



**Equatorial Energia S.A.**  
Publicly-held Company  
Corporate Taxpayer's ID (CNPJ/MF) nº 03.220.438/0001-73

## **NOTICE TO THE MARKET**

Equatorial Energia S.A. ("Company"), pursuant article 12 of CVM Instruction 358, from January 3, 2002, and as required by Squadra Investimentos – Gestão de Recursos Ltda (CNPJ 09.267.871/0001-40) and Squadra Investments – Gestão de Recursos Ltda (CNPJ 09.278.157/0001-58), dated September 27, 2012 and received by the Company in the same day, hereby informs the market the following:

"Investment funds managed by **SQUADRA INVESTIMENTOS – GESTÃO DE RECURSOS LTDA.** and non-resident investors managed by **SQUADRA INVESTMENTS – GESTÃO DE RECURSOS LTDA** ("Investors"), pursuant to CVM Instruction No. 358/2002, by CVM Instructions 369/02 and 449/07, inform that, through deals held at the São Paulo Stock Exchange – BOVESPA, acquired common shares issued by **EQUATORIAL ENERGIA S.A.** ("Company"), and, as of today, the Investors now retain 17,239,640 (seventeen million, two hundred and thirty-nine thousand and six hundred and forty) common shares. The Investor's mentioned stake represents 15.73% (fifteen point seventy-three percent) of common shares issued by the Company.

The Investors declare, also, that the recent acquisitions do not intend to change the Company's controlling composition, neither its management structure.

SQUADRA INVESTIMENTOS – GESTÃO DE RECURSOS LTDA  
SQUADRA INVESTMENTS – GESTÃO DE RECURSOS LTDA"

Rio de Janeiro, September 28, 2012

**Eduardo Haiama**  
Chief Financial and Investor Relations Officer  
Equatorial Energia S.A.