

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MATERIAL ANNOUNCEMENT

### *Agreement for 49% interest in 83MW Retiro Baixo hydro plant*

In accordance with CVM Instruction 358 of January 3, 2002 as amended, **Cemig** – *Companhia Energética de Minas Gerais* (a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid), and *Cemig Geração e Transmissão S.A.* – **Cemig GT** (wholly-owned subsidiary of Cemig, registered with the Brazilian Securities Commission (CVM) **hereby inform the market**, the São Paulo Stock exchange (BM&FBovespa) and the CVM **as follows**:

On April 30, 2014, **Cemig GT**, as purchaser, and Orteng Equipamentos e Sistemas S.A. and Arcadis Logos Energia S.A. as vendors, signed a share purchase agreement governing acquisition of 49.9% of the share capital of **Retiro Baixo Energética S.A.** (“**RBE**”).

**RBE** is an unlisted corporation holding the concession for operation of the **Retiro Baixo** hydroelectric plant, on the Paraopeba River in Minas Gerais State, Brazil. The plant has installed generation capacity of 83.7MW and assured average power level of 38.5 MW.

The price for the acquisition of 49.9% of the total capital of **RBE** is R\$ 145,896,792.41 (one hundred forty five million eight hundred ninety six thousand seven hundred ninety two Reais and forty one centavos), which will be updated in accordance with the Share Purchase Agreement.

Entry of **Cemig GT** as a stockholder of **RBE** replacing the Vendors was approved by the company’s board of directors today.

Conclusion of the transaction is subject to conditions precedent, including approval by the Brazilian monopolies authority, Cade, and consents from the Brazilian electricity regulator, Aneel, the financing entities, and the remaining partner.

Belo Horizonte, April 30, 2014.

Luiz Fernando Rolla  
Chief Finance and Investor Relations Officer