

COMPANHIA ENERGÉTICA DE MINAS GERAIS - CEMIG

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

NOTICE TO STOCKHOLDERS

- (1) Dividends declared by AGM of July 31;
- (2) Capital increase with issue of 4.1% in new shares

Cemig advises its stockholders that the Ordinary (Annual) and Extraordinary General Meetings of Stockholders (‘AGM/EGM’) held on **July 31, 2020** decided the following:

1. DIVIDENDS:

- a) Of the net profit for 2019, in the amount of R\$ 3,127,398,000:

R\$ 764,181,000 is allocated as minimum mandatory dividend, payable to the Company’s stockholders, as follows:

- ✓ **R\$ 400,000,000** in the form of Interest on Equity (‘JCP’), corresponding to **R\$ 0.27431232108 per share**, subject to withholding of income tax at source at the rate of 15% (except for stockholders exempt from such retention under current legislation), to be paid by December 30, 2020, in a single payment, to stockholders on the Company’s Nominal Share Register on **December 23, 2019**.
 - The shares began trading ‘ex-’ these rights on December 26, 2019.
- ✓ **R\$ 364,181,000** in the form of dividends for the 2019 business year, corresponding to **R\$ 0.24974833850 per share**, to be paid by December 30, 2020, in a single payment, to stockholders whose names were on the Company’s Nominal Share Registry on the date on which the AGM and EGM were held, namely **July 31, 2020**.
 - The shares trade ‘ex-’ these rights on August 3, 2020.

2. CAPITAL INCREASE WITH ISSUES OF NEW SHARES:

- a) Increase in the share capital, from R\$ 7,293,763,000 to R\$ 7,593,763,000, by issuance of 60,000,000 (sixty million) new shares, comprising 20,056,076 common shares and 39,943,924 preferred shares, by capitalization of R\$ 300,000,000 from the Earnings Reserve, with distribution to stockholders, as a result, of new shares totaling 4.113103206% of the number of shares held, of the same type, each with nominal value of R\$ 5.00.
- b) For shares traded on the São Paulo stock exchange ('B3'), the beneficiaries of the stock bonus will be those stockholders who held shares on July 31, 2020.
 - The shares trade 'ex-' these rights on August 3, 2020.
- c) The new shares issued will be credited on August 5, 2020, and will not have the right to dividends declared for the 2019 business year.
- d) For the purposes of §1º of Article 25 of Normative Instruction 25/2001, issued by the Brazilian tax authority (*Secretaria da Receita Federal*), the attributed unit cost of acquisition of the bonus shares is R\$ 5.00.
- e) As per Normative Instruction 168/91 issued by the CVM (Brazilian Securities Commission), the aggregate proceeds in Reais from the sale of the fractions of shares resulting from calculation of numbers of new shares will be paid to the holders of those fractions together with the single payment of dividends for the 2019 business year.

For stockholders whose shares are not held for custody by CBLC and whose registration details are not up to date, we recommend visiting any branch of Banco Itaú Unibanco S.A. (the institution which administers Cemig's Nominal Share Registry System), with their identification documents, for the necessary updating.

Belo Horizonte, July 31, 2020

Leonardo George de Magalhães
Chief Finance and Investor Relations Officer