



Energisa Soluções | Results for 3rd quarter of 2012

Cataguases, November 08, 2012 - Energisa Soluções S/A hereby presents its results for the first nine months of 2012 (9M12), prepared in accordance with International Financial Reporting Standards - IFRS.

1 - General Considerations

Energisa Soluções, a wholly owned subsidiary of Energisa S/A, provides energy services, offering integrated, innovative and high-added-value solutions to the generator, distributor and corporate segments.

The company primarily operates in the following segments:

- **Hydroelectric power plants, thermal power plants and Small Hydroelectric Power Stations (SHPs):** Operations, Maintenance, Automation, Commissioning and Proprietary Engineering
- **Transmission Lines and Substations:** Projects, Construction Management, Automation, Maintenance, Operations and Commissioning
- **Industrial and Distribution:** Maintenance and recovery of power transformers.

The company closed the first nine months of 2012 with operation and/or maintenance contracts for 127 powerplants under its responsibility.

2 - Economic and financial headlines

The main economic and financial figures of Energisa Soluções for the first nine months have been summarized below:

Description	9M12	9M11	Change %
Results - R\$ million			
Gross Operating Revenue	54.8	49.5	+ 10.7
Net Operating Revenue	48.1	43.3	+ 11.1
Earnings before interest and tax (EBIT)	4.4	1.5	+ 193.3
Financial result	0.4	0.4	-
Net Income	3.2	1.3	+ 146.2
EBITDA	6.7	3.7	+ 81.1
Financial Indicators - R\$ million			
Total Assets	61.6	54.8	+ 12.4
Cash / Cash Equivalents / Short-Term Investments	1.8	4.5	- 60.0
Shareholders' Equity	34.9	31.0	+ 12.6

Results for 3rd quarter of 2012

3 - Net income and operating cash generation (EBITDA)

Energisa Soluções recorded net income of R\$ 3.2 million in 9M12, of which R\$ 0.7 million was recorded in 3Q12. Net income in 9M12 expanded by 146.2% over 9M11.

The increase of 11.1% (or R\$ 4.8 million) in net operating revenue in 9M12, along with smaller growth in operating expenses, which boosted operating cash generation (EBITDA). Operating expenses rose by 4.5% (or R\$ 1.9 million) in the period. Energisa Soluções consequently presented operating cash generation (adjusted EBITDA) of R\$ 6.7 million, which signifies an increase of 81.1% (or R\$ 3.0 million) over 9M11.

See below the breakdown of the Company's net income and cash:

Breakdown and change of net income (R\$ millions)	Quarter			9 months		
	3Q12	3Q11	Change %	9M12	9M11	Change %
(=) Net operating revenue	16.0	15.9	+ 0.6	48.1	43.3	+ 11.1
(-) Operating expenses	14.9	13.7	+ 8.8	43.7	41.8	+ 4.5
(=) Earnings before interest and tax (EBIT)	1.1	2.2	- 50.0	4.4	1.5	+ 193.3
(+) Financial result (revenue minus financial expenses)	(0.1)	0.1	-	0.4	0.4	-
(+) Income and social contribution taxes	(0.3)	(0.8)	- 62.5	(1.6)	(0.6)	+ 166.7
(=) Net Income	0.7	1.5	- 53.3	3.2	1.3	+ 146.2

Change in cash generation

Breakdown of cash generation (EBITDA) (R\$ millions)	Quarter			9 months		
	3Q12	3Q11	Change %	9M12	9M11	Change %
(=) Net Income	0,7	1,5	- 53,3	3,2	1,3	+ 146,2
(-) Income and social contribution taxes	(0,3)	(0,8)	- 62,5	(1,6)	(0,6)	+ 166,7
(-) Financial result	(0,1)	0,1	-	0,4	0,4	-
(-) Depreciation and amortization	(0,7)	(0,7)	-	(2,3)	(2,2)	+ 4,5
(=) Cash generation (EBITDA)	1,8	2,9	- 37,9	6,7	3,7	+ 81,1
EBITDA Margin	11,3	18,2	- 6,9 p.p	13,9	8,5	+ 5,4 p.p

Management.

Financial Statements

1. Balance Sheet - Assets

Energisa Soluções S/A		
Balance Sheet		
September 30, 2012 and December 31, 2011		
(In thousands of reais)		
	<u>9/30/2012</u>	<u>12/31/2011</u>
Assets		
Current		
Cash and cash equivalents	1,717	7,635
Money market and secured funds	56	54
Accounts receivable	8,427	6,879
Inventory	1,361	1,507
Other Debtors ⁸⁹	518	510
Recoverable taxes	12,767	10,664
Other accounts receivable	1,146	1,030
Total current	<u>25,992</u>	<u>28,279</u>
Noncurrent		
Noncurrent assets		
Escrow and secured deposits	367	367
Tax credits	718	609
Recoverable taxes	339	339
	<u>1,424</u>	<u>1,315</u>
Property, plant and equipment	23,355	21,325
Intangible assets	10,876	7,658
Total noncurrent	<u>35,655</u>	<u>30,298</u>
Total Assets	<u><u>61,647</u></u>	<u><u>58,577</u></u>

2. Balance Sheet - Liabilities

Energisa Soluções S/A		
Balance Sheet		
September 30, 2012 and December 31, 2011		
(In thousands of reais)		
Liabilities	<u>9/30/2012</u>	<u>12/31/2011</u>
Current		
Suppliers payable	1,063	1,902
Debt Charges	19	24
Loans and financing	1,047	966
Employee and director profit shares	561	1,735
Dividends	-	327
Taxes and social contributions	9,086	7,412
Employee benefits - pension plan	279	279
Estimated obligations	4,077	2,845
Other	900	385
Total current	<u>17,032</u>	<u>15,875</u>
Não circulante		
Loans and financing	5,323	6,103
Deferred income tax	14	14
Debts to related parties	3,429	3,208
Provision for Contingencies	268	1,137
Employee benefits - pension plan	686	580
Total noncurrent	<u>9,720</u>	<u>11,042</u>
Shareholders' equity		
Capital	23,210	23,211
Profit reserves	8,449	8,449
Net incomes for the period	3,236	-
	<u>34,895</u>	<u>31,660</u>
Total Liabilities	<u>61,647</u>	<u>58,577</u>

3. Income Statement

Energisa Soluções S/A		
Income Statement		
Nine months ended September 30, 2012 and 2011		
(In thousands of reais)		
	<u>9M2012</u>	<u>9M2011</u>
Revenues		
Sales of services	54,821	49,503
	<u>54,821</u>	<u>49,503</u>
Deductions from operating revenue		
ICMS on billing	22	69
PIS, Cofins and ISS	6,733	6,121
	<u>6,755</u>	<u>6,190</u>
Net operating revenue	<u>48,066</u>	<u>43,313</u>
Operating expenses		
Personnel (includes pension fund expenses)	27,951	26,592
Material	1,840	1,641
Outsourced services	10,141	9,914
Depreciation and amortization	2,300	2,199
Provision for contingencies	(896)	(1,948)
Other revenue/expenses	2,311	3,423
	<u>43,647</u>	<u>41,821</u>
Earnings before interest and tax	<u>4,419</u>	<u>1,492</u>
Financial income		
Revenue on short-term investments	291	181
Other revenue	580	815
Debt charges - Interest	(404)	(289)
(-) Transfers to work in progress	400	279
Other financial expenses	(426)	(592)
	<u>441</u>	<u>394</u>
Net income before tax	<u>4,860</u>	<u>1,886</u>
Income and social contribution taxes	(1,624)	(629)
Net income for the period	<u><u>3,236</u></u>	<u><u>1,257</u></u>

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