

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY
CNPJ 17.155.730/0001-64 – NIRE 31300040127

MARKET ANNOUNCEMENT

Concession for the Itaocara plant: background to reports

Cemig (*Companhia Energética de Minas Gerais*), a listed company with equity securities traded on the exchanges of São Paulo, New York and Madrid, hereby informs the public, as per CVM Instruction 358 of Jan. 3, 2002, as follows:

Media articles have referred to a reported possibility that the concession to operate the **Itaocara Hydroelectric Plant** might be returned to the concession-granting authority. This announcement provides the background:

As stated in the Market Announcement published today by **Light S.A.** (“**Light**”), which is an affiliated company of the Cemig Group, a decision on whether or not the concession for the Itaocara plant will be returned to the Nation is on the agenda of the meeting of the Board of Directors of **Light** to be held this Thursday, August 8.

This decision will take into account (i) the period allowed for return of the concession without financial penalty or charge under Law 12839, and (ii) the possibility of the government itself extending the period of the concession.

The holder of the concession for the Itaocara Hydroelectric Plant is the **Itaocara Hydroelectric Complex Consortium** (*Consórcio UHE Itaocara*), in which **Light**, through its wholly-owned subsidiary Itaocara Energia Ltda., has an interest of 51%, and **Cemig**, through its wholly-owned subsidiary Cemig Geração e Transmissão S.A. (“**Cemig GT**”), has an interest of 49%.

Cemig will keep its stockholders and the market opportunely and appropriately informed on the progress of this matter.

Belo Horizonte, July 6, 2013.

Luiz Fernando Rolla
Chief Finance and Investor Relations Officer