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

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

On the 31st day of the month of October 2018 at 10:00 a.m. at Av. Presidente Wilson, 231, 22nd floor, Center, 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, Claude Emile Jean Turbet, Paulo Jorge Tavares Almirante, Manoel Arlindo Zaroni Torres, Paulo de Resende Salgado, José Pais Rangel and in the light of the justified absences of the directors Pierre Jean Bernard Guiollot and Roberto Henrique Tejada Vencato, their Alternates, Simone Cristina De Paola Barbieri and Luiz Antonio Barbosa. 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 present. Welcoming those present, the Chair called the meeting to order, placing the matters on the Agenda of the Day in discussion in accordance with convening notice CA-0009/2018 of October 24, 2018 as follows: 1 – Matters for Resolution: Item 1.1 – To approve the Account Statements for the 3rd Quarter 2018; Item 1.2 – To decide on the distribution of dividends and the credit of interest on shareholders' equity for the period from January 1 to December 31, 2018; Item 1.3 – To approve the new O&M agreement for the Trairi Wind Park; Item 1.4 – To approve the signing by the Company of the amendment to the Salto Osório HPP modernization agreement; Item 1.5 – To approve the granting of a corporate guarantee; Item 1.6 – To approve the signing of an amendment to the limestone supply contract by Pampa Sul TPP; Item 1.7 – To approve the proposal for the continuity of the principal work of Pampa Sul TPP; Item 1.8 – To approve the Corporate Governance Report "Practice or Explain" – ICVM 586/2017; Item 1.9 – To approve the proposal to increase the Company's capital stock; Item 1.10 – To convene the Extraordinary General Meeting; Item 2 – Matters for Cognizance: Item 2.1 – To take cognizance of the electric power purchasing agreements; and Item 3 – General Matters. RESOLUTIONS: Following discussion of the matters, the Chair put the items on the Day's Agenda to the vote, the Directors deciding as follows: Item 1. Matters for Resolution – Item 1.1 – Pursuant to ADE-706-0003 of October 22, 2018, and the presentation delivered, documentation for which is held on file at the Company and after providing the clarifications requested, the directors unanimously approved the results for the 3rd Quarter 2018, understanding that they adequately represent the numbers and the results of the Company for the period; Item 1.2 – Approved unanimously, pursuant to ADE-706-0002 of October 22, 2018, and pursuant to the presentation delivered, documentation for which is held on file at the Company, the proposal of the Management Board for crediting interest on shareholders' equity relative to the period from January 1 to December 31, 2018, pursuant to Article 9 of Law 9,249/95 and CVM Resolution 683/2012, under the following conditions: a) The total gross amount of the credit shall be R$ 397,000,000.00 (three hundred and ninety-seven million reais), corresponding to R$ 0.6082033686 per share; b) Date for registration of the credit – The registration of the credit to the Company's accounts shall take place on December 31, 2018; c) Trading of the shares – The shares shall be trade ex-interest on shareholders' equity as from January 4, 2019; d) Income tax withheld at source – Income tax on the value of the credit shall be withheld at source at the rate of 15%, except for the

shareholders substantiating as being exempt or immune, the latter to provide proof of this condition by January 24, 2019. In relation to shareholders resident or domiciled in a country which does not tax income or does so at a maximum rate of less than 20%, pursuant to Article 24 of Law 9,430 of December 27, 1996, the rate of tax withheld at source shall be 25%; e) Substantiation of exemption or immunity – Pursuant to the current prevailing tax legislation, the shareholders exempt or immune from income tax shall present proof of exemption or immunity by January 24, 2019 at the Company's registered offices at Rua Paschoal Apóstolo Pítsica, 5064, Bairro Agronômica, CEP 88025-255, Florianópolis/SC, c/o Departamento de Governança Tributária – GTR (Tax Governance Department); f) Incorporation of interest on shareholders' equity to dividends – The amount of interest on shareholders' equity, net of income tax withheld at source, shall be included as part of the mandatory dividends for the fiscal year 2018, pursuant to Paragraph 7, Article 9 of Law 9,249/95 and CVM Resolution 683/2012; g) Payments of interest on shareholders' equity – The interest on shareholders' equity shall be paid on a date to be subsequently established by the Management Board and notified through a Notice to Shareholders based on the existing registration information held at Itaú Unibanco Banco Múltiplo S.A. as of January 3, 2019; Item 1.3 – Pursuant to ADE-702-0002 of September 24, 2018, and pursuant to the presentation delivered, documentation for which is held on file at the Company and after providing the clarifications requested, the directors unanimously approved the Operation and Maintenance agreement for the wind turbines of the Trairi Wind Complex to be signed with the selected entity, the management boards of the Company and its subsidiaries of the wind farms of the Trairi Wind Complex being authorized to practice all acts necessary for the implementation of this resolution; Item 1.4 – Matter withdrawn from the day's agenda, to be resubmitted to this board in due course; Item 1.5 – Pursuant to ADE-705-0003, of October 15, 2018, and ADE-707-0001 of October 26, 2018, and pursuant to the presentation delivered, documentation for which is held on file at the Company, and after providing the clarifications requested, the directors unanimously approved the granting of a corporate guarantee for the following subsidiaries: *i)* ENGIE Transmissão de Energia Ltda., to guarantee obligations in the agreements with EPC-M de Linhas de Transmissão, EPC-M de Subestações and the supply of Aluminum Cables and Towers, the guarantees to be issued either by the Company itself or by its subsidiary, ENGIE Brasil Energias Complementares Participações Ltda.; and *ii)* ENGIE Geração Solar Distribuída S.A., to guarantee the agreements covering the importation of photovoltaic modules, the amount of the guarantee limited to up to US$ 20 million, the management of ENGIE Solar to submit for the approval/ratification of the Company's Management Board agreements which in aggregate amount to R$ 5 million per supplier; Item 1.6 - Pursuant to the presentation delivered, documentation for which is held on file at the Company and after providing the clarifications requested, unanimous approval was given for the signing by the subsidiary, Usina Termelétrica Pampa Sul S.A., of an addendum to the agreement for the supply of limestone for subrogation of Intercement to its subsidiary COMICAN and Intercement, now to be shown as the guarantor of all obligations stipulated in the agreement, the amount, scope and other commercial conditions being maintained; Item 1.7 - Pursuant to the presentation delivered, documentation for which is held on file at the Company, and after discussion of the matter, unanimous approval was given to the alternative recommended by the managements of the Company and the subsidiary, Usina Termelétrica Pampa Sul S.A., pursuant to the terms and conditions presented; Item 1.8 – Pursuant to ADE-705-0002 of October 15, 2018, and the presentation delivered, documentation for which is held on file at the Company and following the responses to questions posed, the directors unanimously approved the information to be provided in the

Corporate Governance Report to be filed with the CVM as required under CVM Instruction 586/2017, understanding that it adequately represents the Company's governance practices and policies; Item 1.9 – Pursuant to ADE-707-0002 of October 26, 2018, and the presentation delivered, documentation for which is held on file at the Company and after providing the clarifications requested, the directors approved unanimously: *a)* the distribution of intermediate dividends based on Revenue Reserves pursuant to Article 204 of Law 6,404/76, pursuant to the following amounts and conditions: (i) The amount of the intermediate dividends of R$ 652,742,192.00 (six hundred and fifty-two million, seven hundred and forty-two thousand, one hundred and ninety-two reais), corresponding to R$ 1.00 per share; (ii) The shares of the Company shall be traded ex-intermediate dividends as from November 13, 2018; and (iii) The intermediate dividends shall be paid out on the date to be decided by the Management Board and notified through a Notice to Shareholders based on the existing information registered with Itaú Unibanco Banco Múltiplo S.A. as at November 12, 2018; *b)* the proposed increase in the Company's capital stock, to be submitted to the superior decision of the Extraordinary General Meeting ("EGM") of the shareholders in the amount of R$ 2,073,592,450.71 (two billion, seventy-three million, five hundred and ninety-two thousand, four hundred and fifty reais and seventy-one centavos), through the capitalization of: (i) the balance in the Revenue Reserves account amounting to R$ 1,594,357,546.69; (ii) Tax Incentive Reserve Pending Capitalization relative to the SUDAM tax break for the Ponte de Pedra Hydroelectric Power Plant in the amount of R$ 4,165,733.17; and (iii) Net Income for the 3rd quarter 2018 in the amount of R$ 475,069,170.85 ("Capital Increase"), with the issue of 163,185,548 new common, book entry shares, with no par value, to be granted to the holders of shares, in the form of a bonus, in the proportion of 1 (one) new share for every 4 (four) common shares already held on the baseline date of December 11, 2018. Consequently, the Company's capital stock will increase to R$ 4,902,647,710.37, divided into 815,927,740 common, book entry shares with no par value. As a result of the foregoing, the proposal for amending the caption sentence to Article 5 of the Company's Corporate Bylaws shall be submitted to the EGM to reflect the new amount of the capital stock and the new number of shares. Following the approval of the Capital Increase by the shareholders, the shares of the Company's issuance shall be traded on B3 S.A. – Bolsa, Brasil, Balcão, "ex-rights" to share bonus as from December 12, 2018. Pursuant to the provision in Article 10, Law 9,249 of December 26, 1995, as amended, and in Paragraph 1, Article 47 of RFB Normative Instruction 1,585 of August 31, 2015, as amended, the unitary value attributed to the bonus shares shall be R$ 12.70696135. The shares reflecting the bonus shall be included in the shareholders' position on December 17, 2018, being available for consultation from December 18, 2018, and will enjoy the same rights as those granted in the Company's Corporate Bylaws and in accordance with the legislation applicable to the existing shares. In relation to the shares which cannot be attributed in their entirety to each shareholder, the procedures described in Paragraph 3, Article 169 of the Corporate Law shall be followed, determining that: (a) a window of thirty days should be opened to allow shareholders entitled to share fractions to buy and sell fractions in such a way as to recompose entire shares; and (b) with the elapsing of the 30-day window, the shares which cannot be attributed in their entirety shall be sold in the stock market, the product from the sale to be divided proportionally by the holders of the share fractions. Finally, the benefit of the bonus shall be extended simultaneously and in the same proportion to the ADRs, trading in the Over-the-Counter Market in the United States; *c)* the proposed increase of R$ 2 billion in authorized capital from R$ 5 billion to R$ 7 billion, the proposal to be submitted to the EGM for amending Article 8 of the Company's Corporate Bylaws to reflect the new value of the authorized capital; Item 1.10 – In the light of the

resolutions in ‘b’ and ‘c’ of the preceding item, unanimous approval was given for the convening of the Extraordinary Shareholders’ Meeting of the shareholders on a date to be decided by the Chairman of this Board of Directors; Item 2 – Matters for Cognizance: Item 2.1 – Pursuant to the sole paragraph of Article 19 of the Company’s Corporate Bylaws and pursuant to the presentation effected, and filed with the Company, and after due clarification given to the their inquiries, the Directors took cognizance of the electric power purchasing agreements signed by the Company and its subsidiaries; and Item 3 – General Matters - No other matter was raised. **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 issuances 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 31, 2018.

Maurício Stolle Bähr
Chairman of the Board and Chair

Osmar Osmarino Bento
Secretary

Manoel Arlindo Zaroni Torres
Director

Dirk Achiel Marc Beeuwsaert
Director

Claude Emile Jean Turbet
Director

Paulo Jorge Tavares Almirante
Director

José Pais Rangel
Director

Paulo de Resende Salgado
Director

Simone Cristina De Paola Barbieri
Alternate Director

Luiz Antonio Barbosa
Alternate Director

Carla Carvalho de Carvalho
Fiscal Council President