



Equatorial Energia S.A.
Publicly-held Company
Corporate Taxpayer's ID (CNPJ/MF): 03.220.438/0001-73

NOTICE TO THE MARKET

We hereby declare that, on February 12, 2008, the beneficiaries of the Company's Second Stock Option Program, instituted within the ambit of EQUATORIAL ENERGIA S/A's FIRST STOCK OPTION PLAN, approved by the Extraordinary Shareholders' Meeting of February 2, 2006 and ratified by the Extraordinary Shareholders' Meeting of February 13, 2006 ("First Equatorial Plan"), exercised part of their stock options, resulting in the subscription of 1,178,946 (one million, one hundred and seventy-eight thousand, nine hundred and forty-six) shares at R\$ 5.9375 per million shares, comprising 392,982 (three hundred and ninety-two thousand, nine hundred and eighty-two) common shares and 785,964 (seven hundred and eighty-five thousand, nine hundred and sixty-four) preferred shares, all registered book-value shares with no par value, via the transfer to the Company's capital of 72,459,097,549 (seventy-two billion, four hundred and fifty-nine million, ninety-seven thousand, five hundred and forty-nine) common shares of Companhia Energética do Maranhão – CEMAR.

As a result of the exercise of these options, the Company's capital increased from R\$ 987,028,848.80 (nine hundred and eighty-seven million, twenty-eight thousand, eight hundred and forty-eight reais and eighty centavos) to R\$ 987,028,855.80 (nine hundred and eighty-seven million, twenty-eight thousand, eight hundred and fifty-five reais and eighty centavos), comprising 161,814,872 (one hundred and sixty-one million, eight hundred and fourteen thousand, eight hundred and seventy-two) common shares and 154,904,818 (one hundred and fifty-four million, nine hundred and four thousand, eight hundred and eighteen) preferred shares, all registered book-value shares with no par value.

We further declare that the shares issued as a result of the exercise of the Stock Option Plan are be entitled to the same benefits as the Company's existing outstanding shares, including any all dividends and/or interest on equity distributed by the Company.

São Luís, February 12, 2008.

Equatorial Energia S/A