

EQUATORIAL ENERGIA S/A
CNPJ/MF nº 03.220.438/0001-73
NIRE 2130000938-8
Publicly Held Open Capital Company

MATERIAL FACT

EQUATORIAL ENERGIA S/A (“Equatorial” or “Company”), pursuant to article 157, paragraph 4, of the Corporations Law 6.404 dated December 15, 1976, as amended (“Corporations Law”), CVM Instruction 358/2002, and supplemental to the Material Facts disclosed by the company on September 25, 2012 and October 30, 2012 is hereby informing its shareholders and the public in general that under the terms of the Contract for the Sale and Purchase of Shares and Other Covenants from Centrais Elétricas do Pará S.A. – Company Currently Under Brazilian Chapter 11 (“Celpa” and “Sale and Purchase Contract”), signed between the Company, Rede Energia S.A. and QMRA Participações S.A., with the participation of Jorge Queiroz de Moraes Junior and Celpa, the Company on this date concluded, after approval of the National Electric Energy Agency - ANEEL and the Administrative Council for Economic Protection – CADE, the acquisition, in the total amount of R\$ 1.00 (one real), of 39,179,397 (thirty nine million, one hundred seventy-nine thousand, three hundred ninety-seven) common shares and 461,917 (four hundred sixty-one thousand, nine hundred seventeen) preferred shares, totaling a 65.18% (sixty five and eighteen hundredths of a percent) ownership interest of the voting capital and 61.37% (sixty-one and thirty-seven hundredths of a percent) of the total capital stock of Celpa.

Given the immateriality of the acquisition price, in accordance with precedents from CVM – *Comissão de Valores Mobiliários* (Brazilian SEC), Equatorial will ask CVM for a waiver concerning the realization of a Public Offering of Shares and will keep the market informed about this matter.

Rio de Janeiro, November 1, 2012

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