

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY – CNPJ 17.155.730/0001-64 – NIRE 31300040127

MATERIAL ANNOUNCEMENT

Absorption of Capim Branco by Cemig GT

Cemig (*Companhia Energética de Minas Gerais S.A.*) and **Cemig GT** (*Cemig Geração e Transmissão S.A.*) **inform** the public, the Brazilian Securities Commission (CVM), and the São Paulo Stock Exchange (BM&FBovespa S.A.) (in compliance with CVM Instruction 358/2002, as amended) **as follows:**

An Extraordinary General Meeting of Stockholders of **Cemig** held today decided to authorize **absorption by Cemig GT of Cemig Capim Branco Energia S.A.**, and subsequent dissolution of the latter company.

This absorption is a condition precedent for the Association of Cemig GT and Vale S.A. ('Vale') to establish **Aliança Geração de Energia S.A.** ("Aliança"), to comprise the interests held by **Vale S.A.** and **Cemig GT** in the following power generation assets:

Porto Estrela,	Igarapava,	Funil,
Capim Branco I, Capim Branco II,	Aimorés and	Candongá.

Belo Horizonte, February 27, 2015.

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer