

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MARKET ANNOUNCEMENT

Cemig consortium wins ‘A–5’ Itaocara Plant new-build auction

In accordance with CVM Instruction 358 of January 3, 2002, **Cemig** (*Companhia Energética de Minas Gerais*), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, hereby **reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (BM&F Bovespa S.A.) and the market in general, **as follows**:

The **Itaocara HydroPlant Consortium** (*Consórcio UHE Itaocara*), of which a 49% interest is held by Cemig’s wholly-owned subsidiary **Cemig GT** (*Cemig Geração e Transmissão S.A.*), and **51%** is held by **Itaocara Energia Ltda.**, a wholly-owned subsidiary of **Light S.A.**, bid in the 21st ‘A–5’ New-build Supply Auction – held for contracting of power supply to be produced by future-build generation projects from hydroelectric or thermoelectric sources, for start of supply on January 1, 2020, with a concession period of 30 years – and was awarded the contract for the *Itaocara I* Hydroelectric Plant.

The following are the plant’s main specifications and features:

- Location: on the Paraíba do Sul River, in the municipalities of Aperibé and Itaocara, in Rio de Janeiro State.
- Installed generation capacity: 150 MW.
- Physical offtake guarantee level (‘Assured Energy’): 93.4 average MW.
- Percentage of the Assured Energy allocated to the Regulated Market: 95.5%
- Environmental licensing: Installation license (‘*Licença de Instalação – LI*’) already issued.
- Sale price in the Regulated Market: R\$ 154.99/MWh
- Date of start of supply under the Regulated Market Sale Contract (CCEAR): January 1, 2020
- Planned operational startup date: 2nd quarter 2018.
- Connection: Distribution network of Light S.A. (Ilha dos Pombos substation)
- Approximate total investment: R\$ 1 billion in currency of March 2015.
- Capital structure: Own funds, 30%; BNDES, 40%; debentures, 30%.

Cemig will keep the market opportunely informed on progress of this project.

Belo Horizonte, April 30, 2015.

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer