

CPFL Energy INC  
Form 6-K  
November 09, 2005

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the month of November, 2005**

**Commission File Number 32297**

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**CPFL Energy Incorporated**  
(Translation of Registrant's name into English)

**Rua Gomes de Carvalho, 1510, 14º andar, cj 1402  
CEP 04547-005 - Vila Olímpia, São Paulo SP  
Federative Republic of Brazil  
(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
82-\_\_\_\_\_



November 8, 2005

**Bovespa: CPFE3 R\$ 25.10 / share**  
**NYSE: CPL US\$ 34.65 / ADR (1 ADR = 3 shares)**  
**Total Shares = 460.9 million**  
**Market Value: R\$ 11,6 billion**  
**Quotes on 11/08/2005**

**CPFL ENERGIA ANNOUNCES NET INCOME OF R\$ 641 MILLION IN THE 9M05**

**São Paulo, November 8, 2005** CPFL Energia S.A. (Bovespa: CPFE3 e NYSE: CPL), announces its **third quarter (3Q05) and 9 months accumulated results (9M05)**. The financial and operating information herein is presented in accordance to the Brazilian Corporate Law and on consolidated basis, unless otherwise indicated. Comparison refers to the 3Q04 and 9M04, unless otherwise indicated.

**Conference Call - Portuguese**

Wednesday, November 9, 2005

Time: 3:00 pm (SP), 12:00 pm (US ET)

**(55 11) 2101-1490**

**Code: CPFL**

\*Webcast: <http://ri.cpfl.com.br/>

**Conference Call - English**

Wednesday, November 9, 2005

Time: 5:00 pm (SP), 2:00 pm (US ET)

**(1-973) 935-2403**

**Code: CPFL or 6625627**

\*Webcast: <http://ri.cpfl.com.br/>

**9M05 AND 3Q05 HIGHLIGHTS**

- **Net Income of R\$ 640.6 million** in 9M05 and **R\$ 240.0 million** in 3Q05.
- **Gross Revenue of R\$ 8.0 billion** in 9M05 and **R\$ 2.8 billion** in 3Q05, a 14.6% and 17.1% growth, respectively.
- **EBITDA<sup>(1)</sup> of R\$ 1.631 billion** in 9M05 and **R\$ 570.1 million** in 3Q05, corresponding to 40% and 79% increase, respectively.
- CPFL Energia Shares included in Electric Energy Index (IEE) and IBX-100 Bovespa (São Paulo Stock Exchange).
- 56% increase in the Commercialization Company's Gross Revenue in 9M05 and 44.9% in 3Q05, with EBITDA increase of 44% in 9M05 and 31% in 3Q05.

**SUBSEQUENT EVENTS**

- Start up of UHE Barra Grande Plant operations and the beginning of UHE Campos Novos Plant reservoir filling.
- CPFL Energia announces incorporation of the shares of its subsidiaries CPFL Paulista and CPFL Piratininga, expecting a free float change from 16.8% to 17.8%.

<sup>(1)</sup>The EBITDA is calculated from the sum of net income, taxes, financial results, depreciation/amortization and private pension fund, in addition to adjustments regarding the extraordinary item and non-recurring transactions.

**PERFORMANCE OF ON SHARES / ADR s IN 3Q05 AND 9M05**

In September, 2005, CPFL Energia shares begin to be part of the IBX-50 Index and in the Electric Energy Index ( IEE ).

Since the 1<sup>st</sup>. half of 2005, CPFL Energia shares are also part of BOVESPA Corporate Governance ( IGC ), Tag Along ( ITAG ) Indexes, and of Dow Jones Brazil Titan 20 ADR Index , an important reference index for Brazilian stocks traded in the international market.

ON shares performance negotiated in Bovespa presented variation superior to the main comparative indexes, i.e. Ibovespa and IEE , both in 3Q05 and 9M05. ADR s negotiated in NYSE presented similar performance, overcoming the main comparative indexes.

**CPFL Stocks x Main Comparative Indexes**

|              | BOVESPA     |             |            | NYSE        |             |
|--------------|-------------|-------------|------------|-------------|-------------|
|              | Chg %       |             |            | Chg %       |             |
|              | 3Q05        | 9M05        |            | 3Q05        | 9M05        |
| <b>CPFE3</b> | <b>34.1</b> | <b>39.5</b> | <b>CPL</b> | <b>39.9</b> | <b>69.5</b> |
| IBOV         | 26.1        | 20.6        | DJIA       | 2.9         | (2.1)       |
| IEE          | 20.4        | 36.5        | DJBR20     | 29.4        | 43.9        |

Sources: Broadcast / Economática

NOTE: Performance adjusted to shareholders dividends

CPFL Energia also expects to be included in the IBX-50 and ISE (Business Sustainability Index).

**CORPORATE STRUCTURE OF CPFL ENERGIA**

CPFL Energia is a holding Company, which results rely directly on the results of its subsidiaries: CPFL Paulista (94.94%), CPFL Geração (100%) and CPFL Brasil (100%).

The following are the main ongoing corporate events:

- Incorporation of CPFL Piratininga and CPFL Paulista

On coming November 23, 2005, CPFL Energia will hold an Extraordinary General Meeting to approve the joint transaction to incorporate the total common and preferred shares of its subsidiaries CPFL Paulista and CPFL Piratininga into its equity.

In fact, this corporate reorganization will imply initially in the incorporation of all stock held by minority shareholders of CPFL Piratininga into CPFL Paulista's equity and subsequently, the incorporation of shares held by minority shareholders of CPFL Paulista into CPFL Energia's equity, according to the following exchange ratio:

**LEVEL 1: EXCHANGE RATIO - CPFL PIRATININGA TO CPFL PAULISTA**

| CPFL PIRATININGA             | X | CPFL PAULISTA               |
|------------------------------|---|-----------------------------|
| 6.053721422 Common Shares    | = | 1 Common Share              |
| 6.053721422 Preferred Shares | = | 1 Preferred Share Class "A" |

**LEVEL 2: EXCHANGE RATIO - CPFL PAULISTA TO CPFL ENERGIA**

| CPFL PAULISTA   | X | CPFL ENERGIA   |
|---|---|----------------|
| 101.600724349 Common Shares                             | = | 1 Common Share |
| 101.600724349 Preferred Shares Classes "A", "B" and "C" | = | 1 Common Share |

This operation will bring benefits to CPFL Piratininga's and CPFL Paulista's current shareholders, which will start to have the same rights and advantages attributed to CPFL Energia stocks, which is currently negotiated in Novo Mercado Bovespa and in NYSE (New York Stock Exchange), it also includes tag along rights in the event of controlling stake sale, under the same terms and conditions of the controlling shareholder, beyond a stockholding position with higher liquidity to that one presented by CPFL Paulista and CPFL Piratininga.

In addition to the benefits, the transaction is also positive for the whole CPFL Energia, which will increase its free float by 0.95%, from the current 16.80% to 17.75%, with the increase in new shareholders of nearly 10,500, owning more than a standard lot (100 shares) of the Company, concentrating the liquidity of the group companies stocks in CPFL Energia stocks.

- Extension of CPFL Group corporate restructuring deadline

In September 2005, ANEEL approved the extension of the deadline to transfer to CPFL Energia the stakes held by CPFL Paulista in its subsidiaries CPFL Piratininga and Rio Grande Energia

(RGE). This corporate restructuring process shall be implemented in stages: the transfer of CPFL Piratininga's control is expected to occur until April 14, 2006 and for RGE, the transfer is expected to occur until March 14, 2007.

**DIVIDENDS AND INTERESTS ON CAPITAL**

CPFL Energia paid dividends and interest on capital related to 1H05 of R\$ 400.6 million, corresponding to 100% of the net income of the period.

In the 12-month period before June 2005, the Company paid R\$ 0.85 per share, corresponding to a dividend yield of 6.32% .

CPFL Energia's dividend policy states that a minimum of 50% of net income, adjusted on semiannual basis, should be paid to shareholders. However, in the last 3 semesters, the Company paid the entire net income to shareholders, after the provision of legal reserves.

**MAIN ECONOMIC FINANCIAL DATA  
BY BUSINESS SEGMENT AND CONSOLIDATED**

**3Q05 vs. 3Q04 Comparison**

| ECONOMIC-FINANCIAL<br>DATA R\$ Thousand | DISTRIBUTION (*) |           |          | COMMERCIALIZATION |         |       | GENERATION |           |       |
|---|------------------|-----------|----------|-------------------|---------|-------|------------|-----------|-------|
|   | 3Q05             | 3Q04      | Chg.%    | 3Q05              | 3Q04    | Chg.% | 3Q05       | 3Q04      | Chg.% |
| Gross Revenue                           | 2,558,849        | 2,235,185 | 14.5     | 372,529           | 257,139 | 44.9  | 110,280    | 77,488    | 42.3  |
| Net Revenue                             | 1,788,693        | 1,519,481 | 17.7     | 321,145           | 224,791 | 42.9  | 99,440     | 73,477    | 35.3  |
| Income from Electric Utility            |                  |           |          |                   |         |       |            |           |       |
| Services (EBIT)                         | 352,727          | 88,342    | 299.3    | 49,179            | 37,518  | 31.1  | 80,454     | 57,151    | 40.8  |
| EBITDA                                  | 443,376          | 218,850   | 102.6    | 49,179            | 37,518  | 31.1  | 88,944     | 65,454    | 35.9  |
| Net Income                              | 190,245          | (20,543)  | (1026.1) | 34,200            | 24,761  | 38.1  | 31,821     | 14,169    | 124.6 |
| Total Assets                            | 8,604,376        | 9,831,065 | (12.5)   | 220,386           | 171,356 | 28.6  | 2,765,859  | 2,423,424 | 14.1  |
| Shareholders' Equity                    | 2,004,170        | 3,057,316 | (34.4)   | 34,657            | 24,764  | 39.9  | 1,076,222  | 1,055,017 | 2.0   |

**9M05 vs. 9 M04 Comparison**

| ECONOMIC-FINANCIAL<br>DATA R\$ Thousand | DISTRIBUTION (*) |           |        | COMMERCIALIZATION |         |       | GENERATION |           |       |
|---|------------------|-----------|--------|-------------------|---------|-------|------------|-----------|-------|
|   | 9M05             | 9M04      | Chg.%  | 9M05              | 9M04    | Chg.% | 9M05       | 9M04      | Chg.% |
| Gross Revenue                           | 7,443,388        | 6,655,571 | 11.8   | 1,012,612         | 649,280 | 56.0  | 319,806    | 243,295   | 31.4  |
| Net Revenue                             | 5,203,814        | 4,606,508 | 13.0   | 875,617           | 571,825 | 53.1  | 289,013    | 229,794   | 25.8  |
| Income from Electric Utility            |                  |           |        |                   |         |       |            |           |       |
| Services (EBIT)                         | 974,191          | 499,429   | 95.1   | 163,710           | 113,736 | 43.9  | 232,935    | 183,723   | 26.8  |
| EBITDA                                  | 1,242,259        | 867,143   | 43.3   | 163,710           | 113,736 | 43.9  | 258,402    | 208,057   | 24.2  |
| Net Income                              | 501,167          | 103,328   | 385.0  | 112,325           | 76,023  | 47.8  | 87,083     | 52,312    | 66.5  |
| Total Assets                            | 8,604,376        | 9,831,065 | (12.5) | 220,386           | 171,356 | 28.6  | 2,765,859  | 2,423,424 | 14.1  |
| Shareholders' Equity                    | 2,004,170        | 3,057,316 | (34.4) | 34,657            | 24,764  | 39.9  | 1,076,222  | 1,055,017 | 2.0   |

(\*) Considers 100% of distribution business



**MARKET**

The energy sold by CPFL group through its distribution and commercialization activities for final customers totaled 9,293 GWh in the 3Q05 and 27,852 GWh in the 9M05, increases of 1.5% and 4.0% (without calendar adjustments), respectively. It is worth emphasizing that the residential and commercial classes consumption growth were mainly due to increase in employment levels and income, as well as higher temperatures in the period.

**Sales to Final Customers (Billed Supply) Without Calendar Adjustment**

| SALES GWh -<br>3Q05 e 9M05 | PAULISTA     |               | PIRATININGA  |              | RGE <sup>(1)</sup> |              | BRASIL       |              | CPFL<br>ENERGIA |               |
|----------------------------|--------------|---------------|--------------|--------------|--------------------|--------------|--------------|--------------|-----------------|---------------|
|                            | 3Q05         | 9M05          | 3Q05         | 9M05         | 3Q05               | 9M05         | 3Q05         | 9M05         | 3Q05            | 9M05          |
| Residential                | 1,348        | 4,049         | 576          | 1,757        | 249                | 735          | -            | -            | 2,173           | 6,541         |
| Industrial (*)             | 1,653        | 5,030         | 859          | 2,654        | 453                | 1,367        | 1,637        | 4,581        | 4,602           | 13,632        |
| Commercial                 | 782          | 2,472         | 327          | 1,036        | 134                | 415          | 7            | 20           | 1,250           | 3,943         |
| Rural                      | 264          | 692           | 42           | 125          | 129                | 444          | -            | -            | 435             | 1,261         |
| Other                      | 559          | 1,658         | 163          | 497          | 92                 | 268          | 19           | 53           | 833             | 2,475         |
| <b>TOTAL</b>               | <b>4,606</b> | <b>13,901</b> | <b>1,967</b> | <b>6,069</b> | <b>1,057</b>       | <b>3,229</b> | <b>1,663</b> | <b>4,654</b> | <b>9,293</b>    | <b>27,852</b> |

(\*) Includes CPFL Brasil's bilateral contracts

<sup>(1)</sup> 67.07% stake

**Sales Comparison Without Calendar Adjustment**

| CPFL ENERGIA CONSOLIDATED -<br>GWh |              |              |            |               |               |            |  |
|------------------------------------|--------------|--------------|------------|---------------|---------------|------------|--|
|                                    | 3Q05         | 3Q04         | Chg.%      | 9M05          | 9M04          | Chg.%      |  |
| Residential                        | 2,173        | 2,059        | 5.5        | 6,541         | 6,188         | 5.7        |  |
| Industrial (*)                     | 4,602        | 4,687        | (1.8)      | 13,632        | 13,391        | 1.8        |  |
| Commercial                         | 1,250        | 1,181        | 5.8        | 3,943         | 3,628         | 8.7        |  |
| Rural                              | 435          | 423          | 2.8        | 1,261         | 1,180         | 6.9        |  |
| Others                             | 833          | 807          | 3.2        | 2,475         | 2,385         | 3.8        |  |
| <b>TOTAL</b>                       | <b>9,293</b> | <b>9,157</b> | <b>1.5</b> | <b>27,852</b> | <b>26,772</b> | <b>4.0</b> |  |

(\*) Includes CPFL Brasil's bilateral contracts

Considering the same calendar base, the electricity sales of CPFL Group grew by 1.7% in 3Q05 and 4.2% in 9M05, highlighting the growth in residential and commercial classes of 5.8% and 5.9% in 3Q05 and 6.0% and 8.9% in 9M05.

**Sales to Final Customers (Billed Supply) Same Calendar Base**

| <b>CPFL ENERGIA CONSOLIDATED - GWh</b> | <b>3Q05</b>  | <b>3Q04</b>  | <b>Chg.%</b> | <b>9M05</b>   | <b>9M04</b>   | <b>Chg.%</b> |
|--|--------------|--------------|--------------|---------------|---------------|--------------|
| <b>Residential</b>                     | 2,173        | 2,053        | 5.8          | 6,541         | 6,172         | 6.0          |
| <b>Industrial</b>                      | 4,602        | 4,677        | (1.6)        | 13,632        | 13,369        | 2.0          |
| <b>Commercial</b>                      | 1,250        | 1,180        | 5.9          | 3,943         | 3,620         | 8.9          |
| <b>Rural</b>                           | 435          | 424          | 2.6          | 1,261         | 1,178         | 7.0          |
| <b>Others</b>                          | 833          | 805          | 3.5          | 2,475         | 2,379         | 4.0          |
| <b>TOTAL</b>                           | <b>9,293</b> | <b>9,139</b> | <b>1.7</b>   | <b>27,852</b> | <b>26,718</b> | <b>4.2</b>   |

**(\* Includes CPFL Brasil s bilateral contracts**

It is worth emphasizing that the demand in concession area for the CPFL group s distribution companies grew 3.1% in the 3Q05 and 5.5% in the 9M05, higher than the Brazilian average growth of 2.6% in 3Q05 and 5.1% in 9M05.

CPFL Brasil has played a relevant role in the growth of energy sales of the group, totaling 1,652 GWh in 3Q05 and 4,643 GWh in 9M05 in sales to free market, growth increases of 85% and 114%, respectively. Currently, CPFL Brasil has a total of 83 free clients in the free market, thereof conquered 9 new clients in 3Q05.

(1) Excluding transactions with group s companies, CCEE and energy supply

## ECONOMIC AND FINANCIAL PERFORMANCE

### Gross Revenue

Gross operating revenue reached R\$ 2.8 billion in 3Q05 and R\$ 8.0 billion in 9M05, representing a growth of 17.1% and 14.6% respectively.

The main factors that contributed to this increase were:

- i. Sales increase in the group's distribution companies;
- ii. Tariff readjustments in April 2005 for CPFL Paulista (18.76% <sup>(1)</sup>) and RGE (21.93%) and in October 2004 for CPFL Piratininga (14.00%);
- iii. The increase in revenues from the use of distribution system (TUSD) by 111.2% in 3Q05 and by 122.4% in 9M05, totaling R\$ 127.6 million and R\$ 333.9 million, respectively;
- iv. Positive performance in the commercialization company, with sales growth to the free market of 85% in 3Q05 and 114% in 9M05;
- v. Tariff readjustments in Small Hydroelectric Plants ( SHP's ) initial contracts and bilateral contracts between CPFL Paulista and CPFL Centrais Elétricas both in April 2005 - and in the contract between SEMESA and FURNAS, in January 2005, of 4.0%, 11.12% and 12.42%, respectively; in addition to the beginning of commercial operations in Monte Claro Hydro Power Plant ( HPP ) in December, 2004.

(1) As of April 8, 2005: 17.74% plus 1.01% readjustment defined by ANEEL in July, 2005.

## Cost of Energy Services

The cost of energy services, which includes (i) acquired energy costs and (ii) system use charges, totaled R\$ 995.8 million in 3Q05 and R\$ 2,941 million in 9M05, an increase of 0.3% and 3.6%, respectively. These changes are due to the reduction of costs derived from charges for the use of transmission and distribution system, offset by the increase in costs of acquired energy.

- i. The acquired energy costs totaled R\$ 820.3 million in 3Q05 and R\$ 2.372 billion in 9M05, corresponding to increases of 3.0% and 0.7%, respectively, due to the increase of the physical volume and average prices of acquired energy.
- ii. The charges for the use of the transmission and distribution systems decreased by 10.6% or R\$ 175.5 million in 3Q05 and increased by 17.5% or R\$ 569.3 million in 9M05. Negative change in 3Q05 is basically due to changes in the billing methodology for the use and basic network connection charges, as determined by ANEEL.

## Operating Costs / Expenses

Operating costs and expenses totaled R\$ 480.1 million in 3Q05 and R\$ 1.372 billion in 9M05, increases of 4.8% and 6.5%, respectively. The main changes in 3Q05 and 9M05 are described as follows:

### Manageable Costs - Personnel, Material, Third-Party Services and Others

Manageable expenses totaled R\$ 206.2 million in 3Q05 and R\$600.0 million in 9M05, representing a reduction of 0.3% and an increase of 4.4%, respectively. These changes are mainly due to continuous cost control programs, expenses management measures and operating synergies capturing efforts in every Group's subsidiary.

### Private Pension Fund

Private Pension Fund costs and expenses reached R\$ 22.4 million in 3Q05 and R\$ 67.2 million in 9M05, a reduction of 58.3% in 3Q05 and 52.7% in 9M05. The reduction reflects the adjustments made in the actuarial calculations due to a revision in the assumptions of mortality tables and increase in the expected rates of return on assets of these pension funds.

Additionally, there is the extraordinary item resulting from CVM Instruction # 371/2001, totaling R\$ 8.1 million in 3Q05 and R\$ 24,4 million in 9M05. This item accounts for the actuarial deficit up to 2001 on results, for the 5-year period starting in 2002.

The total private pension fund costs, i.e. operating costs and expenses added to the extraordinary item, reached R\$ 34.7 million in 3Q05 and R\$ 104.2 million in 9M05, reduction of 47.5% and 41.8%, respectively.

| <b>PRIVATE PENSION FUND EXPENSES -</b>                   |               |               |               |                |                |               |
|--|---------------|---------------|---------------|----------------|----------------|---------------|
| <b>R\$ THOUSAND</b>                                      | <b>3Q05</b>   | <b>3Q04</b>   | <b>Chg. %</b> | <b>9M05</b>    | <b>9M04</b>    | <b>Chg. %</b> |
| Operating Cost   | 22,187        | 50,428        | (56.0)        | 66,525         | 137,440        | (51.6)        |
| General and Administrative Operating Expenses            | 222           | 3,268         | (93.2)        | 702            | 4,544          | (84.6)        |
| Extraordinary Items Net of Tax Effects                   | 8,100         | 8,133         | (0.4)         | 24,420         | 24,397         | 0.1           |
| Extraordinary item Taxation (CVM Instruction # 371/2001) | 4,173         | 4,190         | (0.4)         | 12,546         | 12,568         | (0.2)         |
| <b>TOTAL</b>   | <b>34,682</b> | <b>66,019</b> | <b>(47.5)</b> | <b>104,193</b> | <b>178,949</b> | <b>(41.8)</b> |

#### Amortization of Incorporated Goodwill

Totaled R\$ 2.0 million in 3Q05 and R\$ 6.1 million in 9M05, and had an important role in the reduction of operating expenses as a whole, with a decrease of 89.6% in 3Q05 and 89.6% in 9M05.

This reduction is due to CPFL Paulista's and CPFL Piratininga's compliance with CVM Instructions # 319 and # 349, as of December 2004, which generated goodwill on its controlling companies (CPFL Energia and CPFL Paulista) accounting its amortization as financial expenses. The remaining goodwill balance refers to the acquisition of RGE.

#### Subsidies for CCC and CDE (Fuel Usage Quota and Energy Development Account)

CCC and CDE subsidies expenses totaled together the higher increases of R\$ 174 million in 3Q05 and R\$ 473.2 million in 9M05, representing 61.9% in 3Q05 and 52.7% in 9M05. These increases were due to readjustments in these contributions.

CCC subsidy is calculated based on the expected generation of thermal units and on the cost of fuel, and its increase is directly related to these factors. The total amount of CCC is divided among the distribution companies pro-rata to their corresponding market size.

The Energy Development Account CDE was created aiming the Brazilian States' energy development and the competitiveness of energy generated from wind, small hydroelectric power

plants, biomass, natural gas and national coal, in the areas covered by interconnected systems and promoting the total access of electricity services to the whole national territory. The total amount is defined by ANEEL and shared among the distribution companies pro-rata basis to their corresponding market sizes.

However, the effect of these expenses is offset in the final result, since their deviations are reported by CVA mechanism, fully compensated in the following tariff readjustment.

| <b>OPERATING COST/EXPENSE - R\$</b> |                |                |              |                  |                  |              |
|-------------------------------------|----------------|----------------|--------------|------------------|------------------|--------------|
| <b>Thousand</b>                     | <b>3Q05</b>    | <b>3Q04</b>    | <b>Chg.%</b> | <b>9M05</b>      | <b>9M04</b>      | <b>Chg.%</b> |
| Personnel                           | 81,321         | 72,236         | 12.6         | 233,124          | 220,983          | 5.5          |
| Private Pension Fund                | 22,409         | 53,696         | (58.3)       | 67,227           | 141,984          | (52.7)       |
| Material                            | 14,087         | 9,886          | 42.5         | 35,696           | 28,362           | 25.9         |
| Third Part Services                 | 64,130         | 59,390         | 8.0          | 182,816          | 166,758          | 9.6          |
| Depreciation and Amortization       | 75,460         | 70,644         | 6.8          | 225,542          | 203,398          | 10.9         |
| Amortization of Merged Goodwill     | 2,036          | 19,517         | (89.6)       | 6,110            | 58,552           | (89.6)       |
| Subsidies CCC                       | 105,104        | 58,211         | 80.6         | 278,752          | 180,622          | 54.3         |
| Subsidies CDE                       | 68,849         | 49,260         | 39.8         | 194,476          | 129,280          | 50.4         |
| Others                              | 46,687         | 65,301         | (28.5)       | 148,376          | 158,709          | (6.5)        |
| <b>TOTAL</b>                        | <b>480,083</b> | <b>458,141</b> | <b>4.8</b>   | <b>1,372,119</b> | <b>1,288,648</b> | <b>6.5</b>   |

### Income from Electric Utility Services

Income from electric utility services reached R\$ 480.6 million in 3Q05 and R\$ 1.365 billion in 9M05, representing increases of 172.4% and 75.2%, respectively. This positive performance is due to the following factors:

#### i. Increase in Revenues

- Increase in total energy billed;
- Tariff readjustments from the distribution and generation companies;
- Increase in the TUSD revenue.

#### ii. Operating Costs Control:

- Reduction of goodwill amortization from the acquisition of CPFL Paulista and CPFL Piratininga, in compliance with CVM Instructions # 319 and # 349;
- Reduction in expenses related to private pension funds and;
- Active monitoring of manageable expenses.

**EBITDA**

Consolidated EBITDA of R\$ 570.1 million in 3Q05 and R\$ 1.631 billion in 9M05 represented an increase of 79.2% and 39.9%, respectively. The EBITDA is calculated by adding up net income, taxes, financial results net of interest on capital, depreciation/amortization and private pension fund, in addition to adjustments related to the extraordinary item and eventual non-recurring transactions.

| <b>R\$ THOUSAND</b>                    | <b>3Q05</b>    | <b>3Q04</b>    | <b>Chg.%</b> | <b>9M05</b>      | <b>9M04</b>      | <b>Chg.%</b> |
|--|----------------|----------------|--------------|------------------|------------------|--------------|
| Net Income                             | 239,964        | (5,991)        | (4,105.4)    | 640,561          | 118,835          | 439.0        |
| + Income and Social Contribution Taxes | 150,802        | 25,817         | 484.1        | 370,285          | 144,911          | 155.5        |
| + Depreciation and Amortization        | 77,496         | 90,161         | (14.0)       | 231,652          | 261,950          | (11.6)       |
| + Private Pension Fund                 | 22,409         | 53,696         | (58.3)       | 67,227           | 141,984          | (52.7)       |
| + Net Financial Expenses from Revenues | 71,370         | 146,278        | (51.2)       | 297,118          | 474,179          | (37.3)       |
| + Extraordinary Item CVM #371          | 8,100          | 8,133          | (0.4)        | 24,420           | 24,397           | 0.1          |
| <b>TOTAL</b>                           | <b>570,141</b> | <b>318,094</b> | <b>79.2</b>  | <b>1,631,263</b> | <b>1,166,256</b> | <b>39.9</b>  |

**Financial Result**

Financial result, represented by a net financial expense of R\$ 71.4 million in 3Q05 and R\$ 297.1 million in 9M05, dropped by 51.2% and 37.3% respectively. Such reduction is a result of lower financial expenses combined with increased financial income.

The financial expenses, net of goodwill amortization and Interest on Capital, reached R\$ 166 million in 3Q05 and R\$ 578.8 million in 9M05, decreasing by 31.2% and 22.1% respectively, mainly due to the decrease in indebtedness, changes in debt profile and improvement in some macroeconomic indicators.

Financial income increased by 12.8% in 3Q05 and 17.8% in 9M05, as a result of the yield over cash investments, which in turn is a consequence of the improved operating cash generation and cash equivalents.

## **Net Income**

Net income reached R\$ 240.0 million in 3Q05 and R\$ 640.6 billion in 9M05, representing increases of 4,105.4% and 439.0% respectively, as direct result of the increase in income from electric utility services, coupled with better financial results.

## **INDEBTEDNESS**

Mainly as a result of amortization payments according to schedule, the balance of the group's financial debt was reduced by 22.1% in the end of 9M05, totaling R\$ 4.6 billion, as shown in the following Loans and Financing table.

In December 2004, BNDES approved CPFL Paulista and CPFL Piratininga compliance to the Electric System Expansion and Modernization Program (FINEM), corresponding to credits of R\$ 241 million and R\$ 89 million, respectively, both indexed to TJLP and six-year maturity. Regarding CPFL Paulista were released two installments, one in April in the amount of R\$ 89.0 million and other in August in the amount of R\$ 28.9 million, totaling R\$ 117.9 million. For CPFL Piratininga were released three installments in the amount of R\$ 33.6 million, R\$ 8.9 million and R\$ 11.3 million, respectively, in March, June and August 2005, totaling R\$ 53.8 million.



**Loans and Financing (R\$ thousand)**

|  | 9M05           |                  |                  |                  |
|--|----------------|------------------|------------------|------------------|
|  |                | PRINCIPAL        |                  |                  |
|  | CHARGES        | SHORT-TERM       | LONG-TERM        | TOTAL            |
| <b>LOCAL CURRENCY</b>                                    |                |                  |                  |                  |
| BNDES - Re-empowerment                                   | 65             | 3,673            | 12,941           | 16,679           |
| BNDES - Investment                                       | 6,411          | 63,974           | 960,759          | 1,031,144        |
| BNDES - Regulatory Asset, Tranche "A"<br>and Free Market | 2,485          | 206,662          | 452,638          | 661,785          |
| BNDES - CVA and Resolution 116                           | 1,175          | 127,759          | 9,666            | 138,600          |
| FIDC   | 30,786         | 64,417           | 23,583           | 118,786          |
| BRDE   | -              | 18,944           | 1,909            | 20,853           |
| Financial Institutions                                   | 3,897          | 38,786           | 128,224          | 170,907          |
| Others   | 526            | 22,789           | 112,309          | 135,624          |
| <b>Subtotal</b>  | <b>45,345</b>  | <b>547,004</b>   | <b>1,702,029</b> | <b>2,294,378</b> |
| <b>FOREIGN CURRENCY</b>                                  |                |                  |                  |                  |
| IFC  | -              | -                | -                | -                |
| Floating Rate Notes                                      | 4,488          | 231,998          | -                | 236,486          |
| Trade Finance  | -              | -                | -                | -                |
| BID  | 610            | -                | 64,963           | 65,573           |
| Financial Institutions                                   | 2,320          | 11,781           | 89,052           | 103,153          |
| <b>Subtotal</b>  | <b>7,418</b>   | <b>243,779</b>   | <b>154,015</b>   | <b>405,212</b>   |
| <b>DEBENTURES</b>  |                |                  |                  |                  |
| CPFL Paulista  | 46,133         | 150,710          | 978,658          | 1,175,501        |
| RGE  | 11,046         | 3,253            | 154,258          | 168,557          |
| SEMESA   | 17,374         | 114,997          | 418,702          | 551,073          |
| BAESA  | -              | -                | 53,724           | 53,724           |
|  | <b>74,553</b>  | <b>268,960</b>   | <b>1,605,342</b> | <b>1,948,855</b> |
| <b>TOTAL</b>   | <b>127,316</b> | <b>1,059,743</b> | <b>3,461,386</b> | <b>4,648,445</b> |

In April 2005, ENERCAN, controlled by CPFL Geração, received R\$ 75 million in loans from IDB - Inter-American Development Bank, destined to finance the HPP Campos Novos. Of the total amount, US\$ 60 million were released considering that US\$ 50 million were released in April and US\$ 10 million in July, 2005.

In April 2005, the International Finance Corporation (IFC) converted the remaining balance of its loan into CPFL Energia's shares, in the amount of US\$ 30 million, consequently eliminating the entire debt from the holding.

Following the trend observed in the previous periods, the improvement in debt profile can be observed by the 22% reduction of the nominal cost, from 18% per year in 9M04 to 14% per year in 9M05 and by the increase of the average maturity term, from 5.1 to 6.1 years.

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Such improvement also is perceived in the indexes composition, with increased exposure to TJLP as a consequence of resources released from FINEM and financing for generation plants, in addition to reduced exposure to the CDI.

The adjusted net debt balance reported in September 2005 was R\$ 3.9 billion, representing a reduction of 14% compared to the September 2004 balance. The adjusted net debt is calculated from the total debt (loans and financing + derivatives + private pension fund), excluding the regulatory assets / CVA and cash equivalents.

| <b>R\$ Thousand</b>                    | <b>9M05</b>        | <b>9M04</b>        |
|--|--------------------|--------------------|
| Total Debt <sup>(1)</sup>              | (5,633,598)        | (6,916,384)        |
| + Regulatory Assets and Liabilities/CV | 1,299,468          | 1,480,825          |
| + Available Funds                      | 471,247            | 947,760            |
| <b>= ADJUSTED NET DEBT</b>             | <b>(3,862,883)</b> | <b>(4,487,799)</b> |

(1) Financial Debt + Derivatives + Private Pension Funds (Fundação CESP)

## CAPEX

In the 9M05, CPFL group invested R\$ 421 million for maintenance and business expansion, of which R\$ 156 million were invested in 3T05.

CPFL Energia's main investments over the last years have been as follows:

- Distribution Segment: Expansion in client base, with 17.1 thousand new clients per month added in 3Q05, as well as the modernization and maintenance of the electric system, aiming at securing the quality standards in electric energy supply, and the administrative and technological infrastructure to support operating processes of distribution companies;
- Commercialization Segment: Improvement of portfolio and risk management systems;
- Generation Segment: Fulfillment of the construction schedule of hydroelectric power plants, highlighting the beginning of reservoir filling in Campos Novos HPP on October 10, 2005, and the beginning of commercial operations of Barra Grande HPP on November 1, 2005.

## **BUSINESS PERFORMANCE**

### **Distribution Segment**

#### **Gross Revenue**

Gross revenue totaled R\$ 2.6 billion in 3Q05 and R\$ 7.4 billion in 9M05, corresponding to increases of 14.5% and 11.8%, respectively. The main factors which contributed to this performance were the annual tariff readjustments of distribution companies - CPFL Paulista and RGE with 18.76<sup>(1)</sup>% and 21.93%, respectively, in April 2005 and CPFL Piratininga with 14.00% in October 2004, in addition to the increase in revenue for the use of electricity network (TUSD) by 111.2% in 3Q05 and 122.4% in 9M05.

Additionally, the reduction of commercial losses in CPFL Paulista and CPFL Piratininga reached 2.63% and 1.86%, respectively, and contributed to an additional revenue of R\$ 49 million in 9M05.

(1) As of April 8, 2005: 17.74% plus 1.01% readjustment defined by ANEEL in July, 2005.

**Sales Comparison Without Calendar Adjustments**

Revenue increase would have been higher if captive customers had not migrated to the free market, which resulted in the reduction of industrial sales by 22.0% in 3Q05 and by 19.6% in 9M05, thus contributing to the reduction in the total sales volume by 7.6% in 3Q05 and by 5.7% in the 9M05.

| <b>DISTRIBUTION SEGMENT - GWh</b> | <b>3Q05</b>  | <b>3Q04</b>  | <b>Chg.%</b> | <b>9M05</b>   | <b>9M04</b>   | <b>Chg.%</b> |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|
| Residential                       | 2,173        | 2,059        | 5.5          | 6,541         | 6,188         | 5.7          |
| Industrial                        | 2,977        | 3,815        | (22.0)       | 9,062         | 11,277        | (19.6)       |
| Commercial                        | 1,243        | 1,176        | 5.7          | 3,923         | 3,613         | 8.6          |
| Rural                             | 435          | 423          | 2.8          | 1,261         | 1,180         | 6.9          |
| Other                             | 813          | 794          | 2.4          | 2,422         | 2,345         | 3.3          |
| <b>TOTAL</b>                      | <b>7,641</b> | <b>8,267</b> | <b>(7.6)</b> | <b>23,209</b> | <b>24,603</b> | <b>(5.7)</b> |

**Sales Comparison With Calendar Adjustment**

Considering the same calendar base, sales of electricity in the distribution segment would be reduced by 7.4% in 3Q05 and by 5.5% in 9M05.

| <b>DISTRIBUTION SEGMENT - GWh</b> | <b>3Q05</b>  | <b>3Q04</b>  | <b>Chg.%</b> | <b>9M05</b>   | <b>9M04</b>   | <b>Chg.%</b> |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|
| Residential                       | 2,173        | 2,053        | 5.8          | 6,541         | 6,172         | 6.0          |
| Industrial                        | 2,977        | 3,804        | (21.7)       | 9,062         | 11,255        | (19.5)       |
| Commercial                        | 1,243        | 1,175        | 5.8          | 3,923         | 3,605         | 8.8          |
| Rural                             | 435          | 424          | 2.6          | 1,261         | 1,178         | 7.0          |
| Other                             | 813          | 792          | 2.7          | 2,422         | 2,339         | 3.5          |
| <b>TOTAL</b>                      | <b>7,641</b> | <b>8,248</b> | <b>(7.4)</b> | <b>23,209</b> | <b>24,549</b> | <b>(5.5)</b> |

In the distribution segment, the migration of clients to free market is offset by the results of distribution companies, as there is the balancing revenue in TUSD amounting to R\$ 127.6 million in 3Q05 and R\$ 333.9 million in 9M05, a 111.2% and 122.4% growth, respectively.

**TUSD Sales Comparison With Calendar Adjustment**

The energy sold to clients in the free market in the group's distribution companies concession area totaled 1,864 GWh in 3Q05 and 5,079 GWh in 9M05, representing 92.8% and 123.7% increases, respectively.

| <b>DISTRIBUTION SEGMENT - GWh</b> | <b>3Q05</b>  | <b>3Q04</b> | <b>Chg.%</b> | <b>9M05</b>  | <b>9M04</b>  | <b>Chg.%</b>  |
|-----------------------------------|--------------|-------------|--------------|--------------|--------------|---------------|
| Residential                       | -            | -           | -            | -            | -            | -             |
| Industrial                        | 1,822        | 935         | 94.87        | 4,959        | 2,180        | 127.48        |
| Commercial                        | 23           | 19          | 21.05        | 67           | 50           | 34.00         |
| Rural                             | -            | -           | -            | -            | -            | -             |
| Others                            | 19           | 13          | 45.10        | 53           | 40           | 31.36         |
| <b>TOTAL</b>                      | <b>1,864</b> | <b>967</b>  | <b>92.75</b> | <b>5,079</b> | <b>2,270</b> | <b>123.72</b> |

Considering the consolidated sales in group's distribution companies (captive clients + free clients), the sales growth would have been 3.1% in 3Q05 and 5.5% in 9M05.

- Final Tariff Revision for CPFL Piratininga

In October 2005, ANEEL approved the final tariff revision for CPFL Piratininga, setting the remuneration base of the company in 9.67% .

| <b>CPFL PIRATININGA'S FINAL TARIFF REVISION ref<br/>OCT/2003</b> |                                |             |
|--|--------------------------------|-------------|
| <b>APPROVAL<br/>DATE</b>   | <b>TARIFF REVISION<br/>(%)</b> | <b>TYPE</b> |
| October 2003   | 14.68                          | Preliminary |
| October 2004   | 10.51                          | Preliminary |
| October 2005   | 9.67                           | Final       |

From the total liability of R\$ 103.1 million generated by 2003 tariff revision, CPFL Piratininga has already accounted for a loss of R\$ 71.3 million, due to adjustments made by ANEEL in 2004, and the remaining balance of R\$ 31.8 million will be recognized during this fiscal year, of which R\$ 28.6 million in 3Q05 and R\$ 3.1 million in 4Q05.

| <b>EFFECTS ON CPFL PIRATININGA'S RESULTS</b> |                       |                 |                |
|--|-----------------------|-----------------|----------------|
|  | <b>IN R\$ MILLION</b> | <b>3Q05</b>     | <b>4Q05</b>    |
| Change in 2003 Definitive Tariff Revision    |                       | (28,649)        | (3,149)        |
| Previous IRT's adjustments                   |                       | 8,632           | 127            |
| <b>Effects on gross revenue</b>              |                       | <b>(20,017)</b> | <b>(3,022)</b> |
| Effect on EBITDA                             |                       | (19,286)        | (2,912)        |
| Effect on Net Income                         |                       | (12,729)        | (1,922)        |

## **EBITDA**

EBITDA in the distribution segment was R\$ 443.4 million in 3Q05 and R\$1.242 billion in 9M05, representing a 102.6% and 43.3% growth. This performance is mainly due to:

- Tariff readjustment in distribution companies;
- Increase in TUSD revenue;
- Strict control of manageable expenses, in line with the inflation in the period.

**Net Income**

Consolidated net income in the distribution segment reached R\$ 190.2 million in 3Q05 and 501.2 million in 9M05, a growth of 1,026.1% and 385% respectively.

This increase is mainly due to the EBITDA increase and the reduction of net financial expenses.

**Main Economic Distribution Companies Financial Data****3Q05 vs. 3Q04 Comparison**

| <b>ECONOMIC - FINANCIAL DATA (*)</b> |                      |             |              |                         |             |              |             |             |              |  |
|--------------------------------------|----------------------|-------------|--------------|-------------------------|-------------|--------------|-------------|-------------|--------------|--|
|                                      | <b>CPFL PAULISTA</b> |             |              | <b>CPFL PIRATININGA</b> |             |              | <b>RGE</b>  |             |              |  |
| <b>R\$ Thousand</b>                  | <b>3Q05</b>          | <b>3Q04</b> | <b>Chg.%</b> | <b>3Q05</b>             | <b>3Q04</b> | <b>Chg.%</b> | <b>3Q05</b> | <b>3Q04</b> | <b>Chg.%</b> |  |
| Gross Revenue                        | 1,532,848            | 1,390,374   | 10.2         | 635,392                 | 506,364     | 25.5         | 582,403     | 504,626     | 15.4         |  |
| EBITDA                               | 293,594              | 202,956     | 44.7         | 96,836                  | (22,979)    | (521.4)      | 87,709      | 68,063      | 28.9         |  |
| Net Income                           | 190,245              | (20,543)    | (1,026.1)    | 47,376                  | (38,651)    | (222.6)      | 27,282      | 14,456      | 88.7         |  |

(\*) Considering 100% stake in Distribution Companies

**9M05 vs. 9M04 Comparison**

| <b>ECONOMIC - FINANCIAL DATA (*)</b> |                      |             |              |                         |             |              |             |             |              |  |
|--------------------------------------|----------------------|-------------|--------------|-------------------------|-------------|--------------|-------------|-------------|--------------|--|
|                                      | <b>CPFL PAULISTA</b> |             |              | <b>CPFL PIRATININGA</b> |             |              | <b>RGE</b>  |             |              |  |
| <b>R\$ Thousand</b>                  | <b>9M05</b>          | <b>9M04</b> | <b>Var.%</b> | <b>9M05</b>             | <b>9M04</b> | <b>Var.%</b> | <b>9M05</b> | <b>9M04</b> | <b>Var.%</b> |  |
| Gross Revenue                        | 4,389,592            | 3,849,773   | 14.0         | 1,963,185               | 1,842,270   | 6.6          | 1,626,114   | 1,436,629   | 13.2         |  |
| EBITDA                               | 771,922              | 577,070     | 33.8         | 332,199                 | 175,113     | 89.7         | 223,523     | 183,170     | 22.0         |  |
| Net Income                           | 501,167              | 103,328     | 385.0        | 161,808                 | 48,698      | 232.3        | 55,054      | 24,214      | 127.4        |  |

(\*) Considering 100% stake in Distribution Companies

**Commercialization Segment****Gross revenue**

Gross revenue of CPFL Brasil totaled R\$ 372.5 million in 3Q05 and R\$ 1.013 billion in 9M05, increasing respectively by 44.9% and 56.0%, mainly as a result of the operating growth of electricity sale for free clients and other concessionaires.





The performance in results of CPFL Brazil demonstrates the efficient performance of the commercialization company which conquered 9 clients in the free market, totaling 83 free clients in the period.

### Final Customers Sales Comparison CPFL Brasil

| <b>COMMERCIALIZATION SEGMENT -</b> |              |             |              |              |              |              |
|------------------------------------|--------------|-------------|--------------|--------------|--------------|--------------|
| <b>GWh</b>                         | <b>3Q05</b>  | <b>3Q04</b> | <b>Chg.%</b> | <b>9M05</b>  | <b>9M04</b>  | <b>Chg.%</b> |
| Residential                        | -            | -           | -            | -            | -            | -            |
| Industrial (*)                     | 1,626        | 873         | 86.3         | 4,570        | 2,115        | 116.1        |
| Commercial                         | 7            | 5           | 43.5         | 20           | 15           | 39.7         |
| Rural                              | -            | -           | -            | -            | -            | -            |
| Other                              | 19           | 13          | 45.0         | 53           | 40           | 33.1         |
| <b>TOTAL</b>                       | <b>1,652</b> | <b>891</b>  | <b>85.4</b>  | <b>4,643</b> | <b>2,169</b> | <b>114.0</b> |

(\*)Includes bilateral contracts

### EBITDA

EBITDA of CPFL Brasil totaled R\$ 49.2 million in 3Q05 and R\$ 163.7 million in 9M05, presented increases of 31.1% and 43.9% respectively, mainly due to growth in energy commercialization and related-services providing.

## **Net Income**

CPFL Brazil net income reached R\$ 34.2 million in 3Q05 and R\$ 112.3 million in 9M05, presenting growth of 38.1% and 47.8%, respectively.

## **Generation Segment**

### **Gross revenue**

Gross revenue of CPFL Geração reached R\$ 110.3 million in the 3Q05 and R\$ 319.8 million in the 9M05, a 42.3% and 31.4% growth, respectively. This growth is due to the following factors:

- i. Start up of Monte Claro HPP operations adding 88 GWh in 3Q05, generating R\$ 9.8 million revenue in 3Q05 and R\$ 28.4 million in 9M05;
- ii. Additional energy sales from CPFL Centrais Elétricas of 59 GWh in 3Q05 and 85 GWh in 9M05, corresponding to R\$ 10.5 million and R\$ 12.1 million in revenues;
- iii. Tariff readjustments on energy supply contracts: 4% on initial contracts and 11.12% on the bilateral contract between CPFL Paulista and CPFL Centrais Elétricas, both readjusted in April 2005; and 12.42% on the contract between SEMESA and FURNAS, starting in January 2005.

**EBITDA**

EBITDA of CPFL Geração totaled R\$ 88.9 million in 3Q05 and R\$ 258.4 million in 9M05, increases of 35.9% and 24.4%, respectively. This increase is basically due to the increase in revenue coming from electricity sales and due to the start-up of Monte Claro HPP which generated EBITDA of R\$ 11.4 million in the 3Q05 and R\$ 20.6 million in the 9M05.

**Net Income**

Net income in the generation segment totaled R\$ 31.8 million in 3Q05 and R\$ 87.1 million in 9M05, 124.6% and 66.5%, respectively.

**Main Events Related to the Projects**

There were two relevant events related to generation projects in October, as follows:

- i. Beginning of operations in Barra Grande HPP: on November 1, 2005, the first generation unit of the Barra Grande HPP started its commercial operations. The other units should start its operations in January and April 2006;
- ii. Start up of Campos Novos HPP's reservoir filling. The beginning of the commercial operations in the first turbine is expected for January 31, 2006. The other turbines should start operating on April 30 and July 31, 2006.

With the beginning of commercial operations of Barra Grande HPP and Campos Novos HPP, CPFL Geração will have the current installed capacity increased by 75% until the beginning of 2006.

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CPFL Energia is one of the largest private companies in the distribution, generation and commercialization of electric energy in Brazil. CPFL is the only private company in the Brazilian electric energy sector that adopted the best corporate governance practices BOVESPA Novo Mercado and also has a Level-3 ADR in NYSE - New York Stock Exchange. Our strategy is focused on the improvement of operating efficiency, on the conclusion of current generation projects and pursuing new ones, on expanding and strengthening the commercialization business, developing new value-added products and services, and on strategically positioning the company to benefit from the sector consolidation, taking advantage of our experience in integrating and restructuring other operations.

**CPFL Energia S.A.**  
**Balance Sheets as of September 30, 2005 and June 30, 2005**  
**(Stated in thousands of Brazilian Reais)**

|   | Parent Company           |                | Consolidated             |                  |
|---|--------------------------|----------------|--------------------------|------------------|
|   | September<br>30,<br>2005 | June 30, 2005  | September<br>30,<br>2005 | June 30, 2005    |
| <b>ASSETS</b>                                   |                          |                |                          |                  |
| <b>CURRENT ASSETS</b>                           |                          |                |                          |                  |
| Cash and Banks                                  | 94,214                   | 228,597        | 471,247                  | 705,219          |
| Consumers, Concessionaires and Licensees        | -                        | -              | 1,758,742                | 1,712,083        |
| Dividends and Interest on Equity                | 231,677                  | 444,994        | -                        | -                |
| Other Receivables                               | -                        | 2              | 59,853                   | 61,369           |
| Financial Investments                           | 21,814                   | 19,451         | 21,814                   | 19,451           |
| Recoverable Taxes                               | 43,339                   | 61,449         | 348,430                  | 290,135          |
| (-) Allowance for Doubtful Accounts             | -                        | -              | (43,956)                 | (53,459)         |
| Inventories                                     | -                        | -              | 9,073                    | 8,245            |
| Deferred Costs Variations                       | -                        | -              | 501,525                  | 431,998          |
| Prepaid Expenses                                | -                        | -              | 45,757                   | 47,936           |
| Derivative Contracts                            | 1,125                    | -              | 1,125                    | -                |
| Other   | -                        | -              | 118,894                  | 130,153          |
|   | <b>392,169</b>           | <b>754,493</b> | <b>3,292,504</b>         | <b>3,353,130</b> |
| <b>NONCURRENT ASSETS</b>                        |                          |                |                          |                  |
| Consumers, Concessionaires and Licensees        | -                        | -              | 446,320                  | 496,374          |
| Due from Related Parties                        | -                        | 43,329         | -                        | -                |
| Other Receivables                               | -                        | -              | 83,039                   | 99,445           |
| Escrow Deposits                                 | -                        | -              | 212,242                  | 188,375          |
| Financial Investments                           | 107,772                  | 109,209        | 108,622                  | 110,059          |
| Recoverable Taxes                               | -                        | -              | 73,150                   | 65,281           |
| Deferred Tax Credits                            | -                        | -              | 985,598                  | 1,017,109        |
| Deferred Costs Variations                       | -                        | -              | 539,591                  | 567,108          |
| Prepaid Expenses                                | -                        | -              | 22,431                   | 20,035           |
| Derivative Contracts                            | 569                      | -              | 569                      | -                |
| Other   | -                        | -              | 140,718                  | 136,565          |
|   | <b>108,341</b>           | <b>152,538</b> | <b>2,612,280</b>         | <b>2,700,351</b> |
| <b>PERMANENT ASSETS</b>                         |                          |                |                          |                  |
| Investments                                     | 4,047,736                | 3,814,991      | 2,789,633                | 2,824,587        |
| Property, Plant and Equipment                   | 87                       | -              | 4,685,552                | 4,586,959        |
| (-) Special Obligation linked to the Concession | -                        | -              | (624,451)                | (613,427)        |
| Deferred Charges                                | 202                      | 154            | 42,677                   | 41,733           |

|                     |                  |                  |                   |                   |
|---------------------|------------------|------------------|-------------------|-------------------|
|                     | <b>4,048,025</b> | <b>3,815,145</b> | <b>6,893,411</b>  | <b>6,839,852</b>  |
| <b>TOTAL ASSETS</b> | <b>4,548,535</b> | <b>4,722,176</b> | <b>12,798,195</b> | <b>12,893,333</b> |



**CPFL Energia S.A.**  
**Balance Sheets as of September 30, 2005 and June 30, 2005**  
**(Stated in thousands of Brazilian Reais)**

| <b>LIABILITIES</b>                                    | <b>Parent Company</b>             |                      | <b>Consolidated</b>               |                      |
|---|-----------------------------------|----------------------|-----------------------------------|----------------------|
|   | <b>September<br/>30,<br/>2005</b> | <b>June 30, 2005</b> | <b>September<br/>30,<br/>2005</b> | <b>June 30, 2005</b> |
| <b>CURRENT LIABILITIES</b>                            |                                   |                      |                                   |                      |
| Suppliers   | 1,161                             | 2,296                | 678,778                           | 652,827              |
| Payroll   | 3                                 | 3                    | 3,684                             | 3,377                |
| Interest on Debts                                     | -                                 | 3,195                | 52,763                            | 47,406               |
| Interest on Debentures                                | -                                 | -                    | 74,553                            | 41,795               |
| Loans and Financing                                   | -                                 | 14,102               | 790,783                           | 804,977              |
| Debentures  | -                                 | -                    | 268,960                           | 267,944              |
| Employee Pension Plans                                | -                                 | -                    | 90,391                            | 95,080               |
| Regulatory Charges                                    | -                                 | -                    | 69,554                            | 67,739               |
| Taxes and Social Contributions Payable                | 325                               | 19,485               | 626,396                           | 523,742              |
| Profit Sharing  | -                                 | -                    | 5,069                             | 7,627                |
| Dividends and Interest on Equity                      | 1,278                             | 389,059              | 10,157                            | 413,765              |
| Accrued Liabilities                                   | 10                                | 10                   | 40,289                            | 32,661               |
| Deferred Gains Variations                             | -                                 | -                    | 250,158                           | 194,797              |
| Derivative Contracts                                  | -                                 | 7,398                | 46,912                            | 65,034               |
| Other   | 59                                | 2                    | 239,097                           | 211,615              |
|   | <b>2,836</b>                      | <b>435,550</b>       | <b>3,247,544</b>                  | <b>3,430,386</b>     |
| <b>LONG-TERM LIABILITIES</b>                          |                                   |                      |                                   |                      |
| Suppliers   | -                                 | -                    | 167,979                           | 219,340              |
| Loans and Financing                                   | -                                 | 56,409               | 1,856,044                         | 2,009,509            |
| Debentures  | -                                 | -                    | 1,605,342                         | 1,613,296            |
| Employee Pension Plans                                | -                                 | -                    | 817,978                           | 805,827              |
| Taxes and Social Contributions Payable                | -                                 | -                    | 41,104                            | 64,097               |
| Reserve for Contingencies                             | -                                 | -                    | 355,687                           | 343,439              |
| Deferred Gains Variations                             | -                                 | -                    | 11,664                            | 14,360               |
| Derivative Contracts                                  | 25,200                            | 23,350               | 29,872                            | 35,083               |
| Other   | -                                 | -                    | 28,732                            | 46,175               |
|   | <b>25,200</b>                     | <b>79,759</b>        | <b>4,914,402</b>                  | <b>5,151,126</b>     |
| <b>NON-CONTROLLING<br/>SHAREHOLDERS'<br/>INTEREST</b> | <b>-</b>                          | <b>-</b>             | <b>115,750</b>                    | <b>104,954</b>       |

**SHAREHOLDERS' EQUITY**

|                          |                  |                  |                   |                   |
|--------------------------|------------------|------------------|-------------------|-------------------|
| Capital                  | 4,266,589        | 4,192,921        | 4,266,589         | 4,192,921         |
| Profit Reserves          | 13,946           | 13,946           | 13,946            | 13,946            |
| Retained Earnings        | 239,964          | -                | 239,964           | -                 |
|                          | <b>4,520,499</b> | <b>4,206,867</b> | <b>4,520,499</b>  | <b>4,206,867</b>  |
| <b>TOTAL LIABILITIES</b> | <b>4,548,535</b> | <b>4,722,176</b> | <b>12,798,195</b> | <b>12,893,333</b> |

(Convenience Translation into English from the Original Previously Issued in Portuguese)

**CPFL Energia S.A.**  
**Statement of Operations for the Quarters Ended September 30, 2005 and 2004**  
(In thousands of Brazilian reais - R\$)

| Information (Consolidated - R\$<br>thousands)  | 3rd. Quarter     |                  |                 | Nine Months        |                    |               |
|--|------------------|------------------|-----------------|--------------------|--------------------|---------------|
|  | 2005             | 2004             | Variation       | 2005               | 2004               | Variation     |
| <b>GROSS REVENUE</b>   | <b>2,763,030</b> | <b>2,359,917</b> | <b>17.1%</b>    | <b>8,015,802</b>   | <b>6,996,464</b>   | <b>14.6%</b>  |
| Electricity sales to final consumers   | 2,492,844        | 2,171,107        | 14.8%           | 7,265,683          | 6,513,348          | 11.6%         |
| Electricity sales to distributors  | 109,906          | 76,172           | 44.3%           | 324,119            | 231,043            | 40.3%         |
| Other operating revenues   | 160,280          | 112,638          | 42.3%           | 426,000            | 252,073            | 69.0%         |
| <b>DEDUCTION FROM OPERATING<br/>REVENUE</b>  | <b>(806,607)</b> | <b>(732,647)</b> | <b>10.1%</b>    | <b>(2,337,062)</b> | <b>(2,088,988)</b> | <b>11.9%</b>  |
| <b>NET OPERATING REVENUE</b>   | <b>1,956,423</b> | <b>1,627,270</b> | <b>20.2%</b>    | <b>5,678,740</b>   | <b>4,907,476</b>   | <b>15.7%</b>  |
| <b>ENERGY COST</b>   | <b>(995,771)</b> | <b>(992,687)</b> | <b>0.3%</b>     | <b>(2,941,397)</b> | <b>(2,839,602)</b> | <b>3.6%</b>   |
| Electricity Purchased for resale   | (820,256)        | (796,389)        | 3.0%            | (2,372,137)        | (2,355,002)        | 0.7%          |
| Electricity Network Usage Charges  | (175,515)        | (196,298)        | -10.6%          | (569,260)          | (484,600)          | 17.5%         |
| <b>OPERATING COST/EXPENSE</b>  | <b>(480,083)</b> | <b>(458,141)</b> | <b>4.8%</b>     | <b>(1,372,119)</b> | <b>(1,288,648)</b> | <b>6.5%</b>   |
| Personnel  | (81,321)         | (72,236)         | 12.6%           | (233,124)          | (220,983)          | 5.5%          |
| Employee Pension Plan  | (22,409)         | (53,696)         | -58.3%          | (67,227)           | (141,984)          | -52.7%        |
| Material   | (14,087)         | (9,886)          | 42.5%           | (35,696)           | (28,362)           | 25.9%         |
| Outsourced Services  | (64,130)         | (59,390)         | 8.0%            | (182,816)          | (166,758)          | 9.6%          |
| Depreciation and Amortization  | (75,460)         | (70,644)         | 6.8%            | (225,542)          | (203,398)          | 10.9%         |
| Merged Goodwill Amortization   | (2,036)          | (19,517)         | -89.6%          | (6,110)            | (58,552)           | -89.6%        |
| Fuel consumption account - CCC   | (105,104)        | (58,211)         | 80.6%           | (278,752)          | (180,622)          | 54.3%         |
| Energy development account - CDE   | (68,849)         | (49,260)         | 39.8%           | (194,476)          | (129,280)          | 50.4%         |
| Other  | (46,687)         | (65,301)         | -28.5%          | (148,376)          | (158,709)          | -6.5%         |
| <b>INCOME FROM ELECTRIC<br/>UTILITY SERVICES</b>                                     | <b>480,569</b>   | <b>176,442</b>   | <b>172.4%</b>   | <b>1,365,224</b>   | <b>779,226</b>     | <b>75.2%</b>  |
| <b>FINANCIAL INCOME<br/>(EXPENSE)</b>  | <b>(71,370)</b>  | <b>(146,278)</b> | <b>-51.2%</b>   | <b>(378,374)</b>   | <b>(477,359)</b>   | <b>-20.7%</b> |
| Expense, Net of Income   | (71,370)         | (146,278)        | -51.2%          | (297,118)          | (474,179)          | -37.3%        |
| Interest on equity   | -                | -                | -               | (81,256)           | (3,180)            | 2455.2%       |
| <b>OPERATING INCOME</b>  | <b>409,199</b>   | <b>30,164</b>    | <b>-</b>        | <b>986,850</b>     | <b>301,867</b>     | <b>226.9%</b> |
| <b>NON-OPERATING INCOME<br/>(EXPENSE)</b>  | <b>464</b>       | <b>(3,822)</b>   | <b>-</b>        | <b>(1,733)</b>     | <b>(8,568)</b>     | <b>-79.8%</b> |
| Income   | 4,406            | 1,723            | 155.7%          | 7,934              | 4,739              | 67.4%         |
| Expenses   | (3,942)          | (5,545)          | -28.9%          | (9,667)            | (13,307)           | -27.4%        |
| <b>INCOME BEFORE TAXES</b>   | <b>409,663</b>   | <b>26,342</b>    | <b>1455.2%</b>  | <b>985,117</b>     | <b>293,299</b>     | <b>235.9%</b> |
| Social Contribution  | (39,468)         | (6,657)          | 492.9%          | (97,365)           | (37,880)           | 157.0%        |
| Income Tax   | (111,334)        | (19,160)         | 481.1%          | (272,920)          | (107,031)          | 155.0%        |
| <b>INCOME BEFORE<br/>EXTRAORDINARY ITEMS<br/>MINORITY INTEREST AND<br/>REVERSALS</b> | <b>258,861</b>   | <b>525</b>       | <b>49206.9%</b> | <b>614,832</b>     | <b>148,388</b>     | <b>314.3%</b> |
| Extraordinary Item net of taxes  | (8,100)          | (8,133)          | -0.4%           | (24,420)           | (24,397)           | 0.1%          |

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|                                  |                |                |                 |                  |                  |               |
|----------------------------------|----------------|----------------|-----------------|------------------|------------------|---------------|
| Minority interest                | (10,797)       | 1,617          | -               | (31,107)         | (8,336)          | 273.2%        |
| Reversal of interest on equity   | -              | -              | -               | 81,256           | 3,180            | 2455.2%       |
| <b>NET INCOME FOR THE PERIOD</b> | <b>239,964</b> | <b>(5,991)</b> | <b>-4105.4%</b> | <b>640,561</b>   | <b>118,835</b>   | <b>439.0%</b> |
| <b>EBITDA</b>                    | <b>570,141</b> | <b>318,094</b> | <b>79.2%</b>    | <b>1,631,263</b> | <b>1,166,256</b> | <b>39.9%</b>  |

(Convenience Translation into English from the Original Previously Issued in Portuguese)

**Companhia Paulista de Força e Luz**  
**Statement of Operations for the Quarters Ended September 30, 2005 and 2004**  
(In thousands of Brazilian reais - R\$)

| Information (Consolidated - R\$<br>thousands) | 3rd. Quarter     |                    |               | Nine Months        |                    |               |
|---|------------------|--------------------|---------------|--------------------|--------------------|---------------|
|   | 2005             | 2004               | %             | 2005               | 2004               | %             |
| <b>GROSS REVENUE</b>                          | <b>2,558,849</b> | <b>2,235,185</b>   | <b>14.5</b>   | <b>7,443,388</b>   | <b>6,655,571</b>   | <b>11.8</b>   |
| Electricity Sales to Final Consumers          | 2,396,322        | 2,121,280          | 13.0          | 7,004,646          | 6,391,235          | 9.6           |
| Energy Sales to Distributors                  | 8,863            | 4,547              | 94.9          | 25,098             | 18,263             | 37.4          |
| Other   | 153,664          | 109,358            | 40.5          | 413,644            | 246,073            | 68.1          |
| <b>DEDUCTIONS FROM OPERATING REVENUES</b>     | <b>(770,156)</b> | <b>(715,704)</b>   | <b>7.6</b>    | <b>(2,239,574)</b> | <b>(2,049,063)</b> | <b>9.3</b>    |
| <b>NET OPERATING REVENUE</b>                  | <b>1,788,693</b> | <b>1,519,481</b>   | <b>17.7</b>   | <b>5,203,814</b>   | <b>4,606,508</b>   | <b>13.0</b>   |
| <b>ENERGY COST</b>                            | <b>(981,086)</b> | <b>(1,001,182)</b> | <b>(2.0)</b>  | <b>(2,932,106)</b> | <b>(2,892,446)</b> | <b>1.4</b>    |
| Electricity Purchased for Resale              | (806,071)        | (805,272)          | 0.1           | (2,364,600)        | (2,408,595)        | (1.8)         |
| Electricity Network Usage Charges             | (175,015)        | (195,910)          | (10.7)        | (567,506)          | (483,851)          | 17.3          |
| <b>OPERATING COST/EXPENSE</b>                 | <b>(454,880)</b> | <b>(429,957)</b>   | <b>5.8</b>    | <b>(1,297,517)</b> | <b>(1,214,633)</b> | <b>6.8</b>    |
| Personnel                                     | (76,314)         | (68,438)           | 11.5          | (218,646)          | (210,049)          | 4.1           |
| Employee Pension Fund                         | (22,116)         | (50,371)           | (56.1)        | (66,347)           | (137,278)          | (51.7)        |
| Material                                      | (13,129)         | (9,257)            | 41.8          | (33,571)           | (26,729)           | 25.6          |
| Outsourced Services                           | (56,483)         | (52,139)           | 8.3           | (159,780)          | (146,654)          | 9.0           |
| Depreciation and Amortization                 | (67,239)         | (63,445)           | 6.0           | (200,939)          | (181,982)          | 10.4          |
| Merged Goodwill Amortization                  | (2,036)          | (19,517)           | (89.6)        | (6,110)            | (58,552)           | (89.6)        |
| Fuel Consumption account - CCC                | (105,104)        | (58,211)           | 80.6          | (278,752)          | (180,622)          | 54.3          |
| Energy development account - CDE              | (68,849)         | (49,213)           | 39.9          | (194,476)          | (129,121)          | 50.6          |
| Other   | (43,610)         | (59,366)           | (26.5)        | (138,896)          | (143,646)          | (3.3)         |
| <b>INCOME FROM ELECTRIC UTILITY SERVICES</b>  | <b>352,727</b>   | <b>88,342</b>      | <b>299.3</b>  | <b>974,191</b>     | <b>499,429</b>     | <b>95.1</b>   |
| <b>FINANCIAL INCOME (EXPENSE)</b>             | <b>(41,740)</b>  | <b>(96,978)</b>    | <b>(57.0)</b> | <b>(272,419)</b>   | <b>(345,777)</b>   | <b>(21.2)</b> |
| Revenue                                       | 100,049          | 87,544             | 14.3          | 311,952            | 273,314            | 14.1          |
| Expense                                       | (141,789)        | (184,522)          | (23.2)        | (499,762)          | (563,801)          | (11.4)        |
| Expense, Net of Income                        | (41,740)         | (96,978)           | (57.0)        | (187,810)          | (290,487)          | (35.3)        |
| Interest on Capital                           | -                | -                  | -             | (84,609)           | (55,290)           | 53.0          |
| <b>OPERATING INCOME</b>                       | <b>310,987</b>   | <b>(8,636)</b>     | <b>-</b>      | <b>701,772</b>     | <b>153,652</b>     | <b>356.7</b>  |
| <b>NON-OPERATING INCOME (EXPENSE)</b>         | <b>485</b>       | <b>(3,825)</b>     | <b>-</b>      | <b>(1,138)</b>     | <b>(8,837)</b>     | <b>(87.1)</b> |
| Revenues                                      | 4,427            | 1,720              | 157.4         | 7,871              | 4,233              | 85.9          |
| Expenses                                      | (3,942)          | (5,545)            | (28.9)        | (9,009)            | (13,070)           | (31.1)        |
| <b>INCOME BEFORE TAXES</b>                    | <b>311,472</b>   | <b>(12,461)</b>    | <b>-</b>      | <b>700,634</b>     | <b>144,815</b>     | <b>383.8</b>  |
| Social Contribution                           | (29,176)         | (75)               | 38,801.3      | (67,427)           | (19,028)           | 254.4         |
| Income Tax                                    | (82,745)         | (928)              | 8,816.5       | (188,223)          | (52,252)           | 260.2         |
| <b>INCOME BEFORE EXTRAORDINARY ITEMS</b>      | <b>199,551</b>   | <b>(13,464)</b>    | <b>-</b>      | <b>444,984</b>     | <b>73,535</b>      | <b>505.1</b>  |

**MINORITY INTERESTS AND REVERSALS**

|                                  |                |                 |              |                  |                |              |
|----------------------------------|----------------|-----------------|--------------|------------------|----------------|--------------|
| Extraordinary Item net of taxes  | (8,079)        | (8,079)         | -            | (24,236)         | (24,236)       | -            |
| Minority Interest                | (1,227)        | 1,000           | -            | (4,190)          | (1,261)        | <b>232.3</b> |
| Reversal of interest on equity   | -              | -               | -            | 84,609           | 55,290         | <b>53.0</b>  |
| <b>NET INCOME FOR THE PERIOD</b> | <b>190,245</b> | <b>(20,543)</b> | -            | <b>501,167</b>   | <b>103,328</b> | <b>385.0</b> |
| <b>EBITDA</b>                    | <b>443,376</b> | <b>218,850</b>  | <b>102.6</b> | <b>1,242,259</b> | <b>867,143</b> | <b>43.3</b>  |

(Convenience Translation into English from the Original Previously Issued in Portuguese)

**CPFL Geração de Energia S.A.**  
**Statement of Operations for the Quarters Ended September 30, 2005 and 2004**  
(In thousands of Brazilian reais - R\$)

| Information (Consolidated - R\$<br>thousands)       | 3rd. Quarter    |                 |              | Nine Months     |                 |               |
|---|-----------------|-----------------|--------------|-----------------|-----------------|---------------|
|   | 2005            | 2004            | %            | 2005            | 2004            | %             |
| <b>GROSS REVENUE</b>                                | <b>110,280</b>  | <b>77,488</b>   | <b>42.3</b>  | <b>319,806</b>  | <b>243,295</b>  | <b>31.4</b>   |
| Electricity Sales to final consumers / distributors | 109,126         | 77,295          | 41.2         | 316,819         | 242,700         | 30.5          |
| Other   | 1,154           | 193             | 497.9        | 2,987           | 595             | 402.0         |
| <b>DECUCTION FROM OPERATING REVENUE</b>             | <b>(10,840)</b> | <b>(4,011)</b>  | <b>170.3</b> | <b>(30,793)</b> | <b>(13,501)</b> | <b>128.1</b>  |
| <b>NET OPERATING REVENUE</b>                        | <b>99,440</b>   | <b>73,477</b>   | <b>35.3</b>  | <b>289,013</b>  | <b>229,794</b>  | <b>25.8</b>   |
| <b>ENERGY COST</b>                                  | <b>(2,261)</b>  | <b>(813)</b>    | <b>178.1</b> | <b>(5,685)</b>  | <b>(3,244)</b>  | <b>75.2</b>   |
| Electricity Purchased for resale                    | (1,761)         | (736)           | 139.3        | (4,366)         | (3,034)         | 43.9          |
| Electricity Network Usage Charges                   | (500)           | (77)            | 549.4        | (1,319)         | (210)           | 528.1         |
| <b>OPERATING COST/EXPENSE</b>                       | <b>(16,725)</b> | <b>(15,513)</b> | <b>7.8</b>   | <b>(50,393)</b> | <b>(42,827)</b> | <b>17.7</b>   |
| Personnel   | (3,110)         | (2,504)         | 24.2         | (9,385)         | (7,763)         | 20.9          |
| Employee Pension Fund                               | (293)           | (1,090)         | (73.1)       | (880)           | (2,471)         | (64.4)        |
| Material  | (150)           | (148)           | 1.4          | (503)           | (744)           | (32.4)        |
| Outsourced Services                                 | (3,297)         | (3,027)         | 8.9          | (10,298)        | (6,665)         | 54.5          |
| Depreciation and Amortization                       | (8,197)         | (7,210)         | 13.7         | (24,534)        | (21,390)        | 14.7          |
| Other   | (1,678)         | (1,534)         | 9.4          | (4,793)         | (3,794)         | 26.3          |
| <b>INCOME FROM ELECTRICITY UTILITY SERVICES</b>     | <b>80,454</b>   | <b>57,151</b>   | <b>40.8</b>  | <b>232,935</b>  | <b>183,723</b>  | <b>26.8</b>   |
| <b>FINANCIAL INCOME (EXPENSE)</b>                   | <b>(29,074)</b> | <b>(30,917)</b> | <b>(6.0)</b> | <b>(91,855)</b> | <b>(97,304)</b> | <b>(5.6)</b>  |
| Expense. Net of Income                              | (29,074)        | (30,917)        | (6.0)        | (91,855)        | (97,304)        | (5.6)         |
| <b>OPERATING INCOME</b>                             | <b>51,380</b>   | <b>26,234</b>   | <b>95.9</b>  | <b>141,080</b>  | <b>86,419</b>   | <b>63.3</b>   |
| <b>NON-OPERATING INCOME</b>                         | <b>-</b>        | <b>3</b>        | <b>-</b>     | <b>53</b>       | <b>473</b>      | <b>(88.8)</b> |
| Income  | -               | 3               | -            | 53              | 473             | -             |
| <b>INCOME BEFORE TAXES</b>                          | <b>51,380</b>   | <b>26,237</b>   | <b>95.8</b>  | <b>141,133</b>  | <b>86,892</b>   | <b>62.4</b>   |
| Social Contribution                                 | (5,180)         | (3,193)         | 62.2         | (13,855)        | (8,467)         | 63.6          |
| Income Tax  | (14,358)        | (8,820)         | 62.8         | (40,011)        | (25,951)        | 54.2          |
| <b>INCOME BEFORE EXTRAORDINARY ITEMS</b>            | <b>31,842</b>   | <b>14,224</b>   | <b>123.9</b> | <b>87,267</b>   | <b>52,474</b>   | <b>66.3</b>   |
| Extraordinary Item net of taxes                     | (21)            | (55)            | (61.8)       | (184)           | (162)           | 13.6          |
| <b>NET INCOME FOR THE PERIOD</b>                    | <b>31,821</b>   | <b>14,169</b>   | <b>124.6</b> | <b>87,083</b>   | <b>52,312</b>   | <b>66.5</b>   |
| <b>EBITDA</b>                                       | <b>88,944</b>   | <b>65,454</b>   | <b>35.9</b>  | <b>258,402</b>  | <b>208,057</b>  | <b>24.2</b>   |

This report contains forward-looking information. Such information is not only historical facts, but reflects outlook and expectations of CPFL Energia's management. Words such as believes, may, aims, estimates, cont anticipates, intends, expects and other similar words are used to indicate estimates and forecasts. Forward-looking statements and estimates include information related to results and forecasts, strategy, financing plans, market competitive environment, sector's conditions, potential growth opportunities and effects of future regulations and from competition. Such estimates and forecasts refer only to the moment they were made, and CPFL Energia has no obligation to publicly update or review any of these estimates due to new information available, future events or any other factor. Due to risks and uncertainties, estimates and forward-looking statements in this report may not materialize.



## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 9, 2005

CPFL ENERGIA S.A.

By: /s/ JOSÉ ANTONIO  
DE ALMEIDA FILIPPO

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**Name: José Antonio de  
Almeida Filippo  
Title: Chief Financial Officer  
and Head of Investor  
Relations**

## FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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