

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

EGM approves absorption of CemigTelecom

As per CVM Instruction 358 of January 3, 2002, as amended, **Cemig** – *Companhia Energética de Minas Gerais* (listed, with securities traded on the stock exchanges of São Paulo, New York and Madrid) **hereby reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (B3 S.A.) and the market **as follows**:

An Extraordinary General Meeting of Stockholders of Cemig, and an Extraordinary General Meeting of Stockholders of Cemig Telecomunicações S.A. (‘CemigTelecom’), both held today, February 28, 2018, have approved and authorized the signature of the Protocol of Absorption and Justification establishing the terms and conditions governing absorption of CemigTelecom by Cemig.

The absorption is scheduled to take effect only on March 31, 2018 (‘the Absorption Date’).

Since this is an absorption of a wholly-owned subsidiary, there will be no capital increase nor issue of new shares by Cemig. The shares in the subsidiary will be canceled on the Absorption Date and the necessary accounting records made.

Cemig reiterates its commitment to keep stockholders and the market timely informed in accordance with the applicable law and regulations.

Belo Horizonte, February 28, 2018

José Maria Rabelo
Acting Chief Finance and Investor Relations Officer