

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Contracting of financial advisors for capitalization of Gasmig

Cemig (*Companhia Energética de Minas Gerais*), a listed company 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**:

The Board of Directors of **Cemig**, at its meeting held on August 1, 2018, approved contracting of Banco Itaú BBA S.A. to provide financial advisory services, with a view to developing and proposing a business model for capitalization of Cemig's subsidiary **Companhia de Gás de Minas Gerais – Gasmig**, in such a way as to finance the plan of works of **Gasmig** and expand its services to the market of Minas Gerais State.

Cemig will keep its stockholders and the market appropriately and timely updated on any material developments relating to this matter.

Belo Horizonte, August 1, 2016

Fabiano Maia Pereira
Chief Finance and Investor Relations Officer