

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MARKET ANNOUNCEMENT

Cemig studies privatization of Colombian generator Isagen

Cemig (a listed company with securities traded on stock exchanges of São Paulo, New York and Madrid), in line with its commitment to best corporate governance practices, and in accordance with CVM Instruction 358 of January 3, 2002 as amended, hereby **reports to stockholders** and the market as follows:

Cemig is studying the possibility of participating in the process of privatization of Isagen S.A. E.S.P. (“Isagen”), conducted by the Colombian government.

Isagen is a Colombian company operating six generating plants, with generation capacity of 2,212 MW. Of this total, 1,912MW (or 86.43%) is hydroelectric and 300MW (13.57%) is thermoelectric.

The opportunity is in harmony with the development strategy set out in Cemig’s Long-Term Strategic Plan, which aims for balanced growth in electricity generation, transmission and distribution – both organically (through new projects) and through mergers and acquisitions, the principal commitments being to sustainable growth and addition of value for stockholders in the long term.

Cemig reaffirms its commitment to seek investment opportunities that meet the requirements of profitability established by its stockholders; and to publish all and any material information as and when any stockholding ownership transaction takes place.

Belo Horizonte, February 20, 2014

Luiz Fernando Rolla
Chief Finance and Investor Relations Officer