

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Offer for interest in Santo Antônio Power 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 informs** the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (BM&F Bovespa S.A.) and the market in general, **as follows:**

On yesterday's date (June 26, 2017) Cemig received from **State Power Investment Overseas Co., Ltd of China ('SPIC Overseas')** an offer for purchase of the equity interests held by Cemig Geração e Transmissão S.A. (**'Cemig GT'**) and **SAAG Investimentos S.A. in Madeira Energia S.A. ('Mesa')** – holder of the concession to operate the **Santo Antônio Hydroelectric Plant**.

This proposal is the result of various rounds of negotiation between the parties. The management bodies of the Company will study the offer and make a decision.

This Material Announcement is in accordance with the Company's commitment to keep the market updated on progress with its disinvestments, as announced and listed in its Material Announcement on June 1 of this year.

Belo Horizonte, June 27, 2017

Adézio de Almeida Lima
Chief Finance and Investor Relations Officer