

**COMPANHIA ENERGÉTICA DE MINAS GERAIS –  
CEMIG**

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

**MATERIAL ANNOUNCEMENT**

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&FBovespa S.A.) and the market in general, as follows:

On today's date Cemig's affiliated company **Renova Energia S.A. ('Renova')**, published a Material Announcement with the following content:

***“MATERIAL FACT – Cancellation of Phase II of the Agreement with TerraForm Global***

*Renova Energia S.A. (RNEW11) ('Renova' or 'the Company'), in accordance with CVM Instruction 358/2002 as amended, hereby informs its stockholders and the market in general as follows:*

*Complementing the Material Fact published by Light S.A., the Company has been notified of the cancellation of Phase II of its Agreement with TerraForm Global / SunEdison.*

*Phase II of the Agreement consisted of a contract in which shares in subsidiaries of Renova that hold assets with 2,204.2 MW of installed generation capacity were to be exchanged for shares in TerraForm Global, representing enterprise value of R\$ 13.4 billion.*

*One of the conditions precedent for Phase II of the Agreement was conclusion of the sale to SunEdison of the stockholding interest in Renova held by Light, within the controlling stockholding block of Renova. As a consequence of the sale of that interest not having been consummated, Phase II of the Agreement is canceled.*

*The Company hereby informs the market that Phase I of the transaction remains fully in effect. That Phase I comprises: share purchase agreements for sale of wind generation and small hydroelectric plant ('SHPs') assets with aggregate installed generation capacity of 141.0 MW; and a contract to swap wind power assets with 195.2 MW of installed capacity. Conclusion of the transaction in the wind power assets took place on September 18, 2015, and the SHPs will be transferred as soon as the conditions precedent are complied with.*

*The joint venture between Renova and SunEdison for sales and development of solar energy projects in the Brazilian Regulated Market also continues to be fully in effect.*

*Renova further informs the public that it had already taken this possibility into consideration, and is adapting its business plan with a view to rescaling future investments, taking account of the cancellation of Phase II and the present market conditions.*

*Renova reiterates that it will keep the market informed on any material developments.*

*São Paulo, December 1st, 2015*

*Cristiano Corrêa de Barros  
Chief Finance, Business Development and  
Investor Relations Officer”*

Belo Horizonte, December 01, 2015.

Fabiano Maia Pereira  
Chief Finance and Investor Relations Officer