

EMBRATEL PARTICIPAÇÕES S.A.

Publicly Traded Company
Tax Payer # 02.558.124/0001-12

MATERIAL FACT

Embratel Participações S.A. (“Embrapar”), in compliance with the provisions of paragraph 4 of article 157 of Law #6.404/76 and to CVM Instruction #358/02, communicates to its shareholders and to the public in general that, on this date, it is resuming its capital increase process, as authorized by February 18th, 2005 Deliberation #479 of the Brazilian Securities and Exchange Commission (CVM) , the Board of Directors of the Company approved a new timetable for the capital increase, rectifying the decision taken by the Board of Directors on February 03rd, 2005.

Further information and details about the capital increase can be found on the Minutes of the Board Meeting, which will be published in local newspapers on February 25th, 2005, and available in the Company's web site at www.embratel.com.br. In compliance with the legislation, the Company will publish, on March 02nd, 2005, a Notice to Shareholders with all final terms and conditions for the capital increase.

Rio de Janeiro, February 24, 2005

Isaac Berensztejn
Investor Relations Director