

EQUATORIAL ENERGIA S.A.
CNPJ/MF nº 03.220.438/0001-73
NIRE 2130000938-8
Companhia Aberta

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD JANUARY 17, 2013

1. DATE, TIME AND PLACE: On the 17th day of the month of January 2013, at 11 a.m. in the branch office of Equatorial Energia S.A. ("Company") located at Avenida Borges de Medeiros, 633, Gr. 708, Leblon, Offices Shopping Leblon, CEP 22430-041, in the City and State of Rio de Janeiro.

2. CALL AND ATTENDANCE: The call was waived in view of the presence of all members of the Board of Directors, as follows: Firmino Ferreira Sampaio Neto, Carlos Augusto Leone Piani, Gilberto Sayão da Silva, Alessandro Monteiro Morgado Horta, Paulo Jerônimo Bandeira de Mello Pedrosa, Celso Fernandez Quintella and Alexandre Gonçalves Silva.

3. PRESIDING: Chairman – Carlos Augusto Leone Piani; Secretary – David Abdalla Pires Leal.

4. AGENDA: To discuss an increase in the Company's capital stock, through capitalization of credit, pursuant to paragraph 2, Article 171 of Law 6.404, of December 15, 1976, within the limits of its authorized capital, under the terms of Article 7 of the Company's Bylaws.

5. RESOLUTIONS: After review and discussion of the matter on the agenda, members of the Board of Directors, unanimously and without restrictions, decided to approve the increase of the Company's capital stock through the capitalization of credit, pursuant to paragraph 2, Article 171 of Law 6.404 of December 15, 1976, within the limit of the authorized capital pursuant to Article 7 of the Company's Bylaws, by the total amount of R\$ 234.757.341,00 (two hundred thirty-four million, seven hundred fifty-seven thousand, three hundred forty-one reais), to become R\$ 1,776,944,616.72 (one billion, seven hundred seventy-seven million, nine hundred forty-four thousand, six hundred and sixteen reais and seventy-two centavos), through the private issuance of 13,203,450 (thirteen million, two hundred and three thousand, four hundred and fifty) new common, nominal shares at no face value, issued at a price of R\$ 17.78 (seventeen reais and seventy-eight centavos) per share, pursuant to Article 170, paragraph 1, subsection III of Law 6.404 of December 15, 1976 ("Corporation Law"). The new shares shall have the same rights and privileges of the already existing shares, entitled to all benefits, including dividends, interest on shareholder equity and eventual capital remuneration that may be declared by the Company as of the present date.

Under the terms of the Private Credit Award Instrument signed by BNDES Participações S.A. - BNDESPAR, the Company and PCP Latin America Power S.A., with the consent of Fundo de Investimento em Participações PCP on November 8, 2012, the increase in the capital stock herein approved shall be fully paid in through the capitalization of credit belonging to BNDESPAR with the Company.

Notwithstanding the above, the shareholders of the Company who on this date owned common shares shall have preemptive rights for subscribing to the increase in capital stock as approved. The shares subscribed by shareholders through the exercising of their preemptive rights must be fully paid in upon the act of subscription, in Brazilian currency. Because this is an increase in capital stock through capitalization of a credit, the amounts paid in by the shareholders who exercise their preemptive rights will be delivered to BNDESPAR, the owner of the credit to be capitalized, as foreseen in Article 171, paragraph 2 of the Corporation Law, commensurate with the proportional delivery of the shares to those shareholders who have exercised their respective preemptive rights.

The preemptive rights may be exercised by the shareholders during a period of 30 (thirty) days, beginning on (and including) January 21 through February 19, 2013, pursuant to the Shareholders Announcement to be published by the Company detailing the procedures to be observed by those interested in subscribing to the new shares. The shares acquired as of (and including) January 18, 2013 shall not have preemptive subscription rights for the capital stock increase that is the subject of this resolution and, as of (and including) said date such shares issued by the Company shall be traded ex-subscription.

Upon the expiration of the deadline for preemptive rights, any eventual surpluses shall be pro-rated among the shareholders who expressed interest in such a surplus mentioned in the subscription bulletin, during a period comprising 5 (five) business days as of the publication of the Shareholders Announcement informing the number of unsubscribed surplus shares.

The Executive Board is hereby authorized to take any action necessary and practice all acts related to the items herein approved.

6. CLOSURE: With the agenda fulfilled, the meeting was adjourned for the preparation of these minutes, which at the re-initiation of the session were read, found to be in order and approved by the members, who thereafter signed the minutes.

7. SIGNATURES: **Chairman:** Carlos Augusto Leone Piani; **Secretary:** David Abdalla Pires Leal. **Members of the Board of Directors:** Firmino Ferreira Sampaio Neto, Carlos Augusto Leone Piani, Gilberto Sayão da Silva, Alessandro Monteiro Morgado Horta, Paulo Jerônimo Bandeira de Mello Pedrosa, Celso Fernandez Quintella and Alexandre Gonçalves Silva.

This is a faithful copy of the Minutes of the Board of Directors of pre Equatorial Energia S.A., held on January 17, 2013, written into the book of minutes and signed by the members of the Company's Board of Directors.

Rio de Janeiro, January 17, 2013.

David Abdalla Pires Leal
Secretary