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

MATERIAL FACT

ENGIE BRASIL ENERGIA CONCLUDES ACQUISITION OF THE UMBURANAS WIND COMPLEX AND CONTINUES EXPANDING ITS BUSINESS BY COMPLEMENTARY ENERGY SOURCES

ENGIE BRASIL ENERGIA S.A., a publicly listed company with its 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" or "EBE"), pursuant to CVM Instructions 358/2002 and 480/2009 and subsequent to the Announcement to the Market published on August 23, 2017, wishes to inform its shareholders and the market in general, that following the fulfillment of the conditions precedent agreed between EBE and Renova Energia S.A., a publicly held company, enrolled in the tax register (CNPJ) under number 08.534.605/0001-74, and the adjustment in price as agreed with the National Electric Energy Agency (Aneel), it has concluded through its controlled subsidiary, ENGIE Brasil Energias Complementares Participações Ltda., the acquisition of the total capital stock of the companies comprising the Umburanas Wind Complex ("Umburanas Project" or "Complex"), located in the state of Bahia ("Operation"), for the adjusted acquisition price of R$ 16,937,854.20 (sixteen million, nine hundred and thirty-seven thousand, eight hundred and fifty-four reais and twenty centavos).

The financial settlement of the Operation took place on November 24, 2017 with the payment of the first tranche of the acquisition price in the amount of R$ 7,500,000.00 (Seven million, five hundred thousand reais).

The Umburanas Project will have a total installed capacity of 605 MW, of which 257.5 MW will be allocated to the free market. A further 102.5 MW was sold at the A-5/2014 Auction at an average price of R$ 139.60/MWh as of the baseline date of November 30, 2014, subject to restatement at the National Expanded Consumer Price Index (IPCA), totaling 360 MW with commercial operations scheduled to begin in 2019. The Company will allocate investments of approximately R$ 1.8 billion for this first stage of the Complex. EBE will develop the remaining 245 MW in due course.

This Operation is in line with the strategy of EBE and the ENGIE Group of expanding their generation complex through the harnessing of complementary sources, leveraging sustainable growth in Brazil through renewable energy projects.

The Operation does not qualify under the provisions of Article 256 of Law 6.404/76 and therefore will not be submitted for shareholder ratification at a General Meeting.

Florianópolis, November 24, 2017.

Eduardo Antonio Gori Sattamini
Chief Executive Officer

Carlos Freitas
Chief Financial and
Investor Relations Officer