



**Equatorial Energia S.A.**  
Authorized Capital Publicly-Held Company  
CORPORATE TAXPAYER'S ID (CNPJ/MF) nº 03.220.438/0001-73

**MATERIAL FACT**

Equatorial Energia S.A. ("Company"), in compliance with the provisions in Paragraph 4 of Article 157 of Law 6,404/76 and in CVM Instruction 358/02 and further amendments, hereby announces to its shareholders and the market in general that, supplementing the information provided in the Notices and Material Facts disclosed by the Company on September 15, October 8 and November 19, 2009, its controlling shareholder Fundo de Investimento em Participações PCP, a private equity investment fund, Corporate Taxpayer's ID (CNPJ/MF) 08.621.544/0001-82 ("FIP PCP") and Companhia Energética de Minas Gerais – CEMIG, a publicly-held corporation, Corporate Taxpayer's ID (CNPJ/MF) 17.155.730/0001-64 ("CEMIG") executed an Agreement for Share Purchase and Other Covenants, in which the Company is the intervening consenting party.

**1. Purpose of the Agreement**

- 1.1 The purpose of the Agreement is the sale of the indirect interest held by FIP PCP in Light S.A. ("Light"), a publicly-held company with shares traded on the Novo Mercado segment of the São Paulo Stock Exchange.
- 1.2 The Agreement takes into consideration that, pursuant to the material fact disclosed by Light on November 16, 2009, the shareholders of RME – Rio Minas Energia Participações S.A. ("RME") intend to carry out a disproportional split-off of RME. With the split-off, part of the shares comprising Light's capital belonging to RME shall be transferred to CEMIG, to Andrade Gutierrez Concessões S.A. and to Luce Empreendimentos e Participações S.A. (a company controlled by Luce Brasil Fundo de Investimento em Participações). The Company shall become holder of 99.99% of the shares issued by RME and the interest held by RME in Light shall represent 13.03% of Light's voting and total capital, corresponding to 26,576,149 common shares issued by Light. A shareholders' agreement of Light shall be executed to replace the current Shareholders' Agreement of RME; the relevant terms and conditions thereof shall remain unchanged.
- 1.3 The Agreement sets forth that, after RME's split-off, FIP PCP shall have a Company's split-off approved, whereby the interest held by the Company in RME shall be separated from the Company's other assets, namely its interest in Companhia Energética do Maranhão - Cemar, in Equatorial Soluções S.A. and in Geradora de Energia do Norte S.A. As a result of the Company's split-off, the interest held thereby in RME shall be conveyed to a new company to be established and listed on BM&FBovespa's Novo Mercado segment ("Newco").
- 1.4 Subsequently to the Company's split-off and to the listing of Newco's shares on Novo Mercado, FIP PCP shall sell all its direct and/or indirect interest in Newco to a company in which CEMIG holds an interest of no less than 20 percent.
- 1.5 The price to be paid for Newco's shares shall be equivalent to the price of shares comprising Light's capital corresponding thereto. For the purposes of the Agreement, the amount of R\$29.53776 has been ascribed to each of Light's shares, resulting in the amount of seven hundred eighty-five million reais (R\$785,000,000.00) for the total indirect interest that Newco shall hold in Light. FIP PCP shall receive an amount proportional to the interest in Newco transferred thereby pursuant to the Agreement. The price shall be updated according to the Interbank Deposit Rate (CDI) disclosed by the Clearing House for the Custody and Financial Settlement of Securities (CETIP), from December 1, 2009 up to the purchase closing date, and shall also be adjusted in order to reflect proportionally any dividends paid or declared by Light during that same period.
- 1.6 The accomplishment of the operation is subject to certain conditions, as set forth in the Agreement.

## **2 Company's split-off and Establishment of Newco**

- 2.1 Newco shall be established upon the approval of the Company's split-off mentioned in item 1.3 above, to be formalized at the extraordinary general meeting to be called for that purpose in due course, and its assets shall be formed by means of conveying all RME's shares belonging to the Company. Newco's capital stock shall be composed of common shares only.
- 2.2 Each of the Company's shareholders shall receive one of Newco's shares for each share held thereby in the Company. Newco's common shares shall be entitled to the same rights and advantages currently assigned to the shares issued by the Company.
- 2.3 Pursuant to Article 223 of Law 6,404/76, Newco shall register as a publicly-held company at the Brazilian Securities and Exchange Commission (CVM) and obtain the authorization to trade its shares on Novo Mercado.
- 2.4 The approval of the split-off mentioned in item 1.3 above shall not give the Company's shareholders the right to withdraw, since, should said split-off be approved, it shall not entail any of the events provided for in item III of Article 137 of Law 6,404/76.
- 2.5 Additional information (including all the documents and information set forth in CVM Instruction 319/99) on the split-off mentioned in item 1.3 above shall be provided in due course, upon the call of the general meeting that shall resolve on said split-off.

## **3 Public Offering due to Transfer of Control**

Should the Operation be accomplished and Newco's control be effectively transferred, either the acquiring party or Newco itself shall, with due respect for the periods set forth by law, register at CVM a public offering of shares due to transfer of Newco's control, in compliance with the provisions in Law 6,404/76, in CVM Instruction 361/02 and in the applicable legislation.

## **4 Submittal of the Operation to the Responsible Bodies**

All the necessary approval from the responsible bodies should be obtained. Furthermore, the operation shall be submitted to the approval of the Administrative Council for Economic Defense (CADE), within the period and under the terms set forth by the respective legislation.

## **5 Additional Information**

The Company shall maintain its shareholders and the market duly and appropriately informed about the progress and conclusion of the operation.

Rio de Janeiro, December 30, 2009.

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