

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Public offer of receipts for 14,945,429 shares

Complementary to the Material Announcement published on February 28, 2018, **Cemig** (*Companhia Energética de Minas Gerais*), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, as per 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**:

With reference to the capital increase approved by the Extraordinary General Meeting of Stockholders held on October 26, 2017, Cemig will sell the totality of the shares not yet subscribed in that capital increase, by public offer of a **single, indivisible lot** (‘the Offer’ or ‘the Auction’),

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|------------|------------|--|
| comprising | 13,129,679 | receipts for Common Shares in Cemig (‘ON receipts’) |
| and | 1,815,750 | receipts for Preferred Shares in Cemig (‘PN receipts’). |

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|---------------------------|--------------------|---|
| The opening price will be | R\$ 106,383,474.79 | |
| of which | R\$ 92,039,049.79 | will be the price of the totality of the ON Receipts, |
| priced at | R\$ 7.01 | per Receipt, |
| and | R\$ 14,344,425.00 | will be the price of the totality of the PN Receipts, |
| priced at | R\$ 7.90 | per receipt. |

The offering, registered on the B3 under the code **CMIG15L**, is scheduled to take place on

Wednesday, March 21, 2018, from 11 a.m. to 12 midday.

The intermediary institution will be Morgan Stanley CTVM S.A. (‘the Intermediary’).

After completion of the Auction, transactions in **CMIG15L** will be canceled, and the related trades will be registered as the related ON Receipts (to trade with ticker CMIG9) and PN Receipts (ticker CMIG10).

The making of this Offer, under the terms of Sub-item II of Article 5 of CVM Instruction 400/2003, has been duly analyzed by the CVM and approved by its Official Letter 48/2018/CVM/SEP/GEA-3.

The decision to hold the Auction, for a single indivisible lot, has the merit of enabling subscribers of common shares to vote at the next annual general meeting, to be held by the end of April 2018.

It also provides Cemig with an option of lower cost, since the Company is not required to incur the high costs inherent in public offerings made under Paragraph 1 of Article 6 of CVM Instruction 400/2003.

Cemig will keep its stockholders updated on any further information on the sale of these remaining shares.

Belo Horizonte, March 19, 2018.

Maurício Fernandes Leonardo Júnior,
Chief Finance and Investor Relations Officer