

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Taesa has reviewed its projections for the Capex and the RAP

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. (B3: TAEE11) (“Taesa” or “Company”), pursuant to CVM Instruction 358 of January 03, 2002, as amended, and CVM Instruction 480 of December 07, 2009, as amended, hereby communicates to its shareholders, the market in general, and other stakeholders that, in accordance with the best corporate governance practices, it has reviewed its projections for the Nominal Capex and the incremental in the Annual Permitted Revenues (RAP) of the projects under construction wholly owned by the Company.

The total nominal Capex for these projects made in 2019 was R\$ 314.0 million, a reduction of 23.4% compared to the minimum projection disclosed. This difference is basically explained by: (i) Janaúba: postponement to 2020 of part of the payment of conductor cables and withholding of payments related to services carried out in 2019 due to technical pending issues; (ii) Mariana: reduction of activities in Mariana as a result of heavy rainfalls in the state of Minas Gerais; (iii) Sant'Ana: postponement of payment of land indemnities; and (iv) Miracema: Capex savings. It is important to highlight that these factors do not compromise the expected completion of Janaúba and Sant'Ana projects. With regard to Mariana, the specific construction period provided for in the schedule of the concession contract will be met.

2019 Projected (R\$ million)	2019 Actual (R\$ million)
Max. 450	314
Min. 410	

Based on the foregoing, the Company revised its nominal Capex projections for the projects under construction wholly owned by Taesa for 2020, since the investments not made in 2019 were transferred to the current year. It should be noted that the nominal Capex projections for years 2021 and 2022 remain unchanged.

Previous projections of nominal Capex (in R\$ million):

2019	2020	2021	2022
Max. 450	Max. 1,020	Max. 340	Max. 20
Min. 410	Min. 940	Min. 310	Min. 15

Updated projections of nominal Capex (in R\$ million):

2019 (Actual)	2020	2021	2022
314	Max. 1,130 Min. 1,040	Max. 340 Min. 310	Max. 20 Min. 15

The projections referring to the Incremental in Annual Permitted Revenues (RAP) after the start-up of each of the projects wholly owned by Taesa are as follows:

2020	2021	2022	TOTAL
78	186	107	372

The values projected in this table consider the current RAP cycle (2019-2020) and are presented in real terms (not adjusted for inflation)

Such projections will be updated in section 11 of the Company's Reference Form and will be available on the CVM website at <http://www.cvm.gov.br/> and on the Company's website at <http://ri.taesa.com.br/>, within the legal time frame.

We stress that the projections presented herein reflect Company management's current estimates or expectations only, which are subject to risks and uncertainties, and in no way constitute a promise of performance. The information on business outlooks, projections and financial targets are mere forecasts, based on Management's current expectations regarding the future of the Company and its subsidiaries. These expectations depend on market conditions and on the performance and execution capacity of EPC contractors, as well as the Brazilian economic scenario. Any change in perception or in the factors described above may cause the actual results to differ from the projections presented herein."

Belo Horizonte, March 13, 2020

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer