



Equatorial Energia S/A
Publicly-held Company
CNPJ/MF nº 03.220.438/0001-73
NIRE 2130000938-8

MATERIAL FACT

CONCLUSION OF THE CAPITAL REDUCTION REIMBURSEMENT TO THE SHAREHOLDERS ON JUNE 04

According to the Notice to the Shareholders published on March 20, 2009, the Extraordinary General Meeting (EGM) held on the same date approved Equatorial's capital reduction amounting to R\$ 82,302,327.66, through cash reimbursement to the Company's shareholders, according to their ratio in the Company's stock (considering the shareholders composition on May 22, 2009), without cancelling shares issued by the Company.

Equatorial informs the market and the general public that the 60 days legal term (according to article 174 from Law 6,404/76) went due today without any creditor manifesting dissent from the Company's capital reduction.

Consequently, Equatorial will pay R\$ 0.7777734 per share to its shareholders on June 04, 2009 (according to shareholders position on May 22, 2009) as reimbursement for the capital reduction. The Company's share will be negotiated "ex-reduction" as of May 25, 2009.

On June 04, 2009, the Dividends Distribution Second Tranche will also be paid to the Company's shareholders, equivalent to R\$ 0.8617417.

Rio de Janeiro, May 22, 2009

Eduardo Haiama

Chief Financial and Investor Relations Officer

Equatorial Energia S/A