

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Cemig's distribution concession extended for 30 years

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 reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (BM&F Bovespa S.A.) and the market in general **as follows**:

Cemig's wholly-owned distribution subsidiary Cemig Distribuição S.A. (**'Cemig D'**) has signed the Fifth Amendment to its concession contracts with the Brazilian Mining and Energy Ministry, extending its electricity distribution concession for **30 years, from January 1, 2016**, under Law 12783 of 2013 and Decree 8461 of 2015, as stated in the extract published in Issue 246 of the Brazilian federal *Official Gazette (Diário Oficial da União)*, of December 24, 2015.

Cemig will keep stockholders and the market timely and appropriately informed of any new information on this subject.

Belo Horizonte, December 28, 2015.

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer