



**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 June 1, 2012 and received today by the Company, comes to the market to inform 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 11,474,940 (eleven million, four hundred seventy-four thousand and nine hundred and forty) common shares. Investor's mentioned stake represents 10.47% (ten point forty-seven 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, June 4, 2012

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