

	Cement	Energy Concessions	Highway Concessions	Engineering and Construction	Apparel and Footwear	Real Estate Development	Shipbuilding
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Cement

Energy
ConcessionsHighway
ConcessionsEngineering and
ConstructionApparel and
FootwearReal Estate
Development

Shipbuilding



Wind farm of CPFL Renováveis, in Camocim (CE)

Camargo Corrêa Group is the major private shareholder in the controlling block of CPFL Energia, the largest private company of the electric power industry in Brazil. The Group's shareholding interest is 25.6% of total stock.

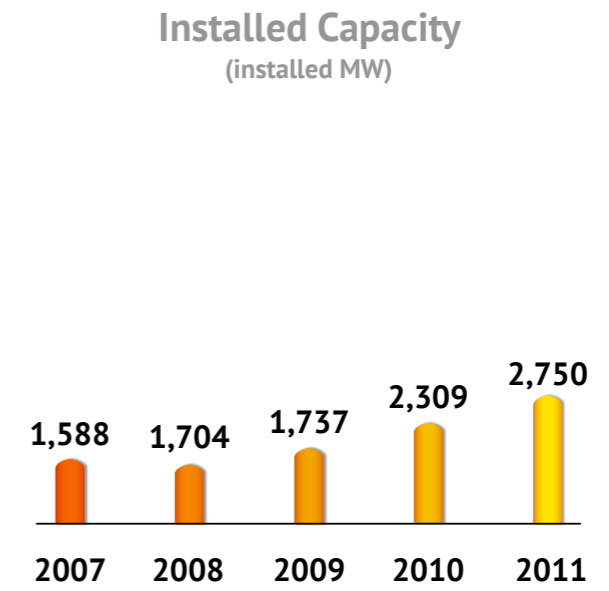
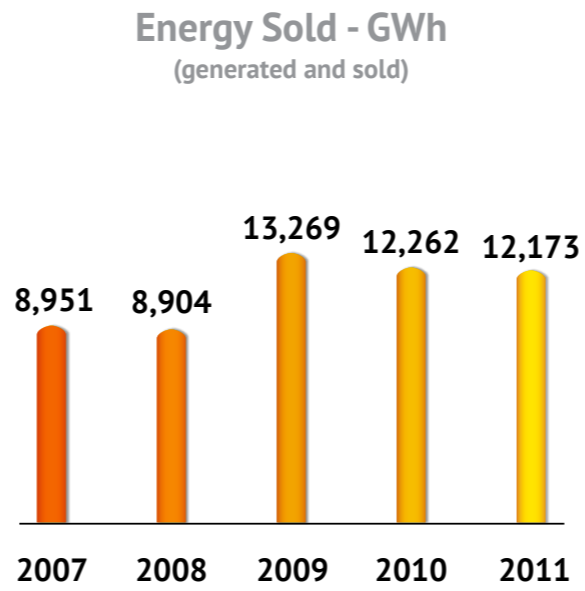
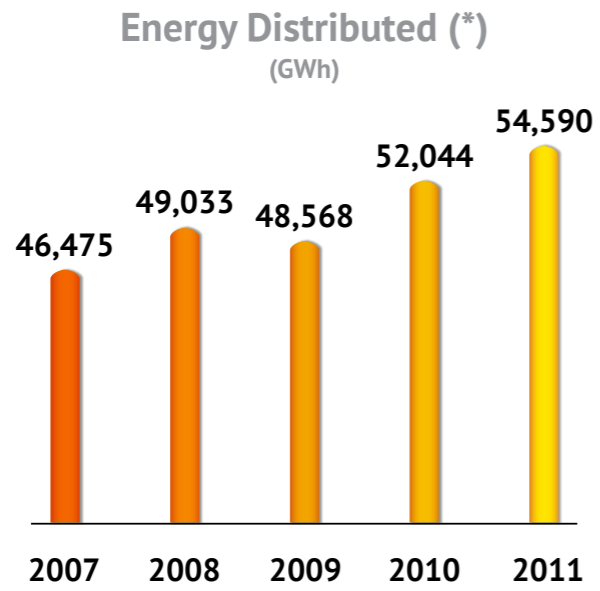
In April 2011, CPFL Energia entered a joint venture agreement with Energias Renováveis S.A. (Ersa) for renewable energy projects (units of wind energy, biomass, and small hydro plants). The venture resulted in CPFL Renováveis and was one of the major highlights of the Group in this business division. The new company was born as the largest of its industry in Latin America, with 1,417 MW of installed capacity in operation and construction, and 3,037 MW under development.

CPFL Energia is an integrated company, and through subsidiaries it distributes, generates, and sells electric power in Brazil on the captive and free markets. It is the industry's largest private company and a leader in distribution, with a market share of 13%. It operates through eight distributors in the states of São Paulo and Rio Grande do Sul, serving 7 million customers. In energy generation, its assets amount to an installed capacity of 2,750 MW.

In sales, its operations are all over the Brazilian territory by means of the subsidiary CPFL Brasil. In services, it has CPFL Serviços, CPFL Atende, and Chumpitaz Serviços.

In the year, the net revenue related to the shareholding interest held at CPFL Energia was R\$ 3,262 million, up 2.6% over the previous year. Cash flow (EBITDA) reached R\$ 1,021 million, with a 31.3% margin over the net revenue. The net profit was R\$ 298 million.

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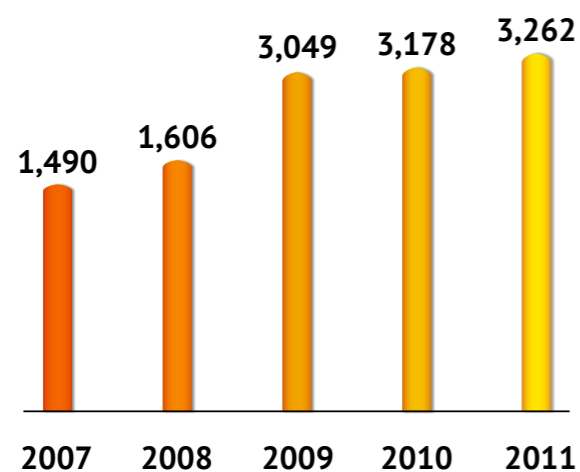
* Captive market + Use fee from Electric Distribution Systems

Cement

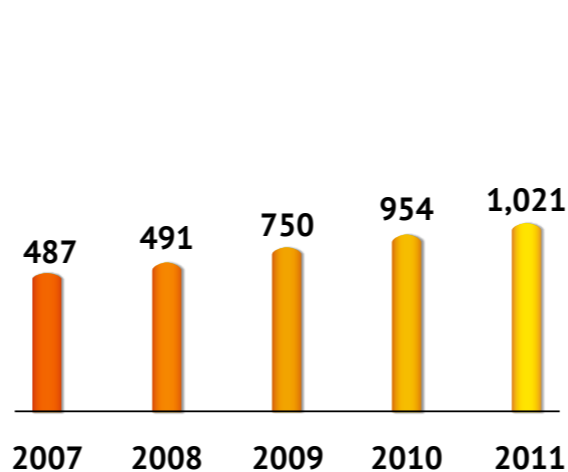
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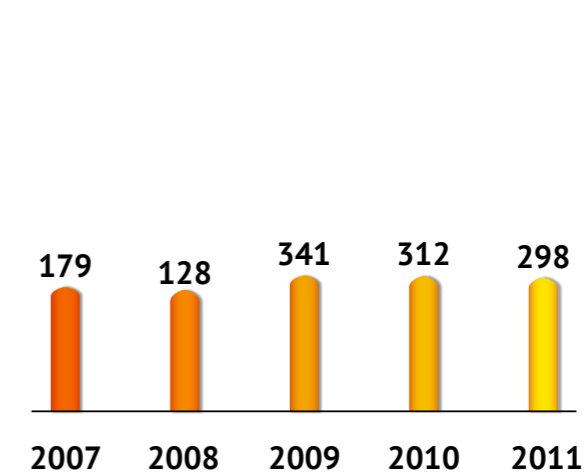
Net Revenue (R\$ million)



EBITDA (R\$ million)



Net Profit (R\$ million)



⁽¹⁾ Values proportional to Camargo Corrêa Group's shareholding interest at VBC Energia. Not inclusive of assets producing their own energy, which are comprised by Cement

Outlook

The energy industry is a strategic one in the plans of growth of Brazilian economy. In generation, priority will be given to the growth of renewable energy. In distribution, there is a trend toward ownership consolidation, where CPFL is a natural candidate to the role of consolidator due to its operating scale and excellence. The third cycle of pricing adjustment promoted by the National Agency of Electric Power (Aneel), which will contribute to reasonable fees, is likely to accelerate even further the industry's ownership consolidation by demanding from distributors a more efficient operation. CPFL is ready for this new scenario after the Transformation Program adopted in 2011. It involved the revision of processes, systems, and practices, and made the company more efficient and competitive. The priority will be to invest in security and modernization, such as smart meters and grids, with quality and customer service improvements.