

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Court decision in São Simão Plant mandamus case

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

The Higher Appeal Court (*Superior Tribunal de Justiça – STJ*) has given judgment on Application for Mandamus N° 21.465/DF made by **Cemig**'s wholly-owned subsidiary **Cemig Geração e Transmissão S.A.** (**'Cemig GT'**), which sought annulment of the decision in which the Mining and Energy Ministry, by its dispatch published August 29, 2014, refused, on merits, Cemig GT's application for extension of its period of concession to operate the **São Simão Hydroelectric Plant**, under the terms of Cemig GT's Concession Contract N° 007/97.

Cemig GT made this Application (N° 21.465/DF) to the STJ on December 15, 2014, and Justice Mauro Campbell granted an interim injunction enabling Cemig GT to continue to operate the concession. This grant was conditional upon the outcome of judgment in Application for Mandamus N° 20.432/DF, in which Cemig GT claimed the same rights in relation to the **Jaguara Hydroelectric Plant**.

Following the judgment in Application 20.432/DF, in which the STJ refused the application in relation to the Jaguara Plant, Justice Mauro Campbell has now revoked the interim injunction which had been granted in Application 21.465/DF (in relation to the São Simão Plant). The decision was published on today's date (June 30, 2015).

The Company respects the decision of the Higher Appeal Court, and is considering such legal steps as are appropriate. Cemig will keep its stockholders and the market appropriately informed on the progress of this case.

Belo Horizonte, June 30, 2015

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer