CNPJ/MF 02.474.103/0001-19 – NIRE 4230002438-4
A Publicly Listed Company - CVM Register 1732-9

MINUTES OF THE ONE HUNDRED AND FIFTY-SIXTH MEETING OF THE BOARD OF DIRECTORS OF ENGIE BRASIL ENERGIA S.A.

On October 27, 2016 at 1:30 p.m. at Av. Almirante Barroso, 52, 14th floor, room 1401 in the city and state of Rio de Janeiro, following its regular convening, a meeting of the Board of Directors of ENGIE Brasil Energia S.A. was held, the following Effective Members being present: Maurício Stolle Bähr, Dirk Achiel Marc Beeuwsaert, Paulo Jorge Tavares Almirante, Manoel Arlindo Zaroni Torres, José Pais Rangel, Luiz Leonardo Cantidiano Varnieri Ribeiro and in the light of the justified absences of the directors, Pierre Jean Bernard Guiollot and Roberto Henrique Tejada Vencato, their respective alternates Marcelo Fernandes Soares and Luiz Antônio Barbosa. Also present were Eduardo Antonio Gori Sattamini, Chief Executive, Financial and Investor Relations Officer of the Company and Paulo de Resende Salgado, President of the Company's Fiscal Council. The meeting was presided by the Director, Maurício Stolle Bähr, who proposed that I, Osmar Osmarino Bento, should act as the meeting's secretary, the proposal being duly seconded by the other Directors. Welcoming those present, the Chair called the meeting to order, placing the matters on the Agenda of the Day in discussion as itemized in the Convening Notice CA-0008/2016 of October 20, 2016 as follows: 1. Matters for Resolution: 1.1 - To approve the Account Statements for the 3rd Quarter of 2016; 1.2 - To approve the credit of interest on shareholders' equity for the period from January 1 to December 31, 2016; 1.3 - To approve the increase in the Company's Capital Stock; 1.4 - To elect the new Chief Financial and Investor Relations Officer; 1.5 - To approve the addendum to the food and meal voucher benefit agreement; 1.6 - To approve corporate policies; 2 - Matters for Cognizance: 2.1 - To take cognizance of electric power purchasing agreements; 2.2 - To take cognizance of the potential project for participation in the Reserve Energy Auction for 2016; and 3 - General Matters. RESOLUTIONS: After discussion of the aforementioned matters, the Chair submitted the items on the Agenda of the Day to a vote, the Directors resolving as follows: 1. Matters for Resolution. – Item 1.1 - Pursuant to DD-635-0002 of October 24, 2016 and the presentation proffered, documents for which are filed with the Company and after the requested clarifications were provided, the directors approved unanimously the results for the 3rd Quarter 2016, understanding that they adequately represent the results and the numbers of the Company in the period; Item 1.2 - Approved with a unanimous vote in favor pursuant to DD-635-0004 of October 24, 2016, and the presentation offered, documents for which are filed with the Company, the proposal of the Executive Board for the credit of interest on shareholders' equity for the period from January 1 to December 31, 2016, pursuant to Article 9 of Law 9.249/95 and CVM Deliberation 683/2012, in the following amounts and conditions: a) The total gross value of the credit shall be R$ 432,500,000.00 (four hundred and thirty-two million, five hundred thousand reais), corresponding to R$ 0.6625893121 per share; b) Registration date of the credit – The booking of the credit in the Company's books shall take place on December 31, 2016, based on the shareholding position as at November 10, 2016; c) Trading of the shares - The shares of the Company shall be traded ex-interest on shareholders' equity as from November 11, 2016; d) Income tax withheld at source - Income tax at the rate of 15% on the amount of the credit

shall be withheld at source except for the shareholders with proof of exemption or immunity, and who must substantiate this condition by December 05, 2016. In relation to shareholders, resident and domiciled in a country which does not tax income or that taxes income at a maximum rate of less than twenty percent pursuant to Article 24 of Law 9.430 of December 27, 1996, the rate of income tax at source shall be 25%; e) Proof of exemption or immunity - Pursuant to the prevailing fiscal legislation, shareholders exempt or immune from income tax shall present proof of exemption or immunity by December 05, 2016 at the head offices of the Company situated at Rua Paschoal Apóstolo Pítsica, 5064, Bairro Agronômica, CEP 88025-255, Florianópolis/SC, c/o Tax Governance Department – GTR; f) Incorporation of interest on shareholders' equity into dividends – The amount of the interest on shareholders' equity, net of income tax at source, shall be included in the mandatory dividend for the fiscal year 2016, pursuant to Paragraph 7, Article 9 of Law 9.249/95 and CVM Deliberation 683/2012; g) Payment of interest on shareholders' equity - The interest on shareholders' equity shall be paid on the basis of existing registration data held at Itaú Unibanco Banco Múltiplo S.A. on a date to be decided in due course by the Executive Board and announced through a Notice to Shareholders; Item 1.3 - Pursuant to DD-635-0003 of October 24, 2016, and the presentation delivered, documents for which are filed with Company, and according to the powers enshrined in Article 8 of the Corporate Bylaws of the Company, the directors unanimously approved the increase in the Company's capital stock in the amount of R$ 91,694,387.96 (ninety-one million, six hundred and ninety-four thousand, three hundred and eighty-seven reais and ninety-six centavos), without the issue of new shares and corresponding to R$ 0.1404756565 per share, the capital stock increasing from R$ 2,737,360,871.70 (two billion, seven hundred and thirty-seven million, three hundred and sixty thousand, eight hundred and seventy-one reais and seventy centavos) to R$ 2,829,055,259.66 (two billion, eight hundred and twenty-nine million, fifty-five thousand, two hundred and fifty-nine reais and sixty-six centavos). This increase in capital stock is being effected through the capitalization of the total capital reserve, pursuant to Article 199 of the Brazilian Corporate Law; Item 1.4 - Further to the succession process of the management of the Company, the election of the following to the post of Chief Financial and Investor Relations Officer was unanimously approved: CARLOS HENRIQUE BOQUIMPANI DE FREITAS, Brazilian, married, production engineer, bearer of ID document number 10.756.398-3-IFP/RJ, enrolled in the tax register (CPF/MF) under number 047.985.477-78, resident in the city of Florianópolis/SC pursuant to Article 72 of the Brazilian Civil Code, with professional domicile at Rua Paschoal Apóstolo Pítsica, 5064, Bairro Agronômica, CEP 88025-255, Florianópolis/SC, where he may receive summons and subpoena, with his term of office beginning from January 09, 2017 and to run for the term of office remaining for the current Executive Board, that is until May 04, 2019. The Chair wished success to the officer hereby elected, wishes which were seconded by the remaining Directors; Item 1.5 - Pursuant to DD-633-0004-0004 of September 09, 2016, and the presentation effected, documents for which are held on file at the Company, the directors approved unanimously the addendum to the food and restaurant voucher benefit agreement - DRH.DPS.13.108443; Item 1.6 - Pursuant to DD-635-0006 of October 24, 2016, and the presentation proffered, documents for which are held on file with the Company, after due clarification of their inquiries, the directors unanimously approved the following policies: *i)* PO-001 - Human Rights (revision 01); *ii)* PO-004 - Trading and Disclosure (revision 01); *iii)* PO-005 - Ethics (revision 00); *iv)* PO-006 - Combating Corruption and Bribery (revision 00); *v)* PO-007 - Business Consultants (revision 00); *vi)* PO-008 - Investments and

Derivatives (revision 00); and *vii)* PO-009 - Credit (revision 00); 2. Matters for Cognizance – Item 2.1 – Pursuant to the sole paragraph to Article 19 of the Corporate Bylaws and in accordance with the presentation, which is held on file with the Company, the directors took cognizance of the power purchasing agreements signed by the Company and its subsidiary, Tractebel Energia Comercializadora Ltda.; Item 2.2 – The directors took cognizance of the studies of opportunities for investments in wind and solar projects in order to permit participation in the Reserve Energy Auction for 2016. Should such investments prove viable, the matter shall be submitted to the deliberation of this Board in due course; and Item 3 - General Matters - No further matter was discussed – **Conclusion:** The floor being given to the Directors present and in addition to the discussions conducted with respect to the matters on the agenda, and no other issues being raised, the time and themes discussed at this meeting being monitored by me, the Secretary, pursuant to the Monitoring of Time and Themes Report, this document being initialed by the members of the chair and placed on record at the registered offices of the Company, the President proceeded to declare the work of the meeting concluded, requesting that I, as Secretary, draft these minutes. The said minutes, having been subsequently read and found correct, were duly signed by the members of the Board of Directors present, including the Chair, and by myself as Secretary. Rio de Janeiro/RJ, October 27, 2016.

Maurício Stolle Bähr
Director and Chair

Osmar Osmarino Bento
Secretary

Manoel Arlindo Zaroni Torres
Director

Dirk Achiel Marc Beeuwsaert
Director

Paulo Jorge Tavares Almirante
Director

José Pais Rangel
Director

Luiz Leonardo Cantidiano Varnieri Ribeiro
Director

Luiz Antônio Barbosa
Alternate Director

Marcelo Fernandes Soares
Alternate Director

Paulo de Resende Salgado
President of the Fiscal Council

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