

FIBRIA CELULOSE S.A.
Publicly-held Corporation
CNPJ/MF n. 60.643.228/0001-21
NIRE 35.300.022.807

MATERIAL FACT

In compliance with the provisions of article 157, §4º of Law 6.404/76, and CVM Instruction 358/2002, as amended, **FIBRIA CELULOSE S.A.** (BM&FBOVESPA FIBR3) ("**FIBRIA**" or the "**Company**") hereby announces that today accepted, by irrevocable and irreversible means, a binding proposal offered by **SUZANO PAPEL E CELULOSE S.A.** ("**SUZANO**") ("**Proposal**"), related to the sale by **FIBRIA** of the assets encompassing industrial properties, land and forests that together comprise the stake of the **Company** in the consortium Consórcio Paulista de Papel e Celulose – Conpacel, with headquarters in the city of Limeira, State of São Paulo, for a certain and agreed amount of R\$1,450 million, which in general terms comprise the equivalent of 50% (fifty per cent) of (i) a cellulose and paper factory with annual production capacity around 390,000 tons of paper and approximately 650,000 tons of cellulose, and (ii) land with an approximate owned area of 76,000 hectares, and around 71,000 hectares of plantation, of which 53,000 hectares of owned areas and 18,000 hectares of leased areas ("**Conpacel Assets**").

The **Proposal** also contemplates the acquisition of the installations and other assets of the KSR paper distribution operation ("**KSR Assets**") for the amount of R\$50 million, subject to adjustments after audit.

The total price of the referred to transaction resulting from the **Proposal** is R\$1,500 million.

The closing of the acquisition of the **Conpacel Assets** shall occur until January 31, 2011, upon execution of the definitive agreements and payment of the price. The closing of the acquisition of the **KSR Assets** shall occur until February 28, 2011.

The transaction under this Material Fact shall be submitted to the approval of the relevant governmental authorities.

São Paulo, December 21st, 2010.

João Adalberto Elek Junior
Director of Investor Relations