

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MATERIAL ANNOUNCEMENT

### Updating of Cemig's Disinvestment Program

In sequence from its Material Announcement published on June 1, 2017, 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 as follows:

Cemig has today updated the Disinvestment Program which it announced at its 21st Meeting with the Capital Markets on June 1, 2017.

This table summarizes the updated program, representing a total<sup>1</sup> of R\$ 8.046 billion:

Company	Criterion			% stake	Book value <sup>1</sup> R\$ mn	Status
	✓	✗	✗	19%	1,384 <sup>2</sup>	Selection of broker and negotiation of equity interests
	✓	✗	✓	25	77	Awaiting approval by Taesa
	✗	✓	✓	18%	1,278	Negotiation of sale agreement
	✗	✓	✗	-	317	Non-binding proposal (primary capitalization)
	✓	✗	✓	43%	2,060 <sup>3</sup>	Contracting of advisors
Cachoeirão, Pipoca, Paracambi	✓	✗	✗	49%	127	Negotiation of equity interests
	✗	✗	✓	49% ON 100% PN	1,202	Preparation of tender
	✗	✗	✓	100%	193	Preparation of tender
	✗	✓	✓	12%	1,392	Contracting of advisors
Gas exploration concessions	✗	✗	✓	24.5%	16	Preparation of tender

(1) Amounts reported in the Company's accounting, with the exception of: Taesa, Transmineira, and Light.

These do not represent a guarantee or expectation of the real sale value of the assets.

(2) Market value (BM&F Bovespa) on July 6, 2017: R\$ 21.70/unit.

(3) Market value (BM&F Bovespa) on July 6, 2017: R\$ 23.28.

Cemig will keep its stockholders and the market opportunely and appropriately informed on the progress of this program.

Belo Horizonte, July 7, 2017

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