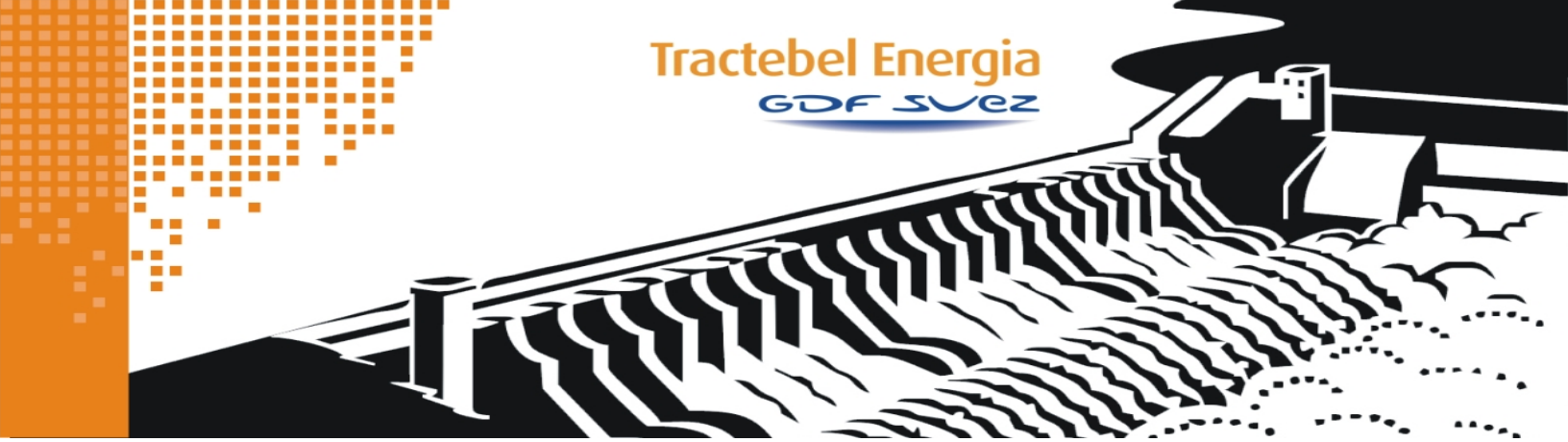


TRACTEBEL ENERGIA S.A.

A PUBLICLY LISTED COMPANY - CNPJ 02.474.103/0001-19
NIRE 4230002438-4

MATERIAL FACT

TRACTEBEL ENERGIA S.A., a publicly-held corporation with head offices in the city of Florianópolis, state of Santa Catarina, at Rua Antônio Dib Mussi, 366, duly enrolled with the Brazilian corporate taxpayers' register (CNPJ) under number 02.474.103/0001-19 ("Tractebel"), in compliance with the provisions of CVM Instruction Nr. 358/2002 and with reference to the Material Fact announced on July 9, 2008, hereby informs its shareholders and the market at large that, on December 5, 2008, Tractebel's subsidiary Gama Participações Ltda. ("Gama"), with its head offices in the City of Florianópolis, state of Santa Catarina, at Rua Antônio Dib Mussi, 366, parte, enrolled with the Brazilian corporate taxpayers' register (CNPJ) under number 09.212.990/0001-04, formally acquired the totality of the capital stock of **Tupan Energia Elétrica S.A.** ("Tupan"), with its head offices in the city of São Paulo, state of São Paulo, at Rua Dr. Veiga Filho 350, 9º andar, conjunto 901, enrolled with the Brazilian corporate taxpayers' register (CNPJ) under number 02.800.821/0001-38 and of **Hidropower Energia S.A.** ("Hidropower"), with head offices in the city of Rondonópolis, state of Mato Grosso, at the location known as Ribeirão Ponte de Pedra – Rodovia BR 163 Km 102 – Entrada 7 Placas mais onze quilômetros, setor 2, enrolled with the Brazilian corporate taxpayers' register (CNPJ) under number 05.261.707/0001-75, according to the terms and provisions of the contract for the purchase and sale of shares and other obligations celebrated on July 8, 2008.

Tupan has an authorization from the Agência Nacional de Energia Elétrica ("ANEEL") to operate the Rondonópolis small hydroelectric plant, with installed capacity of 26.6 MW, already operating on a commercial basis since December 2007. Hidropower has an authorization from ANEEL to operate the Engenheiro José Gelázio da Rocha small hydroelectric plant, with installed capacity of 23.7 MW, already operating on a commercial basis since February 2007.

The total present value of the above-mentioned acquisitions is R$213,908,558.20. This amount will be adjusted according to changes in the working capital and the debt of Tupan and Hidropower during the period from December 31 2007 to the present. The net debt of the two companies amounted to R$110,062,807.78 on December 31, 2007.

Florianópolis, December 5, 2008.

Manoel Arlindo Zaroni Torres
Chief Executive Officer and Finance and Investor Relations Director, in office