



REDE ENERGIA S.A.
CNPJ/MF n.º 61.584.140/0001-49
NIRE 35.300.029.780
Companhia Aberta

COMUNICADO AO MERCADO

REDE ENERGIA MAKES INTEREST PAYMENT ON ITS 11.125% PERPETUAL NOTES AND INTENDS TO COMMENCE NEGOTIATIONS WITH HOLDERS OF ITS 11.125% PERPETUAL NOTES

São Paulo, Brazil – April 2, 2012 – Rede Energia S.A., a Brazilian electricity holding company (the “**Company**”), announced today that it has made its regularly scheduled interest payment on April 2, 2012 with respect to its 11.125% perpetual notes (the “**Perpetual Notes**”).

Pursuant to the terms of the indenture under which the Perpetual Notes were issued (the “**Indenture**”), the Company is required to maintain a U.S. dollar-denominated account in the State of New York, USA (the “**interest reserve account**”), which is pledged to the trustee under the Indenture for the benefit of the holders of the Perpetual Notes. The Indenture requires that the interest reserve account contain a combination of cash, cash equivalents, and/or letters of credit in an amount sufficient to make the next succeeding three interest payments. The interest payment on April 2, 2012 was made through a partial draw under a letter of credit as part of the interest reserve account. Subsequent to the interest payment on April 2, 2012, the interest reserve account contains sufficient funds to make the next succeeding two interest payments.

On February 28, 2012, the Company’s subsidiary, Centrais Elétricas do Pará S.A., filed a petition seeking a *recuperação judicial* (reorganization under Brazilian law). The Company is currently exploring all of its available options for protecting its going concern value and satisfying its obligations under the Perpetual Notes and its other financing agreements, including a possible negotiated, out-of-court financial restructuring. The Company has engaged Rothschild, as its financial advisor, and White & Case LLP and Felsberg e Associados, as its New York and Brazilian legal counsel, respectively, to advise the Company in connection with its evaluation of its options.

The Company requests that the holders of the Perpetual Notes form a steering committee to represent their collective interests. The Company intends to engage in formal negotiations with this steering committee in connection with any eventual financial restructuring of the Company.

The Company looks forward to commencing good faith negotiations with the steering committee for the Perpetual Notes as soon as possible and reaching an agreement that is mutually beneficial for all parties.

About Rede Energia S.A.

Rede Energia is one of Brazil's leading private energy groups engaged in electricity distribution, trading and generation. The Company supplies electricity to approximately 34% of the Brazilian territory and serves 16 million people in 578 towns and municipalities across seven Brazilian states: São Paulo, Minas Gerais, Paraná, Tocantins, Mato Grosso, Mato Grosso do Sul, and Pará.

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