

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MATERIAL ANNOUNCEMENT

### **São Simão injunction lifted; Cemig continues to operate plant**

**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 **reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (BM&F Bovespa S.A.) and the market in general **as follows**:

The interim remedy (injunction) given in Application for Mandamus No. 21.465/DF, currently before Brazil’s Higher Appeal Court (‘STJ’), brought by Cemig’s wholly-owned subsidiary Cemig Geração e Transmissão S.A. (‘Cemig GT’), for annulment of the decision by the Mining and Energy Ministry (‘MME’) which, by a Dispatch of August 29, 2014, refused, on merits, the request by Cemig GT for ratification of the extension of its concession contract (No. 007/97) for operation of the *São Simão* Hydroelectric Plant, has been revoked.

The case update on the website of the STJ on March 28, 2017 (copied at 9.03 p.m.) states:

*“... In an application for reconsideration, this court has repealed the interim remedy given. The lifting of the order does not result in immediate cessation of the services provided by the concession holder (Appellee), which may continue to provide those services until – in the event that it is not the winner in a future, possible, bid proceeding – another concession holder is able to take them over.”*

Cemig will keep its stockholders and the market timely and appropriately informed on the progress of this case.

Belo Horizonte, March 29, 2017.

Adézio de Almeida Lima  
Chief Finance and Investor Relations Officer