



EQUATORIAL ENERGIA S/A
Publicly-held Company: 02001-0
Corporate Taxpayer's ID (CNPJ/MF): 03.220.438/0001-73
Corporate Registry (NIRE): 2130000938-8

NOTICE TO THE MARKET

We hereby inform that due to the exercise of stock options from the first tranche of options granted under the Company's First Stock Option Plan, as determined under the scope of the Second Stock Option Plan approved at the Annual and Extraordinary Shareholder's Meeting held on April 5, 2007 ("Second Plan"), on April 7, 2008 the beneficiaries of the Second Plan, subscribed to 38,411 common shares at the issue price of R\$16.1409 per common share.

Consequently, the Company's capital stock increased from R\$987,028,855.80 (nine hundred eighty-seven million, twenty-eight thousand, eight hundred fifty-five reais and eighty centavos) to R\$987,648,843.89 (nine hundred eighty-seven million, six hundred forty-eight thousand, eight hundred forty-three reais and eighty-nine centavos), resulting in a capital increase in the amount of R\$619,988.09 (six hundred nineteen thousand, nine hundred eighty-eight reais and nine centavos), represented by 105,611,641 common shares.

Shares issued due to the exercise of stock options under the Plan shall have the same rights of the Company's other outstanding shares, including the payment in full of the dividends to be distributed by the Company relative to fiscal year 2007.

Sincerely,

São Luis, April 10, 2008

Equatorial Energia S/A