

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

EGMs of Rio Minas and Luce decide to initiate disposal of their stakes in Light

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, and **in continuation from its Material Announcement published on June 21, 2017, hereby reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (BM&F Bovespa S.A.) and the market **as follows:**

Today (July 14), Extraordinary General Meetings of Stockholders of the companies

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RME – Rio Minas Energia Participações S.A. ('RME')
and **Luce Empreendimentos e Participações S.A. ('Lepsa')**
.....

made formal decisions to start the process of disposal of the whole of their interests in **Light S.A.** This formalizes the joint decision of **Cemig, RME and Lepsa** to dispose of the totality of the controlling stockholding block of Light S.A. – which is made up exclusively of the interests of these three companies, and comprises an aggregate holding of 52.12% of the share capital of Light S.A.

This Material Announcement is part of the Company's commitment to keep the market updated on the progress of its Disinvestment Program, as announced in its Material Announcement of June 1 of this year, updated on July 7. Cemig will keep its stockholders and the market timely and appropriately informed on the progress of this transaction.

For further information please contact Cemig on: ri@cemig.com.br

Belo Horizonte, July 14, 2017

Adézio de Almeida Lima
Chief Finance and Investor Relations Officer