

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MARKET ANNOUNCEMENT

Reply to BM&FBovespa Request for Information GAE 1906/14, of May 14, 2014

Question asked by BM&F BOVESPA

“Among other information in a report in *Brasil Econômico* newspaper of May 14, 2014, there is the statement that the government of Minas Gerais State is preparing a capital increase, with injection of non-Brazilian capital, in the piped gas distributor Gasmig, controlled by Cemig.

We request you to provide, by May 15, 2013, clarification about this report, and any other information considered to be important, especially the form that this injection of capital will take.”

Reply by CEMIG

Dear Sirs,

In compliance with the request made by BM&FBovespa in Official Letter GAE 1906/14 of May 15, 2014, on the item published in *Brasil Econômico* newspaper of May 14, 2015, we reply that, as per clarifications given in Market Announcements, published on March 31, 2011 and January 28, 2014:

- Natural gas has a strategic importance for the State Government of Minas Gerais and for Cemig, due to the potential for its use in industry in Minas Gerais, which has not at present been fulfilled.
- Cemig operates in natural gas distribution, through its subsidiary Gasmig, which is the exclusive distributor of piped gas in the State of Minas Gerais, serving industry, general and home users, the residential market; and also supplies users of compressed natural gas, liquefied natural gas, gas for automotive consumption and gas for use as fuel by thermoelectric power generation plants.

In this context, Cemig is at all times studying economic alternatives able to cause the necessary investment in this area to become a practicable possibility; and that until today’s date there has been no decision to this effect, nor indeed does any such investment structure exist, neither in terms of amounts nor in terms of possible partners.

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 when it is confirmed and effective.

Belo Horizonte, May 15, 2014.

Luiz Fernando Rolla
Chief Finance and Investor Relations Officer