ENGIE BRASIL ENERGIA S.A.
A Publicly Listed Company – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

NOTICE TO SHAREHOLDERS

OPENING OF THE PERIOD FOR RECOMPOSING SHARE FRACTIONS

ENGIE BRASIL ENERGIA S.A. ("Company"), a corporation, registered with the Brazilian Securities and Exchange Commission ("CVM") as a publicly listed company, and in relation to the Company's capital increase with bonus shares approved at the extraordinary general meeting held on December 7, 2018, wishes to inform its shareholders, investors and the market at large as follows:

1. Bonus: In view of the approval of the increase in the Company's capital stock through the capitalization of profits and reserves with distribution to the shareholders, in the form of bonus shares, the shareholders, owners of share fractions, shall have a term of 30 days in which to buy and sell fractions in order to recompose whole shares, pursuant to Paragraph 3, Article 169 of Law 6,404 of December 15, 1976, as amended.

2. Period for Recomposing Share Fractions: The shareholders may negotiate share fractions between ***December 18, 2018***, inclusive, and ***January 16, 2019***, inclusive.

3. Auction of Fractions: Following the end of the 30-day period during which shareholders, owners of share fractions, may buy and sell fractions in order to recompose whole shares, eventual remaining fractions shall be separated, grouped into whole numbers and sold by auction to be held on B3 S.A. – Bolsa, Brasil, Balcão, payment of the product from this sale being made to the shareholders, the owners of these fractions. Procedures for the auctioning of fractions shall be informed by the Company in due course.

Florianópolis, December 17, 2018.

Eduardo Antonio Gori Sattamini
Chief Executive Officer

Carlos Freitas
Chief Financial and
Investor Relations Officer