

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MARKET NOTICE

### Cemig GT subscribes shares in Renova capital increase

Further to the Material Announcement of February 2, 2016, and 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 exercised its right to subscribe shares in its associate Renova Energia S.A. (“**Renova**”).

The Notice to Stockholders published on May 17, 2016 by **Renova** gives details:

“ In relation to the **Capital Increase** announced in the Material Announcement and Notice to Stockholders published on February 2, 2016, **Renova Energia S.A.** (‘the Company’) hereby advises its stockholders and the market in general as follows:

#### **Expiry of the First Refusal Period; procedure for subscription of Remaining Shares**

The period for existing stockholders to exercise right of first refusal for subscription of shares in the Capital Increase (‘the Subscription Preference Period’) began on February 2, 2016, and ended on May 11, 2016. The period for subscription of the Remaining Shares starts on May 18, 2016.

In the Subscription Preference Period stockholders subscribed the following numbers of shares, making payment in full at the issue price of R\$ 6.66 per share (and R\$ 19.98 per Unit), resulting in a total amount of R\$ 240,001,691.40, as follows:

Stockholder	Shares subscribed and paid up		
	Common	Preferred	Units
Cemig Geração e Transmissão S.A. (‘ <b>Cemig GT</b> ’)	30,030,029		
Light Energia S.A.	6,006,006		
Other stockholders	127	119	3

Following that subscription, 45,551,832 common shares and 28,208,821 preferred shares remain unsubscribed, representing a total of R\$ 491,245,948.98 (‘the Remaining Shares’). Subscription of these shares will now be distributed pro rata between those stockholders who stated their interest in subscription these remaining shares, in a single round, in proportion to the amounts subscribed, in accordance with Article 171, Paragraph 7, Sub-clause ‘b’, of the Corporate Law (Law 6404 of December 15, 1976, as amended).

#### **Procedure for subscription of the Remaining Shares**

*Subscription of the Remaining Shares may be exercised only by stockholders that made their reservation at the time of subscription in the Subscription Preference Period, by statement to that effect on the related Share Subscription Form, as follows:*

*Subscription Price: R\$6.66 (six Reais sixty six centavos) per share, for all types of share.*

*Investors who requested subscription in Units are required pay the amount reflecting the composition of Units (i.e. one Unit comprises one common share and two preferred shares).*

*(ii) Payment for the subscription: in Brazilian currency, at the time of subscription.*

*(iii) Proportional right of subscription: Each common share subscribed and paid in the Subscription Preference Period gives its holder the right to subscribe 1.51687120849 new common shares and 0.93934054465 new preferred shares.*

*Each preferred share subscribed and paid up in the Subscription Preference Period gives its holder the right to subscribe 2.45621175314 new preferred shares.*

*(iv) Subscription Period for the Remaining Shares: May 18, 2016 to May 24, 2016, inclusive.*

*(v) Stockholder Service Locations: If the statement of the option for right of preference in subscription of Remaining Shares was made through Banco Itaú Unibanco S.A. ('Itaú'), the stockholder should visit a branch of Itaú for subscription of the new shares. If the first refusal right was exercised through the Assets Deposit Center of the São Paulo stock exchange (BM&FBovespa), stockholders should exercise their right through their custody agents and in accordance with the rules stipulated by that Assets Deposit Center itself, and the periods and conditions in this notice.*

*(vi) Documents required:*

*(i) Individuals: Identity card; Brazilian personal tax number (CPF) card and proof of address.*

*(ii) Legal entities: By-laws or Articles of Association; Minutes of the Stockholders' Meeting that elected the managers currently in office, filed with the competent entity of the National Commercial Registry Department; and proof of address.*

**Notes:**

*Following expiration of the Subscription Period for the Remaining Shares, in accordance with Article 171, §7, Sub-clause 'b', of Law 6404/76, any of the Remaining Shares not subscribed will be canceled.*

*The period in which stockholders will be able to confirm their decisions to subscribe their portions of the Capital Increase will start after the termination of the Period for Subscription of the Remaining Shares, and will be the subject of a further Notice to Stockholders.*

*After the cancellation of any such remaining shares, the Board of Directors of the Company will hold a further meeting to ratify the capital increase.*

**Additional information** on the Capital Increase may be obtained from the Company's website – [www.renovaenergia.com.br/ri](http://www.renovaenergia.com.br/ri) – or by email at: [ri@renovaenergia.com.br](mailto:ri@renovaenergia.com.br).

*São Paulo, May 17, 2016. – Cristiano Corrêa de Barros  
Chief Finance, Business Development and Investor Relations Officer ”*

**Cemig** will keep its stockholders and the market opportunely and appropriately informed on the conclusion of this transaction.

Belo Horizonte, May 18, 2016

Fabiano Maia Pereira  
Chief Finance and Investor Relations Officer