ENGIE BRASIL ENERGIA S.A.
A Publicly Listed Company – CNPJ 02.474.103/0001-19
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ANNOUNCEMENT TO THE MARKET

ENGIE BRASIL ENERGIA AND CELESC SIGN AGREEMENT TO INSTALL A THOUSAND PV PANELS IN SANTA CATARINA

ENGIE BRASIL ENERGIA S.A ("Company") (BM&FBovespa: EGIE3, ADR: EGIEY) announces to shareholders and the market in general that through its subsidiary, ENGIE Geração de Energia Fotovoltaica Ltda., it was the winner of the PE. 1602545 Bid of Centrais Elétricas de Santa Catarina ("Celesc"), under which the Company is to install photovoltaic systems in a thousand homes in the state of Santa Catarina as part of the Efficient Bonus Project – Photovoltaic Line.

Worth R$ 10.9 million, the agreement with Celesc was signed on November 28 and provides for the installation of a total of 2,600 kWp. This represents more than half the installed capacity in distributed generation in the state of Santa Catarina - currently standing at 4,488 kW. An additional R$ 6.7 million is to be paid by those clients acquiring the photovoltaic system since the project provides for a corresponding contribution of 40% of the total value from householders for whom the system is to be installed.

Following the publication of National Electrical Energy Agency's (Aneel) Normative Resolution 482/2012, distributed solar generation has now become a reality. Accordingly, the Brazilian consumer is able to generate his own electricity from renewable sources and at the same time, feed the surplus into the distribution network with the subsequent issue of energy credits, which can be used to offset energy consumed via distributor.

Among the positive aspects of this project is the stimulus given to distributed generation from a renewable source, low environmental impact and a reduction in distribution network load, minimizing energy loss, and contributing to the diversification of the Brazilian energy matrix.

Eduardo Sattamini, ENGIE Brasil Energia's Chief Executive Officer, said that the evolution of the solar energy market is already exciting great interest in Brazil, albeit development is still far from ideal. "We want to be in the forefront of the business and for this reason we are offering a complete shopping list of solutions in photovoltaic systems - solar panels, inverters, engineering, installation and post-sales service".

Florianópolis, November 30, 2016.

Eduardo Antonio Gori Sattamini
Chief Executive, Financial and Investor Relations Officer