

QGEP PARTICIPAÇÕES S.A.
Brazilian Register of Corporate Taxpayers (CNPJ/MF) No. 11.669.021/0001-10
Business Register Identification Number (NIRE): 33300292896

MINUTES OF MEETING OF THE BOARD OF DIRECTORS
HELD ON DECEMBER 16, 2010

1. DATE, TIME AND PLACE: On December 16, 2010, at 02:00 p.m., at the registered office of QGEP Participações S.A. ("QGEPP" or "Company"), located in the city and state of Rio de Janeiro, at Avenida Presidente Antonio Carlos, no. 51, sala 601 (parte).

2. ATTENDANCE: Since all acting members of the Board of Directors of the Company attended, the demand for calling is waived. Queiroz Galvão S.A., corporation holder of 100% of the shares issued by Company (hereinafter referred to as "Parent Company"), represented by its Articles of Association, and Quantum – Fundo de Investimento em Participações, fund for equity investment incorporated under CVM instruction no. 391 (hereinafter referred to as "FIP"), represented by its administrator and manager, Oliveira Trust Servicer, in the form of its Regulation, are also attending.

3. BOARD: Chairman – Antonio Augusto de Queiroz Galvão; Secretary – José Augusto Fernandes Filho.

4. AGENDA: Deliberate about proposal for increase of capital of QGEPP in the amount of R\$62.219.085,82 (sixty-two million, two hundred and nineteen thousand, eighty-five reais and eighty two cents), within the limit of authorized capital established by Article 6 of the Articles of Association of the Company.

5. APPROVED RESOLUTIONS: Upon establishment of the Meeting, members of the Board of Directors resolved by unanimous vote and without any restrictions, according to Articles 6 and 19, "s" of the Articles of Association of QGEPP, to approve the increase of the capital of Company in the amount of R\$ 62,219,085.82 (sixty-two million, two hundred and nineteen thousand, eighty-five reais, eighty-two cents), increasing the current amount of R\$ 558,197,657.00 (five hundred fifty-eight million, one hundred ninety-seven thousand, six hundred fifty-seven reais) to R\$ 620,416,742.82 (six hundred twenty million, four hundred and sixteen thousand, seven hundred forty-two reais, eighty-two cents), upon issuance of 6.202.196 (six million, two hundred and two thousand, one hundred ninety-six) new common shares, with no par value, at individual price of issuance of R\$ 10,03178323 (ten reais point zero three one seven eight three two three cents) each, to be subscribed on this date and fully paid within 15 calendar days, in local currency, according to the following terms and conditions:

(a) The issuance price was determined based on equity value per share, pursuant to article 170, § 1, I, of Law 6.404/76.

(b) The equity value per share was calculated based on the net equity value stated on the balance sheet made by the Company on 31/10/2010, adjusted with the distribution of intercalary dividends, which was decided by the annual meeting held on December 10, 2010 incorporating these minutes as Annex I, divided by the number of common shares.

(c) The Parent Company, holder of the entire share capital of the Company, herein and hereby waives, for all purposes of law, its preemptive right to subscription of shares hereby issued.

(d) FIP, hereby fully subscribes the increase in the share capital hereby approved, upon signature of the relevant application form which integrates these minutes as Annex II.



(e) The increase in the share capital subscribed herein shall be fully paid by FIP within 15 calendar days, in local currency, with the delivery of immediately available funds on favor of QGEPP, through electronic transfer of funds to the checking account kept on behalf of the Company, according to the subscription form.

(f) The new common shares purpose of this increase of capital of the Company shall include all the rights and benefits deliberated and declared by the Company from the date of subscription of such common shares.

After confirmation of payment by FIP of the entire subscribed share capital, the Executive Board shall register, in the Company's Registry Book of Nominative Shares, 6.202.196 (six million, two hundred and two thousand, one hundred ninety-six) nominative common shares in favor of FIP, totally free and clear of any liens or encumbrances of any nature.

6. ADJOURNMENT: There being no further matters, the Meeting was adjourned by the Chairman and these minutes were drawn up, being read, accepted and signed by the attending shareholders, the Secretary and the representatives of the Parent Company and of FIP.

I certify that this is a true copy of the original minutes drawn up in the minutes book.

José Augusto Fernandes Filho
Secretary