

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

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

MATERIAL ANNOUNCEMENT

Renova: exclusivity to Brookfield for diligence

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**:

At its meeting of July 17, 2017, the Board of Directors of Cemig approved, and also oriented its representatives at the meeting of the Board of Directors of Renova Energia S.A. ('Renova'), held on the same date, to approve, grant of the right of exclusivity to Brookfield Energia Renovável S.A., for carrying out of due diligence and negotiation of the final documents for a primary subscription of capital in Renova, and sale of the equity interest held by Light Energia in Renova, as proposed in a non-binding offer.

This exclusivity will be granted for a period of 60 calendar days from July 17, 2017, which Renova may at its exclusive option renew for a further 30 days.

We further report that Light S.A. has filed a Material Announcement to this effect on the same date.

The Company reiterates its commitment to keeping stockholders and the market in general duly and timely informed in accordance with the applicable legislation.

Belo Horizonte, July 18, 2017

Adézio de Almeida Lima

Chief Finance and Investor Relations Officer