

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Renova accepts Brookfield R\$ 1.4 bn subscription offer

Cemig (*Companhia Energética de Minas Gerais* – listed in São Paulo, New York and Madrid), in compliance 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**:

Today Cemig’s affiliated company **Renova Energia S.A.** published the following Material Announcement:

“With reference to its Material Announcement of November 11, 2017, Renova Energia S.A. (RNEW11) (**‘Renova’**), in accordance with CVM Instruction 358/2002 as amended, hereby reports as follows:

Renova’s Board of Directors has today voted in favor of acceptance of the binding offer received from Brookfield Energia Renovável S.A. (**‘Brookfield’**) for:

- primary subscription of stock in Renova of R\$ 1.4 billion, at R\$ 6.00 per Unit;
- – earn-out of up to R\$ 1.00 per Unit, related to amounts Renova may receive in future as adjustment to the price of sale of the Alto Sertão II Wind Power Complex.

The Board also approved a further 60 (sixty) days’ exclusivity for Brookfield to finalize the documents of the transaction, automatically extendable for a further 30 days.

Final completion of the transaction will take place after consideration and decision by the governance bodies of the Company and of its controlling stockholders, and after compliance with certain conditions precedent that are usual in this type of transaction.

Renova reiterates its commitment to keeping stockholders and the market in general duly informed in accordance with the applicable legislation. ”

Belo Horizonte, November 24, 2017.

José Maria Rabelo
Acting Chief Finance and Investor Relations Officer