

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG CEMIG

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

MARKET ANNOUNCEMENT

Cemig GT's decisions on renegotiation of hydrological risk factors

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**:

Cemig's wholly-owned subsidiary **Cemig Geração e Transmissão S.A.** ('**Cemig GT**') has opted to accept the proposal for renegotiation of the hydrological risk factor applying to plants included in Brazil's Energy Reallocation Mechanism (*Mecanismo de Realocação de Energia – MRE*) in relation to Brazil's **Regulated Market** (*Ambiente de Contratação Regulada – ACR*), in accordance with the conditions established by Aneel Resolution 684/2015 ('*REN 684/2015*'). The decision covers the *Irapé* and *Queimado* Hydroelectric Plants.

Cemig GT opted not to accept the proposal for renegotiation of the hydrological risk factor applying to the other hydroelectric plants, which sell power in Brazil's **Free Market** (*Ambiente de Contratação Livre – or ACL*).

In relation to the equity interest of 49% held by Cemig GT in **LightGer**, (a special-purpose company jointly controlled by Cemig GT and Light S.A.), we report that LightGer has opted not to accept any renegotiation of the hydrological risk factor.

Cemig GT will keep its stockholders and the market duly informed on all new information on this subject.

Belo Horizonte, January 15, 2016

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer