

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MATERIAL ANNOUNCEMENT

### Agreement for sale of Assets of Renova Energia S.A.

**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 January 13, 2017, Cemig's affiliated company **Renova Energia S.A. ('Renova')** published a **Material Announcement** with the following content:

*“Renova Energia S.A. (RNEW11) ('Renova' or 'the Company'), in accordance with CVM Instruction 358/2002 as amended, hereby informs its shareholders and the market in general as follows:*

*On today's date Renova has agreed with AES Tietê Energia S.A. ('AES') on a binding offer ('the AES Offer') for disposal of the group of wind farms constituting the Alto Sertão II Complex ('Alto Sertão II').*

*Acceptance of the proposal by the Company is subject to approval by the Board of Directors. The terms of the AES Offer include (a) the base price of the transaction, R\$ 650 million ('the Price'), (b) purchase of the shares in Renova Eólica Participações S.A., or Nova Energia Holding S.A. – these two companies control the 15 special-purpose companies ('SPCs') that comprise Alto Sertão II; and (c) grant to AES of exclusivity for forty five days ('the Transaction').*

*The Price will be subject to adjustments if certain conditions of the Transaction are satisfied.*

*Alto Sertão II, located in the region of Caetité in the interior of Bahia, has installed generation capacity of 386MW, and is made up of the wind farms owned by the following Special-purpose Companies (SPCs):*

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|--|---|
| <i>(i) Centrais Eólicas Seraíma S.A.,</i>    | <i>(ii) Centrais Eólicas Tanque</i>     |
| <i>S.A.,</i>                                 |   |
| <i>(iii) Centrais Eólicas Morrão S.A.,</i>   | <i>(iv) Centrais Eólicas dos Araçás</i> |
| <i>S.A.,</i>                                 |   |
| <i>(v) Centrais Eólicas da Prata S.A.,</i>   | <i>(vi) Centrais Eólicas Ventos do</i>  |
| <i>Nordeste S.A.,</i>                        |   |
| <i>(vii) Centrais Eólicas Dourados S.A.,</i> | <i>(viii) Centrais Eólicas Ametista</i> |
| <i>S.A.,</i>                                 |   |

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- (ix) Centrais Eólicas Pilões S.A.,  
(xi) Centrais Eólicas Borgo S.A.,  
S.A.,  
(xiii) Centrais Eólicas Pelourinho S.A.,  
S.A.,  
and  
Espinhaço S.A.
- (x) Centrais Eólicas Maron S.A.,  
(xii) Centrais Eólicas Caetité  
S.A.,  
(xiv) Centrais Eólicas Espigão  
S.A.,  
(xv) Centrais Eólicas Serra do  
Espinhaço S.A.
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*This complex of 15 wind farms is in operation, providing power under the terms of the 2010 LER and 2011 LEN auctions, which contracted aggregate supply of 181.6 MW average in the Regulated Market.*

*Conclusion of the Transaction is to take place only after: (I) signature of the Share Purchase Agreement, the terms of which are being discussed and negotiated between the parties; and, consequently, (II) conditions precedent of the type that are usual in this type of transaction, to be specified in the Share Purchase Agreement.*

*The Company's management emphasizes that the Transaction is entirely aligned with the strategy of adjustment of the Company's capital structure, for the purpose of ensuring sustainability of the Company's business over the long term.*

*Renova will keep the market informed on any material developments."*

Belo Horizonte, January 13, 2017

Paulo Roberto Castellari Porchia  
Acting Chief Finance and Investor Relations Officer