

The Company is controlled by ENERGISA S/A, (100% of the voting stock), which also holds the share control of Energisa Paraíba – Distribuidora de Energia S/A (EPB), Energisa Sergipe - Distribuidora de Energia S/A (ESE), Energisa Borborema - Distribuidora de Energia S/A (EBO), Energisa Nova Friburgo – Distribuidora de Energia S/A (ENF), Energisa Soluções S/A (ESO), Energisa Comercializadora Ltda (ECOM), Energisa Serviços Aéreos S/A (ESER), Energisa Planejamento e Corretagem de Seguros Ltda (EPLA), Energisa Geração Rio Grande S/A (EGR), Pequena Central Hidrelétrica Zé Tunin S/A, Energisa Geração Usina Mauricio, SPE Cristina Energia S/A, Energisa Geração Centrais Eólicas RN S/A (Holding company that holds the share control of the companies Energisa Geração Central Eólica Renascenças I, II, III, IV e Energisa Geração Central Eólica Ventos de São Miguel S/A), Energisa Bioeletricidade (Holding company that holds an 85% interest in the companies Tonon Bioeletricidade, Energisa

Bioeletricidade Vista Alegre I and the entire capital of the companies Companhia Tonon Bioelétrica and Energisa Bioeletricidade Vista Alegre II)(related parties of the Company).

D&O compensation

As of March 31, 2013 the members of the Board of Directors received compensation of R$ 135 (R$ 126 as of March 31, 2012) and the Executive Board R$ 307 (R$ 285 as of March 31, 2012). In addition to this compensation, the Company provides private pension, health insurance and life insurance benefits to its directors, generating an expense of R$ 67 (R$ 81 as of March 31, 2012). The social charges on the compensation amounted to R$ 112 (R$ 105 as of March 31, 2012).

As of March 31, 2013 the highest and lowest remuneration attributed to directors for the month of March was R$ 40 and R$ 3 (R$ 36 and R$ 3 as of March 31, 2012) respectively. The average compensation as of March 31, 2013 was R$ 12 (R$ 11 as of March 31, 2012).

The AGM held in April 2013 ratified the overall annual compensation limit of D&O for FY 2013 at R$ 4,465 (R$ 4,209 as of December 31).

13 Tax credits, deferred taxes and current income tax and social contribution expenses

Refers to tax credits deriving from tax loss carryforwards, negative social contribution bases and temporary differences recorded in accordance with CPC 32 and presented in accordance with CPC 26.

Deferred taxes recognized in the balance sheet:

	3/31/2013	12/31/2012 (Re-presented)
Assets		
Tax loss carryforward	355	-
Negative calculation base of social contributions	128	-
Temporary differences (1)		
Income Tax	21,169	25,190
Social Contributions	7,469	8,916
Total noncurrent	**29,121**	**34,106**

Temporary differences are as follows:

	Calculation basis	Temporary IR and CS
Swap earnings	(17,547)	(5,966)
Provisions made	115,228	39,178
Financial restatement of accounts receivable from the concession - VNR	(15,521)	(5,277)
Other	2,070	703
Total	**84,230**	**28,638**

See below the consolidated estimate for the realization of the deferred taxes. The projected results used in the recoverability study of these assets were approved by the Boards of Directors.

Period	Realizations of Tax credits
2013	2,072
2014	2,763
2015	2,763
2016	2,115
2017	2,115
2018 to 2021	17,293
Total	**29,121**

The income and social contribution amounts which affected the income for the year, in addition to the offsetting of the tax credits recorded, are stated below:

	3/31/2013	3/31/2012 (Re-presented)
Income before tax	16,631	25,468
Combined tax bracket	34%	34%
Income and social contribution taxes expense, calculated at the total tax bracket	(5,655)	(8,659)
Adjustments:		
Exclusions - SUDENE Tax incentive (*)	-	2,458
Permanent additions	(9)	61
Income tax and social contribution expense	(5,664)	(6,140)
Effective rate	**34.0%**	**24.1%**

(*) The decreases to income tax and surcharges resulting from the SUDENE Incentive of (R$ 2,458 as of 3/31/2012) have been directly recorded in the income statement for the year under "income tax", in accordance with Law 11638/07 and Provisional Law 449/08. The Company did not record exploration profit in the period ended 3/31/2013.

The Company has a decrease in income tax and surcharges. Approval was obtained from the Ministry of Social Integration in December 2012 for its new application for a tax incentive of 75% for the period 1/1/2012 to 12/31/2021, which was ratified by the federal tax authorities on 3/4/2013. The aforesaid tax benefit consists of a reduction of up to 75% of the Income Tax calculated on operating profits.

14 Accounts receivable from the concession

Preliminary Law 579/2012, enacted as Law 12783/2013, confirmed the concession authority's intention to use the VNR – New replacement value to determine the value of credits receivable at the end of the concession as compensation for investments made and not recovered when providing the concession services.

Company Management believes that this fact changed the contractual terms of the concession regarding the means of compensating the Company for investments made in concession assets, which was recognized at historic cost until FY 2011. From December 31, 2012 the Company recognized the VNR - New replacement value, ratified by ANEEL, for assets comprising the concession, restated by the variance of the IGP-M price index. Financial revenue is recognized in the first quarter of 2013 - restatement of the concessions' accounts receivable - VNR of R$ 2,177.

The concession's accounts receivable are classified as available-for-sale in the non-current assets.

See below the changes occurred:

Change	
Financial asset - 12/31/2012	130,146
Additions in the period	2,332
Write-offs in the period	(61)
Financial asset - 3/31/2013	132,417
Restatement of accounts receivable from the concession - VNR	2,177
Financial asset - restated cost - 3/31/2013	**134,594**

15 Intangible assets and PPE

	3/31/2013	12/31/2012
Property, plant and equipment	4,708	5,062
Concession agreements	249,440	248,178
Concession right	328,274	332,947
Total	**582,422**	**586,187**

a) Concession arrangement

Portion of the assets used in the electricity distribution concession to be recovered through electricity rates during the arrangement term.

INTANGIBLE ASSETS	Opening Balance 12/31/2012	Addition	Transfers	Write-offs (*)	Amortization / Depreciation	Closing Balance 3/31/2013
Intangible assets in service						
Cost	696,063	-	5,044	(6,820)	-	694,287
Accumulated Amortization	(309,518)	-	-	6,617	(8,321)	(311,222)
Subtotal	386,545	-	5,044	(203)	(8,321)	383,065
In Progress	42,584	15,366	(5,048)	(2,708)	-	50,194
Total	**429,129**	**15,366**	**(4)**	**(2,911)**	**(8,321)**	**433,259**
Special Obligations						
In Service						
Cost	154,810	-	550	-	-	155,360
Accumulated Amortization	(32,276)	-	-	-	(1,980)	(34,256)
Subtotal	122,534	-	550	-	(1,980)	121,104
In Progress	58,417	5,224	(550)	(376)	-	62,715
Total Special Obligations	**180,951**	**5,224**	**-**	**(376)**	**(1,980)**	**183,819**
Total Intangible Assets	**248,178**	**10,142**	**(4)**	**(2,535)**	**(6,341)**	**249,440**
PROPERTY, PLANT AND EQUIPMENT						
Property, plant and equipment In service						
Cost						
Software	19	-	-	-	-	19
Machinery and equipment	8,038	-	4	-	-	8,042
Vehicles	308	-	-	-	-	308
Furniture and fixtures	7,206	-	-	-	-	7,206
Accumulated Depreciation	(10,509)	-	-	-	(358)	(10,867)
Total PP&E in Service	5,062	-	4	-	(358)	4,708
Grand Total	**253,240**	**10,142**	**-**	**(2,535)**	**(6,699)**	**254,148**

(*) This total includes R$ 2,332 of intangible assets in progress, net of the respective special obligation in progress, transferred from the concession's accounts receivable, as from entry into service.

The Company uses the following depreciation rates:

Depreciation rates of property, plant and equipment	Fees
Buildings and improvements	3.33%
Machinery and equipment	6.25%
Vehicles	14.29%
Furniture and fixtures	6.25%

The assets used by the Company in its operations are tied to public energy distribution services, and may not be removed, sold, transferred or pledged under mortgage guarantee without the prior, express consent of the Regulatory Authority. ANEEL Resolution 20/99 regulates the freeing up of the public electricity service concessions' infrastructure, awarding preliminary authorization for the release for the purpose of disposal. It also determines the proceedings of the disposal be deposited into a specific bank account and the funds reinvested into the concession's assets.

The amortization is being conducted over the arrangement term based on the economic benefits generated annually. As of March 31, 2013 the average weighted amortization rate used is 3.98% (3.77% as of December 31, 2012).

The Company began amortizing the obligations linked to the concession (special obligations) after the second periodical rate review, at the average asset amortization rate.

The balance of intangible assets and accounts receivable from the concession is reduced by obligations linked to the concession, consisting of:

Obligations linked to the concession:	3/31/2013	12/31/2012
Consumer contributions	86,199	80,974
Government Subsidy – CDE funds	132,617	132,617
State Government Subsidy	43,081	43,081
Reversal reserve	302	302
(-) Accumulated amortization	(34,256)	(32,276)
Total	**227,943**	**224,698**
Allocation:		
Accounts receivable from the concession	44,124	43,747
Infrastructure - Intangible assets in service	121,104	122,534
Infrastructure - Intangible assets in progress	62,715	58,417
Total	**227,943**	**224,698**

- Consumer contributions refer to third-party participation in construction work to supply electricity to areas not embraced by the electricity concessionaires' expansion projects.

- Government subsidies – CDE funds and Government subsidies derive from the Energy Development Account - CDE and are allocated to the Light for All program.

- The reversal reserve, constituted up until December 31, 1971, represents the amount of proceeds deriving from the reversal fund, which have been invested in the Company's expansion project, charged interest of 5 % per annum paid monthly.

b) Concession right

The goodwill incorporated by the Company is being amortized from April 1998 and will continue to be amortized until the end of the electricity distribution concession in December 2027, based on this Company's projected income. Amortizing the goodwill will generate a tax benefit of 34%. As of March 31, 2013 the amortization of the goodwill and tax benefit was projected as follows:

Amortization period	Balance	Reduction in income and social contribution taxes
2013 and 2014	33,218	11,293
2015 and 2016	39,907	13,568
2017 and 2018	41,927	14,255
2019 and 2020	43,943	14,941
2021 and 2022	45,932	15,617
2023 and 2024	47,905	16,289
2025 onwards	75,442	25,650
Total	**328,274**	**111,613**

The changes are presented below:

	3/31/2013	12/31/2012
Balance - opening	**332,947**	**351,138**
Amortization in the period/year	(4,673)	(18,191)
Closing balance	**328,274**	**332,947**

16 Suppliers payable

	3/31/2013	12/31/2012
Supplies (1):		
CCEE	964	-
Bilateral Contracts (1)	28,391	47,377
Use of the high-voltage national grid (1)	1,222	4,147
Connection to the grid (1)	257	354
Materials, services and other (2)	10,435	13,116
	41,269	**64,994**
Current	38,916	63,031
Noncurrent	2,353	1,963

(1) The acquisition of electricity from generators, use of the high-voltage grid and use of the distribution system, with an average settlement of 25 days.

(2) Acquisitions of materials, services and other items required to implement, conserve and maintain the electricity sale and distribution services, with an average settlement of 40 days.

17 Loans, financing and debt charges

Operations	Debt charges	Principal		Total		Re.
		Current	Noncurrent	3/31/2013	12/31/2012	
Local currency						
Credit Receivables Investment Fund - Energisa Group III (*)	78	-	15,000	15,078	15,078	
Eletrobrás - Light for All – 1st tranche	13	153	413	579	620	
Eletrobrás - Light for All – 2nd tranche	47	421	1,905	2,373	2,488	
Eletrobrás - Light for All – 3rd tranche	68	512	2,369	2,949	3,060	
Eletrobrás - Light for All – 4th tranche	9	62	379	450	461	
Eletrobrás - Light for All – 5th tranche	3	29	247	279	287	
Eletrobrás- Subtransmission	98	3,141	2,154	5,393	5,836	
Eletrobrás – Return of LPT	-	-	-	-	1,489	
Banco do Nordeste - Investment Financing 2007-2008 (FNE)	23	2,229	8,152	10,404	11,033	
Banco do Nordeste - Investment Financing 2007-2008 (FAT)	1,837	3,516	3,638	8,991	9,490	
Banco do Nordeste - Investment Financing 2009-2010 (FNE)	135	2,648	18,070	20,853	21,692	
Banco Itaú BBA - FINAME	35	580	6,108	6,723	5,843	
INERGUS Financing Defined Benefits Plan - 1	-	4,132	26,349	30,481	30,169	(2)
INERGUS financing Paid-in Plan	-	5,144	21,630	26,774	26,809	(2)
Total local currency	**2,346**	**22,567**	**106,414**	**131,327**	**134,355**	
(-) Borrowing costs incurred	(11)	(61)	(699)	(771)	(790)	
Foreign currency						
NOTES UNITS	4,741	215,650	-	220,391	230,208	(1)
Bank of America Merrill Lynch	58	-	60,414	60,472	61,440	(3)
Total foreign currency	**4,799**	**215,650**	**60,414**	**280,863**	**291,648**	
(-) Borrowing costs incurred	-	(405)	-	(405)	(708)	
Total ENERGISA SERGIPE	**7,134**	**237,751**	**166,129**	**411,014**	**424,505**	

(1) The NOTES UNITS contract has covenants which in general require the maintenance of certain financial indexes at certain levels. Failure to maintain these indices could result in early maturity of the debts. These requirements were being performed as of March 31, 2013. These contracts are subject to a currency swap and a financial derivative instrument.

(2) Refers to debt acknowledgment agreements signed with the Inergus Pension Fund for the Defined Benefit BD – 1 retirement benefit plans and Paid-In Plan (see note 27)

(3) The financing contract from Bank of America Merrill Lynch is subject to a currency swap and financial derivative instruments (see note 26).

The financing obtained from Finame is secured by the actual equipment financed.

The Company usually allocates the payment of interest on financing to the cash flow statement.

Contractual covenants of the loans and financing as of March 31, 2013:

	Details of the Operation			Cost of the Debt					
Operation	Maturity	Amortization Frequency	Collateral	Average Term months	Index		Interest rate p.a.	TIR (Effective interest rate)	Ref
Credit Receivables Investment Fund - Energisa Group III	Dec-2020	monthly, after Dec.2017	Receivables	78	CDI	+	0.7%	0.83%	
Eletrobrás - Light for All – 1st tranche	Oct-2016	monthly	Receivables	23	RGR	+	5.0%	5.0%	
Eletrobrás - Light for All – 2nd tranche	Apr-2018	monthly	Receivables	32	RGR	+	5.0%	5.0%	
Eletrobrás - Light for All – 3rd tranche	Oct-2019	monthly	Receivables	40	RGR	+	5.0%	5.0%	
Eletrobrás - Light for All – 4th tranche	Jul-2022	monthly	Receivables	55	RGR	+	5.0%	5.0%	
Eletrobrás - Light for All – 5th tranche	Oct-2022	monthly	Receivables	59	RGR	+	5.0%	5.0%	
Eletrobrás-Subtransmission	Mar-2016	monthly	Receivables	15	RGR	+	5.0%	5.0%	
Eletrobrás – Rural Electrification Program	Jul-2013	monthly	Receivables	6	RGR	+	5.0%	5.0%	
Eletrobrás – Return of LPT	Jan 2013	monthly	-	1	Accrued Selic				
Banco do Nordeste - Investment Financing 2007-2008 (FNE)	Jun-2017	monthly	Receivables + Reserve Fund	28	Fixed 8.3%			8.48%	(2)
Banco do Nordeste - Investment Financing 2007-2008 (FAT)	Jun-2017	monthly	Receivables + Reserve Fund	17	TJLP	+	4.0%	4.2%	(2)
Banco do Nordeste - Investment Financing 2009-2010 (FNE)	Aug-2019	monthly	Receivables + Reserve Fund	41	Fixed 8.4%			8.4%	(2)
Banco Itaú BBA - FINAME	Until Feb-2021	monthly	Guarantee Energisa S/A	50	fixed		4.5% to 5.5%	4.5% to 5.5%	
INERGUS Financing Defined Benefits Plan - 1	Mar-2029	monthly	Guarantee Energisa S/A	89	INPC/IPCA	+	6.0%	6.0%	
INERGUS financing - Paid-in Plan	Sep-2021	monthly	Guarantee Energisa S/A	54	INPC/IPCA	+	6.0%	6.0%	
NOTES UNITS	Jul-2013	final	-	7	US dollar	+	10.5%	10.94%	(1)
Bank of America Merrill Lynch	Sep-2015	final	Guarantee Energisa S/A	33	Libor	+	2.45%	2.45%	(1)

1 – With Swap.
2 - Includes a 25% and 15% bonus on interest for performance, for investments in and out of the semi-arid region respectively.

As of March 31, 2013, the maturities of the long-term financing are scheduled as follows:

	3/31/2013
2014	10,871
2015	74,931
2016	13,687
2017	11,488
2018	14,320
2018 onwards	40,832
Total	**166,129**

18 Debentures (nonconvertible)

Main features of the debentures:

	1st Issuance (1)	2nd Issuance	Total
Issue type	Public	Public	
Issue date	11/8/2007	12/15/2009	
Maturity date	11/8/2015	12/15/2014	
Surety	Ordinary with Guarantee of Energisa S/A	Ordinary	
Yields	Exchange Variance + 8.85% p.a.	CDI + 1.0% p.a.	
TIR (effective interest rate)	Exchange variance + 8.90% p.a.	CDI + 1.06% p.a.	
Number of securities	42,000	60,000	
Value at issue	73,248	60,000	
Securities in circulation	42,000	60,000	
Interest grace period	6 months	6 months	
Renegotiation date	-	12/15/2012	
Amortizations/installments	3 annual	Final	
Balances at 3/31/2013 (2)	87,500	46,413	133,913
Current	31,361	947	32,308
Noncurrent	56,139	45,466	101,605
Balances at 12/31/2012 (2)	86,749	45,560	132,309
Current	29,601	95	29,696
Noncurrent	57,148	45,465	102,613

(1) Subject to a currency swap and financial derivative instruments.
(2) R$ 705 (R$ 705 as of December 31, 2012) deducted as borrowing costs incurred during the contracting.

The debentures have covenants which in general require the maintenance of certain financial indexes at certain levels. Failure to maintain these levels could result in early maturity of the debts. These covenants were being performed as of March 31, 2013.

As of March 31, 2013 the maturities of the debentures are scheduled as follows:

	3/31/2013
2014	75,535
2015	28,070
Total	**101,605**

45,745 of the total 60,000 debentures of Energisa Sergipe's 2nd debentures issuance were renegotiated on 12/15/2012 and 14,255 debentures were bought back by the Company due to the sale right held by the debenture holders for the amount of R$ 14,255.

Renegotiation clauses:

Description	Company	Renegotiation Date/ Optional Early Redemption	Premium	Terms
Debentures 1st issuance	Energisa Sergipe	At any time from year six, including from the issuance date.	N/A	The issuer may trigger the full or partial early redemption of the debentures at any time from year six, including from the issuance date.

19 Taxes and social contributions

	3/31/2013	12/31/2012
ICMS	14,329	15,826
Social Charges	1,113	1,151
IRPJ	6,777	6,195
CSSL	3,897	6,710
PIS/COFINS	11,297	13,067
Other	565	654
Total	**37,978**	**43,603**
Current	28,857	35,376
Noncurrent	9,121	8,227

20 Tax financing

Description	3/31/2013	12/31/2012
Incentive under Law 11941/2009 - Refis IV	7,171	7,523
Number of payments	48	51

The Company entered the new REFIS Financing Program introduced by Law 11941/2009. This balance is being settled at the minimum installment until the debts have been consolidated.

As of March 31, 2013 the balance of this financing stands at R$ 7,171 (R$ 7,523 as of December 31, 2012).

As of March 31, 2013 and December 31, 2012 the balance of the financed taxes in the statement is scheduled as follows:

	3/31/2013	12/31/2012
2013	1,494	1,770
2014	1,793	1,770
2014 onwards	3,884	3,983
Total	**7,171**	**7,523**
Current	1,793	1,770
Noncurrent	5,378	5,753

21 Provisions for labor, civil and tax risks:

Based on the opinion of its legal advisors, ENERGISA SE Management made a provision for labor, civil and tax risks, as shown below:

	12/31/2012	Provisions made	Reversal of provisions	Restatement	3/31/2013
Labor claims	15,948	259	(1,142)	332	15,397
Civil	4,599	128	(176)	99	4,650
Total	**20,547**	**387**	**(1,318)**	**431**	**20,047**
Restricted and escrow deposits (*)	(14,673)				(13,931)

(*) The Company has restricted and escrow deposits in its noncurrent assets of R$ 20,753 (R$ 21,818 as of 12/31/2012). Provisions have not been made for R$ 6,822 (R$ 7,145 as of 12/31/2012) as the chances of success are rated as possible or probable.

The amount of R$ 1,528 was paid as of March 31, 2013, consisting of labor claim awards of R$ 887 and civil claim awards of R$ 641.

Probable losses

Labor claims

Based on the opinion of independent legal advisers, when applicable, the Company's legal advisers analyzed the labor claims in progress and accordingly made a provision of a further R$ 259 (R$ 3,412 as of December 31, 2012), and reversed a provision of R$ 1,142 (R$ 3,385 as of December 31, 2012).

Most of these lawsuits involve claims for overtime, salary parity, FGTS (Government Severance Indemnity Fund for Employees) and contractual/legal fees.

Civil

The civil proceedings are mainly disputing indemnification for moral and material damages and consumer complaints involving energy debits.

As of March 31, 2013 additional provisions were made of R$ 128 (R$ 299 as of December 31, 2012) and provisions reversed of R$ 176 (R$ 1,177 as of December 31, 2012).

Management holds all the other provisions made are sufficient to cover any losses arising from the proceedings in progress. Based on the opinion of said legal advisors, provisions have been made for all legal proceedings for which the likelihood of future disbursement has been rated as probable.

Possible Losses

The Company is party to labor, civil and tax claims in progress amounting to R$ 251,783 (R$ 241,353 as of December 31, 2012), where the chance of success has been estimated as possible, meaning no provision was required.

See below the comments of our legal advisers regarding cases rated as a possible risk:

Labor claims

Labor claims amounting to R$ 11,941 (R$ 6,474 as of December 31, 2012) seeking contractual/legal fees due to joint liability with outsourced companies, in addition to trade union fees.

Civil

These proceedings amounting to R$ 26,963 (R$ 26,165 as of December 31, 2012) are claiming indemnification for punitive/material damages and entail customer complaints about energy bills.

Tax

Proceedings claiming tax and contribution differences – IRPJ/CSLL/PIS/COFINS/INSS amounting to R$ 212,879 (R$ 208,714 as of December 31, 2012).

22 Shareholders’ equity

Share capital and capital reserves

The subscribed and paid-in share capital is comprised of 122,147 common shares and 73,373 preferred shares. The preferred shares hold no voting rights but have priority in the reimbursement of capital in the event of Company liquidation and distribution of mandatory, non-cumulative dividends at 10% per annum over the company capital attributed to this kind of share.

Irrespective of amendments to the bylaws, the Company may increase its share capital through subscription to the limit of 450,000 shares, consisting of 150,000 common shares and up to 300,000 preferred shares, where the Board of Directors shall resolve the means, subscription terms and payment terms of the shares and the features of the shares to be issued and the issue price.

23 Operating revenue

	3/31/2013			3/31/2012		
	Not reviewed by the independent auditors			Not reviewed by the independent auditors		
	No. of consumers	MWh	R$	No. of consumers	MWh	R$
Residential	592,469	244,348	104,566	566,490	218,282	101,330
Industrial	2,681	72,556	21,715	2,728	85,587	27,223
Commercial	39,306	131,838	56,816	38,263	127,122	56,665
Rural	18,147	38,085	8,419	17,843	31,973	6,233
Government:						
Federal	111	8,410	2,879	110	7,929	2,964
State	4,603	17,578	5,979	4,560	16,173	6,155
Municipal	767	8,070	2,813	760	7,609	2,896
Public Lighting	671	38,574	6,361	568	35,439	6,634
Public Utility	1,181	57,443	11,180	1,166	52,812	10,113
Internal Use	52	807	-	52	768	-
Subtotal	**659,988**	**617,709**	**220,728**	**632,540**	**583,694**	**220,213**
Revenue from Remuneration of Concession Assets	-	56,157	2,172	-	-	876
Electricity sales to distributors	2	-	3,093	2	66,356	5,916
Sales not invoiced (net)	-	(16,952)	(8,290)	-	1,489	(3,585)
Provision of the transmission and distribution system	16	-	12,560	12	-	13,359
Energy sales to free consumers	-	-	-	-	-	-
Construction Revenue	-	-	9,730	-	-	15,856
Other operating revenue	-	-	2,531	-	-	3,515
Total - gross operating revenue	**660,006**	**656,914**	**242,524**	**632,554**	**651,539**	**256,150**
Deductions from operating revenue						
ICMS	-	-	46,239	-	-	46,349
PIS	-	-	3,871	-	-	3,965
COFINS	-	-	17,837	-	-	18,262
ISS	-	-	36	-	-	34
Quota for RGR	-	-	(2,466)	-	-	1,485
Energy Efficiency Program - PEE	-	-	811	-	-	774
Energy Development Account - CDE	-	-	408	-	-	1,434
Energy Development Account - CCC	-	-	1,480	-	-	7,551
Research and Development Program – P&D	-	-	1,297	-	-	1,239
Total	-	-	69,513	-	-	81,093
Total - net operating revenue	**660,006**	**656,914**	**173,011**	**632,554**	**651,539**	**175,057**

24 Cost of electricity purchase resale and system service charges

Under Decree 7945/2013, ANEEL will publish every month the CDE funds to be passed through by Eletrobrás to the Electricity Trading Chamber to cover the electricity acquisition and system service charges - ESS as a result of energy security, the hydrological risk and involuntary exposure in the spot market. By way of SRE/ANEEL Notices 954 issued April 02, 2013 and 1312 issued April 30, 2013, ANEEL has ratified R$ 40,337 for the months of January to March 2013:

In the period the Company also recognized R$ 11,819 to cover additional expenses incurred on System Service Charges in the previous rate period, pursuant to Decree 7891/2013, which Eletrobrás reimbursed the Company on May 07, 2013.

The amounts were recorded as a reduction to the purchased energy costs and system service charges, in accordance with Aneel Notice 1135 issued April 17, 2013.

25 Insurance coverage

The Company has the policy of taking out insurance coverage for the assets subject to risk to cover any incidents, considering the nature of its activity. The Company's insurance contracts are made in accordance with the risk management and insurance fundamentals generally employed by electricity distribution companies. Given their nature, the risk assumptions adopted do not comprise the scope of a financial statements review, and were not therefore reviewed by our independent auditors.

The civil liability and named risk policies are taken out in conjunction with the other Energisa Group companies and the maximum indemnification amounts are stated in the insurance coverage.

The main items covered are:

Lines	Maturity Date	Insurance Coverage	Annual premium 3/31/2013 and 12/31/2012
Operating Risks	10/23/2013	23,000	245
General Civil Liability	10/23/2013	44,572	167
Automobiles – Third-party material and personal damages.	10/23/2013	Up to R$ 200,000 / vehicle	84
Collective life insurance – Personal Death and Accidents	12/31/2013	48,826	226
			722

Nominated Risks

The insurance policy specified the substations, buildings and equipment and the respective insured values and the indemnification limits. It has basic coverage including fire, lightning strike and explosions of any nature, electrical damages, hurricanes, aircraft crash, collision by air or ground vehicle, commotion, portable equipment, flooding/water damage, minor engineering work, extraordinary expenses, inclusion / exclusion of assets and sites, mistakes and omissions.

Civil Liability

The insurance policy covers moral hazard, material and personal damages to third parties resulting from the Company's operations.

Vehicles

The Company has insurance coverage for RCF/V – Optional/Vehicle Civil Liability, guaranteeing coverage of personal and/or material damages incurred by third parties involved in accidents.

Collective Life Insurance and Personal Accidents

Guarantees insurance coverage for its employees in the event of death by any cause, full or partial permanent disability due to accidents and permanent and/or total disability due to illness.

26 Financial instruments and risk management

The book and fair values of the principal financial instrument assets and liabilities have been compared below:

	3/31/2013		12/31/2012	
ASSETS	**Book**	**Fair value**	**Book**	**Fair value**
Cash and cash equivalents	68,039	68,039	53,225	53,225
Money market and secured funds	45,366	45,366	56,502	56,502
Consumers and concessionaires	92,686	92,686	125,061	125,061
Credit receivables and other	11,242	11,242	11,849	11,849
Accounts receivable from the concession	134,594	134,594	130,146	130,146
LIABILITIES				
Suppliers payable	(41,269)	(41,269)	(64,994)	(64,994)
Loans, financing, debt charges and debentures	(544,927)	(549,918)	(556,814)	(572,071)

In compliance with CVM Instruction 475/2008 and Resolution 604/2009, the description of the book balances and the fair values of the financial instruments included in the balance sheet at March 31, 2013 and December 31, 2012 are shown below:

Nonderivatives - classification and measurement

Loans and receivables:

Includes trade accounts receivable, consumers and concession operators, outstanding receivables, other receivables and accounts receivable of the concession. They are initially measured at amortized cost using the effective interest rate, and their balances are approximated to fair value.

Money market and secured funds:

The balances of short-term investments in Bank Deposit Certificates and investment funds are valued at fair value through profit and loss, market valuations and/or effective interest rates.

Financial liabilities measured at amortized cost:

Suppliers payable - stated at the known amounts or estimated, plus, when applicable, the corresponding charges and/or monetary and exchange variations incurred up to the balance sheet date, where the book value approximates fair value.

Loans and financing, debt charges and debentures

These financial instruments are classified as financial liabilities at amortized cost. The book values of the local-currency loans and financing obtained from Centrais Elétricas Brasileiras S.A. – Eletrobrás, BNB and BNDES, are compatible with the fair value of the transactions, as similar transactions are not available on the financial market, with comparable maturities and interest rates. In the case of the BONDs, Credit receivables investment funds and the 1st and 2nd debentures issuance and Bank of America Merrill Lynch, the book value differs from the fair value as there is a market on which the securities can be traded.

Derivatives

Note that the estimated fair values of the financial assets and liabilities were determined through information available in the market and appropriate valuation methodologies. However, considerable judgment was required in the interpretation of the market data to estimate the most adequate fair value. Consequently, the estimates used and presented below do not necessarily indicate the values that could be realized in the current exchange market.

The Company has the policy of managing market risks, thereby avoiding assuming material positions exposed to fair value fluctuations. They therefore only seek to use instruments which provide greater risk control. The derivative contracts involve swap operations and options with interest and exchange rates for hedge transactions against adverse exchange variance in their US dollar denominated debt.

The hedge transactions against adverse exchange variance require constant monitoring in order to preserve the efficiency of their structures. The transactions in force are subject to restructuring at any time and can be reversed or subject to additional transactions in order to reduce potential material losses.

- **Limitations**

The amounts were estimated at the reporting date based on information available in the market and appropriate appraisal techniques. However, considerable judgment was required in the interpretation of the market data to estimate the most adequate fair value. Consequently, the estimates used and presented below do not necessarily indicate the values that could be realized in the current exchange market.

- **Financial risk management**

The Board of Directors is generally responsible for establishing and supervising the risk management model of the Company. It has therefore implemented operating limits with pre-established amounts and indicators in the "Financial Risk Management policy" (available on the Company's site) and in the internal regulations of the Executive Board of the Company. The Executive Board issues a monthly report on budgetary performance and risk factors involving the Company.

The Company's risk management policy was established to detect, analyze and monitor risks encountered, in order to establish limits and check compliance with them. Risk management policies and systems are reviewed regularly in order to evaluate changes in market conditions and the Company's activities.

The "Financial Market Risk Management Policy" was introduced on May 11, 2009 and was revised for the last time on December 20, 2012; this policy can be viewed on the Company's website.

The Company has been using the services of a specialized, independent company in cash and debt risk management, which means that the main macroeconomic indicators and their impact on results are monitored on a daily basis, in particular derivative transactions. This allows contracting and repositioning strategies to be devised, pursuing low risk and higher financial income.

a) Liquidity risk

By way of the projected cash flow, Management schedules its obligations to generate financial liabilities to the flow of receipts or sources of financing in order to ensure the greatest possible liquidity so as to honor its obligations, thereby avoiding default which hinders the operational progress of the Company.

The financial liabilities, including estimated interest payments, are as follows. Significant changes in the analyzed cash flows are not expected.

	Up to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Total
Suppliers payable	38,916	-	-	-	2,353	41,269
Loans, financing, debt charges and debentures	246,860	104,735	227,468	40,454	93,669	713,186
Total	**285,776**	**104,735**	**227,468**	**40,454**	**96,022**	**754,455**

b) Credit risk

Management believes the risks posed by its interest-earning bank deposits are minimal, as there is no concentration and transactions are conducted with banks which assess risk in accordance with the "Financial Risk Management policy". The policy also gives priority to allocating the funds to short-term investments, with daily liquidity, whenever possible. It is also overseen by the Audit Committee of the Board of Directors, created in the first quarter of 2010.

The Company's credit risk is posed by accounts receivable, which however is mitigated by sales to a broad consumer base and legal prerogatives which allow the provision of services to defaulting clients to be suspended. Part of the receivables referring to sales, energy acquisition and system service charges, incurred at CCEE, are also subject to change depending on the outcome of legal proceedings in progress, filed by a number of companies in the sector. These proceedings have resulted from the interpretation of market rules in force between June 2001 and February 2002, during which the Emergency Electricity Rationing Program was in force.

Exposure to credit risks

The book value of the financial assets denotes the maximum credit exposure. The maximum exposure to the credit risk at the interim reporting date was:

	3/31/2013	12/31/2012
Cash and cash equivalents	68,039	53,225
Money market and secured funds	45,366	56,502
Consumers and concessionaires	92,686	125,061
Credit receivables and other	11,242	11,849
Accounts receivable from the concession	134,594	130,146

Further information about these credits can be seen in notes 5, 6, 7 and 14.

c) Interest and exchange rate risk

Part of the local-currency loans and financing presented in note 17 consist of financing from several national development agencies (Eletrobrás, Banco do Nordeste and BNDES) and other institutions in the capital market.

The market rate (or opportunity cost of capital) is defined by these Agents, taking into account the underlying interest rate, the risk premium compatible with the financed companies, their guarantees and the sector they are engaged in. In the event it is not possible to acquire alternatives or different market hypotheses and/or methods for their estimates, in view of the subsidiaries' business and sector specifics, these are measured by the amortized cost method at the contractual rates.

The Company's income is susceptible to variations due to the volatility of the currency coupon and exchange rate on liabilities denominated in foreign currencies, mainly the US dollar, which lost 1.45% in the period ended March 31, 2013 as compared to December 31, 2012, quoted at R$ 2.0138 / USD.

R$ 369,068 (R$ 378,793 as of December 31, 2012) of Energisa SE's bank issuance debt as of March 31, 2013 amounting to R$ 546,808 (R$ 559,017 as of December 31, 2013) is denominated in US dollars deriving from the international Notes Units issuance, with an outstanding balance, including interest, at the end of the year of USD 112.7 million (principal of USD 107.0 million), ii) USD 42.6 million (principal of USD 42 million) in debentures issued. and (iii) loan from Bank of America Merryl Lynch with a balance at the end of the year of USD 30.1 million, including interest.

The notes Units mature on July 19, 2013 and pay interest of USD + 10.5% per annum. The debentures yield interest of USD + 8.85% per annum and also have a long-term maturity (with possible buyback in the short term) over three annual installments, the last of which matures on November 08, 2015. The loan obtained matures on September 21, 2015 and incurs a cost of USD + (LIBOR + 2.45%) per annum.

The balance sheet as of March 31, 2013 presents R$ 5,051 in the noncurrent assets (R$ 15,394 as of December 31, 2012) referring to the mark-to-market of the financial derivatives related to the foreign exchange rate and interest, resulting from a combination of factors usually adopted for the mark-to-market of these instruments, such as volatility, currency coupon, interest rates and the US dollar exchange rate. This is not a material liability, because the reversal value of derivatives at the calculation date is estimated, which does not correspond to the hedge objective expected by management. The mark-to-market entries made in the financial statements are reversed when the caps established for the existing operations are not exceeded, as shown below. Furthermore, further deterioration of the volatility, the currency coupon and the f/x rate could result in the entry increasing.

Energisa SE has hedged the aforementioned positions against adverse exchange variance, as mentioned earlier. These hedges are split into the following instruments:

1. Hedge for the amount of USD 42 million and USD 0.6 million of interest through a series of currency swaps with exchange-rate cap of between R$/USD 2.7820 (May-13) and R$/USD 2.61 (Nov-13) until 11/08/2013, in order to hedge the debenture issuance against adverse exchange variance, thereby conducting a swap of the cost of USD + 8.85% p.a. for 120.6% of the CDI variance, hedging interest payments scheduled up to 11/08/2013 and the value of the principal at the latter date.

2. Hedge for the principal of USD 107.0 million and interest of USD 5.7 million through a series of currency swaps with exchange-rate cap of R$/USD 2.58 (Jul-2013) until 7/19/2013, referring to the international Notes Units issuance. The operation involves a swap of the cost of USD + 10.5% p.a. for 131.5% of the CDI variance, hedging semi-annual interest payments scheduled up to 07/19/2013 and the value of the principal at the latter date.

3. Hedge for the principal and interest of USD 30.1 million through a series of currency swaps with exchange-rate cap of R$/USD 2.90 until 9/21/2015, relating to the loan from Bank of America Merrill Lynch. The operation involves a swap of the cost of USD + (LIBOR + 2.45%) per annum for 100% of the CDI variance, hedging semi-annual interest payments scheduled up to 9/21/2015 and the value of the principal at the latter date.

In the period ended March 31, 2013 the foreign exchange hedges yielded a loss of R$ 6,239 (R$ 12,099 as of March 31, 2012), due to devaluation of the US dollar.

Company Management monitors changes in the market, so that these hedge transactions may be restructured and their terms even extended depending on the performance of the exchange rate (R$/USD), in terms of volatility and stabilization level. Company management sought to replace complex derivatives with simpler structures and greater liquidity, with a view to lower risk exposure.

In accordance with CVM Resolution CVM 603/09, the values of the Company's financial derivatives as of March 31, 2013 and December 31, 2012 have been summarized as follows:

	Derivative Financial Instruments						
	Reference Value			Fair Value		Accumulated effect	
	3/31/2013	12/31/2012	Description	3/31/2013	12/31/2012	Receivable/ (Received)	Payable / (paid)
	Notional (BRL)		Receivable Position				
			Foreign currency - USD	317,308	333,105	-	-
Swap with options - Bond and Debentures	219,479	227,728	Liability Position				
			CDI Interest Rate	(313,220)	(319,734)	-	-
			Foreign Currency Options (USD)	(5)	(106)	233	(94)
				4,083	**13,265**		
			Receivable Position				
			Foreign currency - USD	62,659	64,174	-	
Swap with Merrill Lynch options	60,690	60,690	Liability Position				
			CDI Interest Rate	(60,771)	(60,770)	-	-
			Foreign Currency Options (USD)	(920)	(1,275)	-	-
				968	**2,129**	-	(1,006)

The Fair Value of the derivatives as of March 31, 2013 as of December 31, 2012 was calculated based on the market price quotes for similar contracts. Their variance is directly associated with the variance of the debt balances listed in the note 18 and the positive performance of the hedge mechanisms used, as described above. These contracts do not stipulate interim payments before their maturity date. The Company does not intend to settle these contracts before maturity. It also has different expectations for the results presented as Fair Value – as shown below. To ensure perfect management, daily monitoring is conducted in order to keep risk to a minimum and obtain better financial results.

The mark-to-market (MtM) of Energisa SE's operations was calculated by an accepted method generally used by the market. The method basically consists of calculating the future value of the operations agreed in each contract, discounting the present value at market rates. A variant of the Black & Scholes formula is used to calculate the MtM of options. This formula is normally used to calculate the premium on currency options. The data used in these calculations was obtained from reliable sources. The market rates, such as the fixed rate and dollar coupon, were obtained directly from the BM&F site (Market Rates for Swaps). The Ptax exchange rate was obtained from the Central Bank's site. The implicit dollar volatility for options was obtained from other market sources.

Sensitivity Analysis

Pursuant to CVM Instruction 475/08 and Resolution 604/2009, which displaced Resolution 566/2008, the Company conducted sensitivity analyses on the main risks to which the financial instruments and derivatives are exposed, as shown:

a) Exchange variance

If the exchange exposure as of March 31, 2013 and December 31, 2012 were maintained, and the effects on the future interim financial statements simulated by type of financial instrument and for three different scenarios, the following results would be obtained (restated as for the interim reporting date):

Operation	Exposure	Risk	Scenario I (Probable)(*)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
Financial instruments - Debentures		USD	7,759	(14,614)	(36,987)
Swap with Options:					
Receivable position - Foreign Currency - USD	91,367	Higher f/x rate	87,950	109,936	131,925
Payable Position - CDI Interest Rate	(89,493)		(89,492)	(89,492)	(89,492)
Foreign Currency Options - USD	(5)				(17,355)
Subtotal	1,829		(1,542)	20,444	25,078
Net	1,829		6,216	5,830	(11,909)
Financial instruments - Bond			5,769	(49,252)	(104,273)
Swap with Options:					
Receivable position - Foreign Currency - USD	225,981	Higher f/x rate	220,208	275,260	330,311
Payable Position - CDI Interest Rate	(223,727)		(223,727)	(223,727)	(223,727)
Foreign Currency Options - USD	-		-	-	(45,692)
Subtotal	2,254		(3,519)	51,533	60,892
Net	2,254		2,250	2,281	(43,381)
Financial instruments - Loans			7,446	(6,357)	(20,160)
Swap with Options:					
Receivable position - Foreign Currency - USD	62,659	Higher f/x rate	55,213	69,017	82,820
Payable Position - CDI Interest Rate	(60,771)		(60,771)	(60,771)	(60,771)
Foreign Currency Options - USD	(921)		-	-	(5,299)
Subtotal	967		(5,558)	8,245	16,749
Net	**967**		**1,888**	**1,888**	**(3,411)**
Total	**5,050**		**10,354**	**9,999**	**(58,701)**

(*) Considers the macroeconomic scenario presented by the Focus Survey as of March 31, 2013 for the future dates until the final settlement of the operations.

In the "Probable Scenario", calculated based on the net analysis of the above operations until the maturity thereof, adjusted to present value by the fixed rate in Brazilian reais as of March 31, 2013, the derivatives are effective, which is reflected in the positive present value of R$ 10,354, that shows how the adverse exchange variance in existing debts was mitigated. The higher the exchange devaluation (risk variable considered), the higher the gain of the swaps will be, providing the derivative caps are not exceeded, which would leave the Company with no hedge protection. However, there would be a positive present value of R$ 9,999 and a negative value of R$ 58,701 in the scenarios where the Brazilian currency lost 25% and 50% against the US dollar, a scenario in which the current caps would be exceeded.

b) Interest rate variance

Considering the exposure of financial instruments indexed to interest rates as of March 31, 2013 is maintained and the respective accumulated annual indexes are (CDI 7.42% p.a., LTIR 5% p.a. and FNE 8% p.a.) and if the indexes vary in accordance with the three scenarios defined, the net financial result would be affected by:

Instruments	Exposure (R$ thousand)	Risk	Scenario I (Probable)(*)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
Receivable financial instruments:					
Money Market	98,296	Increase in CDI	1,826	-	2,704
Payable financial instruments:					
Loans and financing	(61,801)	Increase in CDI	(1,367)	(6,816)	(7,980)
	(8,991)	Increase in LTIR	(200)	(944)	(1,061)
	(31,258)	Increase in FNE	(3,837)	(4,306)	(4,775)
Subtotal (**)	**(102,050)**		**(5,404)**	**(12,066)**	**(13,816)**
Total (Losses)	**(3,754)**		**(3,578)**	**(12,066)**	**(11,112)**

(*) Considers the CDI at June 30, 2013 (7.42% p.a.), quote of the estimates presented by the recent BACEN survey, dated March 31, 2013, TJLP of 5% p.a. and FNE funds of 8% p.a. (loans contracted from Banco do Nordeste already reflecting the performance bonus).

(**) Does not include dollar transactions worth R$ 280,863

Fair value hierarchy

The table below presents the financial instruments recorded at fair value by a valuation method.

The different levels were defined as follows:

- Level 1 - Prices quoted (in adjusted) in active markets for identical assets and liabilities
- Level 2 - Inputs, except for quoted prices, included in Level 1 that are observable for the assets and liabilities, directly (prices) or indirectly (derived from prices)
- Level 3 - Premises, for the asset or liability, that are not based on observable market data (unobservable inputs).

Financial instruments	Level	3/31/2013	12/31/2012
Assets			
Money market and secured funds	2	45,366	56,502
Derivative financial instruments	2	5,051	15,394

We emphasize that we did not observe any Level 1 and 3 financial instruments during the period under analysis and no level transfers took place in this year.

27 Employee benefits

a) Retirement and pension supplementation plan

The Company sponsors fixed-benefit pension plans for its employees. The defined-benefit plan undergoes an actuarial assessment at the end of each financial year, in order to ascertain whether the contribution rates are sufficient to establish the reserves required to meet the current and future payment commitments.

The accounting practices referring to the recognition of employee benefits - supplementary retirement and pensions plan and retirement premium, were amended on January 01, 2013. Consequently, in order to maintain good comparability of its balance sheet with the classification adopted, the Company adjusted the opening and closing balances in the balance sheet as of 12/31/2012 in relation to those originally published, as follows:

	PS Plan	BD Plan	Total
Liability recorded as of 12/31/2012	37,855	23,055	60,910
(adjustments - CPC 33 (R1))	-	32,400	32,400
Adjusted balances	**37,855**	**55,455**	**93,310**
Contributions	2,280	1,626	3,906
Payments of contracted obligations	247)	(176)	(423)
Liability recorded as of 3/31/2013	**39,888**	**56,905**	**96,793**

In the period ended March 31, 2013 the expense incurred on sponsoring these plans stood at R$ 3,906 (R$ 384 as of March 31, 2012).

b) Healthcare plan

The Company sponsors its employees' health insurance plans, which are managed by an operator regulated by the National Health Agency (ANS). Upon termination of employment or retirement, employees may retain their health insurance plans provided they assume all the costs; the Company has no post-employment ties with or obligations to employees. In the period ended March 31, 2013 the expense incurred on this benefit stood at R$ 897 (R$ 652 as of March 31, 2012).

28 Commitments

The Company has the following commitments under long-term energy acquisition contracts:

Energy purchase contracts:

Term	2013	2014	2015	2016	2017	2017 onwards
2013 to 2046	316,813	332,625	348,287	364,929	341,559	5,506,496

The amounts referring to energy acquisition contracts lasting between 8 and 30 years represent the volume contracted and the average price, ratified by ANEEL.

- This does not include the Proinfa, Itaipu and Angra I and II quotas.

29 Distribution concession contract

On December 23, 1997 Energisa SE and the National Electric Energy Agency – ANEEL signed the electricity distribution concession contract through to December 23, 2027.

30 Additional information to the cash flows

In 2012 equity changes not affecting the Company's cash flows are as follows:

	3/31/2013	12/31/2012
Restatement of accounts receivable from the concession - VNR	2,177	13,344
Suppliers payable	4,005	5,902
Capitalization of reserves	-	10,131
Other comprehensive income	(21,504)	(21,504)

31 Subsequent event

Capital increase

The Extraordinary General Meeting held April 24, 2013 approved: (i) to increase the Company's capital by R$ 16,392 without new shares being issued, via capitalization of the balance of the capital reserve - Tax Incentive - Income Tax Decrease, resulting in a share capital of R$ 345,762 (ii) cancellation of 11 (eleven) common shares held in the treasury for R$ 18, to be absorbed by the capital reserve - remuneration reserve for property, plant and equipment in progress. and (iii) conversion of all preferred nominative shares of the Company into common nominative shares, at the rate of one to one, with the aforesaid capital now consisting of 195,509 common nominative shares with no par value.

Payment of dividends

The Annual General Meeting held April 24, 2013 resolved the payment of additional dividends for FY 2012 of R$ 7,694, equal to R$ 39.35317360 per common share, to be paid in 2 (two) installments until the last working day of June and September 2013, which may be brought forward by Company management.

Borrowing

In April 2013 the Company concluded the borrowing from the banks Itaú BBA and Citibank, in order to settle the “Notes Units” foreign currency loans scheduled for July 2013.

The borrowed amounts amounted to R$ 200,080, as follows:

. R$ 100,000 secured from Banco Itaú BBA on April 17, 2013, with quarterly interest equal to USD + 3.49% p.a. and amortization of the principal on 4/17/2017 and 4/17/2018. A swap transaction was simultaneously secured to hedge against adverse exchange variance of the dollar via an exchange rate cap of R$ / USD 3.11 (4/17/2017) and R$/USD 3.30 (4/17/2018), thereby making a swap (including income tax) for a cost equal to 108.95% of the CDI variance. The payment of quarterly interest was also swapped for 108.95% of the CDI variance, although there is no cap.

. R$ 100,080 secured from Banco Citibank on April 19, 2013, with quarterly interest equal to Libor + 1.91% p.a. and amortization of the principal on 4/19/2018. A swap transaction was secured to hedge against adverse exchange variance of the dollar via an exchange rate cap of R$ / USD 3.31 (4/19/2018), thereby making a swap (including income tax) for a cost equal to 103.50% of the CDI variance. The payment of quarterly interest was also swapped for 103.50% of the CDI variance, although there is no cap.

The caps were established in accordance with the Financial Market Risk Management Policy, i.e. at levels 20% greater than the future exchange rate on the date of procurement.

The above borrowing demonstrates the discipline and prudence displayed by Energisa Group's financial management practice, by bringing forward the borrowing, debt cost and length, which will make important savings for the operation to be settled on July 2013 and further the independence for cash management.

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