ENGIE BRASIL ENERGIA S.A.

A PUBLICLY LISTED COMPANY – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

NOTICE TO SHAREHOLDERS

We announce to Shareholders and the market at large that the Board of Directors of ENGIE Brasil Energia S.A. ("Company"), at a meeting held on December 18, 2018, under the powers granted to it in subsection XV of Article 19 of the Company's Corporate Bylaws, has **approved the alteration of the ex-date** of interest on shareholders' equity for the period from January 1 to December 31, 2018 (as decided at the 178th meeting of the Board of Directors ("178th RCA") of October 31, 2018) from January 4, 2019 **to December 27, 2018**.

The interest on shareholders' equity **shall be paid subsequently as established by the Management Board** and announced by way of a Notice to Shareholders on the basis of the existing registration data held at Itaú Unibanco Banco Múltiplo S.A. on December 26, 2018.

The gross amount of the interest on shareholders' equity remains at R$ 397,000,000.00 (three hundred and ninety-seven million Reais), corresponding to R$ 0.4865626949 per share, considering the total quantity of shares issued by the Company, according to the increase in capital stock decided at the 32nd Extraordinary General Meeting held on December 7, 2018.

The remaining conditions with respect to interest on shareholders' equity approved at 178th RCA and notified in the Announcement to Shareholders of the same date are unchanged as follows:

1) Record date:
The record date for the entry of the interest on shareholders' equity to the Company's accounting records shall take place on December 31, 2018.

2) Income tax withholding at the source:
The amount of interest on shareholders' equity shall be subject to federal income tax withholding of 15%, except for shareholders who are provably immune or exempt. Regarding shareholders who are resident in or domiciled in a country that does not tax income or that applies a maximum tax rate of less than 20%, pursuant to article 24 of Law 9,430 of December 27, 1996, the income tax withholding rate at the source shall be 25%.

3) Proof of immunity or exemption:

Shareholders who are immune or exempt of income tax, under the terms of the existing tax legislation, shall present proof of such immunity or exemption by January 24, 2019, at the Company's head offices at Rua Paschoal Apóstolo Pítsica, 5064 – Agronômica, Florianópolis – SC, Zip code 88025-255 Brazil, Attn the Tax Governance Department – GTR (Departamento de Governança Tributária).

4) Imputation of the interest to the dividends:

The interest on shareholders' equity, net of income tax withheld at the source, shall be imputed to the mandatory dividends of 2018 fiscal year, pursuant to § 7º from article 9 of Law 9,249/95 and CVM Deliberation 683/2012.

Florianópolis, December 18, 2018.

Eduardo Antonio Gori Sattamini
Chief Executive Officer

Carlos Freitas
Chief Financial and
Investor Relations Officer