



TRANSMISSORA ALIANÇA DE ENERGIA ELÉTRICA S.A.

Publicly-Held Company

NIRE 33.3.0027843-5

CNPJ nº 07.859.971/0001-30

MATERIAL FACT

TRANSMISSORA ALIANÇA DE ENERGIA ELÉTRICA S.A. (BM&FBOVESPA Ticker: **TAE11**) ("**TAESA**" or the "**Company**"), pursuant to Section 157, §4º of Law No. 6,404, dated December 15, 1976, as amended, and the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*) ("**CVM**") Rule No. 358, dated January 3rd, 2002, as amended, in addition to the material fact dated September 29, 2016, hereby informs its shareholders and the market in general of the pricing of its restricted offering (the "**Restricted Offering**") of 65,702,230 units (each unit being evidenced by *certificados de depósito de ações*, each of which represents one outstanding *ação ordinária* (common share) and two outstanding *ações preferenciais* (preferred shares)) (the "**Units**") to be offered and sold by Fundo de Investimento em Participações Coliseu ("**FIP Coliseu**") and Companhia Energética de Minas Gerais – CEMIG ("**CEMIG**" and, together with FIP Coliseu, the "**Selling Shareholders**"), in accordance with CVM Rule No. 476, dated January 16, 2009, as amended ("**CVM Rule 476**").

The Restricted Offering price per Unit is R\$19.65. The total amount of the Restricted Offering is R\$1,291,048,819.50.

The settlement of the Restricted Offering is scheduled to occur on October 24, 2016, date on which the Company will disclose a material fact containing the final information regarding the Restricted Offering, including the new corporate structure of the Company, as well as provide a new version of the *formulário de referência* to reflect the outcome of the Restricted Offering.

This material fact is disclosed for informative purposes only and shall not, under any circumstances, be construed as an investment recommendation. This material fact does not constitute an offer to sell or the solicitation of an offer to buy the Company's securities, including the Units, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

Rio de Janeiro, October 18, 2016.

TRANSMISSORA ALIANÇA DE ENERGIA ELÉTRICA S.A.

Marcus Pereira Aucélio

Chief Financial and Investor Relations Officer