

Quarterly information

Equatorial Energia S.A.

March 31, 2015
with Independent Auditor's Review Report

Equatorial Energia S.A.

Quarterly information

March 31, 2015 and 2014

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Centro Empresarial Iguatemi
Av. Washington Soares, 55
Sala 508 – Edson Queiroz
60811-341 - Fortaleza, CE, Brazil

Tel: (5585) 3392-5600
Fax: (5585) 3392-5659
ey.com.br

A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil

Independent auditor's review report on quarterly information (ITR)

The Shareholders, Board of Directors and Officers of
Equatorial Energia S.A.
São Luis – MA

Introduction

We have reviewed the individual and consolidated interim financial information of Equatorial Energia S.A. ("Company"), contained in the Quarterly Information Form (ITR) for the quarter ended March 31, 2015, which comprise the balance sheet as at March 31, 2015 and the related income statement, statement of comprehensive income, of changes in equity and cash flow statement for the three-month period then ended, including other explanatory information.

Management is responsible for the preparation of the individual interim financial information in accordance with CPC 21(R1) - Interim Financial Reporting, and of the consolidated interim financial information in accordance with CPC 21(R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

We also reviewed the individual and consolidated statements of value added (SVA), for the three-month period ended March 31, 2015, prepared under the responsibility of Company management, whose presentation in the interim financial information is required by the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to preparation of Quarterly Information (ITR) and considered supplementary information under IFRS, which do not require SVA presentation. These statements were submitted to the same review procedures previously described and, based on our review, we are not aware of any fact that would make us believe that they were not prepared, in all material respects, in accordance with the overall individual and consolidated interim financial information.

Fortaleza (CE), May 7, 2015.

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP015199/O-6-S-MA

Carlos Santos Mota Filho
Accountant CRC – PE 020.728/O-7-S-MA

A free translation from Portuguese into English of quarterly information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil

Equatorial Energia S.A.

Balance sheets

March 31, 2015 and December 31, 2014

(In thousands of reais)

	Note	Company		Consolidated	
		03/31/2015	12/31/2014	03/31/2015	12/31/2014
Assets					
Current assets					
Cash and cash equivalents	4	314	23,226	368,474	280,098
Short-term investments	5	293,920	267,252	1,347,875	1,683,565
Trade accounts receivable	6	-	-	1,516,663	1,382,874
Receivables relating to Parcel A and other financial items	9	-	-	159,919	341,602
Taxes recoverable	7.1	-	-	112,023	109,916
Income taxes recoverable	7.2	21,429	22,147	59,297	76,192
Purchase of fuels (CCC)	8	-	-	230,545	236,701
Inventories		-	-	23,122	20,912
Dividends		45,559	45,559	-	-
Services requested		-	-	117,884	106,304
Judicial deposits	21	139	139	20,409	20,037
Derivative financial instruments		-	-	-	64,553
Recovery of energy cost and charges		-	-	58,512	-
Other receivables	14	1,259	1,282	68,239	64,070
		362,620	359,605	4,082,962	4,386,824
Noncurrent assets					
Trade accounts receivable	6	-	-	206,448	191,871
Receivables relating to Parcel A and other financial items	9	-	-	227,087	380,854
Taxes recoverable	7.1	-	-	86,093	87,059
Income taxes recoverable	7.2	-	-	37,379	36,238
Judicial deposits	21	-	-	140,945	136,156
Future capital contribution		306,000	306,000	-	-
Derivative financial instruments		-	-	177,847	8,860
Concession-related financial assets	13	-	-	1,858,006	1,565,973
CCC subrogation - amounts invested	11	-	-	82,544	113,255
Other receivables	14	576,025	565,269	73,745	63,222
Investments	15	1,852,435	1,768,930	86,430	77,464
Property, plant and equipment		297	297	3,453	3,341
Intangible assets	16	-	-	4,239,592	4,217,519
		2,734,757	2,640,496	7,219,569	6,881,812
Total assets		3,097,377	3,000,101	11,302,531	11,268,636

See accompanying notes.

	Note	Company		Consolidated	
		03/31/2015	12/31/2014	03/31/2015	12/31/2014
Liabilities and equity					
Current liabilities					
Trade accounts payable	17	269	158	962,889	1,139,843
Payroll and accrued vacation pay		2,316	178	46,907	54,467
Loans and financing	18	-	-	398,342	959,855
Debentures	19	-	-	23,813	10,861
Taxes and contributions payable	20.1	1,672	94	198,892	250,740
Income taxes payable	20.2	8,040	7,209	15,764	32,160
Derivative financial instruments		-	-	57,701	-
Dividends and Interest on Equity (IOE)		151,565	151,565	180,061	176,840
Provision for civil, tax and labor contingencies	21	-	-	46,303	51,728
Street lighting charge		-	-	28,773	30,848
Research and development and energy efficiency		-	-	86,480	79,569
Employees' profit sharing	25	1,119	4,444	17,575	32,161
In-court reorganization - CELPA		-	-	77,745	79,631
Other accounts payable	22	34	36	290,692	253,911
		165,015	163,684	2,431,937	3,152,614
Noncurrent liabilities					
Loans and financing	18	-	-	3,515,084	2,897,754
Debentures	19	-	-	513,796	506,423
Taxes and contributions payable	20.1	-	-	70,741	77,046
Deferred income and social contribution taxes	12	50	50	44,093	31,614
Provision for civil, tax and labor contingencies	21	-	-	557,756	546,245
Research and development and energy efficiency		-	-	109,972	107,519
Retirement and pension plan		-	-	47,768	47,768
In-court reorganization - CELPA		-	-	236,498	256,230
Other accounts payable	22	-	-	211,518	199,898
		50	50	5,307,226	4,670,497
Equity					
Capital	23.1	1,977,276	1,977,276	1,977,276	1,977,276
Capital reserves		33,161	22,585	33,161	22,585
Income reserves	23.3	870,599	871,843	870,599	871,843
Other comprehensive income (loss)		(11,831)	(13,075)	(11,831)	(13,075)
Equity adjustment		(22,262)	(22,262)	(22,262)	(22,262)
Retained earnings		85,369	-	85,369	-
Equity attributable to controlling interests		2,932,312	2,836,367	2,932,312	2,836,367
Noncontrolling interests		-	-	631,056	609,158
Total equity		2,932,312	2,836,367	3,563,368	3,445,525
Total liabilities and equity		3,097,377	3,000,101	11,302,531	11,268,636

Equatorial Energia S.A.

Income statements

Three-month periods ended March 31, 2015 and 2014

(In thousands of reais)

	Note	Company		Consolidated	
		03/31/2015	03/31/2014	03/31/2015	03/31/2014
Net operating revenue	26	-	-	1,678,595	1,325,347
Cost of electric energy services	27	-	-	(1,269,281)	(1,090,799)
Cost of electric energy	27	-	-	(1,191,393)	(932,178)
Electric energy purchased for resale	28	-	-	(881,072)	(691,235)
Construction cost		-	-	(270,316)	(210,329)
Transmission and distribution system use charge		-	-	(40,005)	(30,614)
Cost of operation	27	-	-	(77,888)	(158,621)
Personnel		-	-	(29,226)	(27,351)
Material		-	-	(1,965)	(4,171)
Third-parties services		-	-	(52,573)	(55,074)
Depreciation and amortization		-	-	(20,775)	(58,457)
Leases and rent		-	-	(4,302)	(2,911)
CCC subsidy		-	-	5,824	(6,880)
Other		-	-	25,129	(3,777)
Gross operating income (expenses)		-	-	409,314	234,548
Selling expenses	27	-	-	(68,006)	(64,924)
Administrative expenses	27	(486)	(1,134)	(52,372)	(48,240)
Personnel expenses and management fees		(18,530)	(2,291)	(24,110)	(8,295)
Allowance for doubtful accounts and loss on uncollectible receivables		-	-	(28,908)	(24,902)
(Reversal of) provision for contingencies		-	-	(3,714)	(1,301)
Depreciation and amortization		-	-	(10,788)	(8,402)
Amortization of concession right		(1,677)	(279)	(1,677)	(279)
Equity pickup		86,874	3,185	10,702	5,385
Other operating income/expenses		(681)	(615)	(34,262)	(8,974)
Other operating income (expenses)		65,500	(1,134)	(213,135)	(159,932)
Income before financial income (expenses)		65,500	(1,134)	315,791	74,616
Financial income (expenses)	29	23,345	19,770	(61,451)	(23,295)
Financial income		23,391	19,770	345,153	184,959
Financial expenses		(46)	-	(406,604)	(208,254)
Income before income and social contribution taxes		88,845	18,636	134,728	51,321
Income and social contribution taxes		(3,476)	(4,015)	(24,090)	(19,295)
Social contribution tax		(921)	(1,064)	(6,442)	(14,308)
Income tax		(2,555)	(2,951)	(18,030)	(27,647)
Northeast Development Authority (SUDENE) tax incentive		-	-	12,862	11,580
Deferred taxes		-	-	(12,480)	11,080
Net income for the period		85,369	14,621	110,638	32,026
Attributable to noncontrolling interests		-	-	(25,269)	(17,405)
Net income for the period attributed to controlling interests		85,369	14,621	85,369	14,621
Basic and diluted earnings per thousand shares - R\$		0.4302	0.0737	0.4295	0.0737
Number of shares at period end		198,447	198,447	198,447	198,447

See accompanying notes.

Equatorial Energia S.A.

Statements of comprehensive income
Three-month periods ended March 31, 2015 and 2014
(In thousands of reais)

	Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Income for the period	85,369	14,621	110,638	32,026
Other comprehensive income (loss)	-	-	-	-
Comprehensive income for the period	85,369	14,621	110,638	32,026
Basic and diluted earnings per thousand shares - R\$	0.4302	0.0737		
Number of shares at period end	198,447	198,447		

See accompanying notes.

Equatorial Energia S.A.

Statements of changes in equity
 Three-month periods ended March 31, 2015 and 2014
 (In thousands of reais)

				Income reserves		Proposed additional dividends	Equity adjustment	Retained earnings (accumulated losses)	Other comprehensive income (loss)	Company's equity	Noncontrolling interests	Equity - Consolidated
	Capital	Capital reserves	Legal	Investment and expansion reserve								
Balances at December 31, 2013	1,977,276	14,080	66,219	416,685		1,559	(22,262)	(96,751)	(2,633)	2,354,173	493,474	2,847,647
Gains (losses) on investments	-	-	-	-		-	-	586	-	586	(1,932)	(1,346)
Net income for the period	-	-	-	-		-	-	14,621	-	14,621	17,405	32,026
Balances at March 31, 2014	<u>1,977,276</u>	<u>14,080</u>	<u>66,219</u>	<u>416,685</u>		<u>1,559</u>	<u>(22,262)</u>	<u>(81,544)</u>	<u>(2,633)</u>	<u>2,369,380</u>	<u>508,947</u>	<u>2,878,327</u>
Balances at December 31, 2014	1,977,276	22,585	98,107	773,736		-	(22,262)	-	(13,075)	2,836,367	609,158	3,445,525
Reclassification of other comprehensive income	-	-	-	(1,244)		-	-	-	1,244	-	-	-
Recognized options granted	-	10,576	-	-		-	-	-	-	10,576	-	10,576
Payment of dividends to noncontrolling shareholders	-	-	-	-		-	-	-	-	-	(3,371)	(3,371)
Net income for the period	-	-	-	-		-	-	85,369	-	85,369	25,269	110,638
Balances at March 31, 2015	<u>1,977,276</u>	<u>33,161</u>	<u>98,107</u>	<u>772,492</u>		<u>-</u>	<u>(22,262)</u>	<u>85,369</u>	<u>(11,831)</u>	<u>2,932,312</u>	<u>631,056</u>	<u>3,563,368</u>

See accompanying notes.

Equatorial Energia S.A.

Cash flow statements - Indirect method
 Three-month periods ended March 31, 2015 and 2014
 (In thousands of reais)

	Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Cash flow from operating activities				
Net income for the period	85,369	14,621	110,638	14,621
Non-cash income (expenses):				
Depreciation and amortization	1,677	279	33,220	67,066
Interest expense and exchange losses	-	-	290,472	43,794
Losses (gains) on derivative financial instruments	-	-	(116,173)	13,055
Monetary restatement of financial assets	-	-	(12,371)	(9,290)
Loss on disposal of intangible assets /property, plant and equipment	-	-	(31,719)	11,108
Receivables relating to Parcel A and other financial items	-	-	(90,932)	-
(Reversal of) provision for civil, tax and labor contingencies	-	-	12,022	(584)
(Reversal of) allowance for doubtful accounts and loss on uncollectible receivables	-	-	28,908	24,902
Share-based payment	10,576	-	10,576	-
Equity pickup	(86,874)	(3,185)	(10,702)	(5,385)
Short-term investment yields	(8,295)	(9,286)	(45,727)	(28,518)
Equity adjustment - IFRS	-	-	-	(1,345)
Deferred income and social contribution taxes	-	-	12,480	(11,080)
Current income and social contribution taxes	(3,476)	(3,751)	24,472	(14,167)
Noncontrolling interests	-	-	(3,371)	17,405
Other	-	-	1,733	-
	<u>(1,023)</u>	<u>(1,322)</u>	<u>213,526</u>	<u>121,582</u>
Changes in current and noncurrent asset accounts				
Trade accounts receivable	-	-	(177,274)	(57,820)
Receivables relating to Parcel A and other financial items	-	-	426,382	-
Inventories	-	-	(2,210)	(2,041)
Taxes recoverable	-	-	(1,141)	(4,917)
Income taxes recoverable	718	(1,517)	15,754	31,179
Services requested	-	-	(11,580)	(16,637)
Recovery of energy cost and charges	-	-	(58,512)	(279,394)
Purchase of fuel (CCC)	-	-	6,156	(61,688)
CCC subrogation	-	-	30,711	-
Judicial deposits	-	(405)	(5,161)	35,946
Concession-related financial asset	-	-	-	(38,497)
Dividends receivable	1,691	1,246	-	-
Future capital contribution	-	(245,000)	-	-
Other receivables	(10,731)	(9,234)	(16,425)	(3,520)
	<u>(8,322)</u>	<u>(254,910)</u>	<u>206,700</u>	<u>(397,389)</u>
Changes in current and noncurrent liability accounts				
Trade accounts payable	111	164	(176,954)	252,958
Taxes and contributions payable	1,578	182	(58,153)	22,716
Income taxes payable	4,307	7,768	(110,228)	(50,422)
Payroll expenses	2,142	263	(7,560)	(10,163)
Provision for civil, tax and labor contingencies	-	-	(5,936)	(8,072)
Regulatory fees	-	-	-	303
Energy efficiency program	-	-	9,364	10,140
Profit sharing	(3,325)	(6,099)	(14,586)	(24,675)
Street lighting charge	-	-	(2,075)	(9,069)
Interest paid	-	-	(29,466)	(23,249)
Income and social contribution taxes paid	-	-	69,360	50,116
In-court reorganization - CELPA	-	-	(21,618)	(25,068)
Other accounts payable	(7)	(14)	48,400	14,262
	<u>4,806</u>	<u>2,264</u>	<u>(299,452)</u>	<u>199,777</u>
Net cash used in operating activities	<u>(4,539)</u>	<u>(253,968)</u>	<u>120,774</u>	<u>(76,030)</u>
Investing activities				
Acquisitions of intangible assets	-	-	(303,171)	(140,822)
Acquisition of property, plant and equipment	-	-	(134)	8
Acquisition of investment	-	-	-	43
Redemption of short-term investments	(18,373)	254,018	381,417	288,596
Dividends received	-	-	1,693	1,245
Net cash used in investing activities	<u>(18,373)</u>	<u>254,018</u>	<u>79,805</u>	<u>149,070</u>
Financing activities				
Loans and financing taken out	-	-	557,714	14,690
Repayment of loans and financing	-	-	(742,578)	(94,589)
Amortization of derivative financial instruments	-	-	69,440	-
Dividends paid	-	-	3,221	-
Net cash used in financing activities	<u>-</u>	<u>-</u>	<u>(112,203)</u>	<u>(79,899)</u>
Decrease in cash and cash equivalents	<u>(22,912)</u>	<u>50</u>	<u>88,376</u>	<u>(6,859)</u>
Statement of decrease in cash and cash equivalents				
Cash and cash equivalents at beginning of period	23,226	21,403	280,098	350,885
Cash and cash equivalents at end of period	314	21,453	368,474	344,026
Increase (decrease) in cash and cash equivalents	<u>(22,912)</u>	<u>50</u>	<u>88,376</u>	<u>(6,859)</u>

See accompanying notes.

Equatorial Energia S.A.

Statements of value added
Three-month periods ended March 31, 2015 and 2014
(In thousands of reais)

	Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Revenues				
Sales of products and services	-	-	2,314,491	1,731,147
Other operating income (expenses)	(680)	(615)	(29,700)	(8,975)
Allowance for doubtful accounts and loss on uncollectible receivables	-	-	(28,908)	(24,902)
Other nonrecurring income(expenses)	-	-	(4,564)	-
(Reversal of) provision for civil, tax and labor contingencies	-	-	(3,714)	(1,301)
	(680)	(615)	2,247,605	1,695,969
Inputs acquired from third parties (including ICMS and IPI)				
Cost of sales and services	-	-	(1,191,393)	(932,178)
Materials, energy, third-party services and other expenses	(486)	(1,134)	(111,650)	(151,114)
Selling expenses	-	-	-	(932)
	(486)	(1,134)	(1,303,043)	(1,084,224)
Gross value added (used)	(1,166)	(1,749)	944,562	611,745
Depreciation and amortization	-	-	(31,563)	(66,859)
Net value added produced by the Company	(1,166)	(1,749)	912,999	544,886
Value added received in transfer				
Equity pickup	86,874	3,185	10,702	5,386
Amortization of concession right	(1,677)	(279)	(1,677)	(279)
Financial income	23,345	19,770	(61,451)	(23,295)
	108,542	22,676	(52,426)	(18,188)
Total value added to be distributed	107,376	20,927	860,573	526,698
Distribution of value added				
Employees				
Direct compensation	16,659	2,032	67,434	43,645
Benefits	49	50	14,289	12,797
Unemployment Compensation Fund (FGTS)	31	11	3,832	4,052
Other	1,791	198	(1,587)	4,815
	18,530	2,291	83,968	65,309
Taxes				
Federal	3,477	4,015	288,259	172,608
State	-	-	371,159	250,242
Municipal	-	-	566	2,245
	3,477	4,015	659,984	425,095
Debt remuneration				
Rent	-	-	5,983	4,268
	-	-	5,983	4,268
Equity remuneration				
Net income for the period	85,369	14,621	85,369	14,621
Noncontrolling interest in income for the period	-	-	25,269	17,405
	85,369	14,621	110,638	32,026
Value added	107,376	20,927	860,573	526,698

See accompanying notes.

Equatorial Energia S.A

Notes to quarterly information
Three-month periods ended March 31, 2015 and 2014
(In thousands of reais, unless otherwise stated)

1 Operations

Equatorial Energia S.A. (“Company” or “Equatorial” or “Parent”) is primarily engaged in holding interest in other companies, all in the electric energy industry, mainly with operations related to generation or distribution of electric energy. The Company has shares traded on BM&FBOVESPA under ticker “EQTL3” and has partaken in the New Market since 2008. The Company is headquartered at Alameda A, Quadra SQS, nº 100, Altos do Calhau, in the city of São Luís, Maranhão State.

On December 1, 2014, on the grounds of provisions of articles 61 and 63 of Law No. 11102/05 and the statement of the Administrator and Prosecution Office, the Pará State Court of Justice declared the in-court reorganization of the company’s subsidiary CELPA as finalized; however special conditions still apply for the debts agreed upon in-court reorganization. These obligations will be terminated upon their full settlement.

2 Subsidiaries and jointly-controlled subsidiaries

Equatorial has the following investments:

	Note	03/31/2015
CEMAR	a.	65.11%
Equatorial Soluções	b.	100.00%
CELPA	c.	96.18%
Geradora de Energia do Norte	d.	25.00%
Vila Velha	e.	50.00%

- a. **Companhia Energética do Maranhão (“CEMAR”)**: publicly-traded corporation primarily engaged in the distribution of electric energy. CEMAR’s concession area is Maranhão State, serving more than 2.2 million customers in an area of more than 333 thousand Km² at December 31, 2014. The electric energy distribution contract No. 060, executed by and between the Company, Brazil’s National Electric Energy Agency (ANEEL) and CEMAR, is effective until August 2030, with the possibility of being extended for further 30 years.

Equatorial Energia S.A

Notes to quarterly information
Three-month periods ended March 31, 2015 and 2014
(In thousands of reais, unless otherwise stated)

2 Subsidiaries and jointly-controlled subsidiaries (Continued)

- b. Equatorial Soluções S.A.:** Equatorial Soluções is a privately-held corporation, headquartered in the city of São Luís, Maranhão State, primarily engaged in: a) rendering of electric energy, telecommunication and data transmission services; b) electricity bill collection services on behalf and by order of third parties; and c) rendering of technical services related to the operation, maintenance and planning of third-party electric installations.
- c. Centrais Elétricas do Pará S.A. (CELPA):** A Brazilian publicly-traded company headquartered in the city of Belém, Pará State, engaged in the distribution and generation of electric energy in a concession area covering the entire Pará State with 1,248 thousand km², serving 2.1 million consumers in 144 Municipalities. The electric energy distribution concession contract No. 182/1998, entered into between ANEEL and CELPA on July 28, 1998, is for a term of 30 years, renewable for a further term of 30 years. In addition to said distribution contract, CELPA had Generation Concession Contract No. 181/1998 of 34 Thermoelectric Power Plants, of which 11 plants are company-owned and 23 plants are outsourced, for generation of electric energy for a term of 30 years, expiring on July 28, 2028, renewable for another 30 years. On March 15, 2011, SCG/ANEEL Official Letter No. 331/2011 extinguished the concession of the outsourced thermoelectric power plants, remaining the concession of those 11 owned thermoelectric power plants.
- d. Geradora de Energia do Norte S.A.:** This is responsible for the implementation and operation of thermoelectric plants in Tocantinópolis and Nova Olinda, in the city of Miranda do Norte, state of Maranhão, with installed capacity of 330MW, which provide electricity to the Brazilian National Interconnected System (SIN). On October 1, 2008, Equatorial acquired 25% of the Company's capital stock. The consortium which controls the Company includes Equatorial Energia S.A. (25%), Fundo de Investimentos em Participações Brasil Energia (25%) and GNP S.A. (50%). GNP S.A. includes Servtec Investimentos e Participações Ltda. (50%) and Companhia Ligna de Investimentos (50%). Geradora de Energia do Norte S.A. control is shared and governed by the Shareholders' Agreement. This jointly-controlled subsidiary is proportionally consolidated in this quarterly information.
- e. Vila Velha Termoeletricas Ltda.:** Still in pre-operating phase, this is the company responsible for the implementation and operation of thermoelectric plants in the State of Espírito Santo. Equatorial Energia holds 50% of its. Vila Velha Termoeletricas Ltda. control is shared and governed by the Shareholders' Agreement.

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2 Subsidiaries and jointly-controlled subsidiaries (Continued)

Subsidiaries CEMAR, CELPA and Equatorial Soluções hereinafter will be denominated only as “Subsidiaries”.

Geradora de Energia do Norte and Vila Velha are subsidiaries jointly-controlled by Equatorial Energia.

The reporting period of the interim financial statements of the subsidiaries included in the consolidation coincides with that of the Parent, and accounting policies were consistently applied to consolidated companies and were consistent with those used in the prior year.

All intercompany balances and transactions were eliminated upon consolidation.

3 Preparation and presentation of interim financial statements

The interim financial information for the three-month period ended March 31, 2015 was prepared in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

This quarterly information was prepared based on accounting principles, practices and criteria consistent with those adopted in the preparation of the annual financial statements for the year ended December 31, 2014, described in Note 3 of the referred statements, therefore, should be analyzed together with these interim financial statements.

Management authorized the issue of the interim financial statements on May 07, 2015.

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4 Cash and cash equivalents

	Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Cash and banks	12	15	24,870	37,392
Cash equivalents	302	23,211	343,604	242,706
Total	314	23,226	368,474	280,098

Cash equivalents correspond to transactions with financial institutions that operate in the Brazilian financial market and have a low credit risk, are remunerated by rates ranging from 86.45% to 103% of the Interbank Deposit Certificate (CDI), and are available for use in the Company and subsidiaries' operations, i.e., they are highly-liquid financial assets. These transactions mature within 3 months from date they are taken out and with repurchase agreement by issuer. The nature of the transactions is as follows:

Cash equivalents

	Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Bank Deposit Certificate (CDB)	-	-	160,159	39,870
Debentures held under repurchase agreements	302	23,211	183,445	202,836
Total	302	23,211	343,604	242,706

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5 Short-term investments

	Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Investment funds (a)	293,920	267,252	1,345,019	1,680,615
Other	-	-	2,856	2,950
Total	293,920	267,252	1,347,875	1,683,565

- (a) Investment funds represent low-risk transactions with first-tier financial institutions backed by Government Securities, in accordance with the investment policy of the Company and its subsidiaries, classified as held for trading.

6 Trade accounts receivable (Consolidated)

	Consolidated	
	03/31/2015	12/31/2014
Trade accounts receivable from billed consumers	1,090,958	995,606
Trade accounts receivable from non-billed consumers	213,557	214,409
Debt receivable in installments	574,782	533,966
Low income consumers and "Viva a luz" programs	94,433	68,887
Sale under Chamber for the Commercialization of Electric Power (CCEE)	6,388	6,388
Other	147,277	124,207
Total	2,127,395	1,937,075
(-) Allowance for doubtful accounts	(404,284)	(368,718)
Total	1,723,111	1,574,745
Total current	1,516,663	1,382,874
Total noncurrent	206,448	191,871

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6 Trade accounts receivable (Consolidated) (Continued)

Allowance for doubtful accounts (CEMAR and CELPA)

	12/31/2014	Provisions Additions	Reversals (Write-offs)	03/31/2015
Accounts receivable from billed consumers	313,145	34,549	(8,007)	339,687
Receivables in installments	52,619	10,696	(1,672)	61,643
Electric Energy Sale Chamber (CCEE)	197	-	-	197
Services rendered to third parties	528	-	-	528
Total current	366,489	45,245	(9,679)	402,055
Checks for collection	2,229	-	-	2,229
Total noncurrent	2,229	-	-	2,229
Total	368,718	45,245	(9,679)	404,284

	12/31/2013	Provisions Additions	Reversals (Write-offs)	12/31/2014
Accounts receivable from billed consumers	289,102	206,822	(182,779)	313,145
Receivables in installments	72,454	40,929	(60,764)	52,619
Electric Energy Sale Chamber (CCEE)	197	-	-	197
Services rendered to third parties	528	-	-	528
Total current	362,281	247,751	(243,543)	366,489
Checks for collection	2,229	-	-	2,229
Total noncurrent	2,229	-	-	2,229
Total	364,510	247,751	(243,543)	368,718

The allowance for doubtful accounts (ADA) is set up according to criteria defined considering management's best estimate, and considering General Guidance No. 6.3.2 of the Electric Energy Utility Accounting Manual, summarized as follows:

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6 Trade accounts receivable (Consolidated) (Continued)

Consumers with substantial debts

Individual analysis of trade accounts receivable by consumption class, considered bad debts. For the 10 thousand major customers, whether with or without debts payable in installments, whose invoices are included in the allowance for doubtful accounts per consumption class, all other overdue or falling due invoices are recorded in the allowance for doubtful accounts.

For other cases, the following rule is applied:

- Residential consumers – Overdue for more than 90 days;
- Commercial consumers – Overdue for more than 180 days; and
- Industrial, rural, public government, street lighting, utility services and other consumers – overdue for more than 360 days.

Balances overdue or falling due for billed supply of electric energy are as follows:

	Consolidated 03/31/2015			
	Falling due	Past due within 90 days	Past due over 90 days	Total
Residential	194,160	207,171	153,424	554,755
Industrial	74,293	34,657	47,725	156,675
Commercial	116,550	49,096	37,954	203,600
Rural	10,366	10,625	21,880	42,871
Public sector	21,808	34,213	6,863	62,884
Street lighting	12,593	2,297	1,784	16,674
Utility service	12,678	22,493	18,328	53,499
Billed supply (current and noncurrent)	<u>442,448</u>	<u>360,552</u>	<u>287,958</u>	<u>1,090,958</u>

	Consolidated 12/31/2014			
	Falling due	Past due within 90 days	Past due over 90 days	Total
Residential	190,672	187,486	131,246	509,404
Industrial	67,254	18,882	49,248	135,384
Commercial	106,278	48,075	34,067	188,420
Rural	9,862	10,807	19,838	40,507
Public sector	21,063	38,398	4,195	63,656
Street lighting	10,032	1,729	1,899	13,660
Utility service	11,133	28,007	5,435	44,575
Billed supply and receivables in installments (current and noncurrent)	<u>416,294</u>	<u>333,384</u>	<u>245,928</u>	<u>995,606</u>

6 Trade accounts receivable (Consolidated) (Continued) *Receivables in installments*

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	Consolidated 03/31/2015			Total
	Falling due	Past due within 90 days	Past due over 90 days	
Residential	262,461	23,710	40,191	326,362
Industrial	29,132	2,807	13,682	45,621
Commercial	45,497	6,255	13,050	64,802
Rural	14,430	1,374	3,367	19,171
Public sector	59,005	1,971	5,775	66,751
Street lighting	9,455	279	755	10,489
Utility service	19,417	858	792	21,067
Charged service - Novation	4,298	350	358	5,006
Other receivables – Novation	2,376	338	722	3,436
Novation	-	3,161	8,916	12,077
Receivables in installments	<u>446,071</u>	<u>41,103</u>	<u>87,608</u>	<u>574,782</u>

	Consolidated 12/31/2014			Total
	Falling due	Past due within 90 days	Past due over 90 days	
Residential	239,437	20,703	35,891	296,031
Industrial	22,927	2,056	13,042	38,025
Commercial	44,973	5,979	10,559	61,511
Rural	12,946	1,139	3,122	17,207
Public sector	59,878	2,210	6,638	68,726
Street lighting	10,419	216	705	11,340
Utility service	21,447	1,120	794	23,361
Charged service - Novation	3,724	272	263	4,259
Other receivables – Novation	2,190	285	586	3,062
Novation	-	2,545	7,899	10,444
Receivables in installments	<u>417,941</u>	<u>36,525</u>	<u>79,499</u>	<u>533,966</u>

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7 Taxes recoverable

Current and non-current balances arising from amounts legally withheld or prepaid are as follows:

7.1 Taxes recoverable

Current	Consolidated	
	03/31/2015	12/31/2014
PIS/COFINS	906	519
State VAT (ICMS)	67,612	66,271
Special Installment Plan (PAEX) recoverable	39,038	38,269
Social charges and other	1,849	2,218
Other	2,618	2,639
Total	112,023	109,916
Noncurrent		
State VAT (ICMS)	83,175	84,304
Social Security Funding Tax (FINSOCIAL)	2,195	2,173
Other	723	582
Total	86,093	87,059

7.2 Income taxes recoverable

Current	Consolidated	
	03/31/2015	12/31/2014
Withholding Income Tax (IRRF) on short-term investments	31,375	25,120
Prepayment of IRPJ and CSLL	3,815	25,663
IRPJ/CSLL recoverable	18,689	20,711
IRPJ and CSLL withheld at source	5,418	4,698
	59,297	76,192
Noncurrent		
IRPJ and CSLL recoverable	37,379	36,238
	37,379	36,238

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8 Purchase of fuel – Fuel Consumption Account (CCC)

At March 31, 2015, the company has a fuel consumption account (CCC) credit in the amount of R\$ 230,545(R\$ 236,701 at December 31, 2014).

The fuel consumption account (CCC) was created by Decree No. 73102, of November 7, 1973, with the objective of sharing the fuel consumption costs for thermal power generation in the Isolated Systems, especially in the Northern Region of Brazil. The objective of Law No. 12111, of December 9, 2009, is to reimburse the electric energy generation costs from the Isolated Systems, including costs related to purchase of electric energy and power associated with plant's own generation to provide the public service of electricity distribution, charges of the electric energy sector and taxes, as well as investments made. Such reimbursement must occur through the fossil fuel consumption account (CCC).

The significant increase in the balance results from the fund for transfer of CCC funds to the Company. On the other hand, the company has not been settling the obligations referring to fuel payable classified under "Trade accounts payable", since it understands that it operates as an intermediate in this energy supply process in isolated systems.

9 Receivables relating to Parcel A and other financial items

	Consolidated			Consolidated		
	03/31/2015			12/31/2014		
	Current assets	Noncurrent	Total	Current	Noncurrent	Total
Parcel A						
Energy Development Account (CDE)	3,699	9,733	13,432	1,066	1,509	2,575
Alternative Electric Energy Sources Incentive Program (PROINFA)	924	526	1,450	1,438	37	1,475
Basic grid	4,239	16,352	20,591	6,358	13,273	19,631
Purchase of energy	113,958	271,269	385,227	223,764	332,441	556,205
System Service Charges (ESS)	(13,961)	(206,938)	(220,899)	(31,756)	(149,065)	(180,821)
	108,859	90,942	199,801	200,870	198,195	399,065
Financial items						
Financial guarantee	519	1,049	1,568	335	267	602
Energy overcontracting	51,334	138,610	189,944	80,605	182,527	263,132
Financial exposure - 2014	(5,475)	(3,738)	(9,213)	(8,609)	(895)	(9,504)
PIS/COFINS	-	-	-	61,169	-	61,169
Regulatory asset – CUSD adjustment	174	-	174	-	-	-
Eletrownuclear	11,404	-	11,404	17,938	-	17,938
Continuity limit	(642)	-	(642)	(1,017)	-	(1,017)
Neutrality	(7,264)	-	(7,264)	(11,412)	-	(11,412)
Cepisa Violation of Continuity Limit	1,090	-	1,090	1,090	-	1,090
Other	(80)	224	144	633	760	1,393
Total	51,060	136,145	187,205	140,732	182,659	323,391
	159,919	227,087	387,006	341,602	380,854	722,456

9 Receivables relating to Parcel A and other financial items (Continued)

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Variation Offsetting Account of Parcel A amounts - CVA is the mechanism used to record the cost variations related to the purchase of energy and regulatory charges, in the period between tariff adjustments and/or periodic reviews, to allow greater neutrality in the transfer of these variations to tariffs, where the concession operator records variations of these costs as regulatory assets and liabilities, as shown below:

	12/31/2014	Establishment	Restatement	Amortization	03/31/2015
Parcel A					
Energy Development Account (CDE)	2,576	11,167	82	(393)	13,432
Alternative Electric Energy Sources Incentive Program (PROINFA)	1,475	478	48	(551)	1,450
Basic grid	19,632	2,703	539	(2,283)	20,591
Purchase of energy	556,205	(119,307)	14,501	(66,173)	385,227
System Service Charges (ESS)	(180,821)	(41,664)	(5,257)	6,843	(220,899)
	<u>399,067</u>	<u>(146,623)</u>	<u>9,913</u>	<u>(62,557)</u>	<u>199,801</u>
Financial items					
Financial guarantee					
Energy overcontracting	263,131	(45,322)	1,406	(29,271)	189,944
Financial exposure - 2014	(9,505)	(2,796)	(47)	3,134	(9,214)
PIS/COFINS (a)	61,169	-	-	(61,169)	-
Eletronuclear	17,938	-	-	(6,534)	11,404
Continuity limit	(1,017)	-	-	375	(642)
Neutrality	(11,412)	-	-	4,148	(7,264)
Cepisa Violation of Continuity Limit	1,090	-	-	-	1,090
Other	1,994	356	-	(463)	1,887
	<u>323,388</u>	<u>(47,762)</u>	<u>1,359</u>	<u>(89,780)</u>	<u>187,205</u>
Total	<u>722,456</u>	<u>(194,385)</u>	<u>11,272</u>	<u>(152,337)</u>	<u>387,006</u>

- (a) The amount of R\$61,169 of regulatory assets of PIS/COFINS recorded in December 2014, due to the recognition of the cost of Parcel A, was realized in February 2015, according to the mechanism of transfer of PIS and COFINS to consumer provided for in Technical Note 115/2005–SFF/SRE/ANEEL.

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9 Receivables relating to Parcel A and other financial items (Continued)

	<u>12/31/2013</u>	<u>Establishment</u>	<u>Restatement</u>	<u>Amortization</u>	<u>12/31/2014</u>
Parcel A					
Energy Development Account (CDE)	-	3,121	117	(662)	2,576
Alternative Electric Energy Sources Incentive Program (PROINFA)	-	2,315	91	(931)	1,475
Basic grid	-	22,747	775	(3,890)	19,632
Purchase of energy	-	652,781	16,013	(112,589)	556,205
System Service Charges (ESS)	-	(188,803)	(3,661)	11,643	(180,821)
	-	492,161	13,335	(106,429)	399,067
Financial items					
Financial guarantee	-	809	-	(207)	602
Energy overcontracting	-	311,502	1,460	(49,831)	263,131
Financial exposure - 2014	-	(14,568)	(260)	5,323	(9,505)
PIS/COFINS	-	61,169	-	-	61,169
Eletronuclear	-	29,029	-	(11,091)	17,938
Continuity limit	-	(1,646)	-	629	(1,017)
Neutrality	-	(5,999)	-	2,293	(3,706)
Cepisa Violation of Continuity Limit	-	(11,379)	-	4,763	(6,616)
Other	-	1,972	-	(579)	1,393
	-	370,889	1,200	(48,700)	323,389
Total	-	863,050	14,535	(155,129)	722,456

As from 2014, after issue of OCPC 08 – Recognition of Certain Assets and Liabilities in Financial Reporting for General Purposes of Electric Energy Distribution Companies, in accordance with the Brazilian and international standards on auditing, which regulated the recognition of regulatory assets and liabilities arising from the contractual amendment executed by the Granting Authority (see Note 2), subsidiaries CEMAR and CELPA now record these rights and obligations prospectively on an accrual basis.

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10 Transactions with related parties

Significant balances of assets and liabilities for the periods ended March 31, 2015 and December 31, 2014 and 2013, as well as transactions influencing P&L for the periods ended March 31, 2015 and 2014, relating to transactions with related parties arise from transactions between the Company and its subsidiaries, shareholders and related parties, key management personnel (CEO and officers) and other related parties, pursuant to CVM Rule No. 560 of December 11, 2008, which approved CPC 05 - Related-party Disclosures.

Company

Companies	Re.	Nature of transaction	03/31/2015			12/31/2014		03/31/2014
			Assets	Liabilities	Income / Expenses	Assets	Liabilities	Income / Expenses
CEMAR	(a)	Sharing agreement	-	275	-	-	218	-
		Dividends	40,867	-	-	-	-	-
CELPA	(b)	Intercompany loan agreement	102,137	-	-	102,089	-	-
		Credit assignment	477,422	-	-	466,006	-	-
		Future capital contribution	306,000	-	-	306,000	-	-
Equatorial Soluções	(c)	Dividends	1,866	-	-	1,866	-	-

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10 Transactions with related parties (Continued)

Consolidated

Companies	Re.	Nature of transaction	03/31/2015			12/31/2014		03/31/2014
			Assets	Liabilities	Income / Expenses	Assets	Liabilities	Income / Expenses
Elektrobras	(d)	Loans	-	297,927	-	-	(322,283)	-
		Dividends	-	20,810	-	-	-	-
FASCEMAR	(e)	Debt agreement	-	-	-	-	(2,321)	-
		Private pension plan	-	-	767	-	-	674
CEMAR	(a)	Sharing agreement	-	275	-	-	-	-
GERAMAR	(f)	Electric energy purchase	-	-	1,485	-	-	421

- (a) Companhia Energética do Maranhão - CEMAR ("Company") - Publicly-held company that holds a concession for electric energy distribution and is engaged in activities related to electric energy services. Amounts between subsidiary CEMAR and the Company arise from a sharing agreement concerning human resources, administrative expenses and apportionment of the respective expenses incurred, for an indefinite duration, and from dividends receivable.
- (b) Centrais Elétricas do Pará (CELPA) - Brazilian publicly-traded company headquartered in the city of Belém, Pará State, is engaged in the distribution and generation of electric energy in a concession area covering the entire Pará State with 1,248 thousand km², and serves 2.1 million consumers in 144 Municipalities. The electric energy distribution service concession arrangement No. 182/1998, entered into between ANEEL and CELPA on July 28, 1998, is effective for a term of 30 years, renewable for another 30 years. Amounts with CELPA arise from the direct or indirect acquisition and negotiation of debts under the in-court reorganization of this subsidiary, which are owed to the following creditors: BNDES, Banco Bradesco, Banco Itaú BBA / Unibanco, BIC Banco, Banco Merrill Lynch and Banco Société Générale. This balance shall be amortized in 10 equal annual installments, the first maturity of which on September 30, 2034 and last maturity date on September 30, 2043.

Future capital contribution assumed by the Company to contribute new funds amounting to R\$ 700 million up to December 2014, as defined in the In-Court Reorganization Plan and ANEEL Transition Plan. This obligation was fully complied with on April 4, 2014. The Company expects that payment shall be made on the first half of 2015.

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10 Transactions with related parties (Continued)

- (c) Equatorial Soluções – Privately-held company primarily engaged in the rendering of services for the electric energy, telecommunications and data transmission business. Amounts with Equatorial Soluções arise from a sharing agreement concerning human resources, administrative expenses and apportionment of the respective expenses incurred with subsidiary CEMAR, effective indefinitely.
- (d) Eletrobras - Publicly-traded company primarily engaged in conducting studies and projects, building and operating generating plants, transmission lines, and distributing electric energy. Eletrobras is a shareholder of subsidiary CEMAR. Amounts with Eletrobras refer to dividends payable and loan agreements granted to subsidiary CEMAR. Loan agreements with Eletrobras arise from financing lines specific to the Electric Energy Industry and conditions thereunder are the same as those adopted with other electric energy distribution companies in Brazil.
- (e) FASCEMAR - Supplementary Pension Foundation is organized as privately-held private pension entity, and is mainly engaged in managing social security benefit plans. Amounts arise from contributions made by sponsor CEMAR to its Supplementary Private Pension Foundation.
- (f) GERAMAR - Company in charge of implementing and operating Tocantinópolis and Nova Olinda thermoelectric plants, in the city of Miranda do Norte, Maranhão State). Amounts with Geradora de Energia do Norte S.A. (“GERAMAR”) arise from electric energy purchase agreement (Electric Power Purchase Agreements in the Regulated Market - CCEAR) No. 5555/2007 - 29413N - 29414N, effective through 2024, executed on an arm’s length basis.

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10 Transactions with related parties (Continued)

Key management personnel compensation

Global annual compensation of the Company's Board of Directors and Executive Board members were set at R\$ 12,500, as decided at the Annual General Meeting held on April 25, 2014.

The percentage represented by each element in total management compensation for the period ended March 31, 2015 is as follows:

Board of Directors	
Fixed compensation:	100%
Executive Board	
Fixed compensation:	12%
Variable compensation:	10%
Share-based compensation:	78%

Compensation of Board of Directors and Executive Board paid by the Company in the period:

	Board of Directors	Statutory Board	Total
Number of members	7	7	14
Annual fixed compensation	90	610	700
Salary or management fees	90	600	690
Direct and indirect benefits	-	10	10
Variable compensation	-	4,935	4,935
Bonus	-	526	526
Post-employment benefits	-	3	3
Share-based compensation	-	4,406	4406
Total compensation by body		5,545	5,635

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10 Transactions with related parties (Continued)

Guarantees

The Company provides either collateral signatures or guarantees for subsidiaries CEMAR and CELPA, with no charges, for the following agreements:

CEMAR:

Institution	Financing amount	% Guaranteed	Beginning (dd/mm/yyyy)	Ending (dd/mm/yyyy)	Amount released	03/31/2015
Government Agency for Machinery and Equipment Financing – FINAME PSI (Simplified)	776	100	25/03/2010	15/10/2019	776	1438
Government Agency for Machinery and Equipment Financing – FINAME PSI (Conventional)	24,811	100	17/08/2010	15/04/2020	17,262	11,076
Banco do Brasil - CCB Nº 21/00003-4	90,000	100	19/12/2014	11/04/2018	90,000	92,992
Banco do Brasil - CCB Nº 20/02000-7	150,000	100	19/12/2014	12/06/2018	150,000	154,993
Banco do Brasil - CCB Nº 20/02002-3	40,000	100	19/12/2014	15/06/2018	40,000	41,331
Banco do Brasil - CCB Nº 2100010-7	20,000	100	19/12/2014	03/12/2017	20,000	25,658
National Bank for Economic and Social Development - BNDES (11.2.0841.1)	193,023	100	11/11/2011	15/11/2021	175,237	93,093
National Bank for Economic and Social Development - BNDES (12.2.1211.1)	516,488	100	13/12/2012	15/12/2022	449,051	439,091
Banco do Nordeste do Brasil - BNB	136,076	100	23/11/2005	28/02/2017	136,076	19,280
Banco do Nordeste do Brasil - BNB (193.2008.2808.3018)	144,939	100	05/02/2009	05/02/2021	144,939	107,935
Caixa Econômica Federal - Agreement Nº 415.866-52/2013 - FINISA	28,626	100	04/10/2013	07/10/2025	20,038	21,287
Study and Project Financing Institution - FINEP	11,519	100	07/11/2011	15/03/2020	7,956	5,617
International Finance Corporation – IFC *	135,056	50	01/02/2008	15/01/2016	135,056	21,296
Total						1,035,087

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10 Transactions with related parties (Continued)

Guarantees

CELPA:

Institution	Financing amount	% Guaranteed	Beginning (dd/mm/yyyy)	Ending (dd/mm/yyyy)	Amount released	03/31/2015
Banco Interamericano de Desenvolvimento (RJ)	121,095	100	01/09/2012	31/08/2026	121,095	218,849
Banco Itaú (Working capital CCBI)	200,000	100	25/11/2013	25/11/2015	200,000	-
Banco CitiBank (Working capital CCBI)	175,000	100	25/11/2013	25/11/2015	175,000	-
Banco CitiBank (Working capital CCBI)	80,000	100	23/07/2014	23/04/2015	80,000	-
Banco IBM (Working capital)	11,700	100	22/01/2014	24/07/2017	11,700	8,726
Banco IBM (Working capital)	10,000	100	19/09/2014	19/03/2018	10,000	9,057
Banco Itaú (Promissory Notes)	200,000	100	17/06/2014	14/12/2014	200,000	-
Banco IBM (Working capital)	22,900	100	30/12/2014	30/06/2018	22,900	21,987
Banco Itaú (3 rd issue of Promissory Notes)	120,000	100	15/12/2014	14/01/2015	120,000	-
BNDES (Financing)	498,073	100	26/12/2014	15/05/2024	407,150	407,553
Banco Itaú (Working capital CCBI)- US\$69MM	200,000	100	25/02/2015	24/02/2017	200,000	223,363
Banco CitiBank (Working capital CCBI) – US\$ 112MM	293,613	100	02/02/2015	02/02/2018	293,613	362,441
Banco Santander	40,000	100	02/03/2015	25/02/2016	40,000	44,366
Austral Seguradora (Judicial guarantee 0021347-94.2009.4.01.3400 - AI ANEEL No. 001/2007)	11,386	100	01/05/2014	01/05/2016	NA	NA
Austral Seguradora (Judicial guarantee 50941-85.2011.4.01.3400 - AI ANEEL No. 008/2008)	15,710	100	01/05/2014	01/05/2016	NA	NA
Fairfax Brasil Seguros (Judicial guarantee insurance 12901-34-2011-4-01-3400 - AI ANEEL No. 009/2008)	4,075	100	13/06/2013	13/06/2015	NA	NA
Austral Seguradora (Auction guarantee 006/2013 - 48500.002921/2013-25)	122	100	01/10/2014	01/04/2016	NA	NA
Austral Seguradora (Auction guarantee 10/2013 - A-5)	361	100	02/10/2014	02/04/2016	NA	NA
Austral Seguradora (Auction guarantee 003/2014 - A-3)	31	100	17/10/2014	17/10/2015	NA	NA
Austral Seguradora (Judicial guarantee insurance - Insured Terra industrial)	1,825	100	13/12/2013	13/12/2015	NA	NA
Austral Seguradora (Judicial guarantee insurance - Insured Municipality of Marabá)	486	100	01/01/2014	01/01/2016	NA	NA
Austral Seguradora (Judicial guarantee insurance - Insured Banco Guanabara S/A)	9,128	100	10/03/2014	10/03/2017	NA	NA
Austral Seguradora (Judicial guarantee insurance - Insured PETROS)	36,808	100	10/03/2014	10/03/2017	NA	NA
Austral Seguradora (Judicial guarantee insurance - Insured PINE)	33,120	100	09/09/2014	09/09/2015	NA	NA
Austral Seguradora (Judicial guarantee insurance - Insured STIUPA)	25,175	100	10/11/2014	09/11/2019	NA	NA
Austral Seguradora (Energy Purchase Guarantee - Auction 006/2014 - 20th LEE)	461	100	18/11/2014	18/11/2015	NA	NA
Austral Seguradora (Energy Purchase Guarantee - Auction 010/2014 - 14th LEE)	620	100	28/11/2014	28/05/2015	NA	NA
Austral Seguradora (Judicial guarantee insurance - Process No. 001.2012.908.134-3 - 3rd Tax Collection Court of Belém/PA)	4,418	100	13/01/2015	13/01/2020	NA	NA
Austral Seguradora (Judicial guarantee insurance - Process No. 001.2012.923.686-3 - 3rd Tax Collection Court of Belém/PA)	78	100	13/01/2015	13/01/2020	NA	NA
Austral Seguradora (Judicial guarantee insurance - Process No. 1575-70.2012.5.08.0003)	677	100	02/02/2015	29/01/2017	NA	NA
Austral Seguradora (Judicial guarantee insurance - Process No. 0000071-15.2015.5.08.0006 6th Labor Court of Belém)	21,614	100	10/03/2015	10/03/2016	NA	NA
Total	2,138,476				1,881,458	1,296,342

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11 CCC Subrogation

In accordance with ANEEL Resolution No. 784 of December 24, 2002, and ANEEL Authorizing Resolution No. 1999 of July 7, 2009, as amended by ANEEL Authorizing Resolution No. 3405 of March 27, 2012, the Company became eligible to receive the subsidies from the fossil fuel consumption account (CCC) subrogation, for the implementation of the project for connecting Marajo Island to the National Interconnected System (SIN), thus enabling a reduction in expenditure of CCC and, accordingly, contributing to reasonable tariffs to end consumers.

The investment amount recognized and approved by ANEEL for this subrogation is R\$465,198 for connecting the Marajó island and R\$22,374 for connecting of the municipalities of Oriximiná and Óbidos to the National Interconnected System (SIN), equivalent to 100% of the approved amount.

For connecting the Marajó island, the benefit was divided into two different phases. In the first phase, the Company has an approved subrogation amount of R\$ 184,660 and, in the second phase, an approved amount of R\$ 280,538, and for the connection of the municipalities of Origimina and Óbidos, the approved subrogation amount is of R\$ 22,374.

ANEEL Order No. 4722 of December 18, 2009, applicable for publications for 2009, deals in items 53 and 54 with accounting for subsidies received by a concession operator from the CCC fund by reason of the decommissioning of thermoelectric plants and consequent reduction in diesel consumption in the electric energy generation in Brazil.

According to said Order, all amounts received or approved must be recorded within the group of accounts "223 - Special Obligations Related to Public Electricity Service Concession". Within this group, the amounts received are segregated from the amounts yet to be received that have already been approved by the regulator.

Until March 31, 2015, the Company had already invested, for first and second phases, R\$190,362 (R\$211,500 at December 31, 2014).

Of the amount invested, the total amount of R\$107,818 has already been transferred to the Company, remaining a balance receivable of R\$82,544 at March 31, 2015 (R\$113,255 at December 31, 2014).

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11 CCC Subrogation (Continued)

11.1 CCC subrogation – subsidy apportionment

	12/31/2014	Transfers to projects	Portion received	03/31/2015
Receivables	113,255	(30,711)	-	82,544
Amounts to be invested	253,698	43,512	-	297,210
Amounts received	98,245	-	9,573	107,818
Total	465,198	12,801	9,573	487,572

12 Deferred income and social contribution taxes

Subsidiaries recognized deferred income and social contribution taxes on temporary differences and income tax losses based on their estimated taxable profit.

There is no date for tax loss offset to be statute barred, and financial effects thereof will take place upon realization. Income tax is calculated at the rate of 25%, considering surtax of 10%, and social contribution tax at the rate of 9%.

Accordingly, the referred to tax credits are recorded as noncurrent assets, considering their expected realization and the limit of 30% for annual offset against taxable profit, as determined by CPC 26.

a. Current and deferred income and social contribution taxes

	Consolidated	
	03/31/2015	12/31/2014
IRPJ on tax losses (*)	132,544	132,544
IRPJ and CSLL on temporary differences (i)	(84,640)	(88,761)
IRPJ and CSLL on revaluation reserves	(96,550)	(107,413)
IRPJ and CSLL on acquisition of CELPA	57,924	57,874
Provision for realization	(53,371)	(25,858)
Total - noncurrent	(44,093)	(31,614)

(*) The credits calculated on income tax losses derive from subsidiary CEMAR.

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12 Deferred income and social contribution taxes (Continued)

a. Breakdown of current and deferred income and social contribution taxes (Continued)

i. Breakdown of IRPJ and CSLL on temporary differences

	Consolidated	
	03/31/2015	12/31/2014
Contingencies	91,118	81,883
Allowance for doubtful accounts	137,459	131,593
Suspended tax payments	132	132
Regulatory assets/liabilities	-	19,042
RTT adjustments (Law No. 11638/2008)	-	(59,976)
Accelerated depreciation (a)	(249,445)	(284,805)
Provisions and write-off of regulatory assets/liabilities	-	12,551
Other nondeductible expenses	(63,904)	10,819
Total	(84,640)	(88,761)

ii. Breakdown of IRPJ and CSLL – CELPA acquisition

	03/31/2015	12/31/2014
Intangible assets – concession value added	(42,885)	(43,754)
Disposal of property, plant and equipment	40,434	41,254
Possible contingencies	51,224	51,224
Other accounts payable - “Programa Luz para Todos (PLPT)” (Light for All Program)	9,151	9,150
	57,924	57,874

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12 Deferred income and social contribution taxes (Continued)

b. Expected recovery

Based on technical feasibility studies, management of the subsidiary estimates that the tax credits may be realized through 2019, as under:

Expected realization	2015	2016	2017	2018	2019	Total
Deferred taxes	30,523	31,355	31,641	19,031	19,994	132,544

CEMAR realized R\$35,059 in deferred income taxes on tax losses on November 25, 2014, since this subsidiary has elected to realize the accelerated depreciation benefits through 2018, and the technological incentive and SUDENE benefit through 2021.

At December 31, 2014, CEMAR elected to early settle debts in installment under REFIS, thus offsetting R\$34,520 with tax losses, considering Article 33 of Provisional Executive Order (MP) No. 651/2014 and PGFN Ruling No. 15/2014. The technical feasibility study, which includes the recovery of deferred taxes and is reviewed on an annual basis, was prepared by the Company, examined by the Supervisory Board and approved by the Board of Directors on February 12, 2015.

c. Reconciliation of income and social contribution tax expense

Reconciliation of tax expenses calculated by applying tax rates and expenses with Corporate Income Tax (IRPJ) and Social Contribution on Net Profit (CSLL) charged to P&L for the three-month period ended March 31, 2015 and 2014 is as follows:

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12 Deferred income and social contribution taxes (Continued)

c. Reconciliation of income and social contribution taxes (Continued)

	03/31/2015		03/31/2014	
	IRPJ	CSLL	IRPJ	CSLL
Income before income and social contribution taxes	134,728	134,728	51,321	51,321
Tax rate	25%	9%	25%	9%
At statutory rate	33,682	12,126	12,830	4,619
Additions:				
Provision for contingencies	66,999	24,120	82,900	29,127
Allowance for doubtful accounts	29,510	10,623	24,177	8,494
Research and development and energy efficiency P&D	12,035	4,333	10,342	3,634
Present value adjustment	13,134	4,728	-	-
Regulatory assets and liabilities	-	-	28,260	9,929
RTT adjustments (Law No. 11638/2008)	-	-	14,121	4,962
IRPJ and CSLL on revaluation reserves	7,987	2,875	-	-
Profit sharing, fees, leave entitlement and private pension fund	11,942	4,299	6,424	2,257
Effect of IRPJ/CSLL on equity pickup	21,299	7,668	-	-
Swap	110,776	39,329	-	-
Other provisions	16,080	6,592	48,727	17,120
	289,762	104,567	214,951	75,523
Exclusions:				
Reversals of provisions, deferred tariff adjustment and regulatory assets	(118,561)	(42,679)	(137,402)	(48,277)
Reversals of allowance for doubtful accounts	(20,618)	(7,423)	(17,569)	(6,173)
Reversal of contingencies	(19,400)	(6,984)	(17,999)	(6,324)
RTT adjustments (Law No. 11638/2008)	(12,736)	(4,585)	(12,236)	(4,299)
Effect of IRPJ/CSLL on equity pickup	-	-	(1,355)	(476)
Accelerated depreciation	-	-	(11,827)	-
Swap	(119,091)	(42,873)	-	-
Other provisions	(12,390)	(4,521)	(17)	(6)
	(302,796)	(109,065)	(198,405)	(65,555)
IRPJ and CSLL	20,648	7,628	29,376	14,587
Workers' Meal Program (PAT) incentive	(238)	-	(285)	-
(-) 30% offset - IRPJ and CSLL tax losses	(1,458)	(885)	(1,444)	(279)
Incentive for extension of maternity leave	(80)	-	-	-
IRPJ of prior years	(842)	(301)	-	-
IRPJ and CSLL on P&L for the year	18,030	6,442	27,647	14,308
Effective rate (excluding deferred IRPJ/CSLL)	13.38%	4.78%	53.87%	27.88%
Deferred tax assets	1,898	302	(8,199)	(2,881)
Provision for realization	7,315	2,965	-	-
(+) IRPJ- Government grants	(12,862)	-	(8,569)	(3,011)
Total	14,381	9,709	10,879	8,416
Effective rate with deferred tax assets	10.67%	7.21%	21.20%	16.40%

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12 Deferred income and social contribution taxes (Continued)

c. Reconciliation of income and social contribution tax expense (Continued)

CEMAR

On May 14, 2007, former Northeast Development Agency (ADENE), now Northeast Development Authority (SUDENE), reporting to the National Integration Ministry, issued Qualification Report No. 0061/2007, which entitles CEMAR to increase its income tax rate reduction from 25% to 75% from 2007 to 2016 on the basis of the full modernization of its electrical installations. On March 28, 2012, Certificate of Income Tax Reduction No. 0037/2012 was issued, granting a 75% increase in the income tax reduction incentive to CEMAR, effective from 2012 to 2021, explained by the full modernization of CEMAR electric facilities.

CELPA

On December 19, 2013, the Superintendence for the Development of the Amazon (SUDAM), which belongs to Brazil's National Integration Ministry, issued Qualification Report No. 140/2013, which grants to CELPA the benefit of 76% income tax reduction on the basis of diversification of infrastructure venture, effective from 2013 to 2022.

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13 Service concession financial assets (Consolidated)

These refer to the portion of investments made by subsidiaries CEMAR and CELPA not amortized by the end of the concession term, and classified as financial asset for being an unconditional right to receive cash or other financial assets directly from the granting authority pursuant to Technical Interpretations ICPC 01 - (R1) Service Concession Arrangements and ICPC 17 - Service Concession Arrangements: Evidence, and Technical Guidance OCPC 05 - Service Concession Arrangements. This portion of infrastructure classified as financial asset is remunerated at 11.36% using the so-called regulatory Weighted Average Cost of Capital (WACC), which consists in investment yield and is monthly included in customer tariffs.

	12/31/2014	Reclassification	Restatement of financial asset	Capitalization	Write-offs	03/31/2015
Financial asset	2,381,757	23,343	29,613	333,724	(2,298)	2,766,139
Special obligations (b)	(815,784)	-	(17,242)	(75,107)	-	(908,133)
Financial asset	1,565,973	23,343	12,371	258,617	(2,298)	1,858,006

	12/31/2013	Reclassification	Restatement of financial asset (a)	Capitalization	Write-offs	12/31/2014
Financial asset	1,776,873	33,554	38,431	533,099	(200)	2,381,757
Special obligations (b)	(581,130)	-	(24,962)	(209,692)	-	(815,784)
Financial asset	1,195,743	33,554	13,469	323,407	(200)	1,565,973

The concession of subsidiaries CEMAR and CELPA is free of charge, i.e., does not involve fixed financial obligations and payments to the granting authority.

(a) New placement value

Provisional Executive Order No. 579 was published on September 11, 2012 to rule on the time extension and bidding processes for electric energy generation, transmission and distribution concessions, on the decrease in sector-related charges, reasonably priced tariffs, and other provisions. This Provisional Executive Order was signed into Law No. 12.783 on January 11, 2013.

In accordance with this legal provision, the calculation of the value of investments linked to reversible goods, still not amortized or depreciated, for indemnification purposes, must use the new replacement value method, pursuant to the criteria defined in a regulation of the granting authority.

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13 Service concession financial assets (Consolidated) (Continued)

(b) Special obligations

These refer substantially to funds obtained from the Federal, State and Local government as well as from consumers, linked to investments to be made in the concession of electric utility services.

Special obligations are calculated based on the interest of the source from which the funds are obtained, to wit:

- Funds obtained from the Government are calculated at the percentage established by contract; and
- The other funds fall into the criteria set out in ANEEL Resolution No. 414/200.

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14 Other receivables

	Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Current				
Amounts recoverable from employees	-	-	6,383	2,056
Advances to suppliers	-	-	6,702	8,086
Disposal of assets and rights	-	-	1,222	3,719
Credits - electric power refund	-	-	12,041	9,987
Credits in electric power bills	-	-	4,476	5,165
Prepaid expenses	-	-	14,326	5,222
Other receivables	1,259	1,282	23,089	29,835
Total	1,259	1,282	68,239	64,070
Noncurrent				
Amounts to be released (a)	-	-	-	16,140
Assets pledged as collateral	-	-	53,537	44,822
Loan transferred to CELPA (b)	576,025	565,269	-	-
Other receivables	-	-	20,208	2,260
Total	576,025	565,269	73,745	63,222

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15 Investments

Significant information on investments in subsidiaries and jointly-controlled subsidiaries is as follows:

		Subsidiaries		Consolidated	
		03/31/2015	12/31/2014	03/31/2015	12/31/2014
Accounted for under the equity method:					
CEMAR	65.11%	1,319,380	1,282,696	-	-
CELPA	96.18%	425,534	391,262	-	-
Geradora de Energia do Norte	25.00%	75,889	66,879	75,889	66,879
Vila Velha	50.00%	3,300	3,300	3,300	3,300
Equatorial Soluções	100.00%	28,332	24,793	-	-
Subtotal		1,852,435	1,768,930	79,189	70,179
Other investments		-	-	7,241	7,285
Total		1,852,435	1,768,930	86,430	77,464

Changes in investments in subsidiaries and jointly-controlled subsidiaries:

	CEMAR	CELPA	Geramar	Equatorial Soluções	Vila Velha	Total
Balance at December 31, 2014	1,282,696	391,262	66,879	24,793	3,300	1,768,930
Additional dividends	-	-	(1,691)	-	-	(1,691)
Equity pickup	38,361	34,272	10,701	3,539	-	86,873
Amortization of concession right	(1,677)	-	-	-	-	(1,677)
Balance at March 31, 2015	1,319,380	425,534	75,889	28,332	3,300	1,852,435

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15 Investments (Continued)

	CEMAR	CELPA	Geramar	Equatorial Soluções	Vila Velha	Total
Balance at December 31, 2013	1,106,395	68,169	59,688	15,221	3,300	1,252,773
Additional dividends	(107)	-	(16,772)	-	-	(16,879)
Minimum dividends	(40,384)	-	-	(2,982)	-	(43,366)
Equity pickup	217,908	330,959	23,723	12,554	-	585,144
Amortization of concession right	(1,116)	-	-	-	-	(1,116)
PPA adjustment - CELPA	-	2,576	-	-	-	2,576
Other comprehensive income (loss)	-	(10,442)	-	-	-	(10,442)
Investment gain (loss)	-	-	240	-	-	240
Balance at December 31, 2014	<u>1,282,696</u>	<u>391,262</u>	<u>66,879</u>	<u>24,793</u>	<u>3,300</u>	<u>1,768,930</u>

16 Intangible assets (Consolidated)

Breakdown of intangible assets is as follows:

	Weighted average annual depreciation rates (%)	03/31/2015			Net amount
		Cost	Amortization	(-) Concession- related obligations	
In operation		8,111,075	(3,071,092)	(1,508,125)	3,531,858
in progress		727,203	-	(554,752)	172,451
Service concession		628,115	(92,832)	-	535,283
Total		<u>9,466,393</u>	<u>(3,163,924)</u>	<u>(2,062,877)</u>	<u>4,239,592</u>

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16 Intangible assets (Consolidated) (Continued)

	Weighted average annual depreciation rates (%)	12/31/2014			Net amount
		Cost	Amortization	(-) Concession- related obligations	
In operation	4.11%	7,816,279	(3,035,716)	(1,621,284)	3,159,279
in progress		1,125,332	-	(604,380)	520,952
Service concession		628,115	(90,827)	-	537,288
Total		9,569,726	(3,126,543)	(2,225,664)	4,217,519

Intangible assets comprise the use right of assets related to the service concession arrangement of subsidiaries CEMAR and CELPA, amortizable until August 2030 and July 2028, respectively, in accordance with ICPC 01.

	12/31/2014	Reclassification	Additions	Write- offs	Capitalization (ii)	03/31/2015
In operation	7,812,328	(23,343)	6	(76,753)	394,920	8,107,158
(-) Amortization	(3,031,764)	-	(81,579)	46,168	-	(3,067,175)
Total in operation	4,780,564	(23,343)	(81,573)	(30,585)	394,920	5,039,983
in progress	1,125,332	-	330,825	(310)	(728,644)	727,203
Total	1,125,332	-	330,825	(310)	(728,644)	727,203
Special obligations (i)	(2,738,345)	-	(27,660)	64,912	75,107	(2,625,986)
(-) Amortization	512,679	-	50,430	-	-	563,109
Total special obligations	(2,225,666)	-	22,770	64,912	75,107	(2,062,877)
Concession right	628,115	-	-	-	-	628,115
(-) Amortization	(90,826)	-	(2,006)	-	-	(92,832)
Total concession rights	537,289	-	(2,006)	-	-	535,283
Total	4,217,519	(23,343)	270,016	34,017	(258,617)	4,239,592

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16 Intangible assets (Consolidated) (Continued)

	12/31/2013	Reclassification	Additions	Write-offs	Capitalization (ii)	12/31/2014
In operation	7,166,897	(33,554)	110	(151,658)	830,533	7,812,328
(-) Amortization	(2,771,811)	-	(393,779)	133,826	-	(3,031,764)
Total in operation	4,395,086	(33,554)	(393,669)	(17,832)	830,533	4,780,564
in progress	1,261,873	-	1,255,013	(27,922)	(1,363,632)	1,125,332
Total	1,261,873	-	1,255,013	(27,922)	(1,363,632)	1,125,332
Special obligations (i)	(2,504,286)	-	(493,076)	49,325	209,692	(2,738,345)
(-) Amortization	422,343	-	101,202	(10,866)	-	512,679
Total special obligations	(2,081,943)	-	(391,874)	38,459	209,692	(2,225,666)
Concession right	628,115	-	-	-	-	628,115
(-) Amortization	(88,404)	-	(2,422)	-	-	(90,826)
Total concession rights	539,711	-	(2,422)	-	-	537,289
Total	4,114,727	(33,554)	467,048	(7,295)	(323,407)	4,217,519

- i. Special obligations substantially represent funds from Federal Government, States and Municipalities and participation of consumers linked to investments in the concession of electric energy public service.
- ii. Capitalizations correspond to the transfers from intangible assets in progress to intangible assets in operation and service concession-related financial asset.

17 Trade accounts payable (Consolidated)

	Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Electric energy supply	-	-	496,545	610,081
Acquisition of fuel	-	-	160,805	174,377
Electric network use charge	-	-	19,316	19,493
Material and services	-	-	263,391	311,007
Other	269	158	22,832	24,885
Total	269	158	962,889	1,139,843

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18 Loans and financing (Consolidated)

	Debt average cost (% p.a.)	03/31/2015		Total Principal and charges
		Current	Noncurrent	
		Principal and charges	Principal and charges	
Foreign currency:				
<i>Crédito RJ (a)</i>	5.28%	-	218,849	218,849
National Treasury	5.31%	3,225	70,830	74,055
CCBI Itaú (b)	2.34%	475	222,888	223,363
CCBI Citibank (b)	5.34%	41,715	320,726	362,441
Santander transaction (b)	2.84%	44,366	-	44,366
Itaú transaction	13.90%	1,731	130,592	132,323
Itaú transaction	13.90%	1,944	132,524	134,468
Subtotal		93,456	1,096,409	1,189,865
(-) Transaction cost		(1,657)	(285)	(1,942)
Total in foreign currency		91,799	1,096,124	1,187,923
Local currency				
Elektrobras	6.9%	8,150	57,236	65,386
FINAME	9.9%	748	89	837
Leasing	14.2%	11	-	11
GIRO IBM	11.3%	4,268	4,457	8,725
<i>Crédito RJ (a)</i>	5.4%	-	881,180	881,180
Giro IBM	12.4%	3,362	5,695	9,057
Guanabara	12.8%	2,059	5,240	7,299
IBM	11.5%	7,676	14,311	21,987
BNDES	7.8%	44,836	362,717	407,553
Banco do Brasil	13.3%	11,140	309,004	320,144
BNB	8.5%	33,532	93,683	127,215
BNDES	6.9%	100,086	432,098	532,184
Caixa	6.0%	887	20,400	21,287
Elektrobras	5.7%	67,924	230,004	297,928
FINEP	4.0%	1,131	4,486	5,617
IBM	12.6%	968	1,291	2,259
IFC	14.1%	21,296	-	21,296
Votorantim	4.50%	476	1,875	2,351
Subtotal		308,550	2,423,766	2,732,316
(-) Funding costs		(2,007)	(4,806)	(6,813)
Total in local currency		306,543	2,418,960	2,725,503
Grand total		398,342	3,515,084	3,913,426

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18 Loans and financing (Consolidated) (Continued)

	Debt average cost (% p.a.)	12/31/2014		Total
		Current Principal and charges	Noncurrent Principal and charges	Principal and charges
Foreign currency:				
Crédito RJ (a)	5.28%	-	178,890	178,890
National Treasury	5.55%	2,391	58,585	60,976
CCBI Itaú (b)	3.10%	233,516	-	233,516
CCBI Citibank (b)	4.78%	204,244	-	204,244
CCBI Citibank (b)	2.37%	96,561	-	96,561
Itaú transaction	3.00%	632	108,129	108,761
Santander transaction	3.00%	683	107,975	108,658
Subtotal		538,027	453,579	991,606
(-) Transaction cost		(1,657)	(700)	(2,357)
Total in foreign currency		536,370	452,879	989,249
Local currency				
Eletrobras	6.89%	8,054	59,249	67,303
FINAME	9.35%	834	272	1,106
Leasing	13.56%	28	-	28
Giro IBM	10.62%	4,194	5,293	9,487
Crédito RJ (a)	5.54%	-	866,877	866,877
GIRO NPS Itaú	11.58%	120,685	-	120,685
Giro IBM	11.75%	3,060	6,424	9,484
Guanabara	12.12%	2,052	5,747	7,799
IBM	10.73%	6,572	16,328	22,900
BNDES	7.53%	33,243	350,590	383,833
Banco do Brasil	11.00%	2,193	309,269	311,462
BNB	9.00%	36,466	99,939	136,405
BNDES	7.00%	99,191	451,112	550,303
Caixa	6.00%	351	20,629	20,980
Eletrobras	7.00%	84,765	239,692	324,457
FINEP	4.00%	1,132	4,766	5,898
IBM	0.00%	941	1,491	2,432
IFC	0.00%	22,448	10,389	32,837
Votorantim	5.00%	476	1,993	2,469
Subtotal		426,685	2,450,060	2,876,745
(-) Funding costs		(3,200)	(5,185)	(8,385)
Total in domestic currency		423,485	2,444,875	2,868,360
Grand total		959,855	2,897,754	3,857,609

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18 Loans and financing (Consolidated) (Continued)

The current and noncurrent balances of loans and financing at March 31, 2015 already reflect the renegotiation conducted by the Company in February 2015, with Citibank and Itaú of loans maturing in 2015, thus resulting in the transfer of R\$ 493,613 from current to noncurrent portion.

- (a) Crédito RJ refers to loans granted by financial creditors of CELPA In-court Reorganization Plan, whose rates and terms were rescheduled as established in the Plan. Therefore, creditors were restructured by type of credit, so as to allow financial relief to the subsidiary, which resulted in the significant extension of debt, with increase and decrease restatements.
- (b) These operations have exchange and interest rate swaps in order to mitigate the effects of exposure to the US dollar, LIBOR and hedge instruments of operations.

Significant portions referring to principal of loans and financing mature as follows:

Maturity	03/31/2015	
	Amount	%
Current	398,342	10%
2016	438,087	11%
2017	812,731	21%
2018	533,403	14%
2019	209,046	5%
From 2019 onwards	1,526,990	39%
Total	3,520,257	90%
Funding cost (noncurrent)	(5,173)	0%
Noncurrent	3,515,084	90%
Total	3,913,426	100%

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18 Loans and financing (Consolidated) (Continued)

Changes in loans and financing are as follows:

	Local currency		Foreign currency		Total
	Current liabilities	Noncurrent liabilities	Current liabilities	Noncurrent liabilities	
Balances at December 31, 2014	423,485	2,444,874	536,370	452,880	3,857,609
Additions	-	24,101	40,000	493,613	557,714
Charges	33,979	3,319	4,954	-	42,252
Monetary and exchange gains/losses	9	10,544	21,104	182,639	214,296
Interest capitalization	-	9,838	-	2,547	12,385
Transfers	74,096	(74,096)	35,969	(35,969)	-
Amortization of principal	(199,827)	-	(542,751)	-	(742,578)
Payment of interest	(25,619)	-	(3,847)	-	(29,466)
Transaction cost	355	378	-	-	733
Transaction transfers	-	-	(413)	415	2
Transaction costs recorded	65	-	414	-	479
Balances at March 31, 2015	306,543	2,418,958	91,800	1,096,125	3,913,426

	Local currency		Foreign currency		Total
	Current liabilities	Noncurrent liabilities	Current liabilities	Noncurrent liabilities	
Balances at December 31, 2013	166,315	2,176,859	2,919	579,485	2,925,578
Additions	320,000	580,917	80,000	200,000	1,180,917
Charges	110,550	14,171	14,682	-	139,403
Monetary and exchange gains/losses	-	12,792	69,813	43,579	126,184
Interest capitalization	5	40,225	-	8,088	48,318
Transfers	350,950	(350,950)	381,729	(381,729)	-
Amortization of principal	(394,054)	(20,083)	(1,214)	-	(415,351)
Payment of interest	(130,750)	-	(11,559)	-	(142,309)
Transaction cost	(413)	(2,054)	-	-	(2,467)
Transfers to related parties	-	(7,724)	-	-	(7,724)
Transaction transfers	(721)	721	(3,457)	3,457	-
Transaction costs recorded	1,603	-	3,457	-	5,060
Balances at December 31, 2014	423,485	2,444,874	536,370	452,880	3,857,609

Monitoring of loan and financing covenants

Loans and financing obtained by CEMAR are subject to covenants. Failure to comply with such covenants during the reporting period may lead to early maturity of the related contracts. By the end of the quarter ended March 31, 2015, the Company had complied with the limits specified in the contracts.

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19 Debentures (Consolidated)

Changes in debentures are shown below:

	Current liabilities	Noncurrent liabilities	Total
Balances at December 31, 2014	10,861	506,423	517,284
Funding costs	(2)	125	123
Charges	12,689	-	12,689
Monetary gains (losses)	265	7,248	7,513
Balances at March 31, 2015	23,813	513,796	537,609

	Current liabilities	Noncurrent liabilities	Total
Balances at December 31, 2013	5,974	294,085	300,059
Additions	-	200,000	200,000
Funding costs	(289)	(408)	(697)
Charges	28,520	-	28,520
Monetary gains (losses)	339	12,746	13,085
Payment of interest	(23,683)	-	(23,683)
Balances at December 31, 2014	10,861	506,423	517,284

4th Issue of debentures

The 4th public distribution of nonconvertible debentures of the Company was concluded on September 22, 2012. The funds raised in the amount of R\$280,000, divided into two series of R\$101,380 and R\$178,620, were primarily intended to the implementation of the Company's investment program and increase in working capital. At March 31, 2015, the effective rate of this operation is 9.3% per year.

6th Issue of debentures

The 6th public distribution of nonconvertible debentures of the Company was concluded on October 27, 2014. The funds raised, in the amount of R\$200,000, in a sole series, were destined to increase working capital necessary for managing the Company's business. At March 31, 2015, the effective rate of this operation is 12.6% per year.

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19 Debentures (Consolidated) (Continued)

At March 31, 2015, debentures represent the amount of R\$537,609 and their maturities are scheduled as follows:

Maturity	03/31/2015		12/31/2014	
	Amount	%	Amount	%
Current	23,813	4%	10,861	2%
2016	34,090	6%	34,298	7%
2017	100,964	19%	100,964	20%
2018	172,405	32%	169,989	33%
2019	138,568	26%	136,152	26%
2020	69,675	13%	67,052	13%
Noncurrent	515,702	96%	508,455	98%
Funding cost (noncurrent)	(1,906)	0%	(2,032)	0%
Total	537,609	100%	517,284	100%

Covenants

The issue of debentures, classified in current and noncurrent liabilities, requires compliance with levels of indebtedness ratios and interest coverage. At March 31, 2015, the Company and its subsidiaries were in compliance with all the indicators required by agreements.

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20 Taxes payable

20.1 Taxes payable

	Consolidated	
	03/31/2015	12/31/2014
Current		
ICMS	121,224	122,154
ICMS - installment payment	30,513	29,625
PIS/COFINS	28,371	69,125
Social charges and other	12,736	21,326
Other	6,048	8,510
Total	198,892	250,740

	Consolidated	
	03/31/2015	12/31/2014
Noncurrent		
ICMS - installment payment (a)	51,192	57,750
Other	19,549	19,296
Total	70,741	77,046

20.2 Income taxes payable

	Consolidated	
	03/31/2015	12/31/2014
Withholding Income Tax (IRRF)	3,920	3,942
Provision for IRPJ / CSLL	11,844	28,218
Total	15,764	32,160

- a. CELPA has installment payment plans approved by the Pará State Finance Department stemming from current ICMS debts. The installments are restated based on the Brazil's Central Bank benchmark rate (SELIC) plus 1% and the last installment is scheduled to be paid on October 30, 2017.

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21 Provision for civil, tax and labor claims (Consolidated)

Subsidiaries CEMAR and CELPA are parties to legal and administrative proceedings filed with various courts and governmental agencies, in the ordinary course of their business, involving tax, civil and labor claims and other issues.

Based on information provided by its legal advisors, on the review of unsettled litigation, and on past experience in case of labor disputes, management established a provision at an amount considered sufficient to cover probable losses on existing cases, as follows:

	03/31/2015			12/31/2014		
	Value of matter in dispute	Judicial deposits	Net provision	Value of matter in dispute	Judicial deposits	Net provision
Civil (a)	126,667	(118,595)	8,072	120,583	(114,756)	5,827
Tax	459	(387)	72	498	(387)	111
Labor	113,142	(42,372)	70,770	112,611	(41,050)	71,561
Regulatory	27,892	-	27,892	28,382	-	28,382
PPA CELPA (b)	335,899	-	335,899	335,899	-	335,899
	604,059	(161,354)	442,705	597,973	(156,193)	441,780
Current	46,303	(20,409)	25,894	51,728	(20,037)	31,691
Noncurrent	557,756	(140,945)	416,811	546,245	(136,156)	410,089
	604,059	(161,354)	442,705	597,973	(156,193)	441,780

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21 Provision for civil, tax and labor claims (Consolidated) (Continued)

- a) Of the total judicial deposits referring to civil proceedings, the amount of R\$ 66,924 refers to flows of bank credit bills that are deposited as a result of the in-court reorganization process. These credits were listed in the in-court reorganization process and were rejected by the creditor financial institutions. Based on current legal decision, the contractual flow is deposited in court on a monthly basis until a final decision on the merits is handed down in connection with such credits being subject to the in-court reorganization regime of subsidiary CELPA.
- b) The fair value of the civil, tax and labor contingent liabilities of subsidiary CELPA was determined based on the legal advisors' assessment, also including lawsuits where a loss is possible, resulting in an adjustment of R\$335,899 at March 31, 2015.

Changes in proceedings for the period (Consolidated)

	12/31/2014					03/31/2015
	Opening balance	Addition to provision	Use (1)	Reversals (2)	Restatement (3)	Closing balance
Civil	120,583	6,402	(5,741)	(1,907)	7,330	126,667
Tax	498	-	-	(15)	(24)	459
	112,611	1,631	(195)	(2,673)	1,768	113,142
Regulatory	28,382	-	-	(1,065)	575	27,892
PPA CELPA	335,899	-	-	-	-	335,899
	597,973	8,033	(5,936)	(5,660)	9,649	604,059

	12/31/2013					12/31/2014
	Opening balance	Addition to provision	Use (1)	Reversals (2)	Restatement (3)	Closing balance
Civil	97,577	44,454	(30,706)	(18,887)	28,145	120,583
Tax	569	3	-	(80)	6	498
Labor	102,866	8,296	(6,753)	(10,119)	18,321	112,611
Regulatory	136,603	15,091	-	(126,108)	2,796	28,382
PPA CELPA	339,684	-	-	(3,785)	-	335,899
	677,299	67,844	(37,459)	(158,979)	49,268	597,973

- (1) Actual expenses with judicial contingencies.
 (2) Reversals in the period.
 (3) Monetary restatements.

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21 Provision for civil, tax and labor claims (Consolidated) (Continued)

- a) Of the write-offs, the amount of R\$39,540 was divided into installments under Law No. 12996/2014 in August 2014; R\$20,044 refer to the reduction or gain in penalties applied; R\$21,406 refer to proceedings adjustment and SELIC calculation; and R\$38,906 refer to the Formal Commitments to Action - TACs (as provided for in Order No. 2913 of September 18, 2012, which approved CELPA's transition plan), since they are now controlled by the specific account of special obligations.
- b) PPA CELPA - derives from estimated disbursement for proceedings assessed as possible loss, based on the analysis of the legal department of subsidiary CELPA.

Labor

Currently, labor liabilities include 2,094 claims filed by former employees against the Company and its subsidiaries, including overtime, hazard premium, wage parity, occupational disease/reintegration, CIPA stability, among others, and also claims filed by former employees of third parties (secondary liability), referring mainly to severance pay.

At the closing date of the interim financial statements at March 31, 2015, the provision amounts to R\$ 113,142 (R\$ 112,611 at December 31, 2014).

In addition to accrued losses, there are other labor contingencies for which the likelihood of loss is assessed as possible by management, based on the evaluation of CEMAR's and CELPA's legal counsels and their outside legal advisors, in the amount of R\$ 66,599 (R\$ 53,292 at December 31, 2014), for which no provision was recorded.

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21 Provision for civil, tax and labor claims (Consolidated) (Continued)

Civil

The subsidiaries are defendants in 19,833 civil proceedings, 14,270 of which at Civil Courts of Appeal, mostly referring to claims seeking property damage and pain and suffering damages, as well as reimbursement of amounts paid by consumers.

Most significant civil proceedings claim compensation for accidents in the distribution network, supply failure, death by electrocution or damages resulting from termination of contracts with suppliers.

At the closing date of the interim financial statements at March 31, 2015, the provision amounts to R\$ 126,667 (R\$ 120,583 at December 31, 2014).

In addition to accrued losses, there are other civil contingencies for which the likelihood of loss is assessed as possible by management, based on the evaluation of CEMAR's and CELPA's legal counsels and their outside legal advisors, in the amount of R\$ 422,218 (R\$ 568,344 at December 31, 2014), for which no provision was recorded.

Tax

CEMAR and CELPA are defendants in 171 tax proceedings.

The quarterly financial statements at March 31, 2015 include provision for tax proceedings totaling R\$ 459 (R\$ 498 at December 31, 2014).

In addition to accrued losses, there are other tax contingencies for which the likelihood of loss is assessed as possible by management, based on the evaluation of CEMAR's and CELPA's legal counsels and their outside legal advisors, in the amount of R\$ 46,663 (R\$ 46,663 at December 31, 2014), for which no provision was recorded.

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22 Other accounts payable (Consolidated)

	03/31/2015		12/31/2014	
	Current	Noncurrent	Current	Noncurrent
Other accounts payable – Suppliers	2,855	-	2,492	-
Advances and returns (a)	44,191	-	45,465	-
Insurance entities	268	-	202	-
Other allocations – suppliers	10,120	-	10,120	-
Tariff charges	1,888	-	1,886	-
Tax credits – CCC	-	171,688	-	193,906
Regulatory penalties (b)	53,220	-	51,706	-
Post-employment benefits	-	-	2,321	-
Guarantees	5,949	-	7,302	-
Acquisition of CELPA (c)	60,000	-	60,000	-
Third-party credits	5,591	-	1,208	-
Regulatory fees	30,230	-	1,483	-
Other accounts payable (d)	76,380	39,830	69,726	5,992
Total	290,692	211,518	253,911	199,898

- a) Refers to advance received for the purpose of ensuring the investments required to meet consumer demands by the Company and its subsidiaries.
- b) Refers to liability for violating the limit of individual continuity of DIC indicators (continuity limit set for the period considered for the indicator of duration of interruption by consumer unit or connection point); FIC (continuity limit set in the period considered for the interruption frequency indicator by consumer unit or connection point); and DMIC (continuity limit set in the period considered for the maximum continuity interruption duration indicator by consumer unit or connection point). With regard to the computation period (monthly, quarterly or annual), the distributor shall calculate the compensation to the consumer and report it as a credit on the bill, presented no later than two months after the computation period. In case of violation of the individual continuity limit of the DICRI indicator (continuity limit set for the individual interruption duration indicator on a critical day by consumer unit or connection point), the distributor will calculate the compensation to the consumer and report it as a credit on the bill, presented no later than two months after the month the interruption takes place. Since subsidiary CELPA filed for in-court reorganization on 02/29/2012, all the amounts whose triggering event took place before that date shall be an integral part of the creditors balance whose payment shall be approved at the creditors meeting within the deadlines and legal conditions addressed by the approved in-court reorganization plan.

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22 Other accounts payable (Consolidated) (Continued)

- c) This refers to the increase in current liabilities due to a refundable balance relating to “Programa Luz Para Todos” (Light for All Program) estimated by subsidiary CELPA.
- d) Of the amounts under “Other accounts payable”, R\$70,007 refer to subsidiary CELPA, primarily comprised of R\$8,018 referring to provision for fees of the administrator and accountant in charge of the in-court reorganization; R\$61,990 referring to the provision for payment of operating costs and sundry service providers.

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23 Equity

23.1 Capital

At March 31, 2015 and 2014, capital amounts to R\$1,977,276, comprising shares broken down by class and main shareholders as follows:

Shareholder	Registered common shares	%
Squadra Investimentos	30,939,640	15.59%
FIP PCP	21,058,146	10.61%
Verde Asset Management	10,913,011	5.50%
International Financial Corporation	10,625,000	5.35%
ARX Investimentos	10,295,752	5.19%
BTG Pactual Asset Management S/A DTVM	10,271,024	5.18%
Norges Bank	9,962,283	5.02%
Other minority interests	94,382,496	47.56%
Total	198,447,352	100.00%

The Company is listed on BM&FBOVESPA's "Novo Mercado" (New Market), having only common shares that ensure 100% tag along to minority interests in case of mergers or transfer of control.

23.2 Capital reserve

Pursuant to CVM Rule No. 562, of December 17, 2008, which approved CPC 10, the Company records a Capital Reserve in the amount of R\$19,435, referring to recognized option grants.

23.3 Income reserve – legal reserve

The legal reserve is recognized at 5% of net income before profit sharing and reversal of interest on equity, as determined by corporate legislation and defined by the Board of Directors, limited, however to 20% of total capital.

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23 Equity (Continued)

23.4 Income reserve - Investment and expansion reserve

This reserve is intended to record the portion of net income for the period earmarked for investments and expansion of the Company.

23.5 Income reserve – Distribution of additional dividends

This reserve is intended to record the portion of dividends that exceeds the mandatory minimum dividends, the distribution of which has not yet been approved at a meeting.

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24 Stock option plan

Fourth stock option plan

The Special General Meeting held on July 21, 2014 approved the Fourth Equatorial Stock Option Plan ("Plan"). The stock option subscription offered under the Plan's terms shall not exceed 3.0% of the Company's total capital representative shares (including shares issued because of the exercise of this Plan), as long as the total number of shares issued or which may be issued under the Plan's terms are always within the limit of the Company's authorized capital.

Once exercised, the shares are issued through an increase in the Company's capital. For further details, refer to the minutes of the Special General Meeting, available on the Company's website and on CVM's website.

Stock option exercise price

The exercised price of shares granted under the Plan's terms shall be determined by the Plan's Administrative Committee based on the average price of the Company's shares at BM&FBOVESPA, weighted by the trading volume for the period of 180 days before the grant date.

The exercise price shall be decreased by the amount of dividends, interest on equity and other earnings distributed by the Company to shareholders or any other amounts per share made available to the Company's shareholders, including due to decrease in capital without cancelling the shares or any other corporate transaction entailing allocation of funds to shareholders or decrease in the value of shares, always considering the period from the grant date and the stock exercise date.

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24 Stock option plan (Continued)

Beneficiaries

Plan beneficiaries may exercise its stock option within 6 years as from grant date. The stock option is exercisable over 4 years, i.e. 25% per year.

Within one year as from the exercise date, beneficiaries may sell, grant or assign the Company's shares originally acquired or subscribed.

On July 21, 2014, the Plan's Administrative Committee granted 4,225,000 options to Plan beneficiaries at the price of R\$21.76 per Option.

Dilution potential

In accordance with the Plan's rules, the potential issue of remaining options would imply in an additional dilution for the current shareholders of Equatorial Energia S.A. equivalent to the maximum of 3%.

25 Employees' profit sharing

The Company and its subsidiaries' profit sharing program comprises assessments of indicators for the presidency, boards, management, coordinators and employees and is improving over the years so as to foster professionals' commitment to better operational performance. For the quarter ended March 31, 2015, the accrued profit sharing balance was R\$ 1,119 (R\$ 4,444 at December 31, 2014).

The Company provisioned balance together with its subsidiaries was R\$ 17,575 at March 31, 2015 (R\$ 32,161 at December 31, 2014).

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26 Operating revenue (Consolidated)

	03/31/2015		
	No. of consumers (*)	MWh (*)	R\$
Residential	3,876,055	1,507,713	872,372
Industrial	12,573	452,236	200,791
Commercial	309,140	713,864	433,599
Rural	176,592	87,770	35,923
Public sector	41,212	192,689	108,552
Street lighting	1,417	201,562	71,589
Utility service	8,068	135,162	55,454
Own consumption	685	10,649	-
Revenue from availability/use of the electricity grid	-	-	6,497
Unbilled supply – tariff replacement	-	-	14,558
CCEE supply	-	-	13,572
Low income	-	-	86,435
Construction revenue	-	-	270,316
Receivables relating to Parcel A and other financial items	-	-	90,932
Other	-	-	18,463
Total	4,425,742	3,301,645	2,279,053

	03/31/2014		
	No. of consumers (*)	MWh (*)	R\$
Residential	3,688,766	1,430,182	578,849
Industrial	12,953	437,258	137,504
Commercial	294,669	672,523	298,333
Rural	178,082	88,174	26,265
Public sector	39,921	185,098	77,451
Street lighting	1,339	176,981	44,966
Utility service	7,743	133,569	39,012
Own consumption	640	9,592	-
Revenue from availability/use of the electricity grid	-	-	5,811
CCEE supply	-	-	54,309
Low income	-	-	84,015
Construction revenue	-	-	210,329
Other	-	-	174,304
Total	4,224,113	3,133,377	1,731,148

(*) Information not reviewed by independent auditors.

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26 Net operating revenue (Consolidated)

Reconciliation of gross revenue to net income is as follows:

	03/31/2015	03/31/2014
Electric energy supply	1,840,348	1,258,161
Receivables relating to Parcel A and other financial items	90,932	-
Interest - WACC	38,925	30,556
Electric energy supply	13,572	54,309
Construction revenue	270,316	210,329
Other revenues	24,960	177,793
Operating revenue	2,279,053	1,731,148
ICMS on electric energy sales	(371,160)	(250,242)
PIS and COFINS	(186,172)	(143,029)
Consumer charges	(42,560)	(11,436)
Service Tax (ISS)	(566)	(2,245)
Emergency capacity charge	-	1,152
Other	-	(1)
Deductions of operating revenue	(600,458)	(405,801)
Net operating revenue	1,678,595	1,325,347

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27 Cost of services and operating expenses

Operating costs and expenses are broken down by nature as follows:

	03/31/2015			
	Cost of electric energy services	Selling expenses	Administrative expenses	Total
Operating costs/expenses				
Personnel	29,226	12,855	17,777	59,858
Material	1,965	874	1,043	3,882
Third-parties services	52,573	55,592	25,201	133,366
Electric energy service inspection charge	1,402	-	-	1,402
Electric energy purchased for resale	881,072	-	-	881,072
Transmission and distribution system use charge	40,005	-	-	40,005
Construction cost	270,316	-	-	270,316
Depreciation and amortization	20,775	-	-	20,775
Lease and rent	4,302	732	949	5,983
CCC subsidy	(5,824)	-	-	(5,824)
Recovery of expenses	-	(6,932)	-	(6,932)
Other	(26,531)	4,885	7,402	(14,244)
Total	1,269,281	68,006	52,372	1,389,659

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27 Cost of services and operating expenses (Continued)

	03/31/2014			
	Cost of electric energy services	Selling expenses	Administrative expenses	Total
Operating costs/expenses				
Personnel	27,351	11,231	18,432	57,014
Material	4,171	3,371	493	8,035
Third-parties services	55,074	48,909	23,789	127,772
Electric energy service inspection charge	-	932	-	932
Electric energy purchased for resale	1,014,718	-	-	1,014,718
Transmission and distribution system use charge	30,614	-	-	30,614
Construction cost	210,329	-	-	210,329
Depreciation and amortization	58,457	-	-	58,457
Lease and rent	2,911	568	789	4,268
Recovery of expenses	(323,483)	(2,347)	(34)	(325,864)
CCC subsidy	6,880	-	-	6,880
Other	3,777	2,260	4,771	10,808
Total	1,090,799	64,924	48,240	1,203,963

(*) Information not reviewed by independent auditors.

During the three-month period ended March 31, 2015, expenses with purchase of electricity in the short term increased because of the following:

- (i) Increase in settlement price of CCEE - PLD, due to decrease in reservoirs and need for output of thermal power plants to meet Brazilian demand, and
- (ii) Increase in Company's involuntary exposure due to delays in the start-up of plant operations, and cancellations of contracts related to the Bertin group.

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28 Electricity purchased for resale

	GWh		R\$	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Auction energy	2,233	2,118	504,955	387,368
Eletronuclear agreements	123	51	27,062	10,673
Agreements – guarantee shares	1,281	1,274	42,865	57,058
System Service Charge (ESS)/Reserve Energy	-	-	11,679	5,833
Sport market energy - CCEE	589	624	329,465	443,205
Bilateral energy :	57	57	11,699	10,281
Alternative Energy Source Program (PROINFA)	75	67	17,822	17,346
(-) Portion to be offset - noncumulative	-	-	(90,947)	(20,021)
(-) Energy cost recovery (CDE)	-	-	-	(323,483)
Other costs	-	-	26,472	102,975
Total	4,358	4,191	881,072	691,235

- (a) During the three-month period ended March 31, 2015, expenses with purchase of electricity in the short term increased because of the following: (i) Increase in settlement price of CCEE - ADA, which reached the maximum limit for 2015 of R\$388/MWh, due to decrease in reservoirs and need for output of thermal power plants to meet Brazilian demand; (ii) Increase in Company's involuntary exposure due to delay in the start-up of plant operations comprising the 12th new energy auction and the 2nd alternative energy source auction and the cancellation of contracts related to Bertin group related to the 6th and 7th new energy auctions.
- (b) This amount refers to noncumulative PIS and COFINS credit, under Laws No. 10637 of 2002 and No.10833 of 2003, arising from purchase of electric energy for resale.

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29 Financial income (expenses)

	Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Financial income				
Financial income	-	-	41,010	44,312
Swap transactions	-	-	173,674	1,055
Monetary gains	-	-	32,201	40,958
Restatement of financial asset - revenue	-	-	19,645	22,611
Interest income	-	-	31,414	-
Discounts obtained	-	-	2,068	-
Present value adjustment	-	-	48	23,301
Other	23,391	19,770	12,669	14,480
Arrears charges on energy sold	-	-	32,424	38,242
Total financial income	23,391	19,770	345,153	184,959
Interest on loans and financing	-	-	(61,526)	(62,960)
Swap transactions -expense	-	-	(57,501)	(22,001)
Monetary losses	-	-	(242,633)	(38,323)
Restatement of financial asset - expense	-	-	(7,275)	(13,246)
Restatement of contingencies	-	-	(8,412)	-
Fines	-	-	(4,711)	(27,911)
Operating infractions	-	-	-	(979)
Present value adjustment	-	-	(1,932)	(21,800)
Interest expenses	-	-	(11,652)	-
Other financial expenses	(46)	-	(10,962)	(21,034)
Total financial expenses	(46)	-	(406,604)	(208,254)
Total	23,345	19,770	(61,451)	(23,295)

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30 Private pension entity

CEMAR

CEMAR sponsors FASCEMAR - Fundação de Assistência e Seguridade dos Servidores da CEMAR (Assistance and Social Security Foundation for CEMAR's employees), a Supplementary Pension Foundation organized as a not-for-profit private pension entity for the purpose of managing social security benefit plans.

FASCEMAR was fully restructured in 2005, resulting in the implementation and operation of a new pension plan as from May 2006 - Mixed Benefit Plan I, in defined contribution modality, and variable contribution modality in accordance with the classification defined by PREVIC. The plan grants regular retirement benefits under defined contribution modality, and disablement and death benefit for active participants under defined benefit modality, in addition to the mandatory legal institutes. Since its implementation, 98% of active participants of the Defined Benefit Plan I (BD I) joined the plan, as well as CEMAR employees who did not benefit from such plan before.

The BD I Plan currently benefits mostly retired employees and pensioners who were already benefiting from the plan in April 2006. This plan presents retirement benefits by age, special, time of contribution and funeral assistance.

CEMAR, in the capacity of sponsor, makes monthly regular contributions to both plans that match total contributions paid by plan participants included in its payroll. For the period ended March 31, 2015, this amount totaled R\$1,178 (R\$2,743 at December 31, 2014).

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30 Private pension entity (Continued)

CELPA

CELPA sponsors, together with its active employees, former employees and respective beneficiaries, private retirement and pension plans with the objective of supplementing the government official benefits. These private plans are managed by Redeprev - Fundação Rede de Previdência, a closed not-for-profit multisponsored pension entity possessing administrative and financial autonomy.

In view of the acquisition of Centrais Elétricas do Pará CELPA by Equatorial Energia S/A, said sponsor decided to transfer the management of the Benefit Plans, managed by RedePrev to FASCEMAR - Fundação de Previdência Complementar. This transfer does not entail changes in rights and obligations defined in the respective Regulations of the sponsored plans.

CELPA-BD-I and CELPA BD-I.

This transfer will occur in two phases, the first including Celpa BD I and Celpa BD II, and the second including Celpa OP and Celpa R.

PREVIC (National Superintendence of Supplementary Pension) approved the transfer of Management of plans Celpa BD I and Celpa BD II of RedePrev to Fascemar, by means of Ruling No. 200 and No. 201, published in the Federal Official Gazette of April 17, 2014.

According to the transfer terms and conditions, this (operation capacity and transfer completion) should be concluded within 120 days as from the publishing date of the aforementioned Rulings, provided that the management transfer occurred on July 1, 2014.

CELPA, in the capacity of sponsor, makes monthly regular contributions to both plans that match total contributions paid by plan participants included in its payroll. For the period ended March 31, 2015, this amount totaled R\$751 (R\$4,775 at December 31, 2014).

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31 Financial instruments

a. General considerations

In accordance with CVM Rule No. 604, dated November 19, 2009, which approved technical pronouncements CPC 38, 39 and 40, the Company carried out an analysis of its financial instruments, namely cash and cash equivalents, trade accounts receivable, concession financial assets, trade accounts payable, loans and financing, debentures and derivatives, with due adjustment in the accounting thereof, as applicable.

These instruments are managed through operational strategies and internal control intended for liquidity, profitability, and safety. Control policy consists of permanent monitoring of contracted conditions versus current market conditions.

Management uses financial instruments with a view to deriving high yields on its cash and cash equivalents, maintaining liquidity of its assets, hedging against changes in interest or exchange rates and complying with the ratios established in its financing contracts (*covenants*).

b. Policy on use of derivatives

Equatorial uses derivatives only to hedge against changes in macroeconomic indices and in exchange rates, by means of swap transactions.

Subsidiaries CELPA and CEMAR have swap to provide foreign exchange hedge.

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31 Financial instruments (Continued)

c. Fair value of financial instruments (Consolidated)

In accordance with CVM Rule No. 475, book balances and the market values of financial instruments included in the balance sheet at March 31, 2015 and December 31, 2014 are set out below:

	03/31/2015		12/31/2014	
	Book value	Market value	Book value	Market value
Assets				
Cash and cash equivalents	368,474	368,474	280,098	280,098
Short-term investments	1,347,875	1,347,875	1,683,565	1,683,565
Trade accounts receivable:	1,723,111	1,723,111	1,574,745	1,550,269
Concession-related financial assets	1,858,006	1,858,006	1,565,973	1,565,973
Judicial deposits	161,354	161,354	156,193	156,054
CCC subrogation - amounts invested	82,544	82,544	113,255	113,255
Derivative financial instruments	177,847	177,847	73,413	73,413
Total assets	5,719,211	5,719,211	5,447,242	5,422,627
	03/31/2015		12/31/2014	
	Book value	Market value	Book value	Market value
Liabilities				
Trade accounts payable	962,889	962,889	1,139,843	1,139,843
Loans and financing	3,913,426	3,913,426	3,857,609	3,857,609
Debentures	537,609	520,375	517,284	507,628
Total liabilities	5,413,924	5,396,690	5,514,736	5,505,080

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31 Financial instruments (Continued)

c. Fair value of financial instruments (Continued)

- **Short-term investments** – these are classified at fair value through profit or loss. The hierarchy of fair value of short-term investments is 1.
- **Trade accounts receivable** – these result directly from Company operations, are classified as receivables and recorded at their original amounts, subject to the provision for losses and present value adjustment, as applicable.
- **Concession financial assets** – these are classified as lending and receivables and are recorded for their original amounts, subject to provision for losses and adjustment to present value, as applicable.
- **Trade accounts payable** – these arise directly from Company operations and are classified as financial liabilities not measured at fair value.
- **Loans and financing** - loans and financing are intended to generate funds to finance the Company's investment programs and manage any short-term cash needs. They are classified as financial liabilities not measured at fair value and are recorded at their amortized amounts.
- **Debentures** – these are classified as financial liabilities not measured at fair value and are recorded at their amortized amount.
- **Derivative financial instruments** – are classified at fair value through profit or loss and are intended to hedge against changes in interest rates and exchange rates. For swap transactions, market value was determined using market information available.

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31 Financial instruments (Continued)

d. Cash and cash equivalents

The Company's cash equivalents are highly liquid financial instruments whose market value reflects the amount recorded in the balance sheet. They comprise cash available and short-term investments.

The Company holds cash equivalents in order to meet its short-term cash commitments.

The Company's financial investments are made within short term and are highly liquid. They are also convertible into a known cash amount and indexed to CDI, which is considered a risk-free rate. Accordingly, they were classified as cash and cash equivalents.

e. Risk factors – CVM Rule No. 475

For being a holding company, the Company's main risks relate to the performance of its subsidiaries and jointly-controlled subsidiary. According to CVM Rule No. 475, the risk factors are set out below:

- **Credit risk** – The high balances as well as aging of receivables from customers represent a risk for Company liquidity and its capital structure. Management monitors outstanding balances and to mitigate the risk of default. The Company uses all collection tools allowed by the regulatory body, such as supply interruption upon consumer default, settlement of debts and renegotiation of debts. In order to mitigate the risk of financial institutions with which the Company maintains cash deposits or financial investments, the Company selects only low-risk institutions, as assessed by rating agencies. The Company maintains its concession assets in accordance with ruling legislation and monitors possible definitions in the concession assets return rules.
- **Liquidity risk** – The liquidity risk evidences the Company's capacity of settling liabilities assumed. To determine the Company's financial capacity of adequately meeting the commitments assumed, the maturity schedule of funds raised and of other liabilities is part of the disclosures. Detailed information about loans and financing raised by the Company is presented in Notes 17 and 18.

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31 Financial instruments (Continued)

e. *Risk factors – CVM Rule No. 475 (Continued)*

The Company has obtained funds in its commercial and financial activities, allocating them mainly to its investment program and cash management for working capital and financial commitment purposes.

Short-term investment management focuses on short-term instruments, in order to maximize liquidity and allow cash outlays.

The Company's cash generation and the low volatility in the monthly receipts and payment obligations along the year allow stability to the Company in its flows, thus reducing its liquidity risk.

- **Market risk** – The market risks relate to fluctuations in interest rates, debt indices and exchange rates, further comprising indebtedness limits defined in contracts, and non-compliance therewith may entail accelerated maturity.
- **Currency risk** - This risk arises from the possibility of the Company to incur losses due to changes in exchange rates. Subsidiary CEMAR's current exposure to exchange rates is 0.13% and that of CELPA is of 39% of its debt. The subsidiaries continually monitor exchange rates and market interest rates in order to evaluate the need of derivatives to provide hedge against the risk of volatility of these rates.

A debt sensitivity analysis was carried out considering five scenarios, in accordance with CVM Rule No. 475: one scenario with actual rates at March 31, 2015 (Probable Scenario) plus two scenarios with 25% increase (Scenario II) and 50% increase (Scenario III) in the benchmark exchange rate.

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31 Financial instruments (Continued)

e. Risk factors – CVM Rule No. 475 (Continued)

We further included two scenarios, as opposed to the effect described in CVM Rule, namely 25% decrease (Scenario IV) and 50% decrease (Scenario V) in the benchmark exchange rate.

Fair value or cash flow interest rate risk related to interest rate						R\$ thousand
Transaction	Risk	Probable scenario	Scenario II - +25%	Scenario III - +50%	Scenario IV - -25%	Scenario IV - -50%
FINANCIAL LIABILITIES						
Loans, financing and debentures	USD	(104,415)	(401,396)	(698,377)	192,566	489,546
Reference for financial liabilities		Rate at 12/31/2014	25%	50%	-25%	-50%
US Dollar /R\$		2.66	3,325	3.99	1,995	1.33

- **Accelerated maturity risk** - The subsidiaries have loan and financing agreements and debentures with covenants, which in general require compliance with certain levels of economic and financial ratios. Failure to comply with these ratios may entail accelerated debt maturity. Management monitors its positions, as well as projects its future indebtedness to take preventative measures in relation to the indebtedness limits.
- **Cash flow or fair value risk related to interest rate** - Changes in interest rates affect the Company's financial assets and liabilities. The Company sets out below the impact of these variations on return on financial investments and indebtedness in local currency.

A sensitivity analysis was carried out for the financial assets and liabilities of the subsidiaries considering five scenarios.

In accordance with CVM Rule No. 475, we considered one scenario with actual rates at March 31, 2015 (Probable Scenario) plus two scenarios with 25% increase (Scenario II) and 50% increase (Scenario III) in the benchmark exchange rate.

We further included two scenarios, as opposed to the effect described in CVM Rule, namely 25% decrease (Scenario IV) and 50% decrease (Scenario V) in the benchmark exchange rate.

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31 Financial instruments (Continued)

e. Risk factors – CVM Rule No. 475 (Continued)

Fair value or cash flow interest rate risk related to interest rate

Transaction	Risk	Probable scenario	Scenario	Scenario	Scenario	Scenario
			II	III	IV	V
			25%	50%	-25%	-50%
FINANCIAL ASSETS						
Short-term investments	CDI	41,007	51,259	61,511	30,755	20,504
FINANCIAL LIABILITIES						
Loans, financing and debentures	CDI	(34,665)	(66,530)	(98,391)	(2,802)	29,062
	TJLP	(9,046)	(10,877)	(12,710)	(7,214)	(5,381)
	IGP-M	(4,490)	(6,043)	(7,595)	(2,938)	(1,385)
	IPCA	(10,564)	(12,611)	(14,658)	(8,517)	(6,470)

Reference for financial assets and liabilities

	Rate at 3/31/2015	25%	50%	-25%	-50%
CDI (% 3 months)	2.81	3.51	4.22	2.11	1.41
TJLP (% 3 months)	1.35	1.69	2.03	1.01	0.68
IGP-M (% 3 months)	2.03	2.54	3.05	1.52	1.02
IPCA (% 3 months)	3.83	4.79	5.75	2.87	1.92

The impact of the sensitivity analysis on P&L and equity of subsidiary CEMAR is as follows:

Impact of sensitivity on P&L and equity		R\$ thousand	
Scenarios	Impact on P&L	Effect on profit	
Probable scenario	-	-	
Scenario II	(76,052)	(76,052)	
Scenario III	(152,103)	(152,103)	
Scenario IV	76,052	76,052	
Scenario V	152,103	152,103	

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31 Financial instruments (Continued)

e. Risk factors – CVM Rule No. 475 (Continued)

The impact of the sensitivity analysis on P&L and equity of subsidiary CEMAR is as follows:

Impact of sensitivity on P&L and equity

Scenarios	Impact on P&L	Effect on profit
Probable scenario	-	-
Scenario II	(233,061)	(176,897)
Scenario III	(463,713)	(352,768)
Scenario IV	228,242	281,637
Scenario V	458,895	567,070

Pursuant to CPC 40, Company derivative financial instruments in force at March 31, 2015 and December 31, 2014 are summarized as follows

Consolidated derivative instruments:

Liability transactions Market risk hedging purpose (a)	Index	Fair value	Fair value
		03/31/2015	12/31/2014
Swap			
Long position	US\$	361,388	34,451
Short position	CDI	(241,243)	(29,932)
TOTAL		120,145	4,519

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31 Financial instruments (Continued)

e. Risk factors – CVM Rule No. 475 (Continued)

- **Energy Shortage Risk** – The Brazilian Power System is primarily supplied by hydroelectric power generation. A long period of draught during the wet season will reduce the volume of water in the power plants' reservoirs, resulting in an increased acquisition cost of energy in the short-term market and in increased System Charges due the output of thermal power plants. Ultimately, a rationing program may be adopted, which would imply in a decrease in revenue. However, given current levels of the reservoirs and the latest simulations performed, the National Electric System Operator (ONS) does not expect a new rationing program for the coming years.

The Company and its subsidiaries manage their capital so as to maximize return for investors by leveraging the indebtedness and equity levels, seeking to achieve an efficient capital structure, and maintaining indebtedness and debt coverage ratios at levels that maximize return on capital for investors and ensure liquidity for the Company.

Capital management is based on monitoring of three financial indexes, and establishes maximum limits that do not affect the Group's operations:

- Net debt / EBITDA
- Net debt / (net debt + equity)
- Short-term debt / total debt

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32 Commitments

Commitments related to long-term power purchase agreements of subsidiaries CEMAR and CELPA are as follows:

- **CEMAR:**

Energy contracts	Effectiveness	2015	2016	2017	2018	From 2018 onwards
	2015 to 2032	1,011,297	1,226,382	1,322,955	1,306,426	38,789,861

- **CELPA:**

Energy contracts	Effectiveness	2015	2016	2017	2018	From 2018 onwards
	2015 to 2042	1,905,156	2,243,208	2,511,160	2,367,189	59,038,166

Amounts related to energy purchase agreements effective for 6 to 30 years account for a total volume purchased for the restated price, according to CCEAR clause, and were approved by ANEEL.

Equatorial Energia S.A

Notes to quarterly information

Three-month periods ended March 31, 2015 and 2014

(In thousands of reais, unless otherwise stated)

33 Business segment

The Company's operating segments are internally organized, mainly as a legal entity. The Company grouped operating segments as follows: Distribution, Services, Sale and Management, among others.

The Company analyzes segment performance and allocates funds based on several factors, of which revenues and operating income are significant financial factors.

	Distribution		Services/Sale		Central management and others		Exclusions and adjustments		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Operational assets	10,655,107	8,555,887	92,247	89,029	3,216,991	2,391,937	(2,661,814)	(1,745,219)	11,302,531	9,291,634
Operational liabilities	8,375,833	7,104,714	47,266	50,290	165,066	22,557	(973,366)	(764,255)	7,614,799	6,413,306
	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Net revenue	1,640,516	1,195,013	38,079	130,334	-	-	-	-	1,678,595	1,325,347
Cost of services	(1,240,940)	(986,731)	(28,341)	(104,068)	-	-	-	-	(1,269,281)	(1,090,799)
Gross profit	399,576	208,282	9,738	26,266	-	-	-	-	409,314	234,548
Selling expenses	(68,006)	(64,923)	-	-	(19,697)	(4,040)	(327)	-	(68,006)	(64,923)
General and administrative expenses	(134,100)	(94,845)	(30)	(1,232)	-	-	-	-	(154,154)	(100,117)
Equity pickup	-	-	-	-	86,874	3,185	(76,172)	2,201	10,702	5,386
Goodwill amortization	-	-	-	-	(1,677)	(279)	-	-	(1,677)	(279)
	197,470	48,514	9,708	25,034	65,500	(1,134)	(76,499)	2,201	196,179	74,615
Financial income	335,692	174,654	994	497	23,391	19,770	(14,924)	(9,962)	345,153	184,959
Financial expense	(421,412)	(218,144)	(70)	(72)	(46)	-	14,924	9,962	(406,604)	(208,254)
Income before income taxes	111,750	5,024	10,632	25,459	88,845	18,636	(76,499)	2,201	134,728	51,320
Income and social contribution taxes	(16,918)	(6,394)	(3,746)	(8,886)	(3,476)	(4,015)	50	-	(24,090)	(19,295)
Income before non-controlling interest	94,832	(1,370)	6,886	16,573	85,369	14,621	(76,449)	2,201	110,638	32,025
Attributable to controlling interests	-	-	(3,349)	(8,239)	-	-	(21,920)	(9,165)	(25,269)	(17,404)
Net income (loss) for the period per segment	94,832	(1,370)	3,537	8,334	85,369	14,621	(98,369)	(6,964)	85,369	14,621

Equatorial Energia S.A

Notes to quarterly information
Three-month periods ended March 31, 2015 and 2014
(In thousands of reais, unless otherwise stated)

34 Insurance

Specification by risk type and validity of the main insurance policies taken out by the Company and its subsidiaries CEMAR and CELPA are as follows:

- **EQUATORIAL:**

Risks	Policy maturity (dd/mm/yyyy)	Amount insured
D&O General	11/29/2015	30,000
Corporate –Office	04/22/2015	1,650

- **CEMAR:**

Risks	Policy maturity (dd/mm/yyyy)	Amount insured
Operational risks	01/01/2016	190,316
General civil liability - Operations	01/01/2016	7,000
Sundry risks	02/20/2016	1,295
Judicial guarantee insurance	(a)	15,706
Energy auction guarantee	(b)	741
Vehicle	01/31/2016	(c)

(a) 29 policies with expiration dates between April 2015 to February 2016.

(b) 5 policies with expiration dates between August 2015 to March 2016.

(c) 112 insured vehicles.

Subsidiary CEMAR takes out insurance for assets subject to risks at amounts considered sufficient to cover any losses, considering the nature of its operations. Insurance is taken out considering the risk management precepts and insurance policies usually used by electric energy distribution companies. Given their nature, the risk assumptions adopted are not part of the scope of a special review of interim financial statements and, therefore, were not reviewed by the independent auditor.

Equatorial Energia S.A

Notas explicativas às informações trimestrais
Períodos findos em 31 de março de 2015 e 2014
(Em milhares de Reais, exceto quando especificado)

34 Insurance coverage (Continued)

- **CELPA:**

Risks	Policy maturity (dd/mm/yyyy)	Amount insured
General civil liability - Operations	12/30/2015	7,000
Operational risks	12/30/2015	346,721
Vehicle (a)	12/30/2015	-
Judicial guarantee insurance (b)		164,505
Energy auction guarantee (c)		1,595

(a) 36 vehicles insured, according to policies .

(b) Policies maturing from Jun/2015 to Jan/2020.

(b) Policies maturing from Mai/2015 to Apr/2016.

Subsidiary CELPA has insurance policies at amounts considered sufficient to cover damages to its assets and any compensation for which it is responsible for involuntary damage, property damages and/or bodily injuries caused to third parties as a result of its operations, considering the nature of its activities. The Company's insurance policies are taken out based on risk and insurance management guidelines generally adopted by electric energy distribution companies.

35 Subsequent events

On April 17, 2015, the General and Special Shareholders' Meeting approved CEMAR's capital increase, without issue of new shares in the amount of R\$141,748.

Board of Directors

Board of Directors

Carlos Augusto Leone Piani

Eduardo Saggioro

Firmino Ferreira Sampaio Neto

Guilherme Aché

Luis Henrique Moura

Marcelo Monteiro

Paulo Jerônimo Bandeira de Mello Pedrosa

Supervisory Board

Paulo Roberto Franceschi

Moacir Gibur

Vanderlei Dominguez da Rosa

Executive Board

Ana Marta Horta Veloso
Officer

Augusto Miranda da Paz Júnior
Officer

Eduardo Haiama
Chief Financial and Investor Relations Officer

Felipe Oppenheimer Pitanga Borges
Officer

Firmino Ferreira Sampaio Neto
CEO

Luiz Otávio Bianchini Laydner
Officer

Tinn Freire Amado
Officer

Geovane Ximenes de Lira
Accounting and Tax Manager
Accountant
CRC PE 012996-O-S-MA