



Equatorial Energia S.A.

Publicly held Company
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 today, informs the market that:

BlackRock, Inc. ("BlackRock"), on behalf of some of its clients, as investment administrator, acquired common shares issued by the Company, and on October 14, 2016, its holdings reached, in aggregate, 9,939,719 common shares, representing approximately 5.00% of the total common shares issued by the Company and 472,500 derivative financial instruments referenced to shares with financial settlement, representing approximately 0.23% of the total common shares issued by the Company.

In its request, BlackRock also states that:

- (i) BlackRock is headquartered at 55 East 52nd Street, New York City, New York 10022-0002, USA;
- (ii) The purpose of the above shareholdings is strictly for investment, not aiming a change in control or the Company's management structure; and,
- (iii) No agreement or contract was signed, by BlackRock, regulating the exercise of voting rights or the sale and purchase of securities issued by the Company.

Rio de Janeiro, October 18, 2016

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