

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MARKET ANNOUNCEMENT

Reply to CVM Inquiry Letter 383/2016-CVM/SEP/GEA-1, of August 11, 2016

Question asked by the Brazilian Securities Commission (CVM)

Rio de Janeiro, August 11, 2016.

To Mr. Fabiano Maia Pereira

Investor Relations Director

Cia. Companhia Energética de Minas Gerais – CEMIG

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Subject: **Request for information on news report**

Dear Sir,

1. We refer to the news report published today in the newspaper *Valor Econômico* newspaper, in the *Empresas (Companies)* section, under the headline *Destaques (Highlights)*, which stated the following:

“Cemig has contracted the banks Santander and Votorantim to advise on the sale of a stockholding interest in Light, but the process has not yet started, according to a source with knowledge of the transaction.”

2. Your statement should be given through the *Empresas.NET* system, in the category: *Market Announcement*, under the sub-category: *Responses to consultations by CVM/Bovespa*; subject heading: *Media News Reports*, and should include a transcription of this letter.
3. We warn you that, by order of our Company Relations Supervision Management, using its legal powers under Sub-item II of Article 9 of Law 6385/1976 and CVM Instruction 452/07, a coercive fine of **R\$ 1,000 (one thousand Reais)** is applicable, without prejudice to other administrative sanctions, for non-compliance with the requirement contained in this Official Letter by **9.30 a.m. of August 12, 2016**, after becoming aware of the content of this communication, sent exclusively by e-mail, notwithstanding the provisions of §1 of Article 6 of CVM Instruction 358/02.

Yours,

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Reply by CEMIG

Dear Madam,

In reply to Official Letter 383/2016-CVM/SEP/GEA-1, of August 11, 2016, we inform you that, as already widely published, including in our financial statements, our partners in the controlling stockholding block of Light have a put option to sell their interest in the control structure of that company, exercisable against Cemig, and we are at present studying various alternatives for partnerships for substitution of these partners. Further, we reiterate that this information was the subject of our Market Notice of July 22, 2016, entitled:

“Reply to CVM Inquiry Letter 2777/2016-SAE/GAE-2, of July 21, 2016”.

Although the Company is considering, studying and researching several alternatives, so far no financial advisor has been contracted, nor has any contractual instrument been entered into, non-binding or otherwise, in relation to the assets mentioned in the report referred to.

Cemig takes this opportunity of reiterating its commitment to opportune and timely disclosure of all and any facts that are of interest to its stockholders, in accordance with Article 2 of CVM Instruction 358/2002.

Belo Horizonte, August 11, 2016

Fabiano Maia Pereira

Chief Finance and Investor Relations Officer