Earnings

2Q14 Release

equatorial ENERGIA

Rio de Janeiro, August 8, 2014 - Equatorial Energia S.A. (BM&FBOVESPA: EQTL3) announces its results for the second quarter and first semester of 2014 (1Q14).

Equatorial is a holding company with investments in Companhia Energética do Maranhão (CEMAR), Centrais Elétricas do Pará (CELPA), Geramar and Equatorial Soluções. Equatorial holds a 65.11% interest in CEMAR, the electricity distributor for the entire state of Maranhão, and 96.18% in CELPA, the electricity distributor for the entire state of Pará. It also holds a 25% interest in Geramar, the company responsible for the construction and operation of two thermoelectric plants in Maranhão with a combined installed capacity of 330MW. In the service segment, Equatorial holds a 100% interest in Equatorial Soluções. Non-financial information relating to Equatorial Energia and its subsidiaries and the PLPT ("Light for All Program"), as well as Management's expectations regarding the future performance of the Company and its subsidiaries were not reviewed by independent auditors.

CEMAR'S DEMAND FOR ENERGY INCREASES 8.2%, AND CELPA'S, 12.5%.
CELPA'S TOTAL LOSSES OVER REQUIRED ENERGY (12 MONTHS) WERE REDUCED TO 33.0%.

1. Financial and Operating Highlights

- CEMAR's **total billed energy volume** reached 1,353 GWh in 2Q14, 8.2% higher than in 2Q13. The total volume distributed by CELPA (captive and free markets) totaled 1,979 GWh in 2Q14, representing growth of 12.5% YoY.
- **Net operating revenues (NOR)** in 2Q14 reached R$1,353 million, 21.2% higher than 2Q13's NOR.
- In 2Q14, **Consolidated Accounting EBITDA** was a negative R$73 million, against R$64 million positive in 2Q13. The Adjusted Regulatory EBITDA totaled R$242 million in the quarter, an increase of 63.5% over the same quarter last year.
- The **net result** of the quarter was loss of R$185 million against a loss of R$44 million in the 2Q13.
- In 2Q14, Equatorial's consolidated **investments** totaled R$286 million, 84.0% higher than those made in 2Q13.
- In 2Q14, CEMAR's **DEC** and **FEC** indexes (accumulated over the last 12 months) were 16.1 hours, a decrease of 20.0%, and 10.7 times, a decrease of 1.7%, compared to those observed at the end of 2Q13. In CELPA, these same indexes closed the quarter with improvements of 34.40% and 30.7%, respectively.
- In CEMAR, **energy losses** of the last 12 months ending 2Q14 represented 17.8% of the required energy, with a decrease of 0.6 percentage points compared to 18.4% recorded in 1Q14. In CELPA, total losses ended the year at 33.0% of the required energy, a decrease of 1.2 percentage points compared to the 34.2% recorded in 1Q14.
- In August 2014, the ANEEL's Executives authorized CELPA **to readjust** its rates in **34.96%** (average effect perceived by consumers), effective from August 7.
- On July 21, 2014, Equatorial's Extraordinary General Meeting approved the Company's **4th Stock Option Plan**, under which potential dilution for current shareholders will not exceed 3%.

FINANCIAL DATA (R$MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Total Net Operating Revenue	**1,117**	**1,325**	**1,353**	*21.2%*	**2,182**	**2,678**	*22.7%*
Accounting EBITDA	**64**	**144**	**(73)**	*-214.4%*	**123**	**71**	*-42.3%*
Accounting EBITDA (LTM)	**482**	**586**	**670**	*39.1%*	**482**	**670**	*39.1%*
Regulatory EBITDA	**148**	**250**	**286**	*93.6%*	**301**	**536**	*77.9%*
Regulatory EBITDA (LTM)	**625**	**749**	**887**	*42.0%*	**625**	**887**	*42.0%*
EBITDA Margin (% net revenues)	*5.7%*	*10.9%*	*-5.4%*	*-194.4%*	*5.7%*	*2.7%*	*-2,9 p.p.*
Net Income	**(44)**	**15**	**(185)**	*317.4%*	**(69)**	**(170)**	*147.2%*
Profit Margin (% net revenues)	*-4.0%*	*1.1%*	*-13.7%*	*-9,7 p.p.*	*-3.2%*	*-6.4%*	*-3,2 p.p.*
Net Income per Share (R$ / share)	**(0.41)**	**0.07**	**(0.93)**	*129.7%*	**(0.63)**	**(0.86)**	*36.1%*
Investments							
CEMAR	54	63	70	*28.4%*	132	132	*0.5%*
PLPT (CEMAR)	7	16	25	*265.4%*	12	41	*233.3%*
CELPA	90	99	146	*62.2%*	174	246	*41.5%*
PLPT (CELPA)	4	35	45	*969.8%*	7	80	*1068.4%*
Geramar	0	0	0	*-44.3%*	0	0	*-42.7%*
Total	156	213	286	*84.0%*	325	499	*53.8%*
Net Debt	**1,001**	**1,285**	**1,201**	*20.0%*	**1,001**	**1,201**	*20.0%*
Net Debt / Regulatory EBITDA (LTM)	**1.6**	**1.7**	**1.4**	*-0,2 x*	**1.6**	**1.4**	**-0,2 x**

	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Distribution							
Billed Energy (GWh)							
CEMAR	1,250	1,334	1,353	*8.2%*	2,486	2,686	*8.1%*
CELPA	1,759	1,880	1,979	*12.5%*	6,676	7,250	*8.6%*
Number of Consumers (Thousand)							
CEMAR	2,089	2,150	2,167	*3.7%*	2,089	2,167	*3.7%*
CELPA	1,965	2,074	2,106	*7.1%*	1,965	2,106	*7.1%*

CONTENTS

2. Operating Performance

The operating information contained in this section is pro forma and reflects 100% of the operations of CEMAR and 100% of the operations of CELPA.

2.1 OPERATING PERFORMANCE – CEMAR

Electric Energy Sales

In 2Q14, energy sales increased 8.2% over the same quarter of the previous year, reaching 1,353 GWh. The growth observed during the quarter was a result of the expansion of the client base of 3.7% in the quarter, the combat of energy losses and the increase in per capita consumption, reflection of the investments which are being made in Maranhão.

CONSUMPTION SEGMENTS * (MWh)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Residential	606,984	662,831	662,570	*9.2%*	1,214,527	1,325,401	*9.1%*
Industrial	112,909	120,563	119,030	*5.4%*	227,021	239,593	*5.5%*
Commercial	253,536	273,803	283,481	*11.8%*	502,243	557,284	*11.0%*
Others	276,432	276,462	287,566	*4.0%*	542,101	564,028	*4.0%*
TOTAL	**1,249,861**	**1,333,659**	**1,352,647**	***8.2%***	**2,485,892**	**2,686,306**	***8.1%***

* Does not include sales to CEPISA and own consumption.

Energy Balance

The volume of required energy by CEMAR's system came to 1,662 GWh in 2Q14, up 5.1% over the same period in the previous year. The volume of energy sold during the quarter rose 8.2% over 2Q13, a decrease of 7.0% in energy losses.

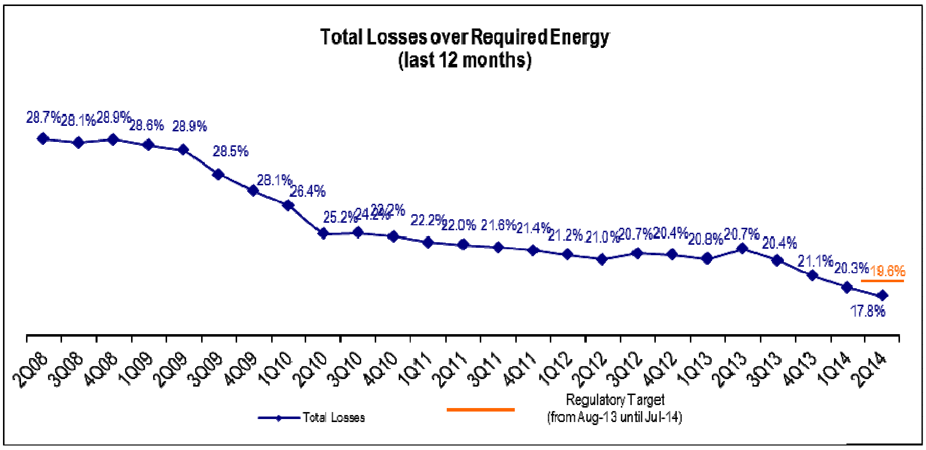
ENERGY BALANCE (MWh)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Required Energy	1,581,813	1,583,219	1,661,796	*5.1%*	3,108,429	3,245,015	*4.4%*
Sold Energy (*)	1,251,923	1,335,720	1,354,850	*8.2%*	2,489,919	2,690,570	*8.1%*
Losses	329,890	247,500	306,945	*-7.0%*	618,510	554,445	*-10.4%*

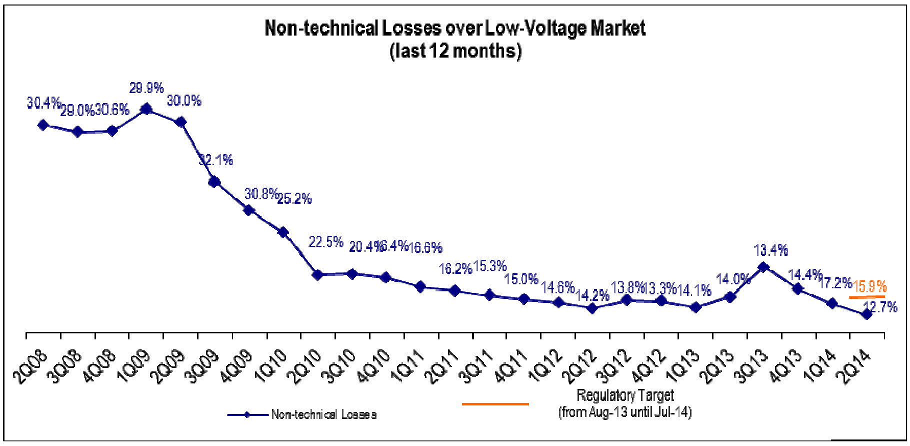
(*) Considers sale to the segments, own consumption and sales to CEPISA

Energy Distribution Losses

With the start of the implementation of new phase of the Company's Contain Losses Plan, total losses for the 12 months ending in 2Q14 represented 17.8% of the energy required, down 0.6 percentage points compared to the indicator on the end of the last quarter, whereas non-technical losses in the low-voltage market were 12.7%, a decrease of 1.0 percentage points compared to 1Q14.

Despite our belief in the further reduction of the energy losses, given that the current level is already considered low and taking into account the fact that technical losses over required energy are currently at 9.86%, it should be noted a certain maintenance in the short term, meanwhile, we are reassessing the Energy Losses Reduction Plan to further understand which should be a sustainable level in the long term.



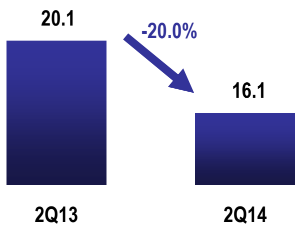


QUALITY INDICATORS – DEC AND FEC

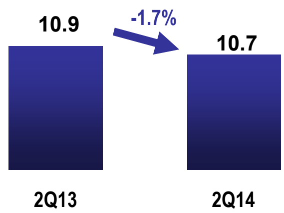
The quality and efficiency of the distribution concessionaires' networks is measured by the DEC (Duration Equivalent of Interruption per Consuming Unit that measures the equivalent length of interruptions per consumer, measured in hours per consumer for a given period) and FEC (Frequency Equivalent of Interruption per Consuming Unit, measured as the number of interruptions per consumer for a given period).

At the close of 2Q14, the 12-month DEC stood at 16.1 hours, compared to 20.1 hours at the end of 2Q13, a decrease of 20.0 %. The FEC indicator (accumulated 12-month period) at the end of 2Q14, was 10.7 times, representing a 1.7% decrease in 2Q13's rate. The continued reduction in the indicators is the result of improvements in internal processes and investments made by the Company in recent years.

DEC (hours): Last 12 months



FEC (times): Last 12 months



2.2 OPERATING PERFORMANCE – CELPA

ELECTRIC ENERGY SALES

In 2Q14, sales of energy for the captive market grew 12.5% compared to the same quarter of the previous year, reaching 1,886 GWh. This growth can be explained by the following factors: (a) The beginning in the reduction of energy losses of the Company, to the extent that part of the volume of energy consumed is billed and is also recovered from the past, (b) The heating the labor market in 2014, real income growth and credit expansion, with consequent expansion of the main segments of the commercial segment, (c) The growth observed in key industrial sectors (food, metallurgy, extraction and processing of minerals, timber and construction).

CONSUMPTION SEGMENTS * (MWh)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Residential	669,518	767,351	811,033	*21.1%*	1,299,428	1,578,383	*21.5%*
Industrial	302,887	316,695	326,518	*7.8%*	589,809	643,214	*9.1%*
Commercial	402,887	398,720	421,382	*4.6%*	774,844	820,103	*5.8%*
Others	300,736	307,361	327,397	*8.9%*	578,003	634,757	*9.8%*
TOTAL	**1,676,027**	**1,790,127**	**1,886,330**	***12.5%***	**3,242,084**	**3,676,457**	***13.4%***
Free Consumers	83,002	90,062	92,915	*11.9%*	166,859	182,977	*9.7%*
TOTAL (Captive + Free)	**1,759,030**	**1,880,189**	**1,979,245**	***12.5%***	**3,408,943**	**3,859,434**	***13.2%***

* Does not include own consumption.

In 2Q14, CELPA's charge grew by 4.8% over the same quarter last year, while domestic charges and Northern's charges varied 5.4% and 24.9%, respectively. According to the Monthly Bulletin published by ONS, the growth in the Northern's Load is due to the 3rd full quarter of Manaus' interrelation to SIN (Interrelated National System).

GWh	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Brazil's Load (*)	127,417	143,401	130,608	*2.5%*	259,852	274,009	*5.4%*
Northern's Load (*)	9,085	11,214	11,157	*22.8%*	17,905	22,371	*24.9%*
Celpa's Load (*)	2,772	2,746	2,894	*4.4%*	5,384	5,641	*4.8%*

(*) Data from Sistema Interligado Nacional
Source: NOS and CELPA

ENERGY BALANCE

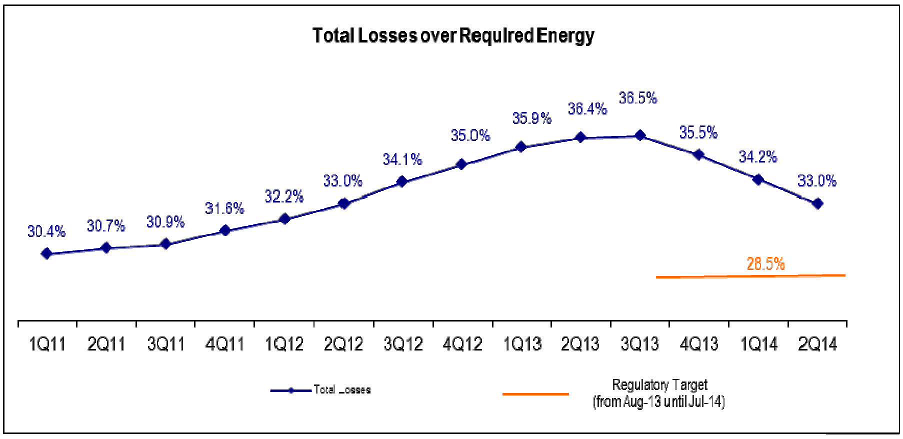
The volume of required energy by CELPA's system came to 2,894 GWh in 2Q14, up 4.4% over the same period in the previous year. The volume of energy sold during the quarter rose 12.6% over 2Q13.

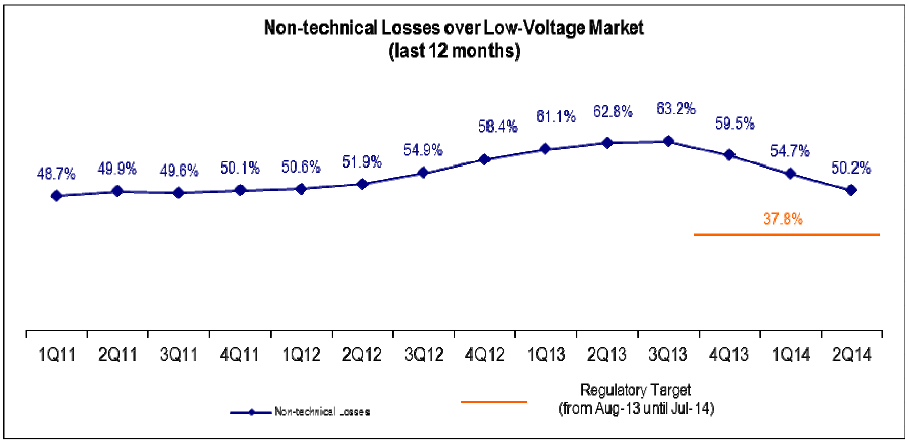
ENERGY BALANCE (MWh)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Energy Sales (Captive + Own Cc	1,682,452	1,797,659	1,894,709	*12.6%*	3,254,664	3,692,368	*13.4%*
Free Market	83,002	90,062	92,915	*11.9%*	166,859	182,977	*9.7%*
Total Losses	1,006,070	858,619	906,654	*-9.9%*	1,962,135	1,765,273	*-10.0%*
Required Energy	**2,771,524**	**2,746,340**	**2,894,278**	***4.4%***	**5,383,658**	**5,640,618**	***4.8%***
Own Generation	110,319	106,759	113,355	*2.8%*	212,951	220,114	*3.4%*
Energy Purchase (Contracts)	2,661,205	2,639,581	2,780,923	*4.5%*	5,170,707	5,420,504	*4.8%*

(*) Includes sales to the segments, own consumption and free market.

ENERGY DISTRIBUTION LOSSES

The total losses of the past 12 months ending in 2Q14 accounted for 33.0% of the required energy, while non-technical losses on the Low Voltage market reached 50.2%.

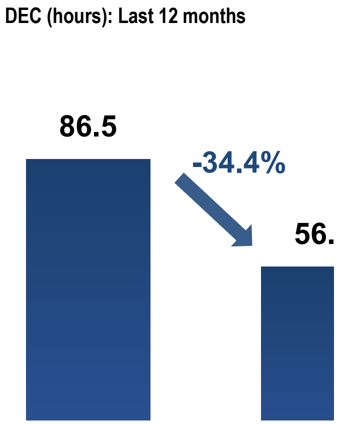


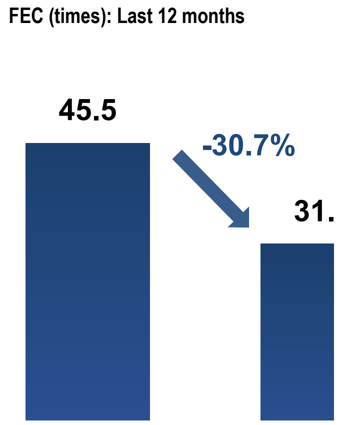


Quality Indicators – DEC and FEC

The quality and efficiency of the distribution concessionaires' networks is measured by the DEC (Duration Equivalent of Interruption per Consuming Unit that measures the equivalent length of interruptions per consumer, measured in hours per consumer for a given period) and FEC (Frequency Equivalent of Interruption per Consuming Unit, measured as the number of interruptions per consumer for a given period).

At the close of 2Q14, the 12-month DEC stood at 56.7 hours, that compared to 86.5 hours at the end of 2Q13, suffered a decrease of 34.4%. The FEC indicator (accumulated 12-month period) at the end of 2Q14, was 31.5 times, representing a 30.7% decrease in 2Q13's rate.





3. Economic-Financial Performance - Consolidated

The information in this section reflects: i) 100% of CEMAR's operations, excluding 34.89% related to minority interests before Net Income, or 65.11% of the total; ii) 100% of CELPA's operations, excluding 3.82% related to minority interests before Net Income, or 96.18% of the total and iii) 100% of Equatorial Soluções.

We highlight that, as from 1Q13, according to the Brazilian accounting rules, the results related to the 25% stake in Geramar were only consolidated in Equatorial's results in the Equity row.

3.1 ECONOMIC-FINANCIAL PERFORMANCE – CONSOLIDATED

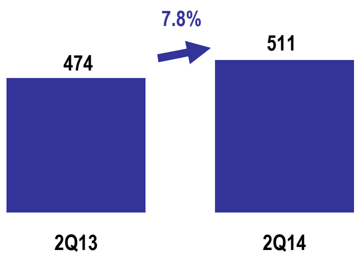
Consolidated Income Statement (R$MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Gross Operating Revenues (GOR)	1,479	1,731	1,768	*19.6%*	2,894	3,499	*20.9%*
Net Operating Revenues (NOR)	1,117	1,325	1,353	*21.2%*	2,182	2,678	*22.7%*
Electric Energy Cost	(829)	(933)	(1,191)	*43.7%*	(1,586)	(2,124)	*33.9%*
Operating Costs / Expenses	(224)	(248)	(235)	*4.7%*	(473)	(483)	*2.1%*
EBITDA	**64**	**144**	**(73)**	*N/A*	**123**	**71**	*-42.3%*
Other Revenues/Operational Expenses	(11)	(8)	(13)	*20.7%*	(28)	(21)	*-25.6%*
Depreciation	(59)	(67)	(74)	*25.9%*	(113)	(141)	*24.7%*
Service Income (EBIT)	(6)	70	(160)	*-2851.4%*	(17)	(90)	*-619.5%*
Financial Result	(64)	(23)	(58)	*10.4%*	(85)	(81)	*4.7%*
Operating Result	(70)	46	(218)	*-412.4%*	(102)	(171)	*-40.3%*
Goodwill Amortization	5	5	6	*16.5%*	7	11	*61.5%*
Earnings Before Taxes (EBT)	(65)	51	(212)	*-426.9%*	(96)	(161)	*-40.5%*
Income Tax / Social Contribution	8	(19)	14	*78.0%*	0	(6)	*N/A*
Minority Interests	13	(17)	13	*4.1%*	26	(4)	*N/A*
Net Income	**(44)**	**15**	**(185)**	*317.4%*	**(69)**	**(170)**	*147.2%*

3.2 ECONOMIC-FINANCIAL PERFORMANCE – CEMAR

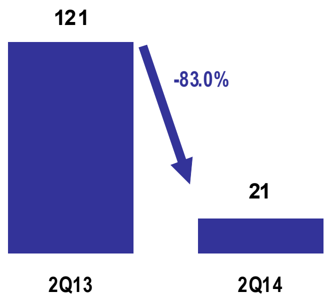
The economic and financial information in this section reflects 100% of CEMAR's operations.

CEMAR's Income Statement (R$MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Gross Operating Revenues (GOR)	614	632	654	6.4%	1,241	1,286	3.6%
Net Operating Revenues (NOR)	474	490	511	7.8%	963	1,001	3.9%
Electric Energy Cost	(257)	(325)	(395)	53.3%	(558)	(720)	29.1%
Operating Costs / Expenses	(95)	(88)	(96)	0.4%	(197)	(184)	-6.4%
EBITDA	**121**	**76**	**21**	-83.0%	**209**	**97**	-53.5%
Other Revenues/Operational Expenses	(5)	(2)	(6)	23.0%	(21)	(8)	-62.5%
Service Income (EBIT)	(19)	(17)	(15)	23.0%	(37)	(33)	13.0%
Financial Result	72	27	(31)	N/A	102	(4)	N/A
Earnings Before Taxes (EBT)	72	27	(31)	N/A	102	(4)	N/A
Income Tax / Social Contribution	8	2	10	33.3%	(4)	13	N/A
Net Income	**80**	**30**	**(21)**	N/A	**98**	**9**	-90.8%

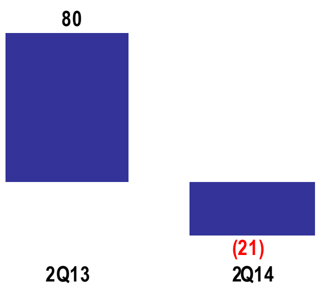
NOR (R$MM) – Quarterly



EBITDA (R$MM) - Quarterly



Net Income (R$MM) – Quarterly



3.2.1 – Operating Revenues

OPERATING REVENUE - CEMAR	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Energy Sales (MWh)*	**1,249,861**	**1,333,659**	**1,352,647**	**8.2%**	**2,485,892**	**2,686,306**	**8.1%**
Number of Clients**	**2,088,727**	**2,149,862**	**2,166,703**	**3.7%**	**2,088,727**	**2,166,703**	**3.7%**
KWh per Client	**598**	**620**	**624**	**4.3%**	**1,190**	**1,240**	**4.2%**
Gross Operating Revenue (R$ MM)	**464**	**453**	**488**	**5.2%**	**928**	**941**	**1.4%**
Residential	239	234	251	4.7%	483	485	0.3%
Industrial	35	32	33	-6.4%	70	65	-7.7%
Commercial	103	107	115	12.0%	206	223	8.1%
Others	86	80	89	3.2%	169	169	0.2%
Supply	**24**	**27**	**3**	**-88.4%**	**49**	**30**	**-38.7%**
Other Revenues	**64**	**66**	**65**	**1.4%**	**120**	**130**	**8.3%**
Low Income	49	45	45	-7.6%	98	90	-7.9%
Irrigantes	7	10	8	4.2%	7	18	143.1%
Network Usage	1	1	1	68.4%	1	2	67.2%
Other Operating Revenues	7	9	11	57.7%	14	20	47.4%
Construction Revenues	**63**	**85**	**98**	**57.0%**	**144**	**184**	**28.0%**
Deductions from Operating Revenues	**(140)**	**(141)**	**(143)**	**1.9%**	**(278)**	**(284)**	**2.4%**
Net Operating Revenues	**474**	**490**	**511**	**7.8%**	**963**	**1,001**	**3.9%**

* Does not consider own consumption and supply to CEPISA
** Excludes own consumption facilities

In 2Q14, Gross Revenue from energy sales increased 5.2%, mainly influenced by the effects of Tariff Review that took place in August 2013. The Net revenue reached R$511 million (R$413 million, excluding construction revenues), an increase of 7.8% compared to the same quarter of the previous year.

Due to the convergence of Brazilian accounting rules with international financial reporting standards (IFRS), as of 2010 revenue from construction was recognized under Gross Revenue, with an impact on NOR, but no impact on EBITDA or Net Income, as the same amount is discounted in a specific line under Non-Manageable Costs. In 2Q14, R$98 million was recognized, versus R$63 million in 2Q13.

3.2.2 – Costs and Expenses

In 2Q14, total costs and expenses, manageable and non-manageable, not including depreciation and amortization was R$497 million (R$399 million, excluding construction costs) equivalent to 97.2% of net revenues, an increase of 21.7 p.p. compared to the percentage, of 75.4% in 2Q13, largely explained by the 53.3% growth of non-manageable costs and expenses.

Manageable Operating Costs and Expenses

In 2Q14, manageable costs and expenses, including costs for Personnel, Materials, Outsourced Services and Others – PMSO, not including PDA (Provision for Doubtful Accounts), provisions for contingencies and other non-operating costs, reached R$83 million, an increase of 2.4% compared to the results presented in 2Q13.

In this quarter, personnel expenses totaled R$24 million, an increase of 8.4% compared to the results reported in 2Q13. This increase was primarily due to the higher provision for PSR (Profit Sharing and Results) and increased salaries and associated benefits arising from the collective bargaining of 5.58% in November 2013.

Expenses for materials totaled R$3 million in 2Q14, compared to the R$1 million in 2Q13, up R$2 million.

Expenses for outsourced services in 2Q14 showed a decrease of 2.0% in comparison to the results shown in 2Q13, closing the quarter at R$53 million.Among its main accounts: (i) electrical services such as duty, pruning, maintenance and cleaning services, which totaled R$14.6 million; (ii) outsourced customer service and call center services, totaling R$5.7 million in the quarter, and (iii) billing and collection services totaling R$10.8 million.

It is noteworthy that this quarter, R$1.5 million of costs with pattern sales were included, which end up being almost neutral for purposes of EBITDA since there is also revenue in the same amount being recorded in the quarter.

R$ MM	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Personnel	22	24	24	*8.4%*	44	47	*7.2%*
Profit Sharing	6	6	6	*2.7%*	11	12	*4.2%*
Material	1	3	3	*110.2%*	3	6	*97.6%*
Third Party Services	54	52	53	*-2.0%*	109	105	*-4.0%*
Others	4	4	4	*-9.8%*	8	7	*-10.8%*
PMSO	**81**	**83**	**83**	***2.4%***	**165**	**166**	***0.6%***
% Net Revenues	*19.7%*	*20.4%*	*20.1%*	*0.4 p.p.*	*17.1%*	*16.5%*	*-0.5 p.p.*
Provisions	14	6	13	*-11.0%*	32	19	*-42.4%*
PDA and Losses	11	3	9	*-17.1%*	24	11	*-52.9%*
% Gross Operating Revenue (without Construction Revenues)	1.9%	0.5%	1.6%	*-0.3 p.p.*	2.2%	1.0%	*-1.1 p.p.*
Provision for Contingencies and Others	4	3	4	*5.6%*	8	7	*-9.1%*
Other Operating Expenses/Revenues	5	2	6	*23.0%*	21	8	*-62.5%*
MANAGEABLE COSTS AND EXPENSES	**100**	**90**	**102**	***1.5%***	**218**	**192**	***-11.9%***
% Net Revenues (with Construction Revenues)	*24.4%*	*22.3%*	*24.7%*	*0.2 p.p.*	*22.7%*	*19.2%*	*-3.4 p.p.*
Purchased Energy and Transportation	190	321	328	*72.4%*	463	649	*40.3%*
Recovery of CDE Expenses	(7)	(93)	(45)	*512.3%*	(72)	(138)	*90.4%*
Connection and Network Usage Charges	11	11	12	*10.3%*	22	23	*6.1%*
Construction Costs	63	85	98	*57.0%*	144	184	*28.0%*
Other Costs	1	1	1	*-11.7%*	2	2	*-11.7%*
NON-MANAGEABLE COSTS AND EXPENSES	**257**	**325**	**395**	***53.3%***	**558**	**720**	***29.1%***
% Net Revenues (with Construction Revenues)	*62.5%*	*80.4%*	*95.6%*	*33 p.p.*	*57.9%*	*71.9%*	*1400.3%*
TOTAL	**358**	**416**	**497**	***38.8%***	**776**	**912**	***17.6%***
Total (%Rec. Líq.)	**75.4%**	**84.8%**	**97.2%**	***21.7 p.p.***	**80.6%**	**91.1%**	***10.5 p.p.***

In 2Q14, the level of Provision for Doubtful Accounts and Losses reported was R$9 million a level that was 0.3 p.p. lower than was reported for the same quarter of the previous year.

CEMAR reached a total of 1,853 clients per employee in 2Q14, a 4.0% improvement in comparison with the number presented during the same period of the previous year, of 1,782 clients per employee. With regard to the PMSO per client, there was a decrease of 1.3%, representing a cost of R$38 per client during the quarter.

3.2.3 - EBITDA

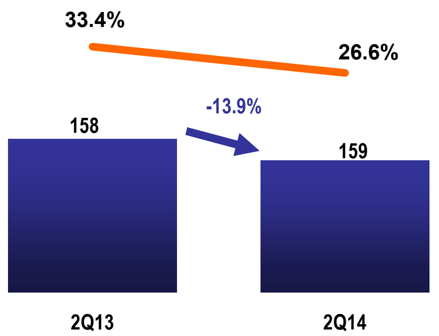
In 2Q14, the Accounting EBITDA was R$25 million, against R$121 million positive reported in the same quarter of the previous year, a 79.5% decrease. This result is strongly affected by: 1) the Tariff Review that happened in August/2013 and 2) the increase in the cost of power purchase due to the order of thermal plants and expense on purchase of energy in the short term market (CCEE) to cover the involuntary exposure of the Company, even though R$45 million are being recognized in this quarter, the accounting result through the CDE transfer.

Considering the formation or amortization of regulatory assets and liabilities, and the non-recurring adjustment due to the discount in some energy purchase bills in the quarter amounting to R$11 million, we reach the Adjusted Regulatory EBITDA of R$ 136 million in 2Q14, a 13.9% drop compared to 2Q13, due to the Tariff Review and growth in the billed energy. The mentioned discount happens due to some contract penalties being charged from the generators. In this quarter, no offsetting regulatory liability was registered, even though its compensation in the next tariff adjustment should be made.

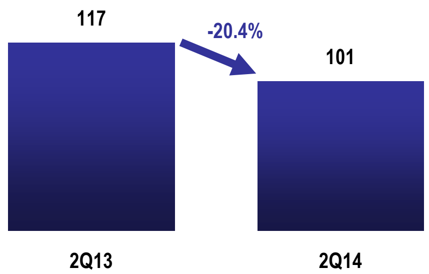
EBITDA (R$ million)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Service Income	90	45	(16)	-117.7%	139	29	-79.3%
Depreciation and Amortization	26	30	31	17.1%	49	60	24.0%
Accounting EBITDA (CVM)*	**116**	**75**	**15**	**-87.5%**	**187**	**89**	**-52.4%**
Other Operating Revenues/Expenses	5	2	6	23.0%	21	8	-62.5%
Energy Purchase Refund	-	-	(11)	N/A	-	(11)	N/A
Accounting EBITDA	**121**	**76**	**10**	**-92.0%**	**209**	**86**	**-58.7%**
Net Regulatory Assets and Liabilities	37	43	127	N/A	82	170	N/A
Regulatory EBITDA	**158**	**119**	**136**	**-13.9%**	**291**	**267**	**-12.2%**

*Calculated according to Instruction CVM 527/12

Regulatory EBITDA (R$MM) and EBITDA Margin: Quarterly



Regulatory EBITDA (R$) per MWh: Quarterly



3.2.4 – Financial Results

In 2Q14, the net financial result was negative in R$15 million, against a negative R$ 19 million in 2Q13.

The Company currently has no operations involving derivative financial instruments.

Financial Result (R$ MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Financial Income	5	18	19	288.4%	11	37	230.5%
Fine charged on Energy Sale	17	22	18	7.4%	35	40	13.5%
Other Financial Revenues	1	1	1	-2.7%	2	2	25.2%
VNR Revenue	5	-	0	N/A	12	0	N/A
Financial Revenue	**28**	**41**	**38**	**37.5%**	**60**	**79**	**32.3%**
Interest on Loans and Financing	(27)	(31)	(31)	14.1%	(54)	(62)	16.4%
Monetary and Exchanging Variations	(6)	(10)	(8)	42.6%	(7)	(18)	156.7%
Other Financial Expenses	(13)	(10)	(14)	12.9%	(35)	(24)	-29.9%
VNR Expense	(1)	(7)	-	N/A	(1)	(7)	N/A
Financial Expenses	**(47)**	**(58)**	**(54)**	**15.0%**	**(97)**	**(112)**	**15.6%**
Net Financial Result	**(19)**	**(17)**	**(15)**	**-18.7%**	**(37)**	**(33)**	**-11.5%**

3.2.5 – Income Tax and Social Contribution

At CEMAR, the calculation of Income Tax (IRPJ) and Social Contribution on Net Profits (CSLL) was positively influenced by the following items: i) the tax incentive of a 75% reduction in income tax as a result of the tax benefit from the expansion of installed capacity, obtained from the SUDENE (Superintendency for the Development of the Northeast) in December, 2005, which was extended in 2007 to include the upgrade of all installed capacity, effective through 2021; ii) tax incentives related to accelerated depreciation, obtained from the SUDENE, which allows investments in expansion and modernization of the distribution network to be considered as a fully tax-deductible expense for purposes of calculating income tax immediately (effective through 2018); and, iii) the offset of accrued losses. It should be noted that all items mentioned above are applicable only to income tax.

Effective Income Tax and Social Contribution Rate

Income Tax/ Social Contribution (R$MM)	2Q13	1Q14	2Q14	1S13	1S14
EBT (1)	**72**	**27**	**(31)**	**102**	**(4)**
Income Tax/ Social Contribution Expenses	8	2	10	(4)	13
(-) Deferred Tax Assets	(19)	(11)	(6)	(8)	(17)
= Tax Payable	**(11)**	**(9)**	**4**	**(12)**	**(4)**
(+) Fiscal Credits	8	3	(6)	9	(3)
= Tax - Cash Basis (2)	**(3)**	**(6)**	**(2)**	**(3)**	**(7)**
Effective Tax Rate = (2) / (1)	**4.4%**	**20.4%**	**-5.6%**	**3.1%**	**-183.5%**

In 2Q14, the result of income tax and social contribution was R$10 million and, considering the use of deferred tax assets and tax credits for compensation of R$6 million, the cash outflow for the payment of such taxes ended up being R$2 million.

3.2.6 – Net Income

In 2Q14, CEMAR presented a net loss of R$21 million versus an income of R$80 million in 2Q13, an increase of 61.4% mainly due to the higher cost of power purchase due to the Company's involuntary exposure to short-term market and the order of the plants.

If we register the net regulatory assets and liabilities in the quarter and the non-recurring adjustment of the contract penalties in the Company's energy purchase, we would reach an Adjusted Regulatory Net Income of R$97 million, 17.5% lower than the amount recorded in the same quarter last year, of R$118 million.

NET INCOME (R$ million)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
NET INCOME	**80**	**30**	**(21)**	***-126.0%***	**98**	**9**	***-90.8%***
Net Regulatory Assets and Liabilities	42	45	127	*200.6%*	88	173	*96.8%*
Energy Purchase Refund	-	-	(9)	*N/A*	-	(9)	*N/A*
VNR (New Replacement Value)	(4)	7	(0)	*N/A*	(11)	7	*N/A*
Regulatory NET INCOME	**118**	**82**	**97**	***-17.5%***	**175**	**179**	***2.2%***

3.3 ECONOMIC-FINANCIAL PERFORMANCE – CELPA

3.3.1 – OPERATING REVENUES

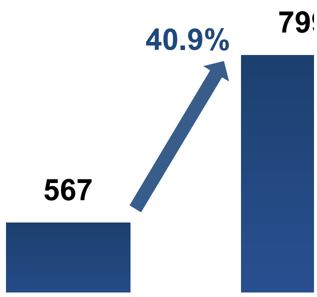
In 2Q14, Gross Revenue from energy sales increased 30.7%, influenced mainly by the 12.5% increase in sales volume and an increase in average consumption per customer around 5.1% compared to the 2Q13. Net revenue reached R$799 million (R$618 million, excluding construction revenues), an increase of 40.9% (26.1% growth without construction revenues) compared to the same quarter of the previous year.

Due to the convergence of Brazilian accounting rules with international financial reporting standards (IFRS), as of 2010 revenue from construction was recognized under Gross Revenue, with an impact on NOR, but no impact on EBITDA or Net Income, as the same amount is discounted in a specific line under Non-Manageable Costs. In 2Q14, R$181 million was recognized, versus R$77 million in 2Q13.

OPERATING REVENUE - CELPA	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Energy Sales (MWh)*	**1,676,027**	**1,790,127**	**1,886,330**	*12.5%*	**3,242,084**	**3,676,457**	*13.4%*
Number of Clients**	**1,965,496**	**2,074,251**	**2,105,752**	*7.1%*	**2,074,251**	**2,105,752**	*1.5%*
KWh per Client	**853**	**863**	**896**	*5.1%*	**1,655**	**1,759**	*6.3%*
Gross Operating Revenue (R$ MM)	**624**	**746**	**815**	*30.7%*	**1,230**	**1,561**	*26.9%*
Residential	260	344	379	*45.9%*	515	724	*40.6%*
Industrial	90	106	111	*23.5%*	179	216	*20.8%*
Commercial	175	191	211	*20.9%*	344	402	*17.1%*
Others	99	108	124	*24.6%*	192	231	*20.3%*
Supply	**55**	**27**	**9**	*-84.3%*	**55**	**36**	*-35.0%*
Other Revenues	**23**	**58**	**62**	*165.7%*	**67**	**120**	*79.5%*
Low Income	14	39	41	*190.3%*	47	80	*68.5%*
Network Usage	3	6	6	*115.5%*	7	11	*66.2%*
Other Operating Revenues	7	14	15	*132.3%*	13	29	*127.6%*
Construction Revenues	**77**	**125**	**181**	*135.8%*	**165**	**306**	*85.6%*
Deductions from Operating Revenues	**(212)**	**(251)**	**(268)**	*-26.5%*	**(419)**	**(519)**	*23.7%*
Net Operating Revenues	**567**	**705**	**799**	*40.9%*	**1,097**	**1,504**	*37.1%*

* Does not consider own consumption and supply to CEPISA
** Excludes own consumption facilities

Net Operating Revenue – Yearly (R$MM)



3.3.2. – COSTS AND EXPENSES

In 2Q14, total costs and expenses, manageable and non-manageable, not including depreciation and amortization was R$914 million (R$717 million, excluding construction costs). Much of the growth can be explained by the order of thermal plants and involuntary exposure to short-term energy market, whose average cost per MWh was higher than the contracted energy in the long term.

It is noteworthy that the cost of purchase and transportation of energy, and industry charges to Parcel A of the energy tariff, and therefore, the same variation due to variation in prices must be passed through to the Company's annual tariff readjustment index (IRT), and should not represent an economic loss for the Company.

In this quarter, we had the recognition of R$4 million from the sale of standard (box that houses the meter in the consumer unit), almost entirely in the cost of material, that end up being almost neutral for purposes of EBITDA since there is also revenue in the same amount being recorded in the quarter.

R$ MM	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Personnel	34	38	39	*16.5%*	68	77	*13.0%*
Profit Sharing	-	5	5	*N/A*	-	10	*N/A*
Material	2	5	6	*159.8%*	5	10	*99.1%*
Third Party Services	73	74	85	*16.7%*	140	159	*13.4%*
Others	3	9	-8	*134.9%*	9	18	*87.5%*
PMSO	**112**	**126**	**138**	***23.1%***	**223**	**264**	***18.4%***
Provisions	19	20	12	*-35.7%*	40	33	*-19.1%*
PDA and Losses	18	22	13	*-30.8%*	39	35	*-11.8%*
% Gross Operating Revenue (without Construction Revenues)	2.6%	2.7%	1.4%	*-1.1 p.p.*	2.9%	2.0%	*-0.8 p.p.*
Provision for Contingencies and Others	(1)	(2)	(0)	*37.6%*	(1)	(2)	*-96.1%*
Other Operating Expenses/Revenues	6	6	7	*18.7%*	7	13	*93.6%*
MANAGEABLE COSTS AND EXPENSES	**137**	**152**	**158**	***14.8%***	**270**	**310**	***14.7%***
% Net Revenues (with Construction Revenues)	*28.0%*	*26.3%*	*25.5%*	*-2.4 p.p.*	*29.0%*	*25.9%*	*-3.1 p.p.*
Power Purchased and Transportation	413	361	557	*34.9%*	724	917	*26.7%*
Charges for Connection and Network	14	19	19	*34.3%*	34	38	*11.8%*
Construction Costs	77	125	181	*135.8%*	165	306	*85.6%*
CCC Subvention	(81)	(74)	(62)	*23.7%*	(145)	(136)	*6.6%*
Feedstock for Power Generation	66	81	45	*-31.8%*	126	126	*-0.3%*
NON-MANAGEABLE COSTS AND EXPENSES	**489**	**512**	**740**	***51.4%***	**904**	**1,252**	***38.5%***
% Net Revenues (with Construction Revenues)	*84.1%*	*66.7%*	*90.5%*	*6.3 p.p.*	*79.3%*	*79.0%*	*-0.3 p.p.*
TOTAL	**626**	**664**	**898**	***43.4%***	**1,175**	**1,562**	***33.0%***

3.3.3. – EBITDA

In 2Q14, the submitted Accounting EBITDA was negative by R$92 million, primarily due to the increased recognition of cost of power purchase during the period due to involuntary exposure to short-term market and dispatch of thermal plants. In this quarter, only the costs for the month of April had the coverage of the account called ACR, knowing that the solution to the months of May and June is still under discussion.

However, for the calculation of the Regulatory EBITDA this effect is neutral, since we consider the adjustment of Net Regulatory Assets and Liabilities, reaching R$140 million in 2Q14. It is necessary, in this quarter, to adjust R$22 million for non-recurring discounts on some power purchase invoices due to the repayment of contractual fines imposed on some generators, without the consideration of the registration of an equivalent regulatory liability, despite its tariff compensation being scheduled to the next Company's readjustment. Additionally, we adjusted the non-recurring impact of the ICMS' refund to CCC, originated from the fuel purchase to supply the Isolated Systems.

Considering the Adjusted Regulatory EBITDA, we reached R$107 million in 2Q14, compared to a R$2 million loss in the same quarter last year.

EBITDA (R$ million)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Service Income	(91)	4	(142)	*-54.9%*	(141)	(137)	*-2.3%*
Depreciation and Amortization	32	37	43	*33.4%*	63	79	*25.5%*
Accounting EBITDA (CVM)*	**(59)**	**41**	**(99)**	***-66.6%***	**(77)**	**(58)**	***-25.1%***
Other Operating Revenues/Expenses	6	6	7	*18.7%*	7	13	*93.6%*
Accounting EBITDA (IFRS)	**(53)**	**47**	**(92)**	***-71.8%***	**(71)**	**(45)**	***-36.2%***
Net Regulatory Assets and Liabilities	52	66	234	*350.7%*	111	301	*169.8%*
Monetary Restatement of Reg. Assets and Liabilities	(1)	(3)	(2)	*N/A*	(7)	(6)	*-21.1%*
Regulatory EBITDA	**(2)**	**110**	**140**	***N/A***	**34**	**250**	***645.4%***
Power Purchase Adjustments	-	(19)	(22)	*N/A*	-	(41)	*N/A*
Isolated Systems Adjustments	-	-	(11)	*N/A*	-	(11)	*N/A*
Adjuested Regulatory EBITDA	**(2)**	**91**	**107**	***N/A***	**34**	**198**	***489.4%***

*Calculated according to Instruction CVM 527/12

3.3.4. – Financial Results

In 2Q14, the net financial result was negative in R$61 million, versus a loss of R$71 million in 2Q13.

Financial Result (R$ MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Financial Income	6	8	7	15.3%	7	15	108.1%
Interest Income	4	8	(3)	N/A	8	5	-40.5%
Fine charged on Energy Sale	12	16	10	-16.5%	26	27	1.5%
Discounts	-	9	(4)	N/A	-	5	N/A
Monetary Changes	1	40	20	1836.5%	25	60	145.1%
Present Value Adjustment	11	23	(22)	N/A	21	1	-95.3%
Swap Operations	3	1	3	13.6%	3	4	55.2%
Other Revenues	3	28	4	14.4%	3	32	881.2%
Financial Revenue	**41**	**134**	**14**	**-65.6%**	**92**	**148**	**60.0%**
Monetary and Exchange Variations	(31)	(28)	(6)	79.4%	(35)	(35)	0.0%
Debt Charges	(38)	(32)	(33)	15.0%	(72)	(64)	10.5%
Regulatory Fines	(13)	(26)	(9)	57.1%	(36)	(35)	4.4%
Compensatory and Late Payment Fines	(8)	0	(4)	49.7%	(11)	(4)	59.9%
Present Value Adjustment	6	(22)	22	254.0%	(0)	-	N/A
Swap Operations	(1)	(22)	(19)	1287.0%	(6)	(41)	-577.9%
Interest on Liabilities	(8)	(14)	(9)	-10.4%	(9)	(23)	-157.4%
Other Expenses	(10)	(16)	(17)	-59.1%	(10)	(33)	-238.9%
Financial Expenses	**(112)**	**(160)**	**(75)**	**33.1%**	**(178)**	**(235)**	**-32.0%**
Net Financial Result	**(71)**	**(26)**	**(61)**	**14.7%**	**(86)**	**(87)**	**-1.6%**

3.3.5. – Net Income

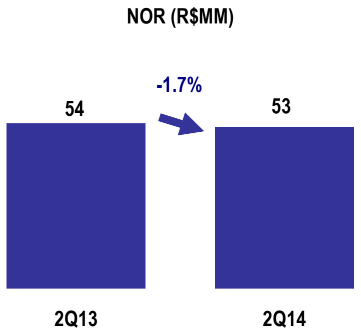
For 2Q14, CELPA's accounting net loss was R$196 million versus a loss of R$161 million recorded in 2Q13. If we consider the adjustments of Regulatory Assets/Liabilities, financial result and depreciation/amortization and the adjustments of power purchase and isolated systems (explained in item 3.3 - EBITDA), the Regulatory Net profit would be set at R$21 million, compared to the R$98 million recorded in 2Q13.

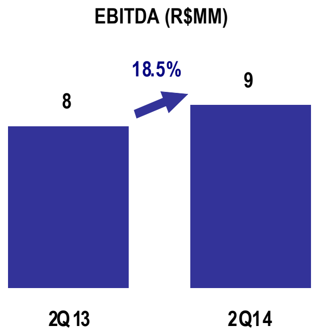
NET INCOME (R$ million)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
NET INCOME/LOSS	**(161)**	**(31)**	**(196)**	**-22%**	**(218)**	**(227)**	**4%**
Net Regulatory Assets and Liabilities	51	63	232	351%	104	295	183%
Non-Operational Result + Financial Result	4	(10)	2	-61%	10	(9)	-187%
Depreciation and Amortization	8	8	12	57%	16	19	25%
Power Purchase and Isolated Systems Adjustment	-	(16)	(28)	N/A	-	(44)	N/A
Adjusted Regulatory NET INCOME/LOSS	**(98)**	**13**	**21**	**N/A**	**(88)**	**34**	**N/A**

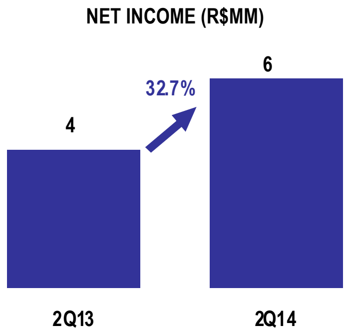
3.4 FINANCIAL AND ECONOMIC PERFORMANCE – Geramar

The information in this section reflects 25.0% of Geramar's operations

Geramar's Income Statement (R$MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
Gross Operating Revenues (GOR)	60	46	59	-1.7%	127	105	-17.7%
Net Operating Revenues (NOR)	54	42	53	-1.7%	115	95	-17.7%
Electric Energy Cost	(45)	(31)	(43)	-4.2%	(96)	(74)	-22.9%
Operating Costs / Expenses	(2)	(2)	(1)	-28.1%	(4)	(3)	-26.1%
EBITDA	**8**	**9**	**9**	18.5%	**16**	**18**	15.2%
Depreciation	(1)	(1)	(1)	3.8%	(2)	(2)	0.6%
Service Income (EBIT)	7	8	8	21.0%	14	16	17.8%
Financial Result	(2)	(1)	(1)	-12.0%	(3)	(3)	-10.9%
Earnings Before Taxes (EBT)	5	6	7	30.6%	10	13	26.1%
Income Tax / Social Contribution	(1)	(1)	(1)	18.9%	(2)	(2)	25.6%
Net Income	**4**	**5**	**6**	32.7%	**9**	**11**	26.2%







3.4.1 – Operating Revenue

In 2Q14, Net Operating Revenue (NOR) totaled R$53 million, 1.7% lower than the one recorded in 2Q13. The decrease compared to the same quarter last year is due to the non-dispatch of facilities in the last quarter.

3.4.2 – Costs and Expenses

The total expenditures by plants in 2Q14 totaled R$45 million, 4.9% lower than the one recorded in 2Q13. The decrease compared to the same quarter last year is due to the non-dispatch of facilities in the last quarter.

Operating Costs / Expenses	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
CUST + Generation Costs	45	31	43	-4.2%	96	74	-22.9%
PMSO	2	2	1	-28.1%	4	3	-26.1%
Depreciation	1	1	1	3.8%	2	2	0.6%
Geramar	**48**	**34**	**45**	***-4.9%***	**102**	**79**	***-22.5%***

3.4.3 - EBITDA

Geramar's EBITDA in 2Q14 reached R$9 million, higher by 18.5% than the reported in 2Q13, presenting better engine efficiency resulting in a slightly positive margin in the dispatch.

3.4.4 – Financial Results

The financial results for the 2Q14 was negative by R$1 million due to interest on loans contracted to finance the construction of the plants.

3.4.5 – Net Income

Geramar's net income was R$6 million this quarter, an increase of 32.7% compared to 2Q13, again presenting this better efficiency of thermal plants .

4. Regulatory Assets and Liabilities

With the integration of Brazilian accounting regulations with IFRS, regulatory assets and liabilities of the sector are no longer reported on the Company's consolidated balance sheet. However, these amounts are still used by ANEEL when calculating the Financial Components reported for the Annual Readjustment or Periodic Revision.

4.1 – CEMAR

Regulatory Assets	2Q13	3Q13	4Q13	1Q14	2Q14
Initial Balance					
CVA Constitution	**80,775**	**40,266**	**51,441**	**44,176**	**127,127**
CCC	884	-	-	-	-
CDE	-	-	-	229	697
Proinfa	6,928	-	158	640	1,135
ESS	16,494	-	-	1,204	-
Basic Network	-	945	1,489	1,863	2,356
Energy Purchases	56,470	39,321	49,793	40,239	122,939
CVA Amortization	**843**	**27,529**	**19,121**	**11,062**	**2,696**
CCC	-	716	496	286	67
CDE	125	-	-	-	-
Proinfa	397	2,487	1,739	1,023	279
ESS	281	2,790	1,886	1,019	119
Basic Network	40	-	-	-	-
Energy Purchases	0	21,536	15,000	8,735	2,232
Defict from PLPT	**2,901**	**-**	**-**	**-**	**-**
Other Subsidies	**9,127**	**26,713**	**19,171**	**98,646**	**139,218**
Other	6,156	4,383	3,521	11,255	62,514
Eletronuclear	-	10,601	7,430	4,444	1,416
MCPSE	-	11,309	7,926	4,740	1,510
MCSD Amortization	691	-	-	-	-
Overpurchase Amortization	1,924	-	-	78,031	73,722
Irrigante	355	420	294	176	56
Final Balance	**93,646**	**94,508**	**89,733**	**153,883**	**269,042**

Regulatory Liabilities	2Q13	3Q13	4Q13	1Q14	2Q14
Initial Balance					
CVA Constitution	**(4,046)**	**(3,011)**	**(2,285)**	**(26,516)**	**(14,139)**
Energy Purchase	-	-	-	-26516.2	-11085.9
Basic Network	(3,626)	-	-	-	-
ESS	-	(3,011)	(2,285)	-	(3,053)
CDE	(420)	-	-	-	-
CVA Amortization	**(1,997)**	**(3,511)**	**(2,464)**	**(1,460)**	**(418)**
Basic Network	-	(2,993)	(2,091)	(1,228)	(331)
Energy Purchases	(349)	-	-	-	-
CCC	(15)	-	-	-	-
CDE	-	(262)	(186)	(113)	(38)
ESS	-	(106)	(77)	(49)	(21)
Proinfa	(0)	(150)	**(109)**	**(70)**	**(29)**
RTE	**(1,633)**	**-**	**-**	**-**	**-**
Low Income	**(3,669)**	**-**	**-**	**-**	**-**
Parcel A Neutrality	**(1,383)**	**(6,320)**	**(4,430)**	**(2,649)**	**(844)**
Other Regulatory Liabilities	**(4,770)**	**(18,928)**	**(21,170)**	**(18,479)**	**(21,529)**
Others	-	(2,898)	(1,924)	(1,151)	(367)
Financial Exposure	(4,392)	-	(8,011)	(10,609)	(19,022)
Connection	(0)	(1)	(1)	(0)	(0)
Involuntary Exposure	-	(16,027)	(11,233)	(6,718)	(2,140)
TUSD/Guseiros Discount	(45)	(2)	(1)	(1)	(0)
Irrigante	(333)	-	-	-	-
Final Balance	**(15,865)**	**(31,771)**	**(30,348)**	**(49,105)**	**(36,931)**

Net Regulatory Assets, plus Low Income Assets and Viva Luz[1] (the latter two still booked as assets of the Company) are shown below.

Net Regulatory Assets / Liabilities	2Q13	3Q13	4Q13	1Q14	2Q14
Regulatory Assets	93,646	94,508	89,733	153,883	269,042
Regulatory Liabilities	(15,865)	(31,771)	(30,348)	(49,105)	(36,931)
Net Regulatory Assets	**77,781**	**62,737**	**59,385**	**104,779**	**232,111**
Low Income Assets + Viva Luz	38,135	35,786	30,069	35,529	34,553
Total	**115,916**	**98,523**	**89,454**	**140,308**	**266,665**

[1] Viva Luz is a program launched in 2009 by the government of the state of Maranhão whose objective is to benefit residential consumers who present a monthly consumption of less than 50 kWh, through exemption of payment of their electric power bills via a government pass through to CEMAR.

4.2 – CELPA

Regulatory Assets	2Q13	3Q13	4Q13	1Q14	2Q14
Initial Balance					
CVA Constitution	**156,602**	**60,132**	**103,659**	**73,631**	**249,247**
CCC	3,074	-	-	-	-
CDE	-	-	-	303	922
Proinfa	9,225	1,003	1,215	1,794	2,390
ESS	25,470	13,519	-	1,382	0
Basic Network	-	1,417	2,419	4,022	6,454
Energy Purchases	118,834	44,193	100,025	66,130	239,481
CVA Amortization	**1,829**	**20,953**	**18,084**	**15,303**	**12,310**
CCC	-	3,471	2,420	1,402	306
CDE	308	-	-	-	-
Proinfa	355	5,898	4,113	2,382	520
ESS	-	19	13	8	2
Basic Network	-	92	64	37	8
Energy Purchase	1,166	11,474	11,474	11,474	11,474
Differal of Tariff Replacement	**10,979**	**92,567**	**20,956**	**20,956**	**20,956**
Overpurchase	**3,021**	**-**	**-**	**143,370**	**105,763**
Other Regulatory Assets	**63,176**	**2,198**	**49,758**	**44,702**	**90,894**
Others	-	-	-	17,929	88,235
CCEAR Guarantee	-	-	414	452	497
Financial Exposure	-	2,198	1,475	787	65
Electronuclear Differential	-	-	10,025	5,347	439
Financial Recalculation Bubble	-	-	37,844	20,187	1,657
Differal of Expenditures relating to the Manual of Asset Control	33,892	-	-	-	-
Differal of Tax Credits reversal	11,874	-	-	-	-
Differal of Tax Exempt Oil	17,410	-	-	-	-
Final Balance	**235,607**	**175,850**	**192,456**	**297,962**	**479,169**

Regulatory Liabilities	2Q13	3Q13	4Q13	1Q14	2Q14
Initial Balance					
CVA Constitution	**(2,590)**	**-**	**(2,689)**	**-**	**(6,583)**
Basic Network	(2,520)	-	-	-	-
ESS	-	-	(2,689)	-	(6,583)
CDE	(70)	-	-	-	-
CVA Amortization	**(2,351)**	**(2,927)**	**(2,040)**	**(1,183)**	**(258)**
Basic Network	(507)	(2,523)	(1,759)	(1,019)	(222)
Energy Purchases	(282)	(36)	(25)	(15)	(3)
CCC	(8)	-	-	-	-
CDE	-	(363)	(253)	(147)	(32)
ESS	(1,553)	-	-	-	
Proinfa	-	(5)	(3)	(2)	(0)
Parcel A Neutrality	**(1,736)**	**(2,657)**	**(1,783)**	**(951)**	**(78)**
CVA Energy Purchase Cost	**-**	**-**	**(31,699)**	**(16,909)**	**(1,388)**
CCC Refund	**(5,244)**	**(71,318)**	**(30,762)**	**(89,094)**	**(46,577)**
Other Regulatory Assets - Others	(5,244)	(71,318)	(583)	(65,857)	(30,981)
Others	-	-	(14,601)	(14,928)	(14,914)
Financial Exposure	-	-	(2,274)	(1,213)	(100)
RGR	-	-	(1,572)	(838)	(69)
CDE Subvention	-	-	(11,732)	(6,258)	(514)
Final Balance	**(11,921)**	**(76,902)**	**(68,972)**	**(108,137)**	**(54,885)**

Net Regulatory Assets / Liabilities	2Q13	3Q13	4Q13	1Q14	2Q14
Regulatory Assets	235,607	175,850	192,456	297,962	479,169
Regulatory Liabilities	(11,921)	(76,902)	(68,972)	(108,137)	(54,885)
Net Regulatory Assets	**223,686**	**98,948**	**123,484**	**189,825**	**424,285**

5. DEBT

In 2Q14, the consolidated gross debt, including charges, totaled R$3,351 million, reflecting the start of CELPA's consolidation which contributed with R$1,686 million of gross debt, already restructured in accordance with the approval of its Judicial Recovery Plan.

Gross Debt Maturity Timetable (100% CEMAR + 100% CELPA)[2]

	Index	Average Cost (a.a.)	Average Due Date (month/year)	Average Period (in years)	Part. (%)
CEMAR	**FOREIGN CURRENCY**	**4.2%**		**10.3**	**0.2%**
	Libor	1.4%	Apr-24	9.9	0.1%
	Fixed (US$)	6.0%	Apr-24	9.9	0.1%
	LOCAL CURRENCY				
	CEMAR	**8.9%**		**5.0**	**49.5%**
	TJLP	7.6%	Apr-19	4.9	10.8%
	CDI	10.2%	Mar-16	1.7	13.5%
	IPCA	12.4%	Jun-20	6.1	6.0%
	Fixed (R$)	6.5%	Aug-20	6.2	13.7%
	IGP-M	10.2%	Dec-23	9.6	5.0%
	FINEL(*)	11.0%	Dec-15	1.5	0.4%
	TOTAL (CEMAR)	**8.9%**		**5.0**	**49.7%**
	FOREIGN CURRENCY				
CELPA	**CELPA**	**3.9%**		**5.0**	**16.2%**
	Fixed (US$) ***	4.2%	Oct-20	6.4	10.7%
	Libor Semester	2.8%	Apr-24	9.9	0.5%
	Libor Quarter	3.3%	Nov-15	1.4	5.0%
	LOCAL CURRENCY	**7.0%**		**11.5**	**34.1%**
	TJLP	9.7%	Apr-16	1.9	0.0%
	CDI	10.9%	Jan-15	0.6	6.3%
	Fixed (R$)	5.7%	Nov-26	12.6	19.5%
	RGR	6.9%	May-23	9.0	2.1%
	IGP-M	7.2%	Sep-34	20.5	6.1%
	TOTAL (CELPA)	**5.3%**		**10.8**	**100.0%**
	TOTAL	**7.1%**		**7.9**	**100.0%**

* Considers 100% of CELPA and 100% of CEMAR
** Index which represents 20% of IGP-M + from 9,4% to 12% a.a.
*** Debt with swap for CDI

Maturity	CEMAR	CELPA	Consolidated	% of Total
Short Term	447	395	841	25.1%
Long Term	1,219	1,291	2,510	74.9%
2015	152	185	337	10.1%
2016	205	11	216	6.4%
2017	186	10	196	5.9%
2018	217	8	225	6.7%
After 2018	458	1,077	1,536	45.8%
Gross Debt	**1,666**	**1,686**	**3,351**	**100.0%**
Cash	630	422	1052	
Holding (Cash Position)			274	
Equatorial Soluções (Cash Position)			37	
Net Regulatory Assets + Subrogation CCC	267	613	880	
Net Debt	**769**	**650**	**1,109**	

Below is the breakdown of 25% of Geramar's Debt, which is not being consolidated in Equatorial as from 1Q13.

	Index	R$ Thousands (*)	Average Cost (a.a.)	Average Due Date (month/year)	Average Period (in years)	Part. (%)
GERAMAR	**LOCAL CURRENCY**					
	TJLP	76,595	9.2%	Dec-25	11.5	78.8%
	Fixed (R$)	20,563	10.0%	Dec-26	12.7	21.2%
	TOTAL (Geramar)	**97,158**	**9.3%**		**11.7**	**100.0%**

Below we included an opening situation of CELPA's Gross Debt, reflecting the new indices and deadlines approved in its Judicial Recovery Plan.

Gross Debt Breakdown – CELPA 100%

Maturity	2Q14	%
Short Term	**395**	**23.4%**
Long Term	**1,291**	**76.6%**
2015	185	11.0%
2016	11	0.7%
2017	10	0.6%
2018	8	0.5%
2019	12	0.7%
2020	8	0.5%
2021	29	1.7%
2022	56	3.3%
2023	52	3.1%
2024	88	5.2%
2025	48	2.9%
2026	27	1.6%
2027	73	4.3%
2028	158	9.4%
2029	72	4.3%
After 2029	455	27.0%
TOTAL	**1,686**	**100.00%**

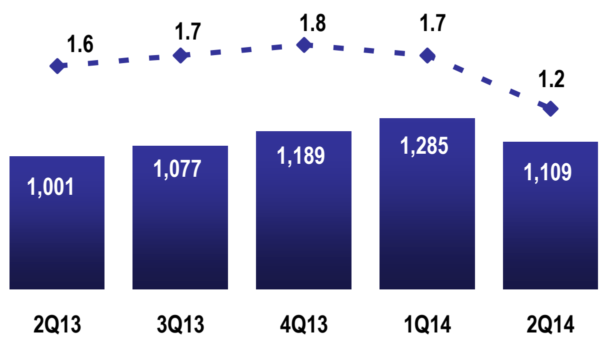
Index	2Q14	Average Cost (a.a.)	Average Due Date (month/year)	Average Period (in years)	Part. (%)
Fixed (US$)*	359	4.2%	Oct-20	6.4	21.3%
Libor Semester	17	2.8%	Apr-24	9.9	1.0%
Libor Quarter	169	3.3%	Nov-15	1.4	10.0%
Foreign Currency	**544**	**3.9%**		**5.0**	**32.3%**
TJLP	1	9.7%	Apr-16	1.9	0.1%
CDI	212	10.9%	Jan-15	0.6	12.5%
Fixed (R$)	654	5.7%	Nov-26	12.6	38.8%
RGR	71	6.9%	May-23	9.0	4.2%
IGP-M	203	7.2%	Sep-34	20.5	12.1%
Local Currency	**1,142**	**7.0%**		**11.5**	**67.7%**
TOTAL	**1,686**	**6.0%**		**9.4**	**100.0%**

*Debt with Swap for CDI

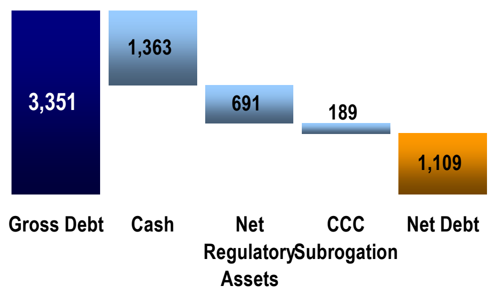
After the restructuring, we believe that the CELPA's debt maturity profile is comfortable, since only 23.4% (or R$395 million) mature in the short-term, slightly lower than the cash availability amounted to R$422 million at the end of 2Q14, and 76.6% (or R$1,291 million) are due only as from the second quarter of 2015. The average cost of debt is currently at 6.0%, equivalent to 62% of CDI in the last 12 months.

Net debt, including cash and cash equivalents and net regulatory assets and CCC subrogation, amounted to R$1,109 million at the close of 2Q14, a decrease of 13.7% compared to the closing of 1Q14.

Net Debt (R$MM)(*) and Net Debt/ EBITDA (Last 12 months)
Consolidated (100% CEMAR + 100% CELPA)

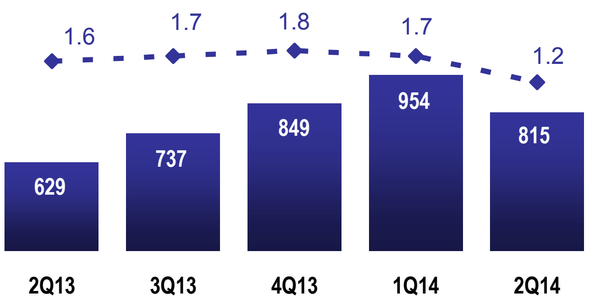


Net Debt reconciliation (R$MM)
Consolidated (100% CEMAR + 100% CELPA)

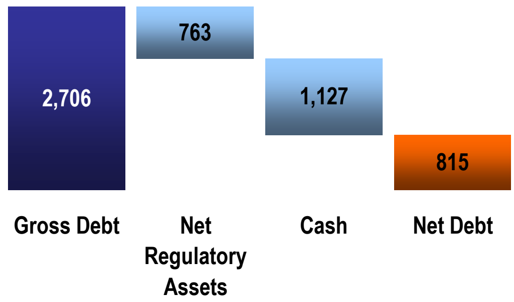


Total consolidated net debt, adjusted for Equatorial's interest in CEMAR (65.11%) and CELPA (96.18%), totaled R$815 million in June 2014, representing a ratio of 1.2x consolidated EBITDA for the last 12 months.

Net Debt (R$MM)(*) and Net Debt/ EBITDA (Last 12 months)
Consolidated (65.11% CEMAR + 96.18% CELPA)



Net Debt reconciliation (R$MM)
Consolidated (65.11% CEMAR + 96.18% CELPA)



6. Capital Expenditures

Information relating to Capex made in the period reflects 100% of CEMAR's and CELPA's figures and 25% of Geramar's.

INVESTIMENTS(R$MM)	2Q13	1Q14	2Q14	Chg.	1S13	1S14	Chg.
CEMAR							
Own (*)	54	63	70	*28.4%*	132	132	*0.5%*
PLPT	7	16	25	*265.4%*	12	41	*233.3%*
Total	**61**	**79**	**95**	***55.0%***	**144**	**173**	*20.4%*
CELPA							
Own (*)	90	99	146	*62.2%*	174	246	*41.5%*
PLPT	4	35	45	*969.8%*	7	80	*1068.4%*
Total	**95**	**134**	**192**	***102.8%***	**180**	**326**	*80.5%*
Geramar							
Generation	0	0	0	*-44.3%*	0	0	*-42.7%*
TOTAL EQUATORIAL	**156**	**213**	**286**	**84.0%**	**325**	**499**	**53.8%**

(*) Including indirect Light For All investments

6.1 – CEMAR

CEMAR's investments, not including direct investment related to PLPT totaled R$70 million in 2Q14, a decrease of 28.4% compared to 2Q13

Investments in the Light for All Program - PLPT

At the end of 2Q14, 326 thousand customers were connected to CEMAR's electric power distribution network through the PLPT providing direct benefits to almost 1.6 million inhabitants of the state of Maranhão. The PLPT has now reached all 217 municipalities in Maranhão, contributing to the development of isolated areas in urban metropolitan areas and to the generation of income in these communities. Throughout 2Q14, direct investment in PLPT, including spending on materials, freight and third party services, was R$25 million, 265.4% higher than the investment made in the same quarter last year.

6.2 – CELPA

CELPA's investments, not including direct investment related to PLPT totaled R$146 million in 2Q14, representing an increase of 62.2% compared to the number reported in 2Q13.

Investments in the Light for All Program – PLPT

At the end of 2Q14, 352 thousand customers were connected to CELPA's electric power distribution network through the PLPT providing direct benefits to almost 1.7 million inhabitants of the state of Pará. The PLPT has now reached all 144 municipalities in Pará, contributing to the development of isolated areas in urban metropolitan areas and to the generation of income in these communities. Throughout 1Q14, direct investment in PLPT, including spending on materials, freight and third party services, was R$45 million.

6.3 – Geramar

The capital expenditures presented in 2Q14 mainly refer to plant maintenance, because its construction phase was fully concluded in 1Q10.

7. Subsequent Events

2014's Tariff Adjustment – CELPA

Through Homologation Resolution No. 1,769, of 05/08/2014, ANEEL approved the average Tariff Adjustment Index (IRT) of 26.14% (economic), however, considering the net effect of the inclusion of the Financial Components in the tariff, the average effect perceived by the consumer effect will be 34.96%.

The Agency also approved, by transfer of the CDE, the monthly value of R$4.813 million (from August/2014 to July/2015), referring to reasonable tariffs and tariff discounts, in accordance with the provisions of Decree No. 7891/2013.

The rate increase is effective from August 7, 2014 to August 6, 2015.

Stock Option Plan's Approval

Was approved at the Company's Extraordinary General Meeting held on July 21, 2014, the Company's Stock Option Plan ("Plan") for the officers and employees of the Company or of other companies under its control and aiming to allow stimulate growth, success and the achievement of the Company's social objectives by aligning the interests of Equatorial's shareholders with the eligible people's and enabling the Company or other companies under its control to attract and retain the eligible people linked to the Company. Options granted under the Plan will respect the limit of 3% of the shares representing the Company's total capital stock.

8. Capital Market

Equatorial Energia's shares closed 2Q14 at R$25.14, 22.9% lower than the R$23.15 price at the end of 1Q14. If compared with the closing of 2Q13, the valuation in 1 year period was 36.5%.

The Company's average daily trading volume was R$19.7million in the last 60 sessions ending June 30, 2014. Equatorial's shares are traded on the BM&FBOVESPA's Novo Mercado trading segment and are part of the following indexes: IEE, ITAG and IGC.

9. Services Provided By The Independent Auditors

The Company did not contract Ernst & Young Auditores Independentes, its external auditors, for any other services beyond the independent audit and those services required by ANEEL. The Company's contracting policy is designed to ensure the independence of the auditors in line with the prevailing regulations. Essentially, these determine that the auditors may not audit their own work, exercise any managerial function for their clients or promote their clients' interests.

The following information was not reviewed by the independent auditors: i) CEMAR's and CELPA's operating information (including that related to the Light for All Program PLPT); ii) pro-forma financial information and its comparison with the corporate results presented in the period; and; iii) Management's expectations regarding the future performance of the companies.

10. Conference Call

Conference Call in English
Monday, August 11, 2014
12 noon (Brasília time)
11 a.m. (New York time)
Telephones: +1 786 924-6977
Code: Equatorial

Conference Call in Portuguese
Monday, August 11, 2014
2 p.m. (Brasília time)
1 p.m (New York time)
Telephone: +55 11 3193-1001
Code: Equatorial

- Participants should connect approximately 10 minutes before the start of the call.
- **Slides and Webcast**: The presentation slides will be available for viewing and download on the Investor Relations section of our website http://www.equatorialenergia.com.br/ri as of the date of the calls. The audio of the calls will be transmitted live on the Internet on the same site, remaining available after the event.

Contacts

- **Eduardo Haiama**
  CFO and Investor Relations Officer
- **Thomas Newlands**
  Investor Relations
- **Renato Parentoni**
  Investor Relations
- **Telephones**: + 0 XX (21) 3206-6635 / 6607
- **E-mail**: ri@equatorialenergia.com.br
- **Website**: www.equatorialenergia.com.br/ri

Additional Information about CEMAR and CELPA

More information or access to CEMAR's economic-financial and operational data can be found in the individual Performance Comments of the company, available through the Internet at the following address:

- **CEMAR**: www.cemar-ma.com.br/ri
- **CELPA**: www.CELPA.com.br

Disclaimer

Forward-looking statements are subject to risks and uncertainties, and are based on the expectations of Management and on the information currently available to the Company. Forward-looking statements include information on our current intentions, beliefs or expectations, as well as those of the Board of Directors and the Executive Board.
The reservations concerning forward-looking statements include information related to presumed or possible operating results, as well as declarations preceded, followed by, or including such expressions as "believe", "can", "will", "continue", "expect", "forecast", "intend", "estimate" or similar wording.

Since they refer to future events and are therefore dependent on circumstances that may or may not occur, such statements are not a guarantee of performance. Future results and the creation of shareholder value may differ substantially from those expressed or suggested by said forward-looking statements, since many of the factors determining these results are outside the Company's control.
Accounting criteria adopted:

The information contained herein is presented in consolidated figures, pursuant to Brazilian Corporate Law, based on revised financial information. The consolidated financial information represents 100% of CEMAR's results, excluding 34.89% related to minority interests, 96.18% of CELPA and 100% of Equatorial Soluções' results.

The consolidated operating information represents 100% of CEMAR's, 100% of CELPA and 100% of Equatorial Soluções' results.

ANNEX 1 – CONSOLIDATED INCOME STATEMENT (R$ MM)

INCOME STATEMENT (R$MM)	2Q13	1Q14	2Q14	1S13	1S14
GROSS OPERATING REVENUES	**1,479**	**1,731**	**1,768**	**2,894**	**3,499**
Electricity Sales to Final Consumer	1,245	1,431	1,432	2,451	2,863
Electricity Supply	79	54	11	104	66
Construction Revenues	139	210	279	308	490
Other Revenues	15	36	45	31	81
DEDUCTIONS FROM OPERATING REVENUES	**(362)**	**(406)**	**(415)**	**(712)**	**(821)**
NET OPERATING REVENUES	**1,117**	**1,325**	**1,353**	**2,182**	**2,678**
ELECTRICITY COSTS	**(829)**	**(933)**	**(1,190)**	**(1,586)**	**(2,124)**
Electricity Purchased for Resale	(663)	(691)	(879)	(1,219)	(1,570)
Transmission and Distribution Network Usage Charges	(25)	(31)	(31)	(56)	(61)
Construction Costs	(139)	(210)	(279)	(308)	(490)
Other Non-Manageable Expenses	(1)	(1)	(1)	(2)	(2)
OPERATING COSTS/EXPENSES	**(224)**	**(248)**	**(236)**	**(473)**	**(484)**
Personnel	(59)	(65)	(66)	(119)	(131)
Material	(70)	(8)	(9)	(135)	(17)
Services	(135)	(128)	(140)	(272)	(268)
Provisions	(33)	(26)	(25)	(72)	(51)
Others	73	(21)	4	125	(17)
EBITDA	**64**	**144**	**(73)**	**123**	**71**
Other Operating Revenues/Expenses	(11)	(8)	(13)	(28)	(21)
Depreciation and Amortization	(59)	(67)	(74)	(113)	(141)
EBIT	**(6)**	**70**	**(160)**	**(17)**	**(90)**
EQUITY INCOME	**5**	**5**	**6**	**7**	**11**
Equity Income	6	5	6	9	11
Goodwill Amortization	(1)	(0)	(0)	(2)	(1)
FINANCIAL RESULTS	**(64)**	**(23)**	**(58)**	**(85)**	**(81)**
Financial Revenue	97	185	62	205	247
Financial Expenses	(161)	(208)	(120)	(290)	(328)
RESULT BEFORE INCOME TAX	**(65)**	**51**	**(212)**	**(96)**	**(161)**
Social Contribution	(11)	(14)	5	(13)	(9)
Income Tax	(31)	(28)	2	(35)	(25)
Deferred Taxes	20	11	6	16	17
ADENE Incentive	30	12	0	31	12
PROFIT SHARING	**13**	**(17)**	**13**	**26**	**(4)**
NET INCOME	**(44)**	**15**	**(185)**	**(69)**	**(170)**

ANNEX 2 – REGULATORY X ACCOUNTING – CEMAR AND CELPA

► CEMAR

INCOME STATEMENT PER COMPANY (R$ MM)	2Q13 Regulatory	Adjustments	2Q13 IFRS	2Q14 Regulatory	Adjustments	2Q14 IFRS
GROSS OPERATING REVENUES	**530,620**	**83,797**	**614,417**	**565,521**	**88,367**	**653,888**
Electricity Sales to Final Consumer	499,118	22,020	521,138	551,324	(10,316)	541,008
Electricity Supply	24,910	(815)	24,095	2,402	386	2,788
Emergency Capacity Charges	(846)	-	(846)	0	-	0
Construction Revenues	-	62,592	62,592	-	98,297	98,297
Other Revenues	7,438	-	7,438	11,796	-	11,796
DEDUCTIONS FROM OPERATING REVENUES	**(140,467)**	**368**	**(140,099)**	**(142,284)**	**(463)**	**(142,747)**
NET OPERATING REVENUES	**390,153**	**84,165**	**474,318**	**423,237**	**87,904**	**511,141**
ELECTRICITY COSTS	**(136,213)**	**(121,197)**	**(257,410)**	**(176,574)**	**(218,067)**	**(394,641)**
Electricity Purchased for Resale	(131,745)	(58,605)	(190,350)	(208,433)	(119,771)	(328,204)
Transmission and Distribution Network Usage Charges	(10,692)	-	(10,692)	(11,790)	-	(11,790)
Construction Costs	-	(62,592)	(62,592)	-	(98,297)	(98,297)
Recovery of expenses (CDE)	7,281	-	7,281	44,582	-	44,582
Other non-manageable expenses	(1,056)	-	(1,056)	(932)	-	(932)
OPERATING COSTS/EXPENSES	**(95,458)**	**-**	**(95,458)**	**(99,260)**	**3,456**	**(95,803)**
Personnel	(21,797)	-	(21,797)	(23,761)	123	(23,638)
Material	(1,447)	-	(1,447)	(3,313)	271	(3,041)
Services	(53,614)	-	(53,614)	(55,568)	3,046	(52,522)
Provisions	(14,381)	-	(14,381)	(12,797)	-	(12,797)
Others	(4,219)	-	(4,219)	(3,821)	16	(3,805)
EBITDA	**158,482**	**(37,032)**	**121,450**	**147,403**	**(126,707)**	**20,697**
Other Operating Revenue/Expenses	(5,000)	-	(5,000)	(6,151)	-	(6,151)
Depreciation and Amortization	(26,072)	-	(26,072)	(30,527)	-	(30,527)
SERVICE INCOME	**127,410**	**(37,032)**	**90,377**	**110,725**	**(126,707)**	**(15,982)**
FINANCIAL INCOME	**(17,707)**	**(945)**	**(18,652)**	**(14,903)**	**(260)**	**(15,163)**
Financial Revenue	21,289	6,701	27,990	35,846	2,630	38,475
Financial Expenses	(38,997)	(7,646)	(46,643)	(50,749)	(2,889)	(53,638)
RESULT BEFORE INCOME TAX	**109,703**	**(37,977)**	**71,725**	**95,822**	**(126,966)**	**(31,144)**
Social Contribution	(10,949)	-	(10,949)	4,227	-	4,227
Income Tax	(29,500)	-	(29,500)	(78)	-	(78)
Deferred Taxes	18,791	-	18,791	6,229	-	6,229
SUDENE Incentive	29,500	-	29,500	78	-	78
NET INCOME	**117,545**	**(37,977)**	**79,567**	**106,277**	**(126,966)**	**(20,689)**

CELPA

INCOME STATEMENT (R$MM)	2Q13 Regulatory	Adjustments	2Q13 IFRS	2Q14 Regulatory	Adjustments	2Q14 IFRS
RECEITA OPERACIONAL	**694,030**	**(84,791)**	**778,821**	**837,011**	**(230,012)**	**1,067,023**
Electricity Sales to Final Consumer	628,028	(12,336)	640,363	819,592	(38,905)	858,496
Electricity Supply	55,082	-	55,082	(1,264)	(9,932)	8,668
Construction Revenues	-	(76,835)	76,835	-	(181,175)	181,175
Other Revenues	10,920	4,380	6,540	18,683	(0)	18,684
DEDUCTIONS FROM OPERATING REVENUES	**(212,039)**	**300**	**(211,738)**	**(267,928)**	**136**	**(267,792)**
NET OPERATING REVENUES	**481,991**	**(84,491)**	**567,083**	**569,083**	**(229,876)**	**799,231**
ELECTRICITY COSTS	**(355,845)**	**132,030**	**(487,875)**	**(276,888)**	**462,285**	**(739,173)**
Electricity Purchased for Resale	(312,099)	59,897	(371,996)	(48,406)	277,885	(326,291)
Transmission and Distribution Network Usage Charges	(78,394)	(4,701)	(73,692)	(15,864)	3,225	(19,090)
Construction Costs	-	76,835	(76,835)	-	181,175	(181,175)
Expense Recovery (CDE)	18,897	-	18,897	(230,314)	-	(230,314)
Other Non-Manageable Expenses	15,751	-	15,751	17,696	-	17,696
OPERATING COSTS/EXPENSES	**(132,617)**	**-**	**(132,617)**	**(151,835)**	**-**	**(151,835)**
Personnel	(33,584)	-	(33,584)	(39,112)	-	(39,112)
Material	(2,221)	-	(2,221)	(5,771)	-	(5,771)
Services	(73,113)	-	(73,113)	(85,345)	-	(85,345)
Provisions	(18,740)	-	(18,740)	(12,144)	-	(12,144)
Others	(4,960)	-	(4,960)	(9,464)	-	(9,464)
EBITDA	**(6,470)**	**46,939**	**(53,409)**	**140,360**	**232,137**	**(91,778)**
Other Operating Revenues/Expenses	1,789	7,675	(5,886)	(3,996)	2,993	(6,990)
Depreciation and Amortization	(24,615)	7,566	(32,181)	(31,177)	11,741	(42,918)
SERVICE INCOME	**(29,296)**	**62,181**	**(91,477)**	**105,186**	**246,871**	**(141,685)**
FINANCIAL RESULTS	**(74,582)**	**(3,481)**	**(71,101)**	**(64,806)**	**(1,300)**	**(63,505)**
Financial Revenue	41,222	651	40,571	59,328	1,651	57,676
Financial Expenses	(115,804)	(4,132)	(111,672)	(124,133)	(2,952)	(121,182)
RESULT BEFORE INCOME TAX	**(103,878)**	**58,699**	**(162,578)**	**40,381**	**245,571**	**(205,190)**
Social Contribution	-	-	-	2,369	-	2,369
Income Tax	-	-	-	6,574	-	6,574
Deferred Taxes	1,585	-	1,585	-	-	-
NET INCOME	**(102,293)**	**58,699**	**(160,993)**	**49,323**	**245,571**	**(196,248)**

ANNEX 3 – INCOME STATEMENT PER COMPANY (R$ MM)

- The following table reflects Equatorial's consolidation process, i.e. the sum of Equatorial Holding + 100% of Equatorial Soluções + 100% of CEMAR + 100% of CELPA + Eliminations.
- The "Minority Interest" line contains an adjustment so that the net income of each company in Equatorial's consolidated result reflects its real ownership interest in CEMAR of 65.11% and in CELPA of 96.18%.

INCOME STATEMENT PER COMPANY (R$MM)	Equatorial Holding	Equatorial Soluções 100%	CEMAR 100%	CELPA 96%	Eliminations	Equatorial Consolidated
GROSS OPERATING REVENUES	**-**	**47**	**654**	**1,067**	**-**	**1,768**
Electricity Sales to Final Consumer	-	48	533	862	-	1,443
Electricity Supply	-	-	3	9	-	11
Emergency Capacity Charges	-	-	-	-	-	-
Construction Revenues	-	-	98	181	-	279
Other Revenues	-	(1)	19	15	-	34
DEDUCTIONS FROM OPERATING REVENUES	**-**	**(5)**	**(143)**	**(268)**	**-**	**(415)**
NET OPERATING REVENUES	**-**	**43**	**511**	**799**	**-**	**1,353**
ELECTRICITY COSTS	**-**	**(39)**	**(395)**	**(757)**	**-**	**(1,190)**
Electricity Purchased for Resale	-	(39)	(284)	(557)	-	(879)
Transmission and Distribution Network Usage Charges	-	-	(12)	(19)	-	(31)
Construction Costs	-	-	(98)	(181)	-	(279)
Other non-manageable expenses	-	-	(1)	-	-	(1)
OPERATING COSTS/EXPENSES	**(3)**	**(2)**	**(96)**	**(134)**	**-**	**(236)**
Personnel	(2)	(1)	(24)	(39)	-	(66)
Material	(0)	(0)	(3)	(6)	-	(9)
Services	(1)	(1)	(53)	(85)	-	(140)
Provisions	-	-	(13)	(12)	-	(25)
Others	(1)	0	(4)	8	-	4
EBITDA	**(3)**	**2**	**21**	**(92)**	**-**	**(73)**
Other Operating Revenue/Expenses	-	-	(6)	(7)	-	(13)
Depreciation and Amortization	-	(0)	(31)	(43)	-	(74)
SERVICE INCOME	**(3)**	**2**	**(16)**	**(142)**	**-**	**(160)**
EQUITY INCOME	**(197)**	**-**	**-**	**-**	**203**	**6**
Equity Income	(197)	-	-	-	203	6
Goodwill Amortization	(0)	-	-	-	-	(0)
FINANCIAL INCOME	**20**	**1**	**(15)**	**(64)**	**-**	**(58)**
Financial Revenue	20	1	38	14	(12)	62
Financial Expenses	-	(0)	(54)	(77)	12	(120)
RESULT BEFORE INCOME TAX	**(181)**	**3**	**(31)**	**(206)**	**203**	**(212)**
Social Contribution	(1)	(0)	4	2	-	5
Income Tax	(3)	(1)	(0)	7	-	2
Deferred Taxes	-	-	6	0	-	6
SUDENE Incentive	-	-	0	-	-	0
PROFIT SHARING	**-**	**(1)**	**-**	**-**	**15**	**13**
NET INCOME	**(185)**	**(0)**	**(21)**	**(197)**	**217**	**(185)**

ANNEX 4 – BALANCE SHEET (R$ MM)

ASSETS (R$ MM)	2Q13	3Q13	4Q13	1Q14	2Q14
CURRENT	**3,022**	**3,085**	**3,081**	**3,164**	**3,083**
Cash and Cash Equivalents	246	228	351	344	533
Short-Term Investments	1,274	1,365	1,262	1,002	830
Consumers and Resellers	919	978	1,006	1,026	1,087
Inventory	25	24	24	26	30
Taxes Recoverable	127	144	168	139	182
Judicial Deposits	114	23	24	23	22
Fuel Purchases - CCC account	143	133	94	156	206
Energy Cost Recovery and Charges	13	19	6	285	-
Other Accounts Receivable	161	172	146	163	192
LONG TERM ASSETS	**1,969**	**1,831**	**1,834**	**1,896**	**2,047**
Consumers and Resellers	90	112	116	129	132
Taxes Recoverable	122	121	93	95	116
Judicial Deposits	215	170	140	105	110
Deferred Taxes - Income Tax / Social Contribution	19	35	31	42	48
Indemnifiable Financial Asset	1,233	1,057	1,196	1,266	1,378
Subrogation of CCC	217	231	186	187	189
Other Accounts Receivable	75	106	73	72	74
FIXED ASSETS	**4,054**	**4,187**	**4,188**	**4,231**	**4,173**
Investments	71	73	71	75	77
Goodwill	3,982	4,113	4,117	4,156	4,096
TOTAL ASSETS	**9,045**	**9,103**	**9,103**	**9,292**	**9,303**

LIABILITIES AND SHAREHOLDERS' EQUITY (R$ MM)	2Q13	3Q13	4Q13	1Q14	2Q14
CURRENT	**2,025**	**1,999**	**1,689**	**2,038**	**2,618**
Suppliers	677	613	675	928	967
Salaries	27	31	43	33	40
Dividends / Interest on Equity	91	91	42	30	32
Taxes and Social Contribution	227	245	254	295	251
Loans and Financing	562	550	169	275	841
Debentures	0	5	6	12	0
Public Lighting	20	22	33	24	22
Provision for Contingencies	42	32	40	32	25
Others	379	411	427	410	441
LONG TERM LIABILITIES	**4,355**	**4,223**	**4,567**	**4,375**	**4,006**
Taxes and Social Contribution	390	357	334	314	294
Debentures	290	291	294	299	302
Loans and Financing	2,224	2,251	2,756	2,581	2,208
Provision for Contingencies	756	638	638	637	644
Retirement Plan and Pension	34	34	26	26	26
Judicial Recovery	407	409	333	310	292
Others	255	243	187	210	241
MINORITY INTERESTS	**469**	**481**	**493**	**509**	**496**
SHAREHOLDERS EQUITY	**2,196**	**2,400**	**2,354**	**2,369**	**2,183**
Capital Stock	1,977	1,977	1,977	1,977	1,977
Profit Reserves	311	311	497	499	497
Equity Adjustment	(22)	(22)	(22)	(22)	(22)
Other Comprehensive Results	(1)	(1)	(1)	(3)	(3)
Retained Earnings/Accumulated Deficit	(69)	135	(97)	(82)	(266)
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**9,045**	**9,103**	**9,103**	**9,292**	**9,303**