

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MARKET ANNOUNCEMENT

**Reply to Stock Exchange Inquiry Letter 1829/2017-SAE, of December 5, 2017**

### Inquiry received:

**Companhia Energética de Minas Gerais**

To Mr. Adézio de Almeida Lima

Investor Relations Director

Subject: **Request for information on news media report**

Dear Sirs,

A report in the *Coluna do Broadcast* feature of the *O Estado de São Paulo* newspaper of December 5, 2017 contains, among others, the following statements:

- “ 1. *Executives of Cemig indicated in a conference call that the company has between R\$ 350 and R\$ 400 million receivable as a result of the increase in the capital of Renova.* ”
- “ 2. *These incoming funds do not increase Cemig’s net equity, but are payments of loans, that is to say, a debt that Renova owes specifically to Cemig GT.* ”

We request information/explanations on the items indicated, by December 6, 2017, including your confirmation of them or otherwise, and also any other information that is considered to be important.

### Reply by CEMIG

Dear Ms. Ana Lucia da Costa Pereira,

Supervision Office for Companies and Equity Securities Offers,

B3 S.A. – Brasil, Bolsa, Balcão:

In response to Official Letter number 1829/2017-SAE of December 5, 2017, we inform you:

In 2015 and 2016 Cemig Geração e Transmissão S.A. (Cemig GT) made three advances to Renova, for a total historic amount of R\$ 272 million (two hundred and seventy two million Reais), under contracts for purchase of electricity, to be settled by future delivery of power supply.

Under the last two contracts and subsequent developments arising from them, an early maturity clause was included, providing for the total of the amounts advanced to become payable in the event of change of direct or indirect effective control of Renova. The negotiation for entry of a new stockholding partner also includes early maturity of the first advance.

Cemig thus expects to receive these advances in the event that the entry of a new stockholding partner is confirmed and there is a change in the stockholding control of Renova.

Cemig takes this opportunity of reiterating its commitment to opportune and timely disclosure of all and any facts that are of interest to its stockholders, in accordance with Article 2 of CVM Instruction 358/2002.

Belo Horizonte, December 6, 2017.

Adézio de Almeida Lima  
Chief Finance and Investor Relations Officer