

**CTEEP – Companhia de Transmissão de Energia Elétrica Paulista
A Publicly Held Company
CNPJ/MF 02.998.611/0001-04
NIRE 35300170571**

Extract from the Minutes of the 342nd Meeting of the Board of Directors

Date, Time and Place: Held on December 3 (three), 2018 at 2:30 p.m. at the registered offices of CTEEP – Companhia de Transmissão de Energia Elétrica Paulista (“Company”), situated at Rua Casa do Ator, 1,155, 9th floor in the city and state of São Paulo.

Convening: Called by the Chairman of the Board of Directors pursuant to Law 6.404 of December 15, 1976 (“Law 6.404/76”) and the Company’s Corporate Bylaws.

Attendance: The undersigned members of the Company’s Board of Directors. The Members of the Company’s Fiscal Council also expressed an opinion on item (i) of the Agenda of the Day pursuant to Article 163 of Law 6.404/76.

Chair: Bernardo Vargas Gibsone – President. Andrea Mazzaro Carlos de Vicenti – Secretary.

Agenda of the Day: Analysis and Opinion of the Proposal for Distribution of Earnings to the Shareholders in the form of Dividends and Interest on Capital.

Following analysis and discussion, the Company’s Board of Directors unanimously approved, (i) the distribution of intermediate dividends in the amount of R\$ 633,000,061.73 (six hundred and thirty-three million, sixty-one reais and seventy-three centavos), corresponding to R\$ 3.842866 per share of both types and; (ii) the distribution of interest on equity in the gross amount of R\$ 592,000,059.81 (five hundred and ninety-two million and fifty-nine reais and eighty-one centavos), corresponding to R\$ 3.593960 per share, of both types subject to the retention of Withholding Tax at Source at the rate of 15% (fifteen percent) except for those shareholders able to substantiate exemption or immunity, or shareholders domiciled in countries where the legislation establishes different rates. The dividends and interest on equity are being distributed based on the profit registered in the financial statements for September 30, 2018, in the realization the special profits reserve to be realized and the retained earnings account, and shall be incorporated in the mandatory dividend for fiscal year 2018, pursuant to Article 9, Paragraph 7 of Law 9.249/95, Item V of CVM Resolution 207/96 and Article 36 of the Company’s Corporate Bylaws. Payout date shall be December 17, 2018, and shall be realized *ad referendum* of the Annual General Meeting to be held in the first four months of 2019. The Company’s shares shall be traded ex-dividends and interest on equity as from December 7, 2018, inclusive, with the cut-off date de December 06, 2018. The directors are authorized to practice all acts necessary to the payment of the dividends and interest on equity approved herein. The Members of the Company’s Fiscal Council also expressed and opinion on the matter pursuant to Article 163 of Law 6.404/76.

Conclusion: With no further matters on the agenda, the meeting was declared concluded with the drafting of these minutes, which having been read and found to be in conformity, were signed by the Secretary and by the Directors present Bernardo Vargas Gibsone, Gustavo Carlos Marin Garat, César Augusto Ramírez Rojas, Fernando Augusto Rojas Pinto, Ana Milena López Rocha, Marcos Simas Parentoni and Orivaldo Luis Pellegrino.

I certify that the above decisions were extracted from the minutes drafted to the Minutes Register of the Company's Board of the Directors' Meetings.

Andrea Mazzaro Carlos de Vincenti
Secretary