



TRANSMISSORA ALIANÇA DE ENERGIA ELÉTRICA S.A.
Publicly-Held Company - CVM No. 2025-7
Corporate Taxpayer's (CNPJ/MF) ID No. 07.859.971/0001-30
State Registry (NIRE) No. 33.3.0027843-5

NOTICE TO THE MARKET

Transmissora Aliança de Energia Elétrica S.A. ("Company" or "Taesa"), hereby announces to its shareholders, the market in general, and other interested parties that the Extraordinary Shareholders' Meeting of ATE III Transmissora de Energia Elétrica S.A. ("ATE III"), Taesa's wholly-owned subsidiary, held on November 6, 2018, approved the capital reduction of ATE III, pursuant to Article 173 of Law no. 6,404 of December 15, 1976, from R\$ 588,500,000.00 (five hundred eighty-eight million and five hundred thousand reais), fully subscribed and paid in cash, to R\$ 448,500,000.00 (four hundred forty-eight million and five hundred thousand reais), through the return of capital to Taesa. In addition to the approval at the shareholders' meeting, it required ANEEL's prior authorization, which was obtained on September 19, 2018, through the publication of ANEEL Order no. 2,115 of September 18, 2018.

The effectiveness of the capital reduction deliberation will be conditioned to the following: (a) publication in newspaper of the minutes of the extraordinary shareholders' meeting before their respective registration in the State Board of Trade; and (b) after a timeframe of 60 days from the date of publication of these minutes, there had been no opposition to this deliberation presented by the creditors, or if there had been opposition, by proof of payment and/or judicial deposit.

The Company will keep its shareholders and the market timely informed on the development of the object of this notice to the market.

Rio de Janeiro, November 7, 2018.

Marcus Pereira Aucélio
Chief Financial Officer and Investor Relations Officer
Transmissora Aliança de Energia Elétrica S.A.