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

MATERIAL FACT

ENGIE BRASIL ENERGIA S.A., a publicly listed company with registered offices in the city of Florianópolis, state of Santa Catarina at Rua Paschoal Apóstolo Pítsica, 5064, enrolled in the tax register CNPJ/MF under number 02.474.103/0001-19 ("ENGIE Brasil Energia" or "Company"), pursuant to the provisions in CVM instructions 358/2002 and 480/2009, wishes to announce to the shareholders and the market in general that through the intermediary of a consortium between the Company and its directly controlled subsidiary, ENGIE Brasil Energia Comercializadora Ltda., successful bids were made for lots B and C of the Non-Extended Concession Auction, Auction 001/2017 ("Auction") held by the National Electric Energy Agency ("Aneel") today.

ENGIE Brasil Energia offered the highest grant bonus (GB) amount for the generation of electric energy in a quotas regime based on the percentage of 70% (seventy percent) of the physical guarantee of the Hydroelectric Power Plants directed to the Regulated Contracting Environment (ACR) according to the description and conditions below:

1. Lot B: Jaguara Hydroelectric Power Plant ("Jaguara HPP")

Jaguara HPP, located in the municipality of Rifânia (MG), began operations in 1971, with an installed capacity of 424 MW and 341 average MW of assured energy, its concession having been successfully bid for the amount of R$ 2,171,000,000.00 (Two billion, one hundred and seventy-one million reais) for a term of 30 years as from the end of the assisted operational period.

2. Lot C: Miranda Hydroelectric Power Plant ("Miranda HPP")

Miranda HPP, located in the municipality of Indianópolis (MG), began commercial operations in 1998, with an installed capacity of 408 MW and assured energy of 198.2 average MW. The Plant's concession was successfully bid for the amount of R$ 1,360,000,000.00 (One billion, three hundred and sixty million reais) for the term of 30 years as from the end of the assisted operational period.

Management of the Generation Assets (MGA), Return on the Concession Grant Bonus (RCGB) and Total Revenue (100%)

Lot	HPP	Cost of Management of Generation Assets – MGA (R$/year)			Portion of Return of Bonus from the Concession – RCGB (R$/year)	Total Revenue (R$)*
		MGA O&M	MGA Improvements	MGA Total		
B	Jaguara	38,657,000.40	49,321,155.84	87,978,156.24	233,164,542.45	321,142,698.69
C	Miranda	31,268,614.16	39,894,564.39	71,163,178.55	142,666,456.61	213,829,635.17
GENERAL TOTAL		**69,925,614.56**	**89,215,720.23**	**159,141,334.79**	**375,830,999.06**	**534,972,333.86**

*** Amounts relate to 100% of the assured energy.**

The total revenue above has the potential to be higher in the light of improved price conditions in the free market.

The acquisition of the related concessions is in line with the growth strategy of ENGIE Brasil Energia in the Brazilian electricity sector. By adding a further 832 MW of installed renewable energy capacity to its generator complex, the Company consolidates its position as the largest independent energy producer in Brazil, at the same time lengthening the average maturity of its concessions and creating value for its shareholders.

The acquisition of these concessions does not qualify under the provisions of Article 256 of Law 6.404/76 and for this reason will not be submitted for ratification by a general shareholders meeting.

Florianópolis, September 27, 2017.

Eduardo Antonio Gori Sattamini
Chief Executive Officer

Carlos Freitas
Chief Financial and
Investor Relations Officer