

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Nov. 24: Auction of 34 million Units in Taesa

Cemig (*Companhia Energética de Minas Gerais* – listed in 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 (B3) and the market **as follows**:

In alignment with its Divestment Program announced on June 1, 2017, today (Nov. 22) Cemig has contracted the securities broker **Itaú Corretora de Valores S.A.** to intermediate sale by auction on the B3 (‘the Auction’) of the following equity interest which it holds:

**34,000,000 (thirty four million) Units in
Transmissora Aliança de Energia Elétrica S.A (‘Taesa’) (TAEE11).**

- **The Auction is scheduled for this Friday, November 24, 2017.**
- The shares to be offered are not bound by the Stockholders’ Agreement of Taesa.

The proceeds from the Auction will be held in an escrow account to execute the Company’s commitments under put options granted by Cemig to the stockholders of Rio Minas Energia Participações S.A. (‘**RME**’) and Luce Empreendimentos e Participações S.A. (‘**Lepsa**’).

Cemig will keep its stockholders and the market duly informed on all new information related to this subject.

Belo Horizonte, November 22, 2017.

José Maria Rabelo
Acting Chief Finance and Investor Relations Officer