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

MATERIAL FACT

ENGIE BRASIL ENERGIA AWARDS EXCLUSIVE RIGHTS IN NEGOTIATIONS FOR THE SALE OF THERMAL ENERGY GENERATION ASSETS

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 ("Company"), pursuant to the provision in CVM instructions 358/2002 and 480/2009, informs that has awarded exclusive rights to ContourGlobal (http://www.contourglobal.com/) for the execution of due diligence with respect to the sale of the Jorge Lacerda Thermoelectric Complex as well as to the Pampa Sul Thermoelectric Complex, comprising the plant under construction and the project in development known as Pampa Sul Thermoelectric Plant and Pampa Sul 2, respectively. Should negotiations be successful, the terms and conditions of the transaction will be subject to the further approval of the Company's management and shareholders as well as the authorization of the appropriate governmental entities.

The Company will keep its shareholders, employees and the market informed as to the material developments with respect to these negotiations.

Florianópolis, December 13, 2017.

Eduardo Antonio Gori Sattamini
Chief Executive Officer

Carlos Freitas
Chief Financial and
Investor Relations Officer