

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

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

On March 30, 2016 **Cemig** and *Redentor Fundo de Investimento em Participações* (**‘FIP Redentor’**) signed the First Amendment to the Stockholders’ Agreement of *Parati S.A. – Participações em Ativos de Energia Elétrica* (**‘Parati’**), the effects of which were subject to the suspensive condition that the agreed alterations to the Put Option granted by Cemig to FIP Redentor as per the Extraordinary General Meeting of Stockholders of March 24, 2011 (previously announced to the market) should be approved by an Extraordinary General Meeting of Stockholders of Cemig to be held by May 25, 2016.

On May 24, 2016, the Second Amendment to Stockholders’ Agreement of Parati was signed, altering the period for compliance with the suspensive condition specified in the First Amendment to the Stockholders’ Agreement of Parati from May 25, 2016 to May 27, 2016.

The EGM held on this date amended the decision of the Extraordinary General Meeting of Stockholders held on March 24, 2011, to provide that the Put Option granted by the Company on April 11, 2011 to Redentor Fundo de Investimento em Participações (FIP Redentor), may be exercised not only by FIP Redentor, but by any person who becomes a direct stockholder of Parati S.A. – Participações em Ativos de Energia Elétrica (Parati), including but not limited to holders of units in FIP Redentor, and/or their affiliated parties, who will become holders of the Put Option and/or the rights arising from it, in relation to the shares in Parati that they hold.

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

Belo Horizonte, May 27, 2016

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer