

Rio de Janeiro, May 10, 2011 - Equatorial Energia S.A. (Bovespa: EQTL3) announces its results for the first quarter of 2011 (1Q11).

Equatorial is a holding company with investments in Companhia Energética do Maranhão (CEMAR), Geramar and Equatorial Soluções. Equatorial holds a 65.11% interest in CEMAR, the electricity distributor for the entire state of Maranhão. It also holds a 25% interest in Geramar, the company responsible for the construction and operation of two thermal plants in Maranhão with a joint installed capacity of 330MW. Non-financial information relating to Equatorial Energia and its subsidiaries and the PLPT ("Light for All Program"), as well as Management's expectations regarding the future performance of the Company and its subsidiaries were not reviewed by the independent auditors. In the service segment, Equatorial holds a 100% interest in Equatorial Soluções.

**DEMAND FOR ENERGY INCREASES BY 3.9% IN 1Q11.
CONSOLIDATED EBITDA TOTALS R\$112.3 MILLION IN THE QUARTER.**

1. FINANCIAL AND OPERATING HIGHLIGHTS

- ▶ **Net operating revenues (NOR)** totaled R\$413.1 million in 1Q11, 10.4% up on 1Q10, reflecting a 9.8% increase by CEMAR.
- ▶ CEMAR's **billed energy volume** totaled 998 GWh in 1Q11, 3.9% more than in 1Q10.
- ▶ First-quarter **EBITDA** totaled R\$112.3 million, 2.0% down on 1Q10.
- ▶ **Net income** totaled R\$34.2 million in the quarter, 10.2% less than the adjusted amount reported in the same period last year (see "Financial Performance - Consolidated" for more details).
- ▶ Equatorial's consolidated **investments** amounted to R\$80.4 million in 1Q11, 3.6% up year-on-year. CEMAR's investments (excluding direct investments in the PLPT program) totaled R\$42.6 million, up by 11.3%, and investments in the PLPT program stood at R\$37.7 million.
- ▶ CEMAR's last-12-month **DEC** and **FEC** indices came to 21.5 hours and 12.9 times, respectively, in 1Q11, 1.7% and 10.9% down on the 1Q10 figures.
- ▶ CEMAR's last-12-month **energy losses** totaled 21.6% of required energy in 1Q11, 2.6 p.p. less than the 1Q10 ratio.

| FINANCIAL DATA (R\$MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---|--------------|--------------|--------------|-----------|
| Total Net Operating Revenue | 374.1 | 510.8 | 413.1 | 10.4% |
| EBITDA | 114.6 | 129.3 | 112.3 | -2.0% |
| <i>EBITDA Margin (% net revenues)</i> | 30.6% | 25.3% | 27.2% | -3.4 p.p. |
| Net Income | 52.5 | 35.5 | 34.2 | -34.9% |
| <i>Profit Margin (% net revenues)</i> | 14.0% | 6.9% | 8.3% | -5.7 p.p. |
| Net Income per Share (R\$ / share) | 0.50 | 0.33 | 0.31 | -36.9% |
| Investments | | | | |
| CEMAR | 38.3 | 67.3 | 42.6 | 11.3% |
| PLPT (CEMAR) | 33.1 | 58.3 | 37.7 | 13.9% |
| Geramar | 6.3 | 0.4 | 0.2 | -97.2% |
| Total | 77.6 | 126.0 | 80.4 | 3.6% |
| Net Debt | 754.3 | 758.7 | 752.8 | -0.2% |
| Net Debt / EBITDA (LTM) | 1.6 | 1.5 | 1.5 | -0,1 x |

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2. OPERATING PERFORMANCE

The operating information in this section is pro forma and reflects 100% of CEMAR's and 25% of Geramar's operations.

2.1 OPERATING PERFORMANCE – DISTRIBUTION – CEMAR

ENERGY SALES

In 1Q11, billed energy volume moved up by 3.9% over 1Q10 to 997.6 GWh, for three main reasons: (i) Maranhão's economic growth; (ii) the addition of new clients to the consumer base; and (iii) the Company's stronger efforts to fight energy losses.

Unlike in the first half of 2010, when weather conditions pushed up energy consumption in the state, in 1Q11 rainfall was more or less in line with the recent historical average, with a negligible impact on CEMAR's energy sales.

| CONSUMPTION SEGMENTS (GWh) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|----------------------------|--------------|----------------|--------------|-------------|
| Residential | 449.4 | 507.0 | 467.7 | 4.1% |
| Industrial | 97.3 | 111.3 | 102.1 | 4.9% |
| Commercial | 190.4 | 215.5 | 198.1 | 4.1% |
| Other | 222.8 | 259.8 | 229.7 | 3.1% |
| TOTAL | 959.9 | 1,093.6 | 997.6 | 3.9% |

| Consumers | 1Q10 | 4Q10 | 1Q11 | Chg. |
|--------------|------------------|------------------|------------------|-------------|
| Residential | 1,518,854 | 1,598,117 | 1,630,483 | 7.3% |
| Industrial | 9,734 | 9,878 | 9,695 | -0.4% |
| Commercial | 118,765 | 123,938 | 124,005 | 4.4% |
| Other | 83,572 | 90,375 | 90,716 | 8.5% |
| TOTAL | 1,730,925 | 1,822,308 | 1,854,899 | 7.2% |

ENERGY BALANCE

The volume of energy required by CEMAR's system came to 1,259 GWh in 1Q11, 1.4% up on 1Q10, below the period growth in energy sales thanks to the 7.7% decline in energy losses.

| ENERGY BALANCE (GWh) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|----------------------|-------|-------|-------|-------|
| Required Energy | 1,240 | 1,421 | 1,259 | 1.4% |
| Sold Energy (*) | 960 | 1,095 | 999 | 4.1% |
| Losses | 280 | 326 | 260 | -7.7% |

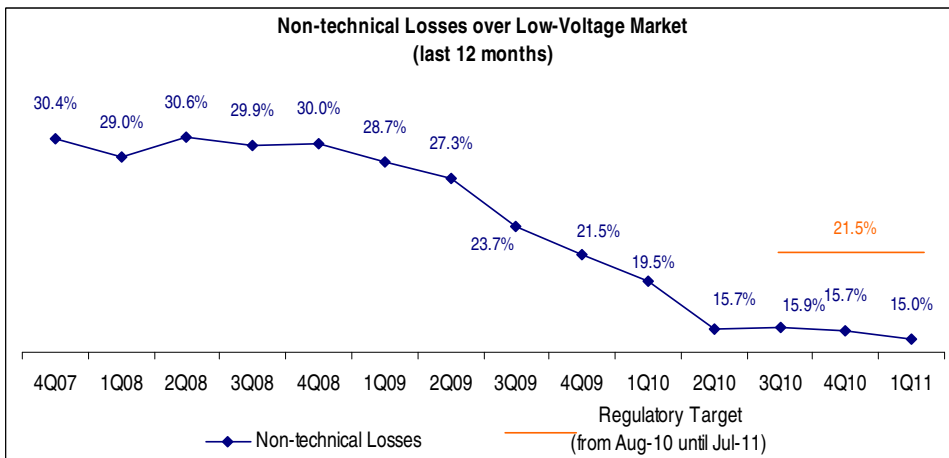
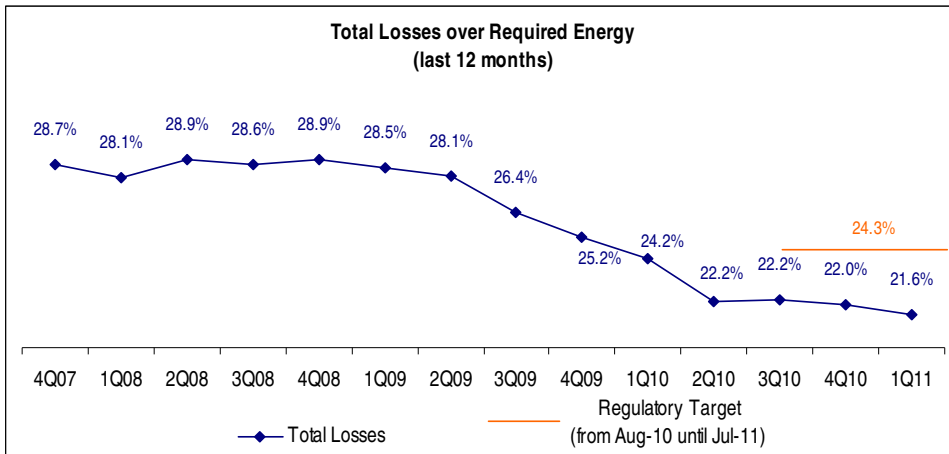
(*) Considers sale to the segments, own consumption and sales to CEPISA

ENERGY LOSSES

In order to keep the Company's energy losses below the regulatory targets established in CEMAR's second tariff review process, the Company has stepped up its loss-combating initiatives, and several measures implemented since late 2008 have gradually produced positive results.

These measures include: i) more effective low- and high-voltage inspections, through improved target-selection procedures, such as fiscal metering, which consists in comparing the energy volume distributed by each transformer with the volume actually billed to customers connected to the same transformer; ii) the intensification of field team training; and iii) combating illegal connections and reconnections (when customers themselves reconnect supply after having been disconnected by the Company, without informing CEMAR).

Accordingly, CEMAR's energy losses for the last 12 months ended 1Q11 at 21.6% of required energy, while non-technical losses in the low-voltage market stood at 15.0%. Although we believe the Company can cut its energy losses even further, the reduction has been occurring at a slower pace in recent quarters, given that the lower the level of the energy losses, the harder it is to combat them. Consequently, CEMAR has been investing in improving its intelligent energy-recovery target-selection systems, thereby ensuring greater accuracy and returns from the inspections.

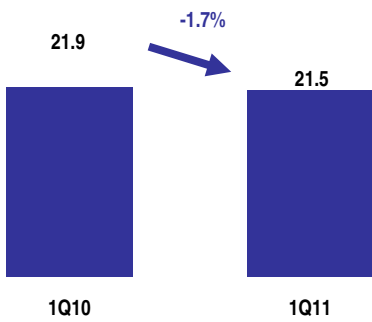


SERVICE QUALITY

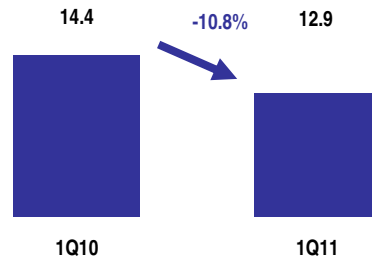
The quality and efficiency of the distribution concessionaires' networks is measured by the DEC and FEC indices. DEC refers to the equivalent length of interruptions per consumer, measured in hours per consumer for a given period, while FEC refers to the equivalent frequency of interruptions per consumer, measured as the number of interruptions per consumer for a given period.

At the close of 1Q11, last-12-month DEC stood at 21.5 hours, a 1.7% improvement over the 21.9 hours recorded at the close of 1Q10, while LTM FEC came to 12.9 times, a 10.8% year-on-year improvement.

DEC (hours – last 12 months)



FEC (times – last 12 months)

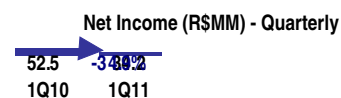
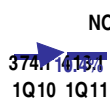


3. FINANCIAL PERFORMANCE

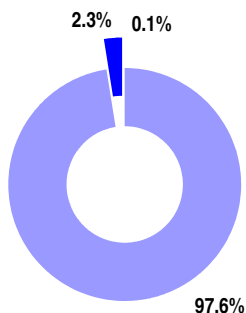
The information in this section reflects: i) 100% of CEMAR's operations, excluding 34.89% related to minority interests before net income, giving 65.11%; ii) 25.0% of Geramar's operations; and iii) 100% of Equatorial Soluções' operations.

3.1 FINANCIAL PERFORMANCE – CONSOLIDATED

| Consolidated Income Statement (R\$MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---------------------------------------|--------------|--------------|--------------|---------------|
| Gross Operating Revenues (GOR) | 497.7 | 652.9 | 544.4 | 9.4% |
| Net Operating Revenues (NOR) | 374.1 | 510.8 | 413.1 | 10.4% |
| Electric Energy Cost | (189.7) | (279.8) | (218.6) | 15.3% |
| Operating Costs / Expenses | (69.8) | (101.7) | (82.2) | 17.7% |
| EBITDA | 114.6 | 129.3 | 112.3 | -2.0% |
| Other Operating Revenues/Expenses | (4.1) | (4.4) | (0.5) | -86.6% |
| Depreciation | (23.2) | (26.9) | (27.0) | 16.4% |
| Service Income (EBIT) | 87.4 | 97.9 | 84.8 | -3.0% |
| Financial Result | (7.0) | (29.8) | (7.9) | 12.4% |
| Operating Income | 80.4 | 68.1 | 77.0 | -4.3% |
| Goodwill Amortization | 13.5 | (1.6) | (2.1) | -115.5% |
| Earnings Before Taxes (EBT) | 93.9 | 66.5 | 74.9 | -20.3% |
| Income Tax / Social Contribution | (17.3) | (14.8) | (22.3) | 29.0% |
| Minority Interests | (24.1) | (16.3) | (18.4) | -23.7% |
| Net Income | 52.5 | 35.5 | 34.2 | -34.9% |

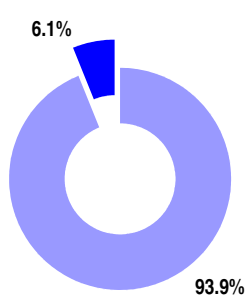


NOR per Segment* (%) – 1Q11



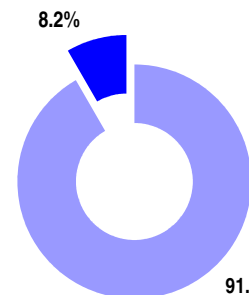
■ Distribution ■ Generation ■ Services

EBITDA per Segment* (%) – 1Q11



■ Distribution ■ Generation

Net Income per Segment* (%) – 1Q11



■ Distribution ■ Generation

(*) Only operating companies with positive data are considered in these graphs.

3.1.1 – OPERATING REVENUE

| OPERATING REVENUE - CONSOLIDATED (R\$ MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---|--------------|--------------|--------------|----------------|
| Gross Operating Revenue | 383.5 | 454.1 | 403.3 | 5.2% |
| Residential | 187.1 | 219.4 | 197.1 | 5.3% |
| Industrial | 34.1 | 40.9 | 36.4 | 7.0% |
| Commercial | 89.0 | 104.1 | 92.3 | 3.8% |
| Others | 73.4 | 89.7 | 77.4 | 5.5% |
| Supply | 1.6 | 27.3 | 19.2 | 1121.7% |
| Network Usage | 0.1 | 0.1 | 0.1 | -24.2% |
| Other Revenues | 34.2 | 43.7 | 31.7 | -7.4% |
| Low Income | 30.3 | 30.9 | 24.9 | -17.8% |
| Other Operating Revenues | 3.9 | 12.9 | 6.8 | 72.5% |
| Construction Revenues | 69.3 | 115.3 | 78.4 | 13.1% |
| Gross Operating Revenue - Distribution | 488.7 | 640.4 | 532.7 | 9.0% |
| Generation | 8.3 | 12.1 | 10.3 | N/A |
| Services | 0.8 | 0.4 | 1.4 | 72.2% |
| Gross Operating Revenue - Consolidated | 497.7 | 652.9 | 544.4 | 9.4% |
| ICMS | (66.7) | (77.7) | (68.8) | 3.2% |
| PIS/Cofins | (39.6) | (47.5) | (41.7) | 5.3% |
| Consumer Charges | (17.3) | (16.9) | (20.7) | 19.5% |
| Net Operating Revenue - Consolidated | 374.1 | 510.8 | 413.1 | 10.4% |

Consolidated net operating revenues (NOR) totaled R\$413.1 million in 1Q11 (when CEMAR recognized R\$78.4 million under revenue from construction), 10.4% up on the R\$374.1 million recorded in 1Q10. This account is mainly impacted by the distribution segment, which accounts for 97.6% of consolidated NOR, followed by generation (2.3%) and services (0.1%). In company terms, the percentages are exactly the same, with CEMAR representing distribution, Geramar, generation, and, Equatorial Soluções, services. (For further information on NOR, see CEMAR and Geramar's Financial Performance sections).

3.1.2 – COSTS AND EXPENSES

Consolidated operating costs and expenses came to R\$328.3 million in 1Q11, 14.5% more than in 1Q10. This account comprises non-manageable costs and expenses (the purchase and transportation of energy, sector charges and construction costs), which stood at R\$215.1 million and increased by 15.3%, and manageable costs and expenses which climbed by 13.6% to R\$87.4 million.

| Operating Costs / Expenses | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---|--------------|--------------|--------------|---------------|
| Non-manageable Costs | 186.6 | 276.3 | 215.1 | 15.3% |
| PMSO | 54.2 | 76.5 | 69.0 | 27.3% |
| Provisions and Other Operating Expenses | 10.0 | 32.4 | 10.4 | 3.5% |
| Depreciation | 22.4 | 25.9 | 25.8 | 15.3% |
| CEMAR | 273.2 | 411.1 | 320.3 | 17.3% |
| CUST + Generation costs | 3.1 | 2.4 | 2.0 | -36.2% |
| PMSO | 0.6 | 0.3 | 0.4 | -41.4% |
| Depreciation | 0.8 | 1.2 | 1.2 | 51.1% |
| Geramar | 4.5 | 3.8 | 3.5 | -21.7% |
| PMSO | 0.4 | 0.7 | 0.6 | 60.6% |
| Depreciation | 0.0 | 0.0 | 0.0 | NA |
| Equatorial Soluções | 0.4 | 0.7 | 0.6 | 63.0% |
| PMSO | 8.6 | (2.6) | 3.9 | -55.2% |
| Depreciation | 0.0 | (0.1) | - | N/A |
| Equatorial (holding) | 8.7 | (2.7) | 3.9 | -55.4% |
| Equatorial Consolidated | 286.7 | 412.9 | 328.3 | 14.5% |

For further information on costs and expenses per Company, see CEMAR and Geramar's Financial Performance sections.

3.1.3 - EBITDA

Consolidated EBITDA totaled R\$112.3 million in 1Q11, 2.0% down on 1Q10.

| Consolidated EBITDA (R\$ million) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|-----------------------------------|--------------|--------------|--------------|--------------|
| Service Income | 87.4 | 97.9 | 84.8 | -3.0% |
| Depreciation and Amortization | 23.2 | 26.9 | 27.0 | 16.4% |
| Other Operating Revenues/Expenses | 4.1 | 4.4 | 0.5 | -86.6% |
| EBITDA | 114.6 | 129.3 | 112.3 | -2.0% |
| Legal Deposits - Adjustment | | 15.0 | | N/A |
| Adjusted EBITDA | 114.6 | 144.3 | 112.3 | -2.0% |

3.1.4 – FINANCIAL RESULT

| Financial Result (R\$ MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---|---------------|---------------|---------------|--------------|
| Financial income | 8.8 | 11.2 | 14.0 | 58.7% |
| Fine charged on energy sale | 12.6 | 15.9 | 17.3 | 37.0% |
| Other financial revenues | 5.4 | 1.5 | 1.3 | -75.7% |
| Financial Revenue | 26.8 | 28.5 | 32.6 | 21.6% |
| Interest on loans and financing | (20.5) | (22.0) | (23.8) | 16.2% |
| Monetary and foreign exchange variation | (6.9) | (10.2) | (6.9) | 1.0% |
| Other financial expenses | (6.5) | (26.1) | (9.7) | 50.2% |
| Financial Expenses | (33.8) | (58.4) | (40.4) | 19.6% |
| Net Financial Result | (7.0) | (29.8) | (7.9) | 12.3% |

In 1Q11, the consolidated financial result was an expense of R\$7.9 million, versus an expense of R\$7.0 million in 1Q10.

The main variations per company were:

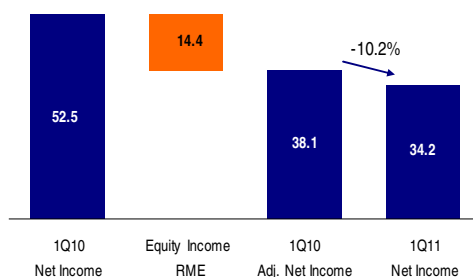
- ▶ **CEMAR:** net financial expense of R\$7.4 million, versus an expense of R\$6.8 million in 1Q10, a 9.2% increase. Financial expenses increased by 19.2% to R\$37.5 million in 1Q11, more than offsetting the 21.9% upturn in financial revenue.
- ▶ **Geramar:** the company recognized a net financial expense of R\$2.8 million as a result of the loans taken out during the construction of the plants.
- ▶ **Equatorial (holding):** positive result of R\$2.2 million, basically arising from the utilization of the Company's available cash.

3.1.5 – NET INCOME

The Company posted 1Q11 net income of R\$34.2 million, 10.2% down on the adjusted figure for 1Q10, when we excluded the recognition in Equatorial holding of R\$14.4 million in equity income from RME (the controlling shareholder of Light S.A.). Until April 2010, when Light S.A. was spun off, Equatorial held an indirect interest of 13.03% in the company through its stake in RME. This interest was subsequently spun off and transferred to Redentor Energia.

In 1Q11, Equatorial's earnings per share totaled R\$0.31, versus R\$0.50 in the same quarter the year before.

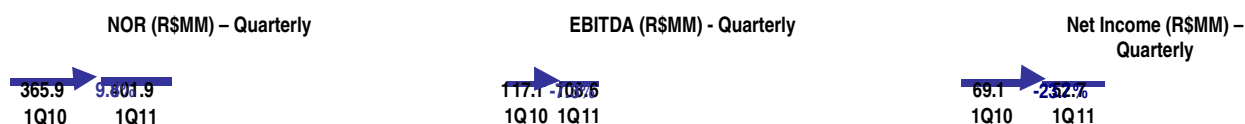
RECONCILIATION OF ADJUSTED NET INCOME



3.2 FINANCIAL PERFORMANCE – CEMAR

The information in this section reflects 100% of CEMAR's operations.

| INCOME STATEMENT - CEMAR (R\$MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|-----------------------------------|--------------|--------------|--------------|---------------|
| Gross Operating Revenues (GOR) | 488.7 | 640.4 | 532.5 | 9.0% |
| Net Operating Revenues (NOR) | 365.9 | 499.5 | 401.9 | 9.8% |
| Electric Energy Cost | (186.6) | (277.4) | (215.3) | 15.4% |
| Operating Costs / Expenses | (62.2) | (103.2) | (78.0) | 25.3% |
| EBITDA | 117.1 | 118.9 | 108.6 | -7.3% |
| Other Operating Revenues/Expenses | (2.0) | (4.6) | (0.5) | -73.3% |
| Service Income (EBIT) | 92.7 | 88.4 | 82.2 | -11.3% |
| Financial Result | (6.8) | (29.2) | (7.4) | 9.2% |
| Lucro Antes da Tributação (EBT) | 86.0 | 59.3 | 74.9 | -12.9% |
| Income Tax / Social Contribution | (16.9) | (12.5) | (22.1) | 31.2% |
| Net Income | 69.1 | 46.8 | 52.7 | -23.7% |



3.2.1 – OPERATING REVENUES

| OPERATING REVENUE - CEMAR | 1Q10 | 4Q10 | 1Q11 | Chg. |
|--|----------------|----------------|----------------|----------------|
| Energy Sales (MWh)* | 959,921 | 1,093,568 | 997,586 | 3.9% |
| Number of Clients** | 1,730,925 | 1,822,308 | 1,854,899 | 7.2% |
| KWh per Client | 554.6 | 600.1 | 537.8 | -3.0% |
| Gross Operating Revenue (R\$ MM) | 383.5 | 454.1 | 403.3 | 5.2% |
| Residential | 187.1 | 219.4 | 197.1 | 5.3% |
| Industrial | 34.1 | 40.9 | 36.4 | 7.0% |
| Commercial | 89.0 | 104.1 | 92.3 | 3.8% |
| Other Classes | 73.4 | 89.7 | 77.4 | 5.5% |
| Supply (R\$ MM) | 1.6 | 27.3 | 19.2 | 1121.7% |
| Other Revenues (R\$ MM) | 34.3 | 43.8 | 31.6 | -8.0% |
| Low Income | 30.3 | 30.9 | 24.9 | -17.8% |
| Network Usage | 0.1 | 0.1 | 0.1 | -24.2% |
| Other Operating Revenues | 3.9 | 12.9 | 6.6 | 67.4% |
| Construction Revenues | 69.3 | 115.3 | 78.4 | 13.1% |
| Deductions from Operating Revenues (R\$ MM) | (122.8) | (140.9) | (130.6) | 6.4% |
| Net Operating Revenue (R\$ MM) | 365.9 | 499.5 | 401.9 | 9.8% |

* Does not consider own consumption and supply to CEPISA

** Excludes own consumption facilities

In 1Q11, gross revenue from energy sales grew by 5.2% over the same period last year, largely due to the 3.9% increase in energy sales volume. Net revenue, in turn, totaled R\$401.9 million, (R\$323.4 million, excluding revenue from construction) 9.8% up on 1Q10.

Due to the convergence of Brazilian accounting rules with international financial reporting standards (IFRS), in 2010 revenue from construction was recognized under gross revenue, with an impact on NOR, but no impact on EBITDA or net income, as the same amount is discounted in a specific line under Non-manageable costs. In 1Q11, R\$78.4 million was recognized, versus R\$69.3 million in 1Q10.

3.2.2 – COSTS AND EXPENSES

In 1Q11, costs and expenses (manageable and non-manageable, excluding depreciation and amortization) totaled R\$293.8 million (R\$215.4 million excluding construction costs), equivalent to 73.1% of net revenues, 4.5 p.p. up on the 68.5% recorded in 1Q10.

Manageable Operating Costs and Expenses

Manageable costs and expenses, represented by personnel, materials, outsourced services and others (PMSO), excluding provisions for doubtful accounts and contingencies, as well as the CVA amortization and other costs, totaled R\$67.5 million in 1Q11, 1.9 p.p. up year-on-year.

Personnel expenses came to R\$19.4 million, 10.4% up on 1Q10, chiefly due to the 5.39% pay rise following the collective bargaining agreement in November 2010. In addition, as of 4Q10, profit sharing expenses were transferred to the personnel line, whereas previously they had been recorded in a specific line immediately above net income. In 1Q11, provisions for profit sharing totaled R\$2.7 million.

Expenses with materials amounted to R\$1.6 million, 21.9% down on 1Q10. The main items in this line were: i) the purchase of materials for electricity system operations and maintenance, totaling R\$1.1 million; and ii) the purchase of fuel and lubricants for customer service team vehicles, totaling R\$0.5 million.

Expenses from outsourced services moved up by 42.5% over 1Q10 to R\$43.6 million, fueled by the substantial 7.2% increase in the number of clients, improvements to the quality of the distribution system and the Company's program to reduce energy losses. The main accounts composing this item were: i) standby emergency services, with technical support and electrician teams (R\$6.7 million); ii) fraud-combat services, as part of the Company's loss reduction program (R\$4.8 million); iii) software license maintenance (R\$3.4 million); and iv) other smaller expenses, such as those from collection agents, maintenance of live lines, disconnection and metering services and the call center, among others.

In 1Q11, provisions for doubtful accounts (PDA) and losses came to R\$8.5 million, or 1.9% of gross operating revenues (GOR), 0.4 p.p. up on 1Q10. Revenue from construction is deducted from gross revenue when calculating these ratios.

CEMAR reached 1,505 clients per employee in 1Q11, compared to 1,315 clients per employee in 1Q10, while PMSO per client increased by 16.2% to R\$36.4.

| R\$ MM | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---|--------------|--------------|--------------|-----------------|
| Personnel | 17.5 | 18.8 | 19.4 | 10.4% |
| Material | 2.0 | 2.2 | 1.6 | -21.9% |
| Third Party Services | 30.6 | 48.0 | 43.6 | 42.5% |
| Others | 4.1 | 3.1 | 3.0 | -26.8% |
| PMSO | 54.2 | 72.1 | 67.5 | 24.6% |
| <i>% Net Revenues</i> | 14.8% | 14.4% | 16.8% | 1,9 p.p. |
| Provisions | 8.0 | 31.1 | 10.4 | 30.4% |
| PDA and Losses | 5.8 | 10.8 | 8.5 | 46.5% |
| <i>% Gross Operating Revenue</i> | 1.4% | 2.1% | 1.9% | 0,4 p.p. |
| Provision for Contingencies and Other Provisions | 2.2 | 20.4 | 1.9 | -12.7% |
| Other Operating Expenses/Revenues | 2.0 | 4.6 | 0.5 | -73.3% |
| MANAGEABLE COSTS AND EXPENSES | 64.2 | 107.8 | 78.5 | 22.2% |
| <i>% Net Revenues</i> | 17.6% | 21.6% | 19.5% | 1,9 p.p. |
| Electricity Purchased | 95.8 | 140.3 | 112.0 | 16.9% |
| Transmission and Distribution Network Usage Charges | 20.7 | 20.7 | 23.4 | 13.0% |
| Construction Costs | 69.3 | 115.3 | 78.4 | 13.1% |
| Other Costs | 0.7 | 1.1 | 1.5 | 101.8% |
| NON-MANAGEABLE COSTS AND EXPENSES | 186.6 | 277.4 | 215.3 | 15.4% |
| <i>% Net Revenues</i> | 51.0% | 55.5% | 53.6% | 2,5 p.p. |
| TOTAL | 250.8 | 385.2 | 293.8 | 17.1% |
| TOTAL (% Net Revenues) | 68.5% | 77.1% | 73.1% | 4,5 p.p. |

NON-MANAGEABLE OPERATING COSTS AND EXPENSES

Non-manageable operating costs and expenses totaled R\$215.3 million in 1Q11 (or R\$136.9 million, excluding construction costs), 15.4% more than in 1Q10, chiefly due to the increase in construction costs and the upturn in purchased energy volume to meet the growth in captive market consumption. It is worth noting that the purchase and transportation of energy and sector charges are part of Parcel A of the energy tariff. Consequently, any increase is passed on to the Company via the annual tariff adjustment index (IRT), so no financial loss is incurred.

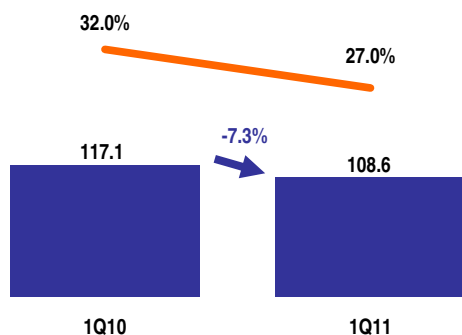
3.2.3 - EBITDA

EBITDA totaled R\$108.6 million in 1Q11, 7.3% down on the R\$117.1 million recorded in 1Q10.

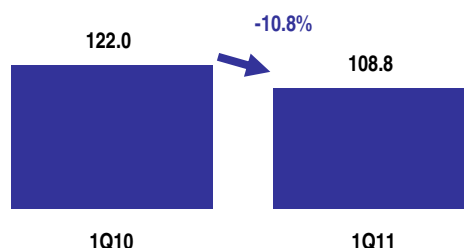
As mentioned in the previous section, since 4Q10, with the change in the accounting rules profit sharing expenses have been transferred to the personnel account under manageable costs, negatively impacting 1Q11 EBITDA by R\$2.7 million.

| EBITDA (R\$ million) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Service Income | 92.7 | 88.4 | 82.2 | -11.3% |
| Depreciation and Amortization | 22.4 | 25.9 | 25.8 | 15.3% |
| Other Operating Revenues / Expenses | 2.0 | 4.6 | 0.5 | -73.3% |
| EBITDA | 117.1 | 118.9 | 108.6 | -7.3% |
| Legal Deposits Adjustment | | 15.0 | | N/A |
| Adjusted EBITDA | 117.1 | 133.9 | 108.6 | -7.3% |

EBITDA (R\$MM) and EBITDA Margin: Quarterly



EBITDA (R\$) per MWh: Quarterly



3.2.4 – FINANCIAL RESULT

In 1Q11, the net financial result was an expense of R\$7.4 million, 9.2% higher than the R\$6.8 million expense recorded in 1Q10. Financial expenses increased by 19.2% to R\$37.5 million, more than offsetting the 21.9% growth in financial revenue.

Currently, the Company does not have any transactions involving financial derivative instruments.

| Financial Result (R\$ MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---|---------------|---------------|---------------|---------------|
| Financial income | 6.7 | 8.8 | 11.5 | 71.6% |
| Fine charged on energy sale | 12.6 | 15.9 | 17.3 | 37.0% |
| Other financial revenues | 5.4 | 1.5 | 1.3 | -124.3% |
| Financial Revenue | 24.7 | 26.2 | 30.1 | 21.9% |
| Interest on loans and financing | (20.5) | (22.0) | (23.8) | -16.2% |
| Monetary and foreign exchange variation | (6.9) | (10.2) | (6.9) | -1.0% |
| Other financial expenses | (4.1) | (23.1) | (6.7) | -63.9% |
| Financial Expenses | (31.5) | (55.3) | (37.5) | -19.2% |
| Net Financial Result | (6.8) | (29.2) | (7.4) | -9.2% |

3.2.5 – INCOME TAX AND SOCIAL CONTRIBUTION

In CEMAR, income tax and social contribution payable is positively impacted by the following items: i) a 75% tax reduction benefit on installed capacity expansion granted by SUDENE (Northeast Region Development Authority) in December 2005 and expanded in 2007 to include the upgrade of all installed capacity, effective through 2016; ii) a tax benefit related to accelerated depreciation, also granted by SUDENE, which allows investments in the expansion and modernization of the distribution network to be fully considered as a tax-deductible expense, effective between 2006 and 2013; and iii) the offsetting of tax loss carryforwards. It is worth mentioning that the first and second items refer to income tax only, while the third item refers both to income tax and social contribution.

Breakdown of Income Tax and Social Contribution Effective Rates

| Income Tax / Social Contribution (R\$MM) | 1Q10 | 4Q10 | 1Q11 |
|---|--------------|---------------|--------------|
| EBT | 86.0 | 59.3 | 74.9 |
| Income Tax / Social Contribution Expenses | 16.9 | 12.5 | 22.1 |
| (-) Deferred Tax Assets | (10.1) | (3.7) | (16.4) |
| = Tax Payable | 6.8 | 8.8 | 5.8 |
| (+) Fiscal Credits | (1.6) | - | - |
| = Tax - Cash Basis (2) | 5.2 | 8.8 | 5.8 |
| Effective Tax Rate = (2) / (1) | -6.0% | -14.8% | -7.7% |

In 1Q11, income tax and social contribution represented an expense of R\$22.1 million. Considering the utilization of deferred tax assets, CEMAR paid R\$5.8 million in these taxes, corresponding to an effective rate of 7.7%.

3.2.6 – NET INCOME

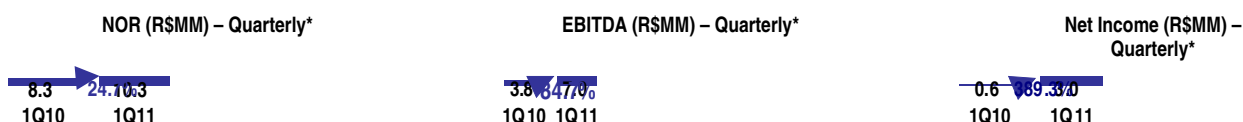
CEMAR posted 1Q11 net income of R\$52.7 million, 23.7% down on the R\$69.1 million reported in 1Q10.

Earnings per share totaled R\$0.32 per share, 23.7% less than the R\$0.42 recorded in 1Q10.

3.3 FINANCIAL PERFORMANCE - Geramar

The information in this section reflects 25.0% of Geramar's operations.

| INCOME STATEMENT - GENERATION (R\$MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|---------------------------------------|------------|------------|------------|---------------|
| Gross Operating Revenues (GOR) | 8.3 | 12.1 | 10.3 | 24.7% |
| Net Operating Revenues (NOR) | 7.5 | 11.0 | 9.4 | 24.7% |
| Electric Energy Cost | (3.1) | (2.4) | (2.0) | -36.2% |
| Operating Costs / Expenses | (0.6) | (0.3) | (0.4) | -41.4% |
| EBITDA | 3.8 | 8.3 | 7.0 | 84.7% |
| Depreciation | (0.8) | (1.2) | (1.2) | 51.1% |
| Service Income (EBIT) | 3.0 | 7.1 | 5.9 | 93.3% |
| Financial Result | (2.3) | (2.9) | (2.8) | 22.2% |
| Earnings Before Taxes (EBT) | 0.7 | 4.2 | 3.1 | 314.9% |
| Income Tax / Social Contribution | (0.1) | (2.3) | (0.0) | -93.4% |
| Net Income | 0.6 | 1.9 | 3.0 | 389.3% |



3.3.1 – OPERATING REVENUES

In 1Q11, NOR totaled R\$10.3 million, resulting entirely from fixed revenues from plant availability, as no dispatch was requested by the National System Operator (ONS) during the quarter. The year-on-year upturn was due to the fact that the plants first became available for generation in 1Q10, while in 1Q11 they were available during the entire period. Another reason is the Fixed Revenue inflation readjustment (IPCA index), which took place at last November.

3.3.2 – COSTS AND EXPENSES

In 1Q11, the total costs incurred by the plants amounted to R\$3.5 million, comprising costs related to the use of the transmission system (CUST), generation costs (purchase of fuel and plant operation and maintenance, among others) and, to a lesser extent, costs related to personnel, materials, outsourced services and others (PMSO).

| Operating Costs / Expenses | 1Q10 | 4Q10 | 1Q11 | Chg. |
|----------------------------|------------|------------|------------|---------------|
| CUST + Generation costs | 3.1 | 2.4 | 2.0 | -36.2% |
| PMSO | 0.6 | 0.3 | 0.4 | -41.4% |
| Depreciation | 0.8 | 1.2 | 1.2 | 51.1% |
| Geramar | 4.5 | 3.8 | 3.5 | -21.7% |

3.3.3 - EBITDA

Geramar's EBITDA totaled R\$7.0 million in 1Q11, an improvement over 1Q10, for the same reasons as the upturn in NOR.

3.3.4 – FINANCIAL RESULT

The 1Q11 financial result was a net expense of R\$2.8 million, arising from interest on loans taken out to finance the construction of the plants.

3.3.5 – NET INCOME

Geramar posted 1Q11 net income of R\$3.0 million.

4. DEBT

Equatorial closed the first quarter with consolidated gross debt (including charges) of R\$1,308.5 million, 4.2% down on the R\$1,365.8 million recorded at the close of the previous quarter.

In December 2010, only 0.6% of Equatorial's consolidated gross debt, corresponding to R\$7.9 million, was denominated in foreign currency (mostly U.S. dollars). Thanks to their low exchange exposure, neither CEMAR nor Equatorial has any hedge protection against the devaluation of the Real against other currencies.

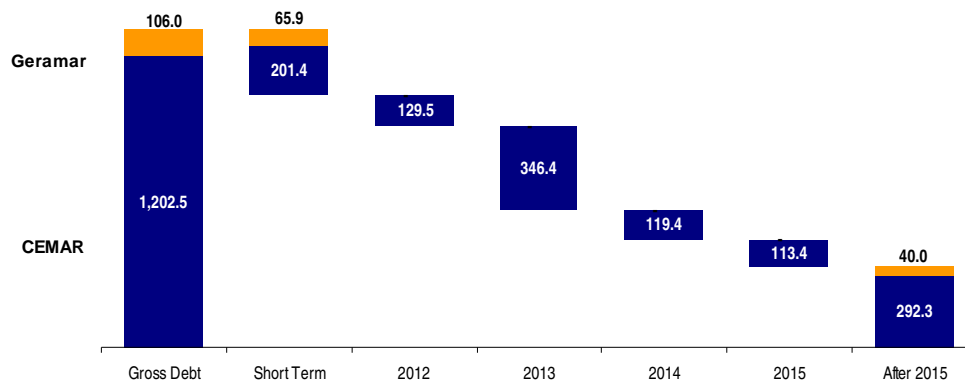
Gross Debt (100% CEMAR + 25% Geramar)¹

| Index | Average Charges (p.a.) | Average Due Date (month/year) | Average Period (years) | Part. (%) | Maturity | CEMAR | Geramar | Consolidated | % of Total |
|--------------------------|------------------------|-------------------------------|------------------------|---------------|----------------------------|----------------|--------------|----------------|---------------|
| Foreign Currency | | | | | Short Term | 201.4 | 65.9 | 267.3 | 20.4% |
| Libor | 1.4% | mar-22 | 11.2 | 0.2% | Long Term | 1,001.1 | 40.0 | 1,041.2 | 79.6% |
| Fixed (US\$) | 6.5% | dec-21 | 11.0 | 0.4% | 2012 | 129.5 | - | 129.5 | 9.9% |
| TOTAL (CEMAR) | 4.5% | | 11.1 | 0.6% | 2013 | 346.4 | - | 346.4 | 26.5% |
| Domestic Currency | | | | | 2014 | 119.4 | - | 119.4 | 9.1% |
| CEMAR | 10.0% | | 6.3 | 91.3% | 2015 | 113.4 | - | 113.4 | 8.7% |
| IGP-M | 14.9% | dec-23 | 13.0 | 12.3% | After 2015 | 292.3 | 40.0 | 332.4 | 25.4% |
| TJLP | 10.5% | sep-13 | 2.6 | 12.1% | Gross Debt | 1,202.5 | 106.0 | 1,308.5 | 100.0% |
| Fixed (R\$) | 8.3% | jun-19 | 8.4 | 19.3% | Cash | 418.2 | 6.1 | 424.3 | |
| RGR | 6.5% | nov-17 | 6.8 | 18.1% | Cash - Holding | | | 81.0 | |
| FINEL(**) | 11.9% | dec-15 | 4.9 | 3.1% | Cash - Equatorial Soluções | | | 6.6 | |
| CDI | 11.0% | mar-14 | 3.1 | 26.3% | Net Reg. Assets | 43.9 | | 43.9 | |
| GERAMAR | 10.7% | | 5.6 | 8.1% | Net Debt | 740.4 | 99.9 | 752.7 | |
| CDI | 13.3% | apr-11 | 0.1 | 58.5% | | | | | |
| TJLP | 7.0% | sep-24 | 13.4 | 41.5% | | | | | |
| TOTAL | 10.1% | | 6.2 | 99.4% | | | | | |
| TOTAL | 10.1% | | 6.3 | 100.0% | | | | | |

(*) Considering 100% of CEMAR

(**) Index that represents 20% of IGP-M + between 9.4% and 12% p.a.

Gross Debt Maturity Schedule (R\$ million)

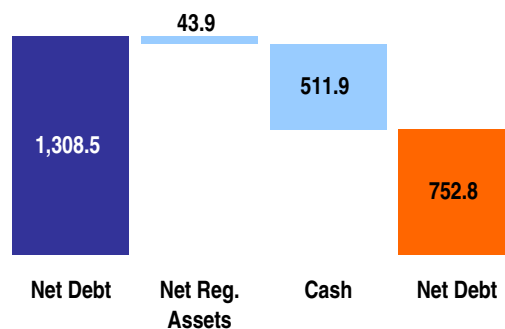
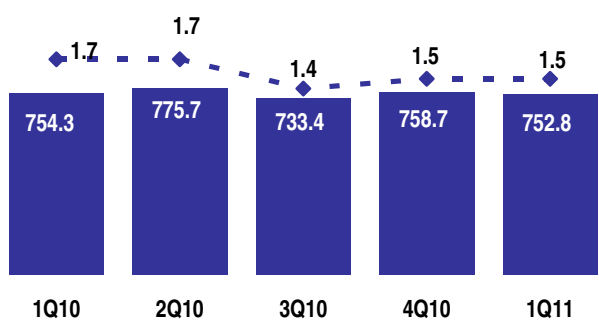


Net debt, including cash and cash equivalents and net regulatory assets, totaled R\$752.8 million in 1Q11, slightly lower than the R\$758.7 million reported at the close of 4Q10, while the last-12-month net debt/EBITDA remained flat at 1.5x.

Net Debt (R\$MM)^(*) and Net Debt/ EBITDA (LTM) - Consolidated (100% CEMAR + 25% Geramar)

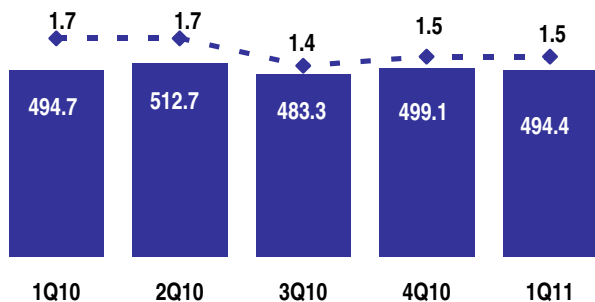
Net Debt Reconciliation (R\$MM) - Consolidated (100% CEMAR + 25% Geramar)

¹ For more details, see Annex 4 – Indebtedness.

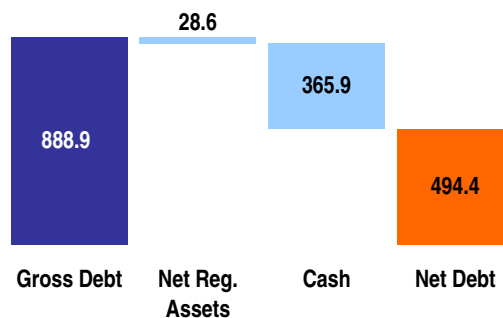


Consolidated net debt, adjusted by Equatorial's interest in CEMAR (65.11%) and Geramar (25%), totaled R\$494.4 million at the close of March, representing a last-12-month consolidated net debt/EBITDA ratio of 1.5x.

Net Debt (R\$MM) and Net Debt/EBITDA (LTM) - Adjusted Consolidated (65.11% CEMAR + 25% Geramar)



Net Debt Reconciliation (R\$MM) - Adjusted Consolidated (65.11% CEMAR + 25% Geramar)



5. INVESTMENTS

The period investment information reflects 100% of CEMAR's figures and 25% of Geramar's.

| INVESTMENTS (R\$MM) | 1Q10 | 4Q10 | 1Q11 | Chg. |
|-----------------------|-------------|--------------|-------------|--------------|
| CEMAR | | | | |
| Own (*) | 38.3 | 67.3 | 42.6 | 11.3% |
| Light For All Program | 33.1 | 58.3 | 37.7 | 13.9% |
| Total | 71.4 | 125.6 | 80.3 | 12.5% |
| Geramar | | | | |
| Generation | 6.3 | 0.4 | 0.2 | -97.2% |
| TOTAL | 77.6 | 126.0 | 80.4 | 3.6% |

(*) Including indirect Light For All Program investments

5.1 - CEMAR

CEMAR invested R\$42.6 million in 1Q11, excluding direct investments related to the PLPT, 11.3% up on 1Q10. Of this total, R\$21.6 million was allocated to the expansion of the distribution network in Maranhão, R\$11.9 million to maintenance of the existing network and the remaining R\$9.0 million to equipment, systems and others.

Investments in the PLPT

At the close of 1Q11, 284,000 clients were connected to CEMAR's distribution network through the PLPT, directly benefiting almost 1.4 million people in the state of Maranhão. The PLPT is already present in all of Maranhão's municipalities, contributing to the development of areas isolated from the urban centers and generating wealth in these localities. In 1Q11, direct investments in the program, which include expenses with materials, freight and outsourced services, totaled R\$37.7 million, 13.9% up on 1Q10.

5.2 – Geramar

Investments in 1Q11 essentially refer to plant maintenance, given that construction was concluded in 1Q10.

6. CAPITAL MARKET

Equatorial Energia's shares closed 1Q11 at R\$12.71, 11.5% up on the R\$11.40 recorded at the end of 4Q10.

Daily traded volume averaged R\$1.7 million in the 60 trading sessions ended March 31, 2011. The Company's shares are listed in the BM&FBOVESPA's Novo Mercado trading segment and in the IEE, ITAG and IGC indices.

7. NEW PROJECTS

Equatorial continues to seek investment opportunities in the distribution and generation segments, in line with its corporate strategy of playing a leading role in the consolidation of electricity distributors in Brazil and Latin America and in supplying the country's future generation needs.

8. SERVICES PROVIDED BY THE INDEPENDENT AUDITORS

The Company has not hired KPMG Auditores Independentes, its external auditors, for any other services beyond the independent audit and those services required by ANEEL. The Company's hiring policy is designed to ensure the independence of the auditors in line with the prevailing regulations. Essentially, these determine that the auditors may not audit their own work, nor exercise any managerial function for their clients or promote their clients' interests.

The following information was not reviewed by the independent auditors: i) CEMAR's operating information (including that related to the PLPT); ii) pro-forma financial information and its comparison with the results presented in the period, and; iii) Management's expectations regarding the future performance of the companies.

9. DISCLOSURE CALENDAR

CONFERENCE CALL IN ENGLISH

Thursday, May 12, 2011
12:00 pm (Brasília time)
11:00 am (New York time)
Telephone: +1 (412) 317-6776
Code: Equatorial
Replay: +1 (412) 317-0088
Replay code: 450739#

CONFERENCE CALL IN PORTUGUESE

Thursday, May 12, 2011
2:00 pm (Brasília time)
1:00 pm (New York time)
Telephone: +0 XX (11) 3301-3000
Code: Equatorial
Replay: +0 XX (11) 3127-4999
Replay code: 95356835

- ▶ Participants should connect up approximately 10 minutes before the start of the call.

- ▶ **SLIDES AND WEBCAST:** The presentation slides will be available for viewing and download on the Investor Relations section of our website <http://www.equatorialenergia.com.br/ri> as of the date of the calls. The calls will be transmitted live on the internet on the same site, remaining available after the event.

CONTACTS

- ▶ **Eduardo Haiama**
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- ▶ **Thomas Newlands**
Investor Relations Analyst
- ▶ **Telephones:** + 0 XX (21) 3206-6635
- ▶ **E-mail:** ri@equatorialenergia.com.br
- ▶ **Website:** www.equatorialenergia.com.br/ri

ADDITIONAL INFORMATION ON CEMAR

Further information on CEMAR, including a more detailed breakdown of financial and operating results, can be found in the company's Earnings Release at the following address:

- ▶ **CEMAR:** www.cemar-ma.com.br/ri

DISCLAIMER

Forward-looking statements are subject to risks and uncertainties and are based on the expectations of our management and on the information currently available to the Company. Forward-looking statements include information on our current intentions, beliefs or expectations, as well as those of the Board of Directors and the Executive Board.

The reservations concerning forward-looking statements include information related to presumed or possible operating results, as well as declarations preceded, followed by or including such expressions as "believe", "can", "will", "continue", "expect", "forecast", "intend", "estimate" or similar.

Since they refer to future events and are therefore dependent on circumstances which may or may not occur, such statements are not a guarantee of performance. Future results and the creation of shareholder value may differ substantially from those expressed or suggested by said forward-looking statements, since many of the factors determining these results are outside the Company's control.

Accounting criteria adopted:

The information contained herein is presented in consolidated figures, pursuant to Brazilian Corporate Law, based on revised financial information. The consolidated financial information represents 100% of CEMAR's results, excluding 34.89% related to minority interests, 25% of Geramar's results and 100% of Equatorial Soluções' results.

The consolidated operating information represents 100% of CEMAR's, 25% of Geramar's and 100% of Equatorial Soluções' results.

To assure comparability between periods, the financial information for 1Q10 is presented on a pro-forma basis, excluding the interest held by Equatorial in Light, pursuant to the spin-off on April 29, 2010.

ANNEX 1 – CONSOLIDATED INCOME STATEMENT (R\$ MM)

| INCOME STATEMENT (R\$ MM) | 1Q10 | 4Q10 | 1Q11 |
|---|----------------|----------------|----------------|
| GROSS OPERATING REVENUES | 497.7 | 652.9 | 544.4 |
| Electricity Sales to Final Consumer | 422.1 | 505.9 | 438.8 |
| Electricity Supply | 1.6 | 27.3 | 19.2 |
| Construction Revenues | 69.3 | 115.3 | 78.4 |
| Other Revenues | 9.5 | 13.2 | 15.9 |
| DEDUCTIONS FROM OPERATING REVENUES | (123.6) | (142.1) | (131.2) |
| NET OPERATING REVENUES | 374.1 | 510.8 | 413.1 |
| ELECTRICITY COSTS | (189.7) | (279.8) | (218.6) |
| Electricity Purchased for Resale | (98.6) | (142.2) | (115.1) |
| Transmission and Distribution Network Usage Charges | (21.1) | (21.2) | (23.7) |
| Construction Costs | (69.3) | (115.3) | (78.4) |
| Other non-manageable expenses | (0.7) | (1.1) | (1.5) |
| OPERATING COSTS/EXPENSES | (69.8) | (101.7) | (82.2) |
| Personnel | (25.1) | (20.8) | (23.0) |
| Material | (2.0) | (2.1) | (1.6) |
| Services | (31.5) | (43.8) | (44.3) |
| Provisions | (8.0) | (31.1) | (10.4) |
| Others | (3.1) | (3.8) | (2.9) |
| EBITDA | 114.6 | 129.3 | 112.3 |
| Other Operating Revenue/Expenses | (4.1) | (4.4) | (0.5) |
| Depreciation and Amortization | (23.2) | (26.9) | (27.0) |
| SERVICE INCOME | 87.4 | 97.9 | 84.8 |
| EQUITY INCOME | 13.5 | (1.6) | (2.1) |
| Equity Income | 14.4 | 0.0 | - |
| Goodwill Amortization | (0.9) | (1.6) | (2.1) |
| FINANCIAL INCOME | (7.0) | (29.8) | (7.9) |
| Financial Revenue | 26.8 | 28.5 | 32.7 |
| Financial Expenses | (33.8) | (58.4) | (40.5) |
| RESULT BEFORE INCOME TAX | 93.9 | 66.5 | 74.9 |
| Social Contribution | (6.9) | (9.7) | (5.8) |
| Income Tax | (10.9) | (3.9) | (9.6) |
| Deferred Taxes | (10.1) | (3.8) | (16.4) |
| SUDENE Incentive | 10.6 | 2.7 | 9.5 |
| MINORITY INTERESTS | (24.1) | (16.3) | (18.4) |
| NET INCOME | 52.5 | 35.5 | 34.2 |

ANNEX 2 – IFRS ADJUSTMENTS IN CEMAR (R\$ MILLION)

Below, we highlight the effects of the IFRS adoption in **CEMAR** 1Q10 and 1Q11 results:

- ▶ R\$78.4 million are accounted relating to the **Construction Revenue** in the 1Q11 Gross Revenue. This value is totally offset, since the same amount is accounted as Construction Cost in the Non-manageable Expenses, affecting NOR, but neutral to EBITDA and Net Income.
- ▶ The **Regulatory Assets write-off** positively affect the NOR by R\$17.6 million, the EBITDA by R\$18.3 million and R\$19.1 million in the Net Income in the 1Q11.
- ▶ Costs relating to the **Profit Sharing** (R\$2.7 million in 1Q11) are transferred to the Personnel account, negatively affecting EBITDA, but with zero effect on NOR and Net Income.

| INCOME STATEMENT (R\$ thousand) | 1T10 | | 1T10 IFRS | 1T11 | | 1T11 IFRS |
|---|------------------|-----------------|------------------|------------------|-----------------|------------------|
| | Original | Adjust. | | Original | Adjust. | |
| GROSS OPERATING REVENUES | 390,240 | 98,435 | 488,675 | 437,322 | 95,177 | 532,499 |
| Electricity Sales to Final Consumer | 384,722 | 29,111 | 413,833 | 413,528 | 16,744 | 430,272 |
| Electricity Supply | 1,574 | | 1,574 | 19,230 | | 19,230 |
| Emergency Capacity Charge | 7 | | 7 | (2,029) | | (2,029) |
| Construction Revenues | - | 69,324 | 69,324 | - | 78,433 | 78,433 |
| Other Revenues | 3,937 | | 3,937 | 6,593 | | 6,593 |
| DEDUCTIONS FROM OPERATING REVENUES | (122,731) | (32) | (122,763) | (131,522) | 875 | (130,647) |
| NET OPERATING REVENUES | 267,509 | 98,403 | 365,912 | 305,799 | 96,052 | 401,851 |
| ELECTRICITY COSTS | (119,195) | (67,388) | (186,583) | (137,591) | (77,744) | (215,335) |
| Electricity Purchased for Resale | (97,725) | 1,936 | (95,789) | (112,678) | 689 | (111,989) |
| Transmission and Distribution Network Usage Charges | (20,740) | | (20,740) | (23,441) | | (23,441) |
| Construction Costs | - | (69,324) | (69,324) | - | (78,433) | (78,433) |
| Other non-manageable expenses | (729) | | (729) | (1,472) | | (1,472) |
| OPERATING COSTS/EXPENSES | (59,540) | (2,676) | (62,216) | (75,273) | (2,685) | (77,958) |
| Personnel | (14,872) | (2,676) | (17,548) | (16,690) | (2,685) | (19,375) |
| Material | (1,988) | | (1,988) | (1,554) | | (1,554) |
| Services | (30,612) | | (30,612) | (43,615) | | (43,615) |
| Provisions | (8,014) | | (8,014) | (10,446) | | (10,446) |
| Others | (4,054) | | (4,054) | (2,968) | | (2,968) |
| EBITDA | 88,774 | 28,339 | 117,113 | 92,935 | 15,623 | 108,558 |
| Other Operating Revenue/Expenses | (2,024) | | (2,024) | (541) | | (541) |
| Depreciation and Amortization | (22,352) | | (22,352) | (25,772) | | (25,772) |
| SERVICE INCOME | 64,399 | 28,339 | 92,738 | 66,622 | 15,623 | 82,245 |
| FINANCIAL INCOME | (6,424) | (337) | (6,761) | (8,207) | 822 | (7,385) |
| Financial Revenue | 24,693 | | 24,693 | 30,097 | | 30,097 |
| Financial Expenses | (31,117) | (337) | (31,454) | (38,305) | 822 | (37,483) |
| RESULT BEFORE INCOME TAX | 57,975 | | 85,977 | 58,414 | 16,445 | 74,859 |
| Social Contribution | (6,752) | | (6,752) | (5,780) | | (5,780) |
| Income Tax | (10,562) | | (10,562) | (9,486) | | (9,486) |
| Deferred Taxes | 315 | (10,431) | (10,116) | (16,354) | | (16,354) |
| SUDENE Incentive | 10,562 | | 10,562 | 9,486 | | 9,486 |
| PROFIT SHARING | (2,676) | 2,676 | - | (2,685) | 2,685 | - |
| NET INCOME | 48,862 | (7,755) | 69,109 | 33,595 | 19,130 | 52,725 |

ANNEX 3 – INCOME STATEMENT PER COMPANY (R\$ MM)

- ▶ The following table reflects Equatorial's consolidation process, i.e. the sum of Equatorial Holding + 100% of Equatorial Soluções + 100% of CEMAR + 25% of Geramar+ eliminations.
- ▶ The "Minority Interest" line contains an adjustment so that Equatorial's consolidated result reflects its real stake of 65.11% in Cemar.

| INCOME STATEMENT PER COMPANY (R\$MM) | Equatorial Holding | Geramar 25% | Equatorial Soluções 100% | CEMAR 100% | Eliminations | Equatorial Consolidated |
|---|--------------------|--------------|--------------------------|----------------|---------------|-------------------------|
| GROSS OPERATING REVENUES | 0.8 | 10.3 | 0.6 | 532.7 | - | 544.4 |
| Electricity Sales to Final Consumer | - | 10.3 | - | 428.5 | - | 438.8 |
| Electricity Supply | - | - | - | 19.2 | - | 19.2 |
| Emergency Capacity Charge | - | - | - | - | - | - |
| Construction Revenues | - | - | - | 78.4 | - | 78.4 |
| Other Revenues | 0.8 | - | 0.6 | 6.6 | - | 8.0 |
| DEDUCTIONS FROM OPERATING REVENUES | (0.1) | (1.0) | (0.0) | (130.1) | - | (131.2) |
| NET OPERATING REVENUES | 0.7 | 9.4 | 0.5 | 402.6 | - | 413.1 |
| ELECTRICITY COSTS | - | (2.0) | - | (216.6) | - | (218.6) |
| Electricity Purchased for Resale | - | (1.8) | - | (113.3) | - | (115.1) |
| Transmission and Distribution Network Usage Charges | - | (0.2) | - | (23.4) | - | (23.7) |
| Construction Costs | - | - | - | (78.4) | - | (78.4) |
| Other Non-Manageable Expenses | - | - | - | (1.5) | - | (1.5) |
| OPERATING COSTS/EXPENSES | (3.9) | (0.4) | (0.6) | (77.3) | - | (82.2) |
| Personnel | (3.2) | (0.0) | (0.4) | (19.4) | - | (23.0) |
| Material | (0.0) | - | (0.0) | (1.6) | - | (1.6) |
| Services | (0.4) | (0.1) | (0.2) | (43.6) | - | (44.3) |
| Provisions | - | - | - | (10.4) | - | (10.4) |
| Others | (0.3) | (0.2) | (0.0) | (2.4) | - | (2.9) |
| EBITDA | (3.2) | 7.0 | (0.1) | 108.6 | - | 112.3 |
| Other Operating Revenue/Expenses | - | - | - | (0.5) | - | (0.5) |
| Depreciation and Amortization | - | (1.2) | (0.0) | (25.8) | - | (27.0) |
| SERVICE INCOME | (3.2) | 5.9 | (0.1) | 82.3 | - | 84.8 |
| EQUITY INCOME | 35.3 | - | - | - | (37.4) | (2.1) |
| Equity Income | 37.4 | - | - | - | (37.4) | - |
| Goodwill Amortization | (2.1) | - | - | - | - | (2.1) |
| FINANCIAL INCOME | 2.2 | (2.8) | 0.2 | (7.4) | - | (7.9) |
| Financial Revenue | 2.2 | 0.1 | 0.2 | 30.2 | - | 32.7 |
| Financial Expenses | (0.0) | (2.9) | 0.0 | (37.6) | - | (40.5) |
| RESULT BEFORE INCOME TAX | 34.2 | 3.1 | 0.1 | 74.9 | (37.4) | 74.9 |
| Social Contribution | (0.0) | - | (0.0) | (5.8) | - | (5.8) |
| Income Tax | (0.1) | - | (0.1) | (9.5) | - | (9.6) |
| Deferred Taxes | - | (0.0) | - | (16.4) | - | (16.4) |
| SUDENE Incentive | - | - | - | 9.5 | - | 9.5 |
| MINORITY INTERESTS | - | - | - | - | (18.4) | (18.4) |
| NET INCOME | 34.2 | 3.0 | (0.0) | 52.7 | (55.8) | 34.2 |

ANNEX 4 – BALANCE SHEET (R\$ MM)

| ASSETS (R\$ MM) | 1Q10 | 2Q10 | 3Q10 | 4Q10 | 1Q11 |
|--|----------------|----------------|----------------|----------------|----------------|
| CURRENT | 971.0 | 988.8 | 992.8 | 1,132.6 | 1,115.2 |
| Cash and Cash Equivalents | 523.4 | 490.8 | 444.7 | 550.1 | 511.9 |
| Consumers and Resellers | 341.8 | 374.7 | 400.7 | 410.0 | 406.3 |
| Inventory | 5.8 | 5.6 | 5.5 | 8.0 | 8.0 |
| Taxes Recoverable | 50.1 | 58.3 | 70.3 | 85.4 | 95.9 |
| Low Income | 22.5 | 23.4 | 24.9 | 17.4 | 23.5 |
| Other Accounts Receivable | 27.3 | 36.1 | 46.7 | 61.8 | 69.6 |
| LONG TERM ASSETS | 477.4 | 475.2 | 479.9 | 513.1 | 391.3 |
| Consumers and Resellers | 69.3 | 61.8 | 58.6 | 58.2 | 60.5 |
| Taxes Recoverable | 120.0 | 124.4 | 133.1 | 140.3 | 45.6 |
| Deferred Taxes - Income Tax / Social Contribution | 245.7 | 246.1 | 246.1 | 255.8 | 242.2 |
| Indemnifiable Financial Asset | 33.4 | 33.4 | 33.4 | 50.4 | 22.6 |
| Other Accounts Receivable | 8.9 | 9.4 | 8.7 | 8.4 | 20.4 |
| FIXED ASSETS | 1,338.8 | 1,360.7 | 1,456.3 | 1,511.3 | 1,771.5 |
| Investments | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Goodwill | 1,338.6 | 1,360.5 | 1,456.1 | 1,511.1 | 1,771.3 |
| TOTAL ASSETS | 2,787.2 | 2,824.7 | 2,929.1 | 3,157.0 | 3,278.0 |
| LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ MM) | 1T10 | 2T10 | 3T10 | 4T10 | 1T11 |
| CURRENT | 604.4 | 535.0 | 583.4 | 685.5 | 657.5 |
| Suppliers | 116.1 | 150.2 | 174.8 | 174.0 | 144.8 |
| Salaries | 7.4 | 8.8 | 9.9 | 7.7 | 11.8 |
| Dividends / Interest on Equity | 70.5 | 0.4 | 0.4 | 56.7 | 61.2 |
| Taxes and Social Contribution | 48.7 | 49.3 | 65.8 | 75.1 | 79.0 |
| Loans and Financing | 238.6 | 192.1 | 188.7 | 195.8 | 208.0 |
| Debentures | 55.5 | 61.8 | 55.7 | 66.9 | 59.4 |
| Public Lighting | 15.5 | 14.6 | 13.2 | 13.5 | 13.3 |
| Provision for Contingencies | 2.5 | 1.6 | 2.7 | 27.4 | 26.2 |
| Others | 49.6 | 56.3 | 72.2 | 68.4 | 53.8 |
| LONG TERM LIABILITIES | 1,293.4 | 1,299.0 | 1,301.3 | 1,433.9 | 1,295.7 |
| Taxes and Social Contribution | 226.6 | 235.2 | 263.0 | 283.2 | 194.8 |
| Debentures | 256.6 | 257.4 | 258.1 | 253.1 | 200.4 |
| Loans and Financing | 787.0 | 784.6 | 757.6 | 849.9 | 840.8 |
| Provision for Contingencies | 2.6 | 1.2 | 2.0 | 14.7 | 26.9 |
| Others | 20.6 | 20.6 | 20.5 | 33.0 | 32.8 |
| MINORITY INTERESTS | 18.5 | 47.8 | 58.1 | 83.9 | 335.2 |
| SHAREHOLDERS EQUITY | 870.8 | 942.9 | 986.3 | 953.8 | 989.6 |
| Capital Stock | 552.4 | 566.8 | 566.8 | 566.8 | 566.8 |
| Profit Reserves | 280.3 | 280.4 | 280.4 | 414.0 | 429.8 |
| Retained Earnings/Accumulated Deficit | 38.1 | 95.7 | 139.0 | (27.1) | (7.0) |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | 2,787.2 | 2,824.7 | 2,929.1 | 3,157.0 | 3,278.0 |

ANNEX 5 – INDEBTEDNESS

Considering 100% of CEMAR + 25% of Geramar + 100% of Equatorial Soluções

| LOANS AND FINANCING LINES (R\$ MM) | 1Q10 | | | | 1Q11 | | | |
|--|-----------------|-------------------|------------------|------------------|-----------------|-------------------|------------------|------------------|
| | S. T. - Charges | S. T. - Principal | L. T. | Total | S. T. - Charges | S. T. - Principal | L. T. | Total |
| FOREIGN CURRENCY | 199 | 718 | 8,515 | 9,432 | 165 | 653 | 7,099 | 7,917 |
| National Treasury | 199 | 718 | 8,515 | 9,432 | 165 | 653 | 7,099 | 7,917 |
| Others | - | - | - | - | - | - | - | - |
| DOMESTIC CURRENCY | 5,993 | 231,726 | 821,221 | 1,058,940 | 8,715 | 203,958 | 872,093 | 1,084,767 |
| Eletrobrás | - | 45,286 | 367,782 | 413,068 | - | 51,809 | 387,170 | 438,979 |
| Financial Institutions | 5,993 | 181,308 | 432,913 | 620,214 | 8,715 | 146,278 | 467,311 | 622,305 |
| Debt with Pension Fund | - | 5,132 | 20,526 | 25,658 | - | 5,871 | 17,612 | 23,483 |
| SUB TOTAL - LOANS AND FINANCING | 6,192 | 232,444 | 829,736 | 1,068,372 | 8,880 | 204,611 | 879,192 | 1,092,684 |
| Debentures | - | 55,508 | 213,840 | 269,348 | 1,979 | 53,460 | 160,380 | 215,819 |
| DEBT TOTAL | 6,192 | 287,952 | 1,043,576 | 1,337,720 | 10,859 | 258,071 | 1,039,572 | 1,308,503 |

S.T. = Short Term / L.T. = Long Term

Considering 65.11% of CEMAR + 25% of Geramar + 100% of Equatorial Soluções

| LOANS AND FINANCING LINES (R\$ MM) | 1Q10 | | | | 1Q11 | | | |
|--|-----------------|-------------------|----------------|----------------|-----------------|-------------------|----------------|----------------|
| | S. T. - Charges | S. T. - Principal | L. T. | Total | S. T. - Charges | S. T. - Principal | L. T. | Total |
| FOREIGN CURRENCY | 130 | 467 | 5,544 | 6,141 | 107 | 425 | 4,622 | 5,155 |
| National Treasury | 130 | 467 | 5,544 | 6,141 | 107 | 425 | 4,622 | 5,155 |
| Others | - | - | - | - | - | - | - | - |
| DOMESTIC CURRENCY | 4,197 | 188,447 | 549,611 | 742,255 | 6,743 | 155,291 | 581,218 | 743,252 |
| Eletrobrás | - | 29,485 | 239,458 | 268,943 | - | 33,732 | 252,081 | 285,814 |
| Financial Institutions | 4,197 | 155,621 | 296,788 | 456,606 | 6,743 | 117,736 | 317,670 | 442,149 |
| Debt with Pension Fund | - | 3,341 | 13,364 | 16,706 | - | 3,823 | 11,467 | 15,289 |
| SUB TOTAL - LOANS AND FINANCING | 4,327 | 188,915 | 555,155 | 748,396 | 6,850 | 155,716 | 585,840 | 748,406 |
| Debentures | - | 36,141 | 139,228 | 175,369 | 1,289 | 34,807 | 104,421 | 140,517 |
| DEBT TOTAL | 4,327 | 225,055 | 694,383 | 923,765 | 8,139 | 190,523 | 690,261 | 888,923 |

S.T. = Short Term / L.T. = Long Term

ANNEX 6 – CASH FLOW STATEMENT

| CONSOLIDATED CASH FLOW (R\$MM) | 1Q10 | 2Q10 | 3Q10 | 4Q10 | 1Q11 |
|--|----------------|----------------|----------------|----------------|---------------|
| Cash and Cash Equivalents - Initial Balance | 440.5 | 523.4 | 490.8 | 444.7 | 550.1 |
| CF from Operating Activities | | | | | |
| <i>Net Income</i> | 52.7 | 58.0 | 43.1 | 35.4 | 34.2 |
| <i>(+) Non Cash Expenses</i> | 72.3 | 61.2 | 10.7 | 81.7 | 63.9 |
| <i>Changes in Assets</i> | 343.1 | (34.3) | (117.9) | (2.6) | (40.2) |
| <i>Changes in Liabilities</i> | (129.6) | 93.6 | 180.1 | 42.1 | (9.6) |
| (=) Cash Flow from Operating Activities | 338.5 | 178.4 | 116.0 | 156.6 | 48.4 |
| CF from Investments | | | | | |
| Fixed Assets | (76.6) | (99.3) | (127.0) | (62.6) | (106.6) |
| Others | 3.7 | (2.0) | 4.6 | (41.0) | 27.5 |
| (=) Cash Flow from Investments | (72.9) | (101.3) | (122.4) | (103.6) | (79.1) |
| CF from Financing | | | | | |
| <i>Atividades de Financiamento Próprias</i> | | | | | |
| Loans and Financing | 110.6 | 4.8 | (39.8) | 97.4 | (9.5) |
| Dividends | - | (129.0) | (0.0) | - | (0.0) |
| Capital Increase | (293.4) | 14.5 | 0.1 | (45.1) | 2.0 |
| Subsidies | - | - | - | - | - |
| (=) Cash Flow from Financing | (182.8) | (109.7) | (39.7) | 52.3 | (7.5) |
| (=) Quarterly Cash Flow | 82.9 | (32.6) | (46.1) | 105.4 | (38.2) |
| Cash and Cash Equivalents - Final Balance | 523.4 | 490.8 | 444.7 | 550.1 | 511.9 |