ENGIE BRASIL ENERGIA S.A.

COMPANHIA ABERTA – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

NOTICE TO SHAREHOLDERS

We hereby notify all Shareholders and the market in general that the Board of Directors of ENGIE Brasil Energia Energia S.A., meeting on July 28, 2016, pursuant to subsection XV of Article 19 of the Company's Bylaws, approved the distribution of interim dividends based on the financial statements raised on June 30, 2016, pursuant to Article 204 of Law 6,404/76 with respect to the following values and conditions:

a) Value

The value of the interim dividends shall be R$ 645,196,752.46 (six hundred and forty-five million, one hundred and ninety-six thousand, seven hundred and fifty-two Reais and forty-six cents), corresponding to R$ 0.9884403986 per share.

b) Share Trading

The Company's shares shall be traded ex-interim dividends as from August 9, 2016.

c) Payout of interim dividends

The interim dividends shall be paid as from October 6, 2016, according to the shareholder records on file at Itaú Unibanco Banco Múltiplo S.A. on August 8, 2016.

The said dividends represent a payout of 100% for the distributable net income for the first half of 2016.

Florianópolis, July 28, 2016.

Eduardo Antonio Gori Sattamini
Chief Executive and Finance and
Investor Relations Officer