

# **TERNA PARTICIPAÇÕES S.A.**

Publicly-held Company  
Corporate Registry (NIRE): 33.3.0027843-5  
Corporate Taxpayer's ID (CNPJ/MF): 07.859.971/0001-30

## **MATERIAL FACT**

TERNA PARTICIPAÇÕES S.A. (“TERNA PART.”), pursuant to paragraph 4 of Article 157 of Law 6404/76, and Instruction 358/02 of the Brazilian Securities and Exchange Commission (CVM), amended by CVM Instructions 369/02 and 449/07, hereby informs its shareholders, the market in general and other stakeholders that, on September 19, 2007, two of the conditions required for the acquisition of 52.5838 % of the capital of Empresa de Transmissão do Alto Uruguai S.A. (“ETAU”) to take effect, as informed in the Material Fact published on July 6, 2007, were met. They are (i) non-exercise of pre-emptive rights by ETAU shareholders over the shares to be acquired by TERNA PART and (ii) ETAU shareholders’ approval of the entry of TERNA PART. in the company.

It is worth mentioning that the acquisition still depends on several suspensive conditions that include: (i) approval of the operation by the National Electric Power Agency of Brazil (ANEEL), and (ii) approval of the operation by the Brazilian Development Bank (BNDES).

The final transaction amount was fixed at R\$ 58,500,000.00 (Fifty-eight million, five hundred thousand Reais) and is subject to monetary restatement based on the Basic Reference (SELIC) rate, calculated from the date TERNA PART submitted its proposal relating to the acquisition of ETAU, that is June 18, 2007, till the date when TERNA PART. makes the payment of the said amount.

Rio de Janeiro, September 20, 2007

Giovanni Giovannelli  
CFO and Investor Relations Officer

**TERNA PARTICIPAÇÕES S.A.**