



MATERIAL FACT

IMMEDIATE RELEASE

HOLDERS OF PREFERRED SHARES TO ELECT ONE CEMIG DIRECTOR

Belo Horizonte, May 20, 2003 – Companhia Energética de Minas Gerais – Cemig (NYSE: CIG, BOVESPA: CMIG3, CMIG4 and LATIBEX: XCMIG), a leading fully integrated electricity company in Brazil, announced today that in its pursuit to comply with the best corporate governance practices, the Company's by-laws will be amended to, among other things, allow the election of a member of CEMIG's Board of Directors by holders of preferred shares. The Extraordinary General Shareholders' Meeting to approve said amendment will be held on May 28, 2003.

Certain statements and assumptions contained herein are forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results could differ materially from those expressed or implied in such statements.

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