

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MARKET ANNOUNCEMENT

AGC further reduces holding in Cemig ON, to 12.79%

Cemig (*Companhia Energética de Minas Gerais*), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, in compliance with Article 12 of CVM Instruction 358 of January 3, 2002 as amended, **hereby reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (*Brasil, Bolsa, Balcão – B3*) and the market **as follows**:

Cemig has received correspondence from AGC ENERGIA S.A. with the following content:

“ In accordance with the terms of Article 12 of CVM Instruction 358 of January 3, 2002 as amended, AGC ENERGIA S.A., a corporation constituted under the laws of Brazil, with head office at Av. do Contorno 8123, Cidade Jardim, Belo Horizonte, Minas Gerais, registered in the CNPJ/MF under No. 11.221.326/0001-65, herein represented in accordance with its articles of association (‘AGC Energia’), hereby reports that it has reduced its equity interest in the common shares of Companhia Energética de Minas Gerais – CEMIG (‘Cemig’)

*– from 68,545,756 common shares, equivalent to 16.29% of the voting stock in Cemig
– to 53,806,156 common shares, equivalent to 12.79% of the voting stock in Cemig,
through sale on a securities exchange of 14,739,600 common shares in Cemig.*

The equity interest in Cemig now held by AGC Energia in Cemig is a minority investment which does not involve any change in the composition of the stockholding control of Cemig nor any change in Cemig’s administrative structure.

Please do not hesitate to contact us if you need any further information..”

Belo Horizonte, October 24, 2017.

Adézio de Almeida Lima
Chief Finance and Investor Relations Officer