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A Publicly Listed Company - CVM Registration Number 1732-9

MINUTES OF THE ONE HUNDRED AND SIXTEENTH MEETING OF THE BOARD OF DIRECTORS OF TRACTEBEL ENERGIA S.A.

On May 4, 2012 at 2:00 p.m. at Av. Almirante Barroso, 52, 14th floor, room 1401 in the city and state of Rio de Janeiro, subsequent to its regular convening, a meeting of the Board of Directors of Tractebel Energy S.A. was held, the following effective board members being present: Maurício Stolle Bähr, Jan Franciscus María Flachet, Manoel Arlindo Zaroni Torres, Dirk Beeuwsaert, Philip Gotsall Cox, Guy Marie Numa Joseph Ghislain Richelle, Luiz Antonio Barbosa, José Pais Rangel and Luiz Leonardo Cantidiano Varnieri Ribeiro. Eduardo Antonio Gori Sattamini, Finance and Investor Relations Executive Director of the Company, Paulo de Resende Salgado, president of the Fiscal Council of the Company and Claudio Henrique Damasceno Reis, representative of KPMG Auditores Independentes were also present. 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 President called the meeting to order, placing the matters on the Agenda of the Day in discussion as itemized in the Convening Notice CA-0002/2012 of April 13, 2012 as follows: 1. Matters for Resolution - Item 1.1 – To approve the Account Statements with respect to the 1st Quarter 2012; Item 1.2 – To take cognizance and approve electric power purchasing agreements; Item 1.3 – To approve the engagement of finance with the National Economic and Social Development Bank – BNDES for the installation of wind farms in the state of Ceará and the granting of the respective guarantees; Item 1.4 – To approve the signing of the cooperation contract for the execution of the project number PE-0403-0027/2011 - "*Installation of a photovoltaic (FV) solar energy plant of 3MWp and the assessment of the technical and economic performance of FV generation under different climatic conditions in the Brazilian electricity matrix*; Item 1.5 – To take cognizance and evaluate the Internal Control System (INCOME program); Item 1.6 – To approve the amendment to the covenant of the 2nd debenture emission; Item 1.7 – To approve the new version of the Board of Directors' Internal Charter and improvements in corporate governance practices; Item 1.8 – To elect a new member to the Strategic Committee; 2. Matter for Cognizance and Positioning – 2.1 – Formal positioning on the Declaration of Independence of the Independent Auditors; and 3. – General Matters. RESOLUTIONS: After discussion of the above matters, the Chair put the items on the Agenda of the Day to the vote, the Directors resolving without qualification as follows: **Item 1.1** – Pursuant to DD-481-002 of April 23, 2012, and the presentation proffered, filed with the Company, and subsequent to clarifications requested, the Directors unanimously approved, the results for the 1st Quarter 2012, understanding that they adequately represent the Company's numbers and results in the period; **Item 1.2 –** Pursuant to the sole paragraph to Article 19 of the Bylaws and in line with the presentation so proffered, filed with the Company and subsequent to clarifications to inquiries on the part of the independent Directors, took cognizance and unanimously approved, the electric power purchasing agreements signed by the Company and by its controlled company, Tractebel Energia Comercializadora Ltda.; **Item 1.3** – The Finance and Investor Relations Executive Director presented the operation

for the engagement of financing with BNDES for the installation of the Trairi Complex's wind farms, presenting the characteristics and time line of the financing and the principal conditions and obligations involved. Since the transaction had still not been authorized by the executive board of the BNDES, being included on the agenda for the meeting of that body arranged for the beginning of next week, the matter was removed from the agenda of this meeting, to be resubmitted for the decision of the board in a meeting to be called as soon as the executive board of the BNDES approved the operation; **Item 1.4** – Pursuant to DD-470-0002 of December 19, 2012, and the presentation effected, documents of which are filed with the Company, and after the requested clarifications, the Directors unanimously approved, the signing of the cooperation agreement for the project number PE-0403-0027/2011 - "*Installation of a photovoltaic (FV) solar energy plant of 3MWp and the assessment of the technical and economic performance of FV generation under different climatic conditions in the Brazilian electricity matrix*", approved by the industry regulator, ANEEL and to be signed with 12 cooperating companies, all of them electric energy generators, and having as the executing entity, the Universidade Federal de Santa Catarina, making use of the resources under the Research and Development Program; **Item 1.5** – A presentation of the Internal Control System (INCOME Program), the respective document filed with the Company, in which the basic concepts, the program's development to the present time, its components, documentation produced and the results for 2011 were all discussed. Following to clarifications rendered, the Directors unanimously concluded that the INCOME program fully meets the Company's internal control requirements; **Item 1.6** – Pursuant to DD-480-0003 of April 16, 2012, and the presentation proffered, lodged in the Company's records, subsequent to clarifications rendered, the Directors unanimously approved signature by the Company of the amendment to the issue deed of the Company's second debenture issue to amend the limit established in clause 5.1.(o) item (ii) of the Issue Deed of the Consolidated Debt/Consolidated EBITDA ratio to 3.5 as from the quarter terminating December 31, 2012, inclusive, to Maturity, the matter to be submitted for resolution of the General Debenture Holders Meeting. The Company's management is authorized to take all measures in the light of this decision as well as to assume the costs deemed necessary for making the inclusions and amendments to the Issue Deed, all acts already practiced being validated; **Item 1.7** – The Financial and Investor Relations Executive Director presented the following proposals for improvements in the corporate governance practices, document of which shall be filed with the Company: *i)* to monitor the time taken on matters in the meetings of the Board of Directors; *ii)* appointment of an independent member of the Board of Directors to participate in the meetings of the Sustainability Committee; *iii)* installation of a mechanism for periodic annual appraisal of the Board of Directors and its directors and approval of the report relative to the fiscal year 2011; *iv)* submission to the next shareholders' meeting of a proposal for the permanent installation of the Fiscal Council, and adding further functions to its activities in addition to those required under the Corporate Law; and *v)* creation of a specific communication mechanism in order that shareholders may convey suggestions on matters to be submitted to shareholders' meetings. Clarifications having been proffered, the proposals were unanimously approved. Consequently, approval was also given to the new version of the Internal Charter of this Board of Directors, pursuant to the proposal presented, duly placed on record with the Company; the appointment of an Independent Director, Luiz Antonio Barbosa, to make up the Sustainability Committee; and the report of the activities of the Board of Directors for

fiscal year 2011; **Item 1.8** – Elected on a unanimous vote, **GUY MARIE NUMA JOSEPH GHISLAIN RICHELLE**, Belgian, married, civil engineer, bearer of passport number EH957480 issued by the Government of Belgium, resident and domiciled in London, United Kingdom, with professional domicile at Senator House, 85 Queen Victoria Street, CEP: EC4V 4DP in the city of London, United Kingdom to be a member of the Strategy Committee of the Company replacing Victor-Frank de Paula Rosa Paranhos, who has taken on other commitments in the group in Brazil, the Board thanking Mr. Paranhos for his contribution and dedication to the Company during all the time he sat on the Board; **Item 2.1** – The Directors took cognizance of the correspondence sent by KPMG Auditores Independentes on April 30, 2012, held in the records of the Company, through which the auditing company declares its independence in relation to the Company, in accordance with the existing professional standards in Brazil on the matter, issued and supervised by the Brazilian Securities and Exchange Commission and by the Federal Accounting Council; and **Item 3** – General Matters - **Item 3.1 –** Special Independent Committee for Transactions with Related Parties. Clarifications having been given by the Chairman of the Board of Directors on the matter in hand, the Directors resolved as follows: **(i)** to ratify and approve unanimously the installation of the Special Independent Committee for Transactions with Related Parties with the aim of undertaking a supplementary analysis to that executed for the contracting of an option for the purchase and sale of electric energy with ESBR Energia Sustentável do Brasil S.A. in view of an eventual transaction, with terms and conditions similar *to the purchase option of energy from the Jirau Hydroelectric Power Plant to be signed with an energy trading company controlled by the GDF SUEZ group*; **(ii)** to ratify and unanimously approve the election of Messrs. Antonio Alberto Gouvêa Vieira, José Pais Rangel and José Luiz Jansson Laydner to sit as members of the said Special Independent Committee for Transactions with Related Parties; and **(iii)** to receive and unanimously approve the guidance in the Supplementary Report of Final Recommendations, prepared by the said Special Independent Committee for Transactions with Related Parties and presented to the Board of Directors on this date, the latter recommending the execution of the potential transaction pursuant to the terms and conditions presented. **Conclusion:** The floor being given to the Directors present and in addition to the detailed discussions conducted with respect to the resolutions on 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 President, and by myself as Secretary. Rio de Janeiro /RJ, May 4, 2012.

Maurício Stolle Bähr
Director - Chair

Osmar Osmarino Bento
Secretary

(The signatures of the minutes of the 116th Meeting of the Board of Directors continues on the next page)

Manoel Arlindo Zaroni Torres
Director

Jan Franciscus María Flachet
Director

Dirk Beeuwsaert
Director

Philip Gotsall Cox
Director

Guy Marie Numa Joseph Ghislain Richelle
Director

Luiz Antonio Barbosa
Director

Luiz Leonardo Cantidiano Varnieri Ribeiro
Director

José Pais Rangel
Director

Eduardo Antonio Gori Sattamini
Finance and Investor Relations Diretor

Paulo de Resende Salgado
President of the Fiscal Council

Claudio Henrique Damasceno Reis
Representative of KPMG