

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Cemig Telecom signs investment agreement for subscription of capital in Ativas

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**:

On today's date **Cemig Telecom S.A.** (**'Cemig Telecom'**), a wholly-owned subsidiary of **Cemig**, published the following Material Announcement:

“ Investment Agreement for subscription of capital in Ativas

***Cemig Telecomunicações S.A.** (**'Cemig Telecom'**), a company listed in Brazil and operating in the category of **Multimedia Communication Services ('SCM')** under an authorization issued by the Brazilian telecommunications regulator, **Anatel**, in accordance with best Corporate Governance practices, **informs the market** as follows:*

*In partnership with **Ativas Participações S.A.** (**'Ativas Participações'**), a company controlled by the **Asamar Group**, **Cemig Telecom** has today signed an Investment Agreement with **Sonda Procwork Outsourcing Informática Ltda.**, a company of the Chilean group **Sonda S.A.** (**'Sonda'**), for subscription of capital in **Ativas Data Center S.A.** (**'Ativas'**).*

*The participation of **Sonda** in **Ativas** takes the form of a capital increase equivalent to R\$ 114 million, which will represent a stockholding interest of 60% in **Ativas**, so that after the transaction **Cemig Telecom** and **Ativas Participações** will respectively hold 19.6% and 20.4% of the company's share capital.*

***Sonda** is the leading company providing IT services in Latin America, with a presence in 10 countries, and 17,000 employees. This strategic alliance strengthens the commitment of **Ativas** to its present and future clients, continuing to ensure high standards of security and availability.*

Completion of the transaction is subject to compliance with conditions precedent and the customary requirements for this type of transaction.

***Cemig Telecom** reiterates its commitment to timely publication of all and any material information on the above subject.*

Belo Horizonte, August 25, 2016

Eliana Soares da Cunha Castello Branco

Chief Officer for Finance, Management and Investor Relations, Cemig Telecom ”

Cemig reiterates its commitment to timely publication of all and any material information on the above subject.

Belo Horizonte, August 25, 2016

Fabiano Maia Pereira

Chief Finance and Investor Relations Officer, Cemig