

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Taesa completed the acquisition of all the SJT and SPT Shares

Cemig (Companhia Energética de Minas Gerais, listed and traded in São Paulo, New York and Madrid), in accordance with CVM Instruction 358 of Jan. 3, 2002 as amended, hereby reports to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (B3) and the market as follows:

Cemig's affiliated company **Transmissora Aliança de Energia Elétrica S.A.** ('Taesa') has today published the following Material Announcement:

"Transmissora Aliança de Energia Elétrica S.A. ("Taesa" or "Company"), pursuant to the Brazilian Securities and Exchange Commission (CVM) Instruction No. 358, dated January 3, 2002, and complementing the material fact disclosed on December 17, 2018, through which the Company communicated to the market in general the signing of the Sales and Purchase Agreement ("Agreement") with Âmbar Energia Ltda. and with Fundo de Investimento em Participações Multiestratégia Milão, as Sellers, and with J&F Investimentos S.A., as guarantor of Sellers' obligations, whose purpose is the acquisition by the Company, under suspensive conditions, (a) of all the shares representing the total capital (a.1) of São João Transmissora de Energia S.A. ("SJT") ("SJT Shares") and (a.2) of São Pedro Transmissora de Energia S.A. ("SPT") ("SPT Shares"), and (b) of 51% of the shares representing the total capital (b.1) of Triângulo Mineiro Transmissora de Energia S.A. ("TMT") and (b.2) of Vale do São Bartolomeu Transmissora de Energia S.A. ("VSB") ("Acquisition"), and complementing other communications disclosed by the Company regarding the Acquisition, it hereby informs the market in general that, on this date, the Company completed the acquisition of all the SJT and SPT Shares, by paying the total amount of R\$ 753,168,061.88 (seven hundred and fifty-three million, one hundred and sixty-eight thousand, sixty-one reais and eighty-eight cents), under the terms provided for in the Agreement, and after complying with the suspensive conditions applicable to the acquisition of SJT and SPT Shares.

Furthermore, the Company informs the market in general that it entered into the Amendment to the Contract ("Amendment"), whereby there was a need to renegotiate certain terms and conditions, as well as to increase indemnities and guarantees, provided for in the original Contract, in order to neutralize possible contingencies arising after its signature.

It is also worth highlighting the creation of escrow accounts amounting to the total of R\$ 98,979,982.85 (ninety-eight million, nine hundred and seventy-nine thousand, nine hundred and eighty-two reais and eighty-five cents), which is sufficient to cover the volume of contingencies that may occur after the closing of the acquisition process of SJT and SPT Shares, and also to ensure the receipt of all amounts discounted by the Brazilian Electricity Regulatory Agency (ANEEL) due to the administrative proceeding n. 48500.002803/2017-41, which decided to cancel the Interim Delivery and Acceptance Certificates (Termos de Liberação Provisórios – TLPs) of SJT.

Moreover, Taesa informs that it will pay the remaining balance of the SJT and SPT debts related to the financing agreements entered into with Caixa Econômica Federal (CEF), totaling the amount of R\$ 242,680,648.59 (two hundred and forty-two million, six hundred and eighty thousand, six hundred and forty-eight reais and fifty-nine cents) and will contract a new debt in the market, to be issued by Taesa, under the following indicative conditions: 7-year term, bullet, remunerated at the CDI rate + 1.5% p.a.

The Company also emphasizes that the completion of the Acquisition regarding TMT and VSB aforementioned is still subject to compliance with the respective suspensive conditions and that it will keep its shareholders and the market duly and timely informed about the development of the matters related to the Acquisition."

Belo Horizonte, February 14, 2020

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer