



**LIGHT S.A.**

**Corporate Taxpayer's ID (CNPJ/MF) 03.378.521/0001-75**

**Company Registry (NIRE) 33.3.0026316-1**

**Publicly-held company**

**MATERIAL FACT**

Light S.A. ("Light"), in compliance with the Brazilian Securities and Exchange Commission (CVM) Rule 358, of January 3, 2002, hereby announces to its shareholders and the market in general that Renova Energia S.A., company in which Light Energia S.A., closely-held and wholly-owned subsidiary of Light, is a participant in the controlling block, released the following Material Fact on January 20, 2017:

*"Further to its Material Announcement of January 12, 2017, and in accordance with CVM Instruction 358/2002 as amended, Renova Energia S.A. (RNEW11) ('the Company') hereby informs its stockholders and the market in general as follows:*

*A meeting of the Board of Directors on today's date approved acceptance of the binding offer sent by AES Tietê Energia S.A. ('AES') for acquisition of the Alto Sertão II complex.*

*The Company further states that conclusion of the transaction is to take place only after: (I) signature of the Share Purchase Agreement, the terms of which are being discussed and negotiated between the parties; and, consequently, (II) compliance with conditions precedent that are usual in this type of transaction, which will be stated in the said Share Purchase Agreement.*

*The Company will keep the market informed on any events or developments related to the transaction."*

Rio de Janeiro, January 23, 2017.

Ana Marta Horta Veloso

Chief Business Development and IR Officer