



EQUATORIAL ENERGIA S.A.

Public-Held Company

CNPJ/MF: 03.220.438/0001-73

NOTICE TO THE MARKET

Equatorial Energia S.A. ("Company"), having shares traded in the *Novo Mercado* segment at *B3 S.A. – Brasil, Bolsa, Balcão* under "EQTL3", informs the Market the signing on August 30th, 2017, by the Company, of the Share Purchase Agreement ("SPA"), through which, depending on the compliance of certain preceding conditions, the Company will acquire a 51% stake at Integração Transmissão de Energia S.A. ("Intesa").

Intesa is a company responsible for the construction, implementation, operation and maintenance of the electric energy transmission concession, composed by the transmission line in 500 kV Colinas/Serra da Mesa 2, 3rd circuit, line connections and linked facilities, in accordance to the Transmission of Electric Energy Concession Contract # 002/2006-ANEEL.

According to its Financial Statements for the period ended in December 31, 2016, Intesa's Net Operating Revenue amounted to R\$ 101 million and its Net Debt reached R\$ 81 million.

As compensation for the transfer of Intesa's shares, the Company has agreed to pay approximately R\$ 273 million to the sellers. The acquisition price is subject to adjustments set on the SPA, among which are possible dividend distribution by Intesa and adjustments in the Annual Allowed Revenue (RAP – in Portuguese) linked to a project to reinforce the transmission facilities under Intesa's responsibility.

The conclusion of the deal, with the effective transfer of Intesa's shares to the Company is subject to certain preceding conditions, such as, the approval of the deal's terms and conditions by ANEEL – Agência Nacional de Energia Elétrica (Brazilian Electric Energy Regulatory Agency) and by CADE – Conselho Administrativo de Defesa Econômica (Brazilian Anti-Trust Body).

The Company clarifies that there is no incidence of Article 256 from Law 6,404/76 in this case, which implies that there is no need to obtain the approval for the deal by the Company's Shareholders' Meeting as well as no right of refusal.

Lastly, the Company reiterates its commitment to keep its shareholders and the Market informed about any development in this or any other relevant subject.



Brasília, August 31st, 2017.

Eduardo Haiama

Chief Financial and Investor Relations Officer
Equatorial Energia S.A.